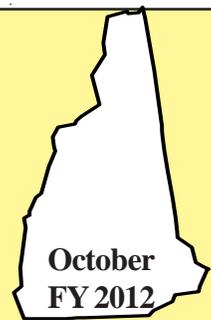


# State Of New Hampshire

## 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>
<b>Gen &amp; Educ</b>	\$ 106.1	\$ 110.3	\$ (4.2)
<b>Highway</b>	\$ 28.3	\$ 27.2	\$ 1.1
<b>Fish &amp; Game</b>	\$ 0.6	\$ 0.8	\$ (0.2)

### Current Month

<b>General &amp; Education Funds</b>	<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	\$ 14.8	\$ 16.0	\$ (1.2)	-7.5%
Business Enterprise Tax	9.5	9.9	(0.4)	-4.0%
Subtotal Business Taxes	24.3	25.9	(1.6)	-6.2%
Meals & Rentals Tax	21.3	20.6	0.7	3.4%
Tobacco Tax	16.4	19.0	(2.6)	-13.7%
Transfer from Liquor Commission	10.1	11.5	(1.4)	-12.2%
Interest & Dividends Tax	2.2	2.6	(0.4)	-15.4%
Insurance Tax	1.4	1.1	0.3	27.3%
Communications Tax	6.2	6.7	(0.5)	-7.5%
Real Estate Transfer Tax	6.6	7.0	(0.4)	-5.7%
Court Fines & Fees	1.0	1.2	(0.2)	-16.7%
Securities Revenue	0.5	0.6	(0.1)	-16.7%
Utility Consumption Tax	0.6	0.5	0.1	20.0%
Board & Care Revenue	1.7	1.9	(0.2)	-10.5%
Beer Tax	1.2	1.1	0.1	9.1%
Other	6.0	3.8	2.2	57.9%
Transfer from Lottery Commission	5.6	6.1	(0.5)	-8.2%
Transfer from Racing & Charitable Gaming	0.2	0.3	(0.1)	-33.3%
Tobacco Settlement	-	-	-	
Utility Property Tax	-	-	-	
State Property Tax	-	-	-	
Subtotal Traditional Taxes & Transfers	105.3	109.9	(4.6)	-4.2%
Net Medicaid Enhancement Revenue	-	-	-	
Recoveries	0.8	0.4	0.4	100.0%
<b>Total Receipts</b>	<b>\$ 106.1</b>	<b>\$ 110.3</b>	<b>\$ (4.2)</b>	<b>-3.8%</b>

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

### Analysis

Unrestricted revenue for the General and Education Funds received during October totaled \$106.1 million, which was below the plan by \$4.2 million and below prior year by \$7.4 million. Year to date (YTD) revenue totaled \$497.9 million, which was above the plan by \$10.9 million and above prior year by \$0.5 million.

**Business Tax** collections for October totaled \$24.3 million, which were \$1.6 million below plan and \$0.5 million above prior year. YTD collections totaled \$141.9 million, \$11.1 million above plan and \$15.6 million above prior year. Per the Department of Revenue Administration (DRA), YTD receipts for returns and estimated payments are 16% ahead of the same period last year and refunds are 40% lower than the prior year, however these are partially offset by a 51% decline in tax notice payments. Tax Notice payments, although typically erratic from month to month, continue to be less than prior years due to audits being conducted of years that were less profitable for taxpayers. Also, some audit staff that would ordinarily be auditing business tax returns have necessarily been assigned to reviewing an unusually high volume of requests for refunds relating to other tax types. Business tax refunds continue to be less than prior years which may be indicative that businesses are more optimistic about their estimated reporting.

**Net Meals and Rentals Tax (M&R)** receipts this month came in \$0.7 million above plan and \$0.3 million above the prior year. As can be seen in the chart on page 2, gross YTD revenue receipts, before Building Aid Debt Service transfers, is tracking \$3.5 million or 4% above prior year.

**Tobacco Tax** collections for October were \$2.6 million below plan and \$3.3 million below prior year. According to DRA, stamp sales declined 3% for the month as compared to the prior year. See table on page 4 for five month historical trend of stamp sales.

The **Transfer from State Liquor Commission (Commission)** was \$1.4 million under plan for October bringing the YTD shortfall to \$1.9 million or 4%. According to the Commission, retail sales account for 73% of total sales. While retail customer counts are slightly higher, spending per transaction is lower yielding a 4% decline in total sales. Sales to On-premise consumption customers are actually higher by 6%. Per the Commission, weather - related power loss in some locations was a significant factor in the month's final weekend sales.

**Real Estate** transfers experienced a slight decrease in transactions for September, to which October receipts relate. As compared to prior year, results are only \$.1 million lower for the month, and YTD collections are still ahead of last year.

**Other** revenues for the month came in \$2.2 million above plan and are \$1.6 million above plan YTD. It appears these collections reflect earlier payments than planned.

**Lottery** transfers to the Education Trust Fund, recorded the month following operations, are lower than expected after experiencing a shift in sales to lower margin products. YTD sales of lower margin Instant products are up 11% over last year, while higher margin on-line products have not realized expected growth for the period through September.

## Business Tax Refund Analysis

	Jul	Aug	Sep	Oct
FY12	1.2	1.6	3.2	1.8
FY11	3.4	0.9	3.5	5.2
FY10	1.6	1.2	2.1	3.6
Mo over Mo change	(2.2)	0.7	(0.3)	(3.4)
YTD change	(2.2)	(1.5)	(1.8)	(5.2)

## M&amp;R Analysis

	October			YTD		
	FY 12	FY 11	Diff	FY 12	FY 11	Diff
Gross Collections	22.5	21.5	1.0	100.2	96.7	3.5
Bldg Aid Debt Svc Transfer	(1.2)	(0.5)	(0.7)	(4.9)	(1.3)	(3.6)
Net Revenue	21.3	21.0	0.3	95.3	95.4	(0.1)

## RET Analysis

(In Millions)

	Jul	Aug	Sep	Oct
FY12	7.6	9.8	7.7	6.6
FY11	9.6	6.9	6.6	6.7
FY10	9.0	8.3	7.6	8.1
Mo over Mo	(2.0)	2.9	1.1	(0.1)
% Mo over Mo	-21%	42%	17%	-1%
YTD change over Prior Year	(2.0)	0.9	2.0	1.9
% YTD change	-21%	5%	9%	6%

## General &amp; Education Funds Comparison to FY 11

## Monthly

## Year-to-Date

General & Education Funds	Monthly			Year-to-Date			% Inc/(Dec)
	FY 12 Actuals	FY 11 Actuals	Inc/(Dec)	FY 12 Actuals	FY 11 Actuals	Inc/(Dec)	
Business Profits Tax	\$ 14.8	\$ 14.4	\$ 0.4	\$ 86.1	\$ 77.1	\$ 9.0	11.7%
Business Enterprise Tax	9.5	9.4	0.1	55.8	49.2	6.6	13.4%
Subtotal Business Taxes	24.3	23.8	0.5	141.9	126.3	15.6	12.4%
Meals & Rentals Tax	21.3	21.0	0.3	95.3	95.4	(0.1)	-0.1%
Tobacco Tax	16.4	19.7	(3.3)	77.5	84.2	(6.7)	-8.0%
Transfer from Liquor Commission	10.1	10.0	0.1	44.4	43.9	0.5	1.1%
Interest & Dividends Tax	2.2	2.6	(0.4)	15.8	16.7	(0.9)	-5.4%
Insurance Tax	1.4	1.3	0.1	5.2	4.5	0.7	15.6%
Communications Tax	6.2	6.7	(0.5)	26.4	28.2	(1.8)	-6.4%
Real Estate Transfer Tax	6.6	6.7	(0.1)	31.7	29.8	1.9	6.4%
Court Fines & Fees	1.0	1.1	(0.1)	4.5	4.6	(0.1)	-2.2%
Securities Revenue	0.5	0.6	(0.1)	1.8	2.1	(0.3)	-14.3%
Utility Consumption Tax	0.6	0.6	-	2.0	2.1	(0.1)	-4.8%
Board & Care Revenue	1.7	2.1	(0.4)	6.2	6.8	(0.6)	-8.8%
Beer Tax	1.2	1.1	0.1	5.2	5.1	0.1	2.0%
Racing & Games of Chance	-	0.2	(0.2)	-	0.7	(0.7)	-100.0%
Other	6.0	6.3	(0.3)	14.1	16.0	(1.9)	-11.9%
Gambling Winnings Tax	-	0.1	(0.1)	-	1.2	(1.2)	-100.0%
Transfer from Lottery Commission	5.6	4.8	0.8	16.0	15.3	0.7	4.6%
Transfer from Racing & Charitable Gaming	0.2	0.1	0.1	0.7	0.3	0.4	133.3%
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	-	0.8	(0.8)	7.5	7.1	0.4	5.6%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	105.3	109.6	(4.3)	496.2	490.3	5.9	1.2%
Net Medicaid Enhancement Rev	-	-	-	-	0.1	(0.1)	-100.0%
Recoveries	0.8	3.9	(3.1)	1.7	7.0	(5.3)	-75.7%
Total Receipts	\$ 106.1	\$ 113.5	\$ (7.4)	\$ 497.9	\$ 497.4	\$ 0.5	0.1%

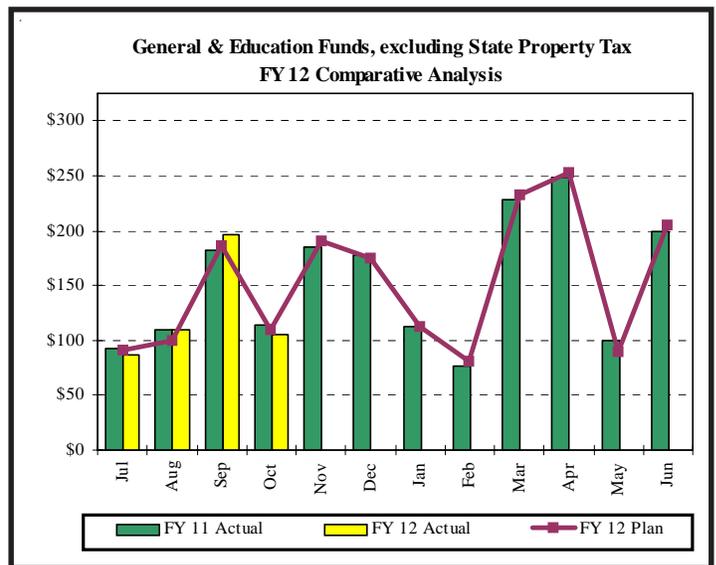
All funds reported on a cash basis, dollars in millions.

**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	\$ 71.1	\$ 66.9	\$ 4.2	\$ 15.0	\$ 14.3	\$ 0.7	\$ 86.1	\$ 81.2	\$ 4.9	6.0%	
Business Enterprise Tax	18.8	16.5	2.3	37.0	33.1	3.9	55.8	49.6	6.2	12.5%	
Subtotal Business Taxes	89.9	83.4	6.5	52.0	47.4	4.6	141.9	130.8	11.1	8.5%	
Meals & Rentals Tax	92.3	89.9	2.4	3.0	3.2	(0.2)	95.3	93.1	2.2	2.4%	
Tobacco Tax	51.7	45.4	6.3	25.8	35.6	(9.8)	77.5	81.0	(3.5)	-4.3%	
Transfer from Liquor Commission	44.4	46.3	(1.9)	-	-	-	44.4	46.3	(1.9)	-4.1%	
Interest & Dividends Tax	15.8	17.9	(2.1)	-	-	-	15.8	17.9	(2.1)	-11.7%	
Insurance Tax	5.2	3.9	1.3	-	-	-	5.2	3.9	1.3	33.3%	
Communications Tax	26.4	26.4	-	-	-	-	26.4	26.4	-	0.0%	
Real Estate Transfer Tax	22.3	19.5	2.8	9.4	9.7	(0.3)	31.7	29.2	2.5	8.6%	
Court Fines & Fees	4.5	4.7	(0.2)	-	-	-	4.5	4.7	(0.2)	-4.3%	
Securities Revenue	1.8	2.2	(0.4)	-	-	-	1.8	2.2	(0.4)	-18.2%	
Utility Consumption Tax	2.0	2.0	-	-	-	-	2.0	2.0	-	0.0%	
Board & Care Revenue	6.2	6.5	(0.3)	-	-	-	6.2	6.5	(0.3)	-4.6%	
Beer Tax	5.2	5.2	-	-	-	-	5.2	5.2	-	0.0%	
Other	14.1	12.5	1.6	-	-	-	14.1	12.5	1.6	12.8%	
Transfer from Lottery Commission	-	-	-	16.0	17.0	(1.0)	16.0	17.0	(1.0)	-5.9%	
Transfer from Racing & Charitable Gaming	-	-	-	0.7	0.8	(0.1)	0.7	0.8	(0.1)	-12.5%	
Tobacco Settlement	-	-	-	-	-	-	-	-	-	-	
Utility Property Tax	-	-	-	7.5	6.5	1.0	7.5	6.5	1.0	15.4%	
State Property Tax	-	-	-	-	-	-	-	-	-	-	
Subtotal Traditional Taxes & Transfers	381.8	365.8	16.0	114.4	120.2	(5.8)	496.2	486.0	10.2	2.1%	
Net Medicaid Enhancement Rev	-	-	-	-	-	-	-	-	-	-	
Recoveries	1.7	1.0	0.7	-	-	-	1.7	1.0	0.7	70.0%	
Total Receipts	\$ 383.5	\$ 366.8	\$ 16.7	\$ 114.4	\$ 120.2	\$ (5.8)	\$ 497.9	\$ 487.0	\$ 10.9	2.2%	

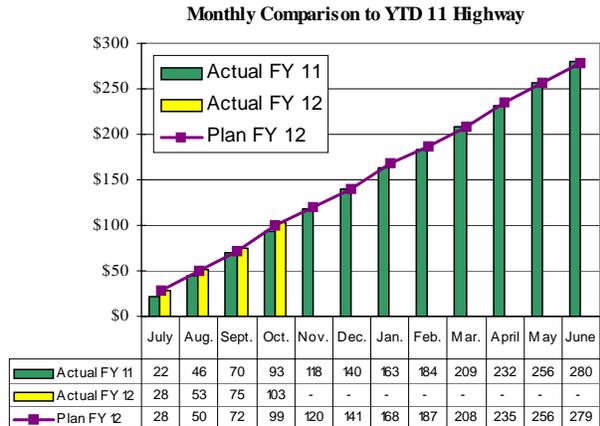
Education Trust Fund Statement of Activity - FY 2012 July 1, 2011 to October 31, 2011	
Description	Amount
Beginning Surplus (Deficit)	\$ -
Unrestricted Revenue - See above	114.4
Expenditures Education Grants & Adm Costs	(241.8)
Ending Surplus / (Deficit)	\$ (127.4)

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 \$363.0 million of grants through local retention of Statewide Property Tax collections.



## Highway Fund

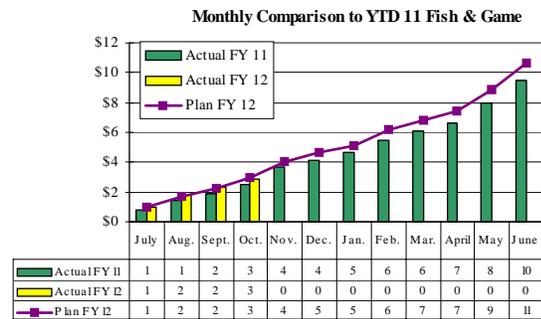
Comparison to Plan			
Revenue Category	year-to-date		
	FY 12 Actuals	FY 12 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 42.6	\$ 42.9	\$ (0.3)
Miscellaneous	22.6	19.5	3.1
<b>Motor Vehicle Fees</b>			
MV Registrations	26.2	25.0	1.2
MV Operators	4.2	4.2	-
Inspection Station Fees	1.4	1.5	(0.1)
MV Miscellaneous Fees	3.7	3.8	(0.1)
Certificate of Title	2.5	2.5	-
<b>Total Fees</b>	<b>38.0</b>	<b>37.0</b>	<b>1.0</b>
<b>Total</b>	<b>\$ 103.2</b>	<b>\$ 99.4</b>	<b>\$ 3.8</b>



- According to **Road Toll** Operations, actual fuel consumption is down approximately 1.6% 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 project completions resulting in final federal overhead billings. A portion of this is the timing of receipts which were planned later in the fiscal year.

## Fish & Game Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 12 Actuals	FY 12 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 2.4	\$ 2.6	\$ (0.2)
Fines and Penalties	-	-	-
Miscellaneous Sales	0.4	0.3	0.1
Federal Recoveries Indirect Costs	0.1	0.1	-
<b>Total</b>	<b>\$ 2.9</b>	<b>\$ 3.0</b>	<b>\$ (0.1)</b>



**Sales of Tobacco Stamps**  
5 month period ended October 31 for each of last five years  
(Data provided by DRA) (in thousands)

Calendar Year	Stamp Sales	Volume Change	Percent Change
Five Year Cumulative		(15,877)	-22.2%
2011***	55,672	(1,405)	-2.5%
2010	57,077	(1,673)	-2.8%
2009*	58,750	(12,791)	-17.9%
2008**	71,540	(8)	0.0%
2007*	71,549		

\* Increase effective July 1 \*\*Increase effective October 15 \*\*\* Decrease effective July 1  
Revenue (cash basis) may not be recorded for up to 30 days after sale of stamps

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

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