

State Of New Hampshire

Monthly Revenue Focus

Department of Administrative Services

Linda M. Hodgdon, Commissioner
Edgar R. Carter, Comptroller



Monthly Revenue Summary

	<i>(for month)</i>		
	<u>FY 12</u>	<u>Plan</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$ 93.5	\$ 90.0	\$ 3.5
Highway	\$ 21.9	\$ 21.5	\$ 0.4
Fish & Game	\$ 1.4	\$ 1.5	\$ (0.1)

Current Month

General & Education Funds	<i>FY 12</i> <i>Actuals</i>	<i>FY 12</i> <i>Plan</i>	<i>Actual vs.</i> <i>Plan</i>	<i>%</i> <i>Inc/(Dec)</i>
Business Profits Tax	\$ 8.7	\$ 7.4	\$ 1.3	17.6%
Business Enterprise Tax	5.8	4.5	1.3	28.9%
Subtotal Business Taxes	14.5	11.9	2.6	21.8%
Meals & Rentals Tax	16.4	16.4	-	0.0%
Tobacco Tax	18.3	17.9	0.4	2.2%
Transfer from Liquor Commission	10.5	11.5	(1.0)	-8.7%
Interest & Dividends Tax	1.2	0.2	1.0	500.0%
Insurance Tax	(0.8)	(0.1)	(0.7)	700.0%
Communications Tax	6.7	6.8	(0.1)	-1.5%
Real Estate Transfer Tax	6.5	7.2	(0.7)	-9.7%
Court Fines & Fees	1.3	1.2	0.1	8.3%
Securities Revenue	4.2	2.2	2.0	90.9%
Utility Consumption Tax	0.5	0.5	-	0.0%
Board & Care Revenue	2.7	1.7	1.0	58.8%
Beer Tax	1.0	0.9	0.1	11.1%
Other	4.6	5.1	(0.5)	-9.8%
Transfer from Lottery Commission	5.1	6.1	(1.0)	-16.4%
Transfer from Racing & Charitable Gaming	0.2	0.3	(0.1)	-33.3%
Tobacco Settlement	-	-	-	
Utility Property Tax	0.3	-	0.3	100.0%
State Property Tax	-	-	-	
Subtotal Traditional Taxes & Transfers	93.2	89.8	3.4	3.8%
Net Medicaid Enhancement Revenue	-	-	-	
Recoveries	0.3	0.2	0.1	50.0%
Total Receipts	\$ 93.5	\$ 90.0	\$ 3.5	3.9%

All funds reported on a cash basis, dollars in millions.

Analysis

Unrestricted revenue from the General and Education Trust Funds for May totaled \$93.5 million, which was above plan by \$3.5 million but below prior year by \$6.7 million. Year to date (YTD) revenue totaled \$1,955.6 million, which was below plan by \$28.7 million and below prior year by \$35.5 million, while traditional taxes (exclusive of MET and Recoveries) were \$7.3 million or 0.4% ahead of plan YTD and \$15.1 million or 0.8% above prior year.

Business taxes (BPT & BET) for May totaled \$14.5 million, which was above plan by \$2.6 million but below prior year by \$3.3 million. YTD, business tax collections are above both plan and prior year by \$13.0 million and \$24.2 million, respectively. According to the Department of Revenue (DRA), YTD results reflect 5.7% higher taxes received with returns, extensions and estimates as compared to prior year. Tax notice revenue continued to be significantly lower YTD by \$20.0 million or 45% below prior year. However, YTD refunds are also lower by \$19.6 million or 41% versus the same period in the prior year.

Tobacco Tax revenue for the month of May was above plan by \$0.4 million. YTD Tobacco tax revenue is tracking 4.9% below plan and 8.4% (\$17.7 million) below prior year. The reduction in tax rate effective July 1, 2011, accounts for approximately \$11.0 million less in taxes, as compared to prior year.

The **Interest & Dividends Tax (I&D) Tax** collections for May came in above both plan and prior year by \$1.0 million and \$1.1 million, respectively. According to DRA, these results were attributable to timing. On a YTD basis, I&D collections are still below plan by \$3.1 million while above prior year by \$3.6 million.

The **Insurance Tax** experienced higher than anticipated refunds related to amended 2010 returns during the month bringing YTD collections to \$2.2 million below plan but \$1.2 million above prior year.

Proceeds from the **Real Estate Transfer Tax**, while lower than plan for the month by \$0.7 million (9.7%), has been fairly consistent in exceeding plan, ahead by \$2.3 million (3.2%), YTD. As compared to prior year, the month was lower by \$1.9 million (22.6%) and YTD collections are slightly lower. A chart on page 4 compares the monthly number of residential transactions reported.

Securities Revenue for May was \$2.0 million above plan and \$1.9 million above prior year. According to Secretary of State's office, revenue expected for April was received and recorded this month.

Other unrestricted revenue is comprised of numerous revenue sources, various in nature, many of which are difficult to predict in amount and timing of collection. The present YTD shortfall to plan is primarily comprised of indirect cost recoveries, expected to be collected in June, and a shortfall in LCHIP receipts.

Lottery operations realized improved results year over year, transferring \$2.2 million more to the Education Trust Fund for the year through May. Monthly transfers to the Education Trust Fund are based on the prior month's operations. For the ten month period through April, sales, net of adjustments, improved by 10.5%, while cost of sales increased to lesser degree, resulting in gross profit contribution increasing by 6.5%. Higher marketing and promotional costs were substantially offset by reductions from efficiencies in a variety of other operating expenses.

Board and Care revenue is ahead of plan due to unexpected increases in cost-based rates.

RET Analysis (In Millions)											
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
FY12	7.6	9.8	7.7	6.6	7.0	6.1	8.0	5.4	4.3	5.7	6.5
FY11	9.6	6.9	6.6	6.7	6.6	7.3	7.7	5.1	5.1	5.6	8.4
FY10	9.0	8.3	7.6	8.1	7.1	7.3	7.4	4.6	4.4	6.4	7.0
Mo over Mo	(2.0)	2.9	1.1	(0.1)	0.4	(1.2)	0.3	0.3	(0.8)	0.1	(1.9)
% Mo over Mo	-21%	42%	17%	-1%	6%	-16%	4%	6%	-16%	2%	-23%
YTD change over Prior Year	(2.0)	0.9	2.0	1.9	2.3	1.1	1.4	1.7	0.9	1.0	(0.9)
% YTD change	-21%	5%	9%	6%	6%	3%	3%	3%	1%	1%	-1%

Business Tax Refund Analysis											
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
FY12	1.2	1.6	3.2	1.8	5.5	3.8	4.0	1.3	1.5	1.2	3.5
FY11	3.4	0.9	3.5	5.2	6.1	2.5	15.0	3.5	3.3	2.1	2.7
FY10	1.6	1.2	2.1	3.6	6.3	5.2	7.2	6.4	3.7	6.6	2.8
Mo over Mo change	(2.2)	0.7	(0.3)	(3.4)	(0.6)	1.3	(11.0)	(2.2)	(1.8)	(0.9)	0.8
YTD change	(2.2)	(1.5)	(1.8)	(5.2)	(5.8)	(4.5)	(15.5)	(17.7)	(19.5)	(20.4)	(19.6)

M&R Analysis						
	May			YTD		
	FY 12	FY 11	Diff	FY 12	FY 11	Diff
Gross Collections	17.6	17.6	-	231.5	221.1	10.4
Bldg Aid Debt Srvc Transfer	(1.2)	(0.5)	(0.7)	(13.4)	(4.6)	(8.8)
Net Revenue	16.4	17.1	(0.7)	218.1	216.5	1.6

General & Education Funds Comparison to FY 11

General & Education Funds	Monthly			Year-to-Date			%
	FY 12 Actuals	FY 11 Actuals	Inc/(Dec)	FY 12 Actuals	FY 11 Actuals	Inc/(Dec)	
Business Profits Tax	\$ 8.7	\$ 10.8	\$ (2.1)	\$ 263.1	\$ 250.0	\$ 13.1	5.2%
Business Enterprise Tax	5.8	7.0	(1.2)	171.6	160.5	11.1	6.9%
Subtotal Business Taxes	14.5	17.8	(3.3)	434.7	410.5	24.2	5.9%
Meals & Rentals Tax	16.4	17.1	(0.7)	218.1	216.5	1.6	0.7%
Tobacco Tax	18.3	18.6	(0.3)	193.2	210.9	(17.7)	-8.4%
Transfer from Liquor Commission	10.5	10.1	0.4	115.0	112.3	2.7	2.4%
Interest & Dividends Tax	1.2	0.1	1.1	69.6	66.0	3.6	5.5%
Insurance Tax	(0.8)	0.1	(0.9)	83.6	82.4	1.2	1.5%
Communications Tax	6.7	5.7	1.0	72.6	72.6	-	0.0%
Real Estate Transfer Tax	6.5	8.4	(1.9)	74.7	75.6	(0.9)	-1.2%
Court Fines & Fees	1.3	1.2	0.1	12.6	12.5	0.1	0.8%
Securities Revenue	4.2	2.3	1.9	37.0	36.3	0.7	1.9%
Utility Consumption Tax	0.5	0.5	-	5.5	5.6	(0.1)	-1.8%
Board & Care Revenue	2.7	2.2	0.5	22.2	18.9	3.3	17.5%
Beer Tax	1.0	0.9	0.1	11.8	11.7	0.1	0.9%
Racing & Games of Chance	-	0.2	(0.2)	-	2.1	(2.1)	-100.0%
Other	4.6	6.0	(1.4)	52.1	55.7	(3.6)	-6.5%
Gambling Winnings Tax	-	0.1	(0.1)	-	3.2	(3.2)	-100.0%
Transfer from Lottery Commission	5.1	5.0	0.1	55.3	53.1	2.2	4.1%
Transfer from Racing & Charitable Gaming	0.2	0.1	0.1	2.9	1.0	1.9	190.0%
Tobacco Settlement	-	-	-	42.5	41.7	0.8	1.9%
Utility Property Tax	0.3	0.3	-	25.8	25.0	0.8	3.2%
State Property Tax	-	-	-	363.1	363.6	(0.5)	-0.1%
Subtotal Traditional Taxes & Transfers	93.2	96.7	(3.5)	1,892.3	1,877.2	15.1	0.8%
Net Medicaid Enhancement Rev	-	0.1	(0.1)	57.9	93.4	(35.5)	-38.0%
Recoveries	0.3	3.4	(3.1)	5.4	20.5	(15.1)	-73.7%
Total Receipts	\$ 93.5	\$ 100.2	\$ (6.7)	\$ 1,955.6	\$ 1,991.1	\$ (35.5)	-1.8%

All funds reported on a cash basis, dollars in millions.

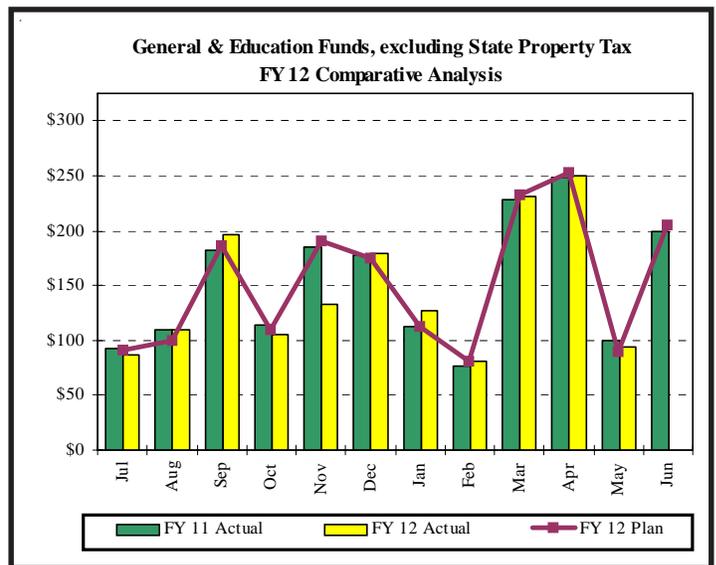
General and Education Funds

Year-to-Date Comparison to Plan

General & Education Funds	General			Education			Total			% Inc/(Dec)
	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	
Business Profits Tax	\$ 216.7	\$ 215.5	\$ 1.2	\$ 46.4	\$ 46.5	\$ (0.1)	\$ 263.1	\$ 262.0	\$ 1.1	0.4%
Business Enterprise Tax	57.3	53.2	4.1	114.3	106.5	7.8	171.6	159.7	11.9	7.5%
Subtotal Business Taxes	274.0	268.7	5.3	160.7	153.0	7.7	434.7	421.7	13.0	3.1%
Meals & Rentals Tax	211.2	204.2	7.0	6.9	6.8	0.1	218.1	211.0	7.1	3.4%
Tobacco Tax	122.2	114.1	8.1	71.0	89.0	(18.0)	193.2	203.1	(9.9)	-4.9%
Transfer from Liquor Commission	115.0	118.9	(3.9)	-	-	-	115.0	118.9	(3.9)	-3.3%
Interest & Dividends Tax	69.6	72.7	(3.1)	-	-	-	69.6	72.7	(3.1)	-4.3%
Insurance Tax	83.6	85.8	(2.2)	-	-	-	83.6	85.8	(2.2)	-2.6%
Communications Tax	72.6	73.3	(0.7)	-	-	-	72.6	73.3	(0.7)	-1.0%
Real Estate Transfer Tax	52.2	48.3	3.9	22.5	24.1	(1.6)	74.7	72.4	2.3	3.2%
Court Fines & Fees	12.6	12.6	-	-	-	-	12.6	12.6	-	0.0%
Securities Revenue	37.0	34.3	2.7	-	-	-	37.0	34.3	2.7	7.9%
Utility Consumption Tax	5.5	5.5	-	-	-	-	5.5	5.5	-	0.0%
Board & Care Revenue	22.2	18.7	3.5	-	-	-	22.2	18.7	3.5	18.7%
Beer Tax	11.8	12.0	(0.2)	-	-	-	11.8	12.0	(0.2)	-1.7%
Other	52.1	55.3	(3.2)	-	-	-	52.1	55.3	(3.2)	-5.8%
Transfer from Lottery Commission	-	-	-	55.3	57.8	(2.5)	55.3	57.8	(2.5)	-4.3%
Transfer from Racing & Charitable Gaming	-	-	-	2.9	3.3	(0.4)	2.9	3.3	(0.4)	-12.1%
Tobacco Settlement	2.5	2.4	0.1	40.0	40.0	-	42.5	42.4	0.1	0.2%
Utility Property Tax	-	-	-	25.8	21.1	4.7	25.8	21.1	4.7	22.3%
State Property Tax	-	-	-	363.1	363.1	-	363.1	363.1	-	0.0%
Subtotal Traditional Taxes & Transfers	1,144.1	1,126.8	17.3	748.2	758.2	(10.0)	1,892.3	1,885.0	7.3	0.4%
Net Medicaid Enhancement Rev	57.9	97.0	(39.1)	-	-	-	57.9	97.0	(39.1)	-40.3%
Recoveries	5.4	2.3	3.1	-	-	-	5.4	2.3	3.1	134.8%
Total Receipts	\$ 1,207.4	\$ 1,226.1	\$ (18.7)	\$ 748.2	\$ 758.2	\$ (10.0)	\$ 1,955.6	\$ 1,984.3	\$ (28.7)	-1.4%

Education Trust Fund Statement of Activity - FY 2012 July 1, 2011 to May 31, 2012	
Description	Amount
Beginning Surplus (Deficit)	\$ -
Unrestricted Revenue - See above	748.2
Expenditures	
Education Grants & Adm Costs	(972.3)
Ending Surplus / (Deficit)	\$ (224.1)

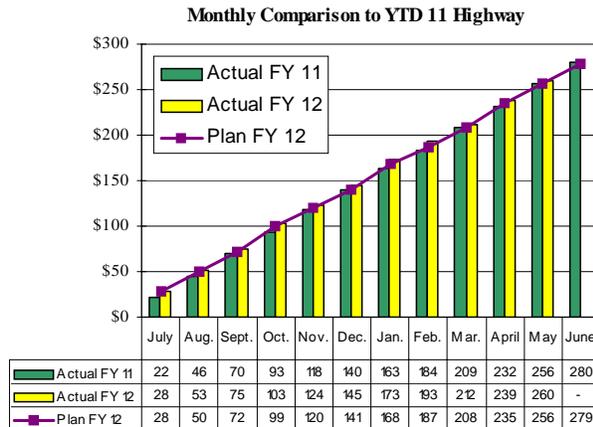
Fiscal 2012 Adequate Education Grant payments of \$593.0 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.1 million of grants through local retention of Statewide Property Tax collections. The FY 2012 budget anticipated a deficit of \$136.5 million, to be covered by a General fund transfer at year end.



All funds reported on a cash basis, dollars in millions.

Highway Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 12 Actuals	FY 12 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 112.2	\$ 114.0	\$ (1.8)
Miscellaneous	46.1	42.4	3.7
Motor Vehicle Fees			
MV Registrations	69.6	67.8	1.8
MV Operators	11.5	10.9	0.6
Inspection Station Fees	3.5	3.5	-
MV Miscellaneous Fees	10.5	11.0	(0.5)
Certificate of Title	7.0	6.8	0.2
Total Fees	102.1	100.0	2.1
Total	\$ 260.4	\$ 256.4	\$ 4.0

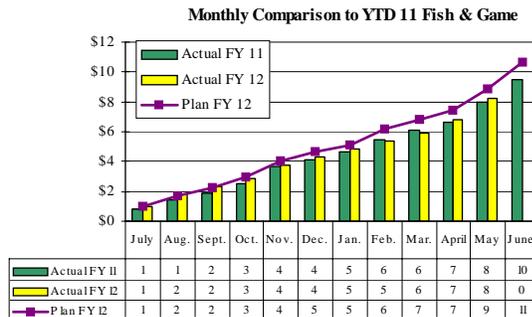


- According to **Road Toll** Operations, actual fuel consumption is down approximately 1.8% over the same period last year, and is tracking slightly below estimates due to economic conditions and more fuel efficient vehicles.

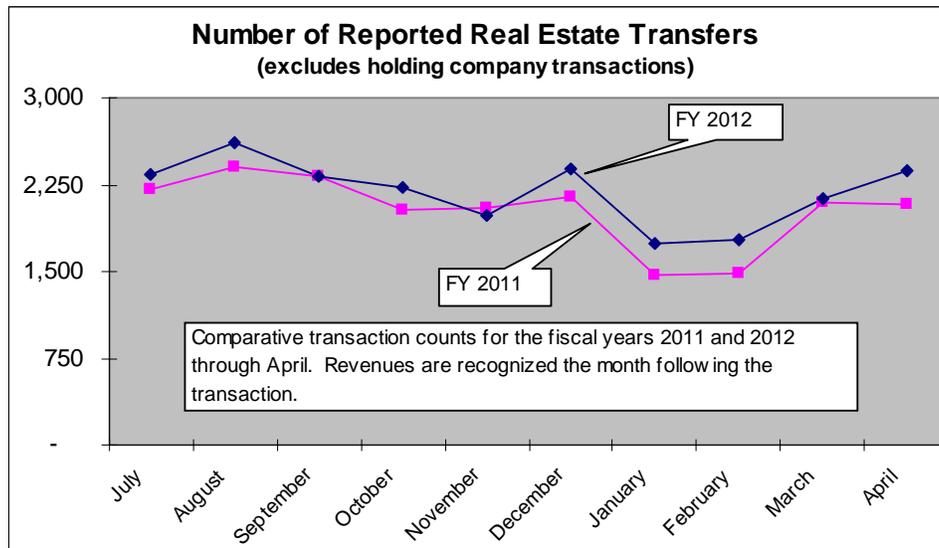
- According to the Department of Transportation, the **Miscellaneous** category is ahead of plan due to earlier receipts of cost reimbursement (revenue) received by the Highway Fund for Federal and Turnpike projects.

Fish & Game Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 12 Actuals	FY 12 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 6.6	\$ 7.4	\$ (0.8)
Fines and Penalties	0.1	0.1	-
Miscellaneous Sales	0.9	0.8	0.1
Federal Recoveries Indirect Costs	0.6	0.6	-
Total	\$ 8.2	\$ 8.9	\$ (0.7)



All funds reported on a cash basis, dollars in millions.



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