

State Of New Hampshire Monthly Revenue Focus

Department of Administrative Services

Linda M. Hodgdon, Commissioner
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Monthly Revenue Summary

	(for month)		
	<u>FY 13</u>	<u>Plan</u>	<u>Inc/(Dec)</u>
Gen & Educ *	\$ 298.6	\$ 256.7	\$ 41.9
Highway	\$ 27.7	\$ 27.0	\$ 0.7
Fish & Game	\$ 0.4	\$ 0.5	\$ (0.1)

*Excludes MtBE Settlement

Current Month

General & Education Funds	FY 13 Actuals	FY 13 Plan	Actual vs. Plan	% Inc/(Dec)
Business Profits Tax	\$ 53.7	\$ 46.7	\$ 7.0	15.0%
Business Enterprise Tax	38.8	28.1	10.7	38.1%
Subtotal Business Taxes	92.5	74.8	17.7	23.7%
Meals & Rentals Tax	18.8	17.3	1.5	8.7%
Tobacco Tax	16.5	16.7	(0.2)	-1.2%
Transfer from Liquor Commission	10.2	10.9	(0.7)	-6.4%
Interest & Dividends Tax	40.6	38.0	2.6	6.8%
Insurance Tax	1.4	1.5	(0.1)	-6.7%
Communications Tax	3.9	7.1	(3.2)	-45.1%
Real Estate Transfer Tax	5.5	5.6	(0.1)	-1.8%
Court Fines & Fees	1.2	1.1	0.1	9.1%
Securities Revenue	19.6	18.4	1.2	6.5%
Utility Consumption Tax	0.6	0.5	0.1	20.0%
Board & Care Revenue	2.6	1.8	0.8	44.4%
Beer Tax	0.9	1.0	(0.1)	-10.0%
Other	6.2	7.0	(0.8)	-11.4%
Transfer from Lottery Commission	6.1	5.5	0.6	10.9%
Transfer from Racing & Charitable Gaming	0.3	0.2	0.1	50.0%
Tobacco Settlement	63.2	42.4	20.8	49.1%
Utility Property Tax	8.1	6.7	1.4	20.9%
State Property Tax	-	-	-	
Subtotal Traditional Taxes & Transfers	298.2	256.5	41.7	16.3%
Net Medicaid Enhancement Revenue	-	-	-	
Recoveries	0.4	0.2	0.2	100.0%
Total Receipts	\$ 298.6	\$ 256.7	\$ 41.9	16.3%
MtBE Settlement	6.4	-	\$ 6.4	100.0%
Total Receipts	\$ 305.0	\$ 256.7	\$ 48.3	18.8%

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

Analysis

Total unrestricted revenue of the General and Education Funds for April totaled \$305.0 million. Excluding the unplanned MtBE Settlement and \$20.8 million of additional Tobacco Settlement payments, April results were \$277.8 million, above plan by \$21.1 million and above prior year by \$27.3 million. Year to date (YTD) receipts from traditional taxes (exclusive of MET, Recoveries, MtBE and additional Tobacco Settlement) were \$40.3 million or 2.2% ahead of plan. Total YTD revenues (including MET and Recoveries but excluding MtBE and additional Tobacco Settlement) of \$1,937.2 million were above plan by \$6.6 million (0.3%) and above prior year by \$75.1 million (4.0%).

Business Tax collections, net of refunds issued, for April totaled \$92.5 million, above the plan by \$17.7 million and above prior year by \$18.5 million. The Dept. of Revenue (DRA) reports that monies received this month with returns and extensions were 27% above April of last year and estimated payments were up 33%. Refunds issued were \$5.7 million higher than prior year partially due to processing a backlog of requests in April. DRA indicates that any backlog of pending refund requests has been eliminated and is now current with normal refund request processing. On a YTD basis, revenue from business taxes are above both plan and prior year, by \$28.6 million (6.7%) and \$33.0 million (7.9%), respectively. As compared to prior year, DRA reports YTD receipts from returns & extensions are up 12%, and estimates are up 7%.

Net Meals and Rentals Tax (M&R) receipts this month came in above both plan and prior year. DRA noted that, as compared to April of last year, statewide hotel stays were higher by 15% and north-country revenue from meals was up 18% due to ski & snowmobile activity in March. As can be seen in the chart on page 2, gross revenue receipts for the month, before the effect of Debt Service transfers, were 6% above prior year and YTD is tracking \$7.4 million or 3.5% above prior year.

Tobacco Tax revenue for the month of April was slightly below plan and slightly above prior year. Per DRA, although April stamp sales were 2% above prior year, cash collected on bonded sales decreased this month versus April of the prior year. YTD Tobacco tax revenue is \$9.0 million (5.0%) below plan and \$5.5 million (3.1%) below prior year. The estimated YTD impact of the 7/1/2011 tax rate reduction is approximately \$9.6 million.

Transfers from Liquor Commission for the month, were lower than plan by \$0.7 million. YTD results are behind plan by \$3.8 million (3.3%), while ahead of prior year by \$5.4 million or 5.2%.

Interest & Dividends Tax (I&D) collections came in above both plan and prior year for the month by \$2.6 million (6.8%) and \$4.5 million (12.5%), respectively. DRA reports that monies received this month with returns and extensions were 19% above April of last year with estimate payments flat which DRA indicates could be attributed to earlier payments by taxpayers as tax forms were available earlier this year. I&D documents processed with money by DRA for the month were 5% higher than April last year. On a YTD basis, I&D is 9.7% above plan and 17.3% above prior year.

Communications Taxes continue to fall short of plan, \$3.2 million for April, and \$16.5 million year to date, which according to DRA relates to the effect of tax law changes effective July 1, 2012. DRA is reviewing the data to determine the specific reasons for this reduction.

Real Estate Transfer Tax receipts were slightly above plan and slightly below prior year. DRA notes that County reported transactions for March 2013 were approximately 5.2% lower than March 2012.

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RET Analysis (In Millions)												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY13	8.5	8.2	8.9	8.4	8.0	8.5	10.0	6.3	4.2	5.5		
FY12	7.6	9.8	7.7	6.6	7.0	6.1	8.0	5.4	4.3	5.7	6.5	7.9
FY11	9.6	6.9	6.6	6.7	6.6	7.3	7.7	5.1	5.1	5.6	8.4	6.4
Mo over Mo	0.9	(1.6)	1.2	1.8	1.0	2.4	2.0	0.9	(0.1)	(0.2)		
% Mo over Mo	12%	-16%	16%	27%	14%	39%	25%	17%	-2%	-4%		
YTD change over Prior Year	0.9	(0.7)	0.5	2.3	3.3	5.7	7.7	8.6	8.5	8.3		
% YTD change	12%	-4%	2%	7%	9%	13%	15%	15%	14%	12%		

Business Tax Refund Analysis												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY13	1.1	1.5	1.5	1.8	2.2	0.9	1.0	4.3	6.7	6.9		
FY12	1.2	1.6	3.2	1.8	5.5	3.8	4.0	1.3	1.5	1.2	3.5	4.1
FY11	3.4	0.9	3.5	5.2	6.1	2.5	15.0	3.5	3.3	2.1	2.7	2.2
Mo over Mo change	(0.1)	(0.1)	(1.7)	-	(3.3)	(2.9)	(3.0)	3.0	5.2	5.7		
YTD change	(0.1)	(0.2)	(1.9)	(1.9)	(5.2)	(8.1)	(11.1)	(8.1)	(2.9)	2.8		

M&R Analysis						
	April			YTD		
	FY 13	FY 12	Diff	FY 13	FY 12	Diff
Gross Collections	20.0	18.8	1.2	221.2	213.8	7.4
Bldg Aid Debt Srvc Transfer	(1.2)	(1.2)	-	(12.0)	(12.1)	0.1
Net Revenue	18.8	17.6	1.2	209.2	201.7	7.5

General & Education Funds Comparison to FY 12

General & Education Funds	Monthly			Year-to-Date			
	FY 13 Actuals	FY 12 Actuals	Inc/(Dec)	FY 13 Actuals	FY 12 Actuals	Inc/(Dec)	% Inc/(Dec)
Business Profits Tax	\$ 53.7	\$ 45.0	\$ 8.7	\$ 265.6	\$ 254.4	\$ 11.2	4.4%
Business Enterprise Tax	38.8	29.0	9.8	187.6	165.8	21.8	13.1%
Subtotal Business Taxes	92.5	74.0	18.5	453.2	420.2	33.0	7.9%
Meals & Rentals Tax	18.8	17.6	1.2	209.2	201.7	7.5	3.7%
Tobacco Tax	16.5	16.4	0.1	169.4	174.9	(5.5)	-3.1%
Transfer from Liquor Commission	10.2	9.5	0.7	109.9	104.5	5.4	5.2%
Interest & Dividends Tax	40.6	36.1	4.5	80.2	68.4	11.8	17.3%
Insurance Tax	1.4	1.3	0.1	93.7	84.4	9.3	11.0%
Communications Tax	3.9	6.9	(3.0)	51.7	65.9	(14.2)	-21.5%
Real Estate Transfer Tax	5.5	5.7	(0.2)	76.5	68.2	8.3	12.2%
Court Fines & Fees	1.2	1.1	0.1	10.8	11.3	(0.5)	-4.4%
Securities Revenue	19.6	16.5	3.1	35.8	32.8	3.0	9.1%
Utility Consumption Tax	0.6	0.5	0.1	5.1	5.0	0.1	2.0%
Board & Care Revenue	2.6	2.1	0.5	22.7	19.5	3.2	16.4%
Beer Tax	0.9	1.0	(0.1)	10.7	10.8	(0.1)	-0.9%
Other	6.2	6.9	(0.7)	46.0	47.5	(1.5)	-3.2%
Transfer from Lottery Commission	6.1	6.5	(0.4)	54.2	50.2	4.0	8.0%
Transfer from Racing & Charitable Gaming	0.3	0.3	(0.0)	2.5	2.7	(0.2)	-7.4%
Tobacco Settlement	63.2	42.5	20.7	63.2	42.5	20.7	48.7%
Utility Property Tax	8.1	7.7	0.4	25.1	25.5	(0.4)	-1.6%
State Property Tax	-	-	-	363.7	363.1	0.6	0.2%
Subtotal Traditional Taxes & Transfers	298.2	252.6	45.6	1,883.6	1,799.1	84.5	4.7%
Net Medicaid Enhancement Rev	-	(2.6)	2.6	70.8	57.9	12.9	22.3%
Recoveries	0.4	0.5	(0.1)	3.6	5.1	(1.5)	-29.4%
Total Receipts	\$ 298.6	\$ 250.5	\$ 48.1	\$ 1,958.0	\$ 1,862.1	\$ 95.9	5.2%
MtBE Settlement	6.4	-	6.4	6.4	-	6.4	100.0%
Total Receipts	\$ 305.0	\$ 250.5	\$ 54.5	\$ 1,964.4	\$ 1,862.1	\$ 102.3	5.5%

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

General and Education Funds

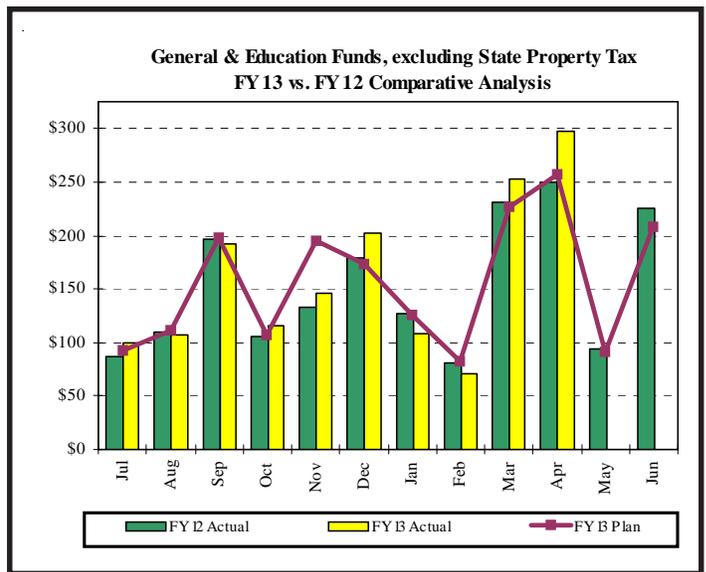
Year-to-Date Comparison to Plan

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	\$ 219.0	\$ 217.5	\$ 1.5	\$ 46.6	\$ 46.4	\$ 0.2	\$ 265.6	\$ 263.9	\$ 1.7	0.6%
Business Enterprise Tax	64.5	53.6	10.9	123.1	107.1	16.0	187.6	160.7	26.9	16.7%
Subtotal Business Taxes	283.5	271.1	12.4	169.7	153.5	16.2	453.2	424.6	28.6	6.7%
Meals & Rentals Tax	202.7	191.8	10.9	6.5	6.4	0.1	209.2	198.2	11.0	5.5%
Tobacco Tax	97.3	99.0	(1.7)	72.1	79.4	(7.3)	169.4	178.4	(9.0)	-5.0%
Transfer from Liquor Commission	109.9	113.7	(3.8)	-	-	-	109.9	113.7	(3.8)	-3.3%
Interest & Dividends Tax	80.2	73.1	7.1	-	-	-	80.2	73.1	7.1	9.7%
Insurance Tax	93.7	87.3	6.4	-	-	-	93.7	87.3	6.4	7.3%
Communications Tax	51.7	68.2	(16.5)	-	-	-	51.7	68.2	(16.5)	-24.2%
Real Estate Transfer Tax	50.8	44.8	6.0	25.7	22.3	3.4	76.5	67.1	9.4	14.0%
Court Fines & Fees	10.8	11.3	(0.5)	-	-	-	10.8	11.3	(0.5)	-4.4%
Securities Revenue	35.8	32.9	2.9	-	-	-	35.8	32.9	2.9	8.8%
Utility Consumption Tax	5.1	5.0	0.1	-	-	-	5.1	5.0	0.1	2.0%
Board & Care Revenue	22.7	17.3	5.4	-	-	-	22.7	17.3	5.4	31.2%
Beer Tax	10.7	11.1	(0.4)	-	-	-	10.7	11.1	(0.4)	-3.6%
Other	46.0	49.5	(3.5)	-	-	-	46.0	49.5	(3.5)	-7.1%
Transfer from Lottery Commission	-	-	-	54.2	54.0	0.2	54.2	54.0	0.2	0.4%
Transfer from Racing & Charitable Gaming	-	-	-	2.5	3.2	(0.7)	2.5	3.2	(0.7)	-21.9%
Tobacco Settlement	23.2	2.4	20.8	40.0	40.0	-	63.2	42.4	20.8	49.1%
Utility Property Tax	-	-	-	25.1	22.1	3.0	25.1	22.1	3.0	13.6%
State Property Tax	-	-	-	363.7	363.1	0.6	363.7	363.1	0.6	0.2%
Subtotal Traditional Taxes & Transfers	1,124.1	1,078.5	45.6	759.5	744.0	15.5	1,883.6	1,822.5	61.1	3.4%
Net Medicaid Enhancement Rev	70.8	104.8	(34.0)	-	-	-	70.8	104.8	(34.0)	-32.4%
Recoveries	3.6	3.3	0.3	-	-	-	3.6	3.3	0.3	9.1%
Total Receipts	\$ 1,198.5	\$ 1,186.6	\$ 11.9	\$ 759.5	\$ 744.0	\$ 15.5	\$ 1,958.0	\$ 1,930.6	\$ 27.4	1.4%
MtBE Settlement	6.4	-	6.4	-	-	-	6.4	-	6.4	100%
Total Receipts	\$ 1,204.9	\$ 1,186.6	\$ 18.3	\$ 759.5	\$ 744.0	\$ 15.5	\$ 1,964.4	\$ 1,930.6	\$ 33.8	1.8%

Note: The above amounts do not reflect \$11.9 million of Medicaid Enhancement Tax collected year-to-date, and \$1.0 million of Interest & Dividends revenue delayed due to system implementation issues, which were both attributable to FY 12 and not included in the FY 13 plan. Also, \$2.0 million of Insurance Tax is not reflected as amount is estimated to be fiscal 2014 revenue.

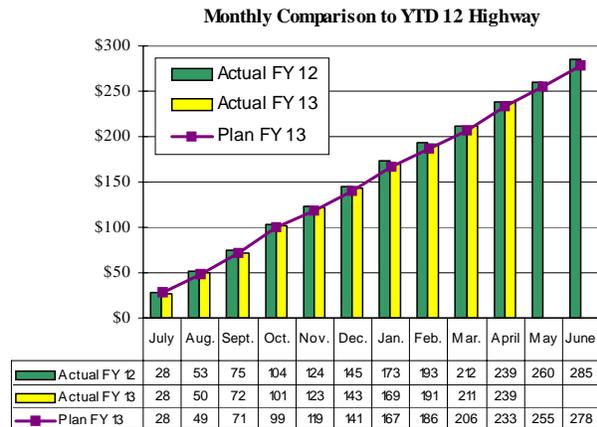
Education Trust Fund Statement of Activity - FY 2013 July 1, 2012 to April 30, 2013	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$ -
Unrestricted Revenue - See above	759.5
Expenditures Education Grants & Adm Costs	(955.7)
Ending Surplus (Deficit) - unaudited	\$ (196.2)

Fiscal 2013 Adequate Education Grant payments of \$578.7 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. The FY 2013 budget anticipated a deficit of \$130.5 million, to be covered by a General fund transfer at year end.



Highway Fund

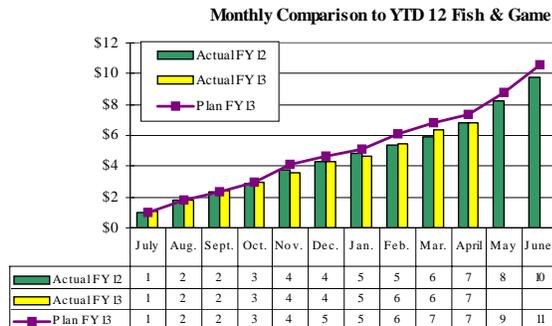
Comparison to Plan			
Revenue Category	year-to-date		
	FY 13 Actuals	FY 13 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 102.9	\$ 104.0	\$ (1.1)
Miscellaneous	44.1	39.2	4.9
Motor Vehicle Fees			
MV Registrations	62.9	60.9	2.0
MV Operators	10.6	10.0	0.6
Inspection Station Fees	3.2	3.1	0.1
MV Miscellaneous Fees	9.0	9.9	(0.9)
Certificate of Title	6.3	6.1	0.2
Total Fees	92.0	90.0	2.0
Total	\$ 239.0	\$ 233.2	\$ 5.8



According to Road Toll Operations, actual fuel consumption is down approximately 0.2% over the same period last year, and is tracking slightly below estimates due to economic conditions and more fuel efficient vehicles. YTD Highway Fund revenues are 2% above plan and according to the Department of Transportation, the **Miscellaneous** category benefited from higher than anticipated receipts of cost reimbursement (revenue) for Federal projects.

Fish & Game Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 13 Actuals	FY 13 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 5.5	\$ 6.1	\$ (0.6)
Fines and Penalties	0.1	0.1	-
Miscellaneous Sales	0.4	0.5	(0.1)
Federal Recoveries Indirect Costs	0.8	0.6	0.2
Total	\$ 6.8	\$ 7.3	\$ (0.5)



The year to date revenues are below plan due to the lower number of licenses being sold.

Continued from page 1

Securities revenue for the month came in \$1.2 million (6.5%) above plan and \$3.1 million (18.8%) above prior year. The Secretary of State's office attributes at least some of this additional revenue to early receipt of mutual fund registration revenue typically received and planned in May.

During April, the state received an annual payment from the original nationwide **Tobacco Settlement** agreement plus additional payments related to a new settlement reached with tobacco companies which resulted in additional receipts for FY 2013. Total settlement payments received were \$63.2 million, \$20.8 million above plan. The accounting treatment of this revenue for FY 2013 is still under review.

Per the **MtBE Settlement** agreements with several oil companies, a provision was included whereby 10% of the net proceeds received by the state shall be allocated to the State of NH to reimburse the state for costs incurred related to the lawsuit which was filed by the state in 2007. Based on net MtBE proceeds received through April, \$6.4 million has been recorded as general fund revenue in accordance with the reimbursement provision. An additional \$2.6 million is anticipated to be recorded by June.

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

Sales of Cigarette Stamps

Total sold June through April for each of last six years *

(number of stamps, in thousands)

Prepared from data provided by DRA

Year	Sales of Stamps	Volume Change	Percent Change
2013	106,649	(5,797)	-5.2%
2012	112,446	(1,536)	-1.3%
2011	113,982	(5,554)	-4.6%
2010	119,536	(20,587)	-14.7%
2009	140,123	(1,246)	-0.9%
2008	141,369		

*Analysis period intended to smooth the effects of July rate changes

Stamp counts include all days through the end of the month, while cash collections are one day after.

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