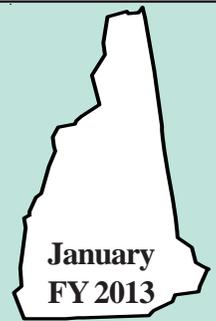


State Of New Hampshire Monthly Revenue Focus

Department of Administrative Services

Linda M. Hodgdon, Commissioner

Edgar R. Carter, Comptroller



Monthly Revenue Summary

	<i>(for month)</i>		
	FY 13	Plan	Inc/(Dec)
Gen & Educ	\$ 108.7	\$ 126.0	\$ (17.3)
Highway	\$ 26.6	\$ 26.1	\$ 0.5
Fish & Game	\$ 0.4	\$ 0.4	\$ -

Current Month

General & Education Funds	FY 13 Actuals	FY 13 Plan	Actual vs. Plan	% Inc/(Dec)
Business Profits Tax	\$ 10.8	\$ 16.6	\$ (5.8)	-34.9%
Business Enterprise Tax	7.7	9.6	(1.9)	-19.8%
Subtotal Business Taxes	18.5	26.2	(7.7)	-29.4%
Meals & Rentals Tax	18.9	18.0	0.9	5.0%
Tobacco Tax	15.7	16.9	(1.2)	-7.1%
Transfer from Liquor Commission	7.7	8.7	(1.0)	-11.5%
Interest & Dividends Tax	12.6	12.5	0.1	0.8%
Insurance Tax	1.8	2.0	(0.2)	-10.0%
Communications Tax	4.5	6.7	(2.2)	-32.8%
Real Estate Transfer Tax	10.0	7.9	2.1	26.6%
Court Fines & Fees	1.0	1.1	(0.1)	-9.1%
Securities Revenue	0.6	9.2	(8.6)	-93.5%
Utility Consumption Tax	0.5	0.5	-	0.0%
Board & Care Revenue	2.7	1.6	1.1	68.8%
Beer Tax	1.0	1.1	(0.1)	-9.1%
Other	5.4	5.4	-	0.0%
Transfer from Lottery Commission	4.9	7.0	(2.1)	-30.0%
Transfer from Racing & Charitable Gaming	0.2	0.7	(0.5)	-71.4%
Tobacco Settlement	-	-	-	
Utility Property Tax	2.2	-	2.2	100.0%
State Property Tax	-	-	-	
Subtotal Traditional Taxes & Transfers	108.2	125.5	(17.3)	-13.8%
Net Medicaid Enhancement Revenue	-	-	-	
Recoveries	0.5	0.5	-	0.0%
Total Receipts	\$ 108.7	\$ 126.0	\$ (17.3)	-13.7%

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

Analysis

Unrestricted revenue of the General and Education Funds for January totaled \$108.7 million, below both the plan and prior year by \$17.3 million (14%) and 17.9 million (14%), respectively. Year to date (YTD) revenue totaled \$972.2 million, which was below plan by \$30.4 million (3%) but above prior year by \$35.4 million (4%). YTD receipts from traditional taxes (excluding Medicaid Enhancement Revenue and Recoveries) were \$4.2 million (1%) above plan and \$22.1 million (3%) above prior year.

Business Tax collections for January totaled \$18.5 million, which was short of plan by \$7.7 million and below prior year by \$7.4 million. The January FY13 monthly Plan was based primarily on the January FY12 actual receipts and the currently reported categories of collections (Estimates, Extensions, Notices, Returns). These are all lower in addition to approximately \$3.0 million less in refunds paid in January. Also, DRA has recently reported that approximately \$12.7 million of Business Tax refund requests have accumulated over the last several months during a tax system conversion and remain unprocessed/unreported through this reporting date of January 31st. Per DRA, the pending/unprocessed refunds will be issued during February and March.

Meals and Rentals Tax (M&R) receipts this month, net of Building Aid Debt Service transfers, came in \$0.9 million above plan and \$0.6 million above the prior year. As can be seen in the chart on page 2, gross revenue receipts for the month, before Building Aid Debt Service transfers, were 3% above prior year and YTD is tracking \$6.4 million or 4% above prior year.

January **Tobacco Tax** revenue was \$1.2 million below plan for the month, and \$7.3 million below YTD plan. Compared to prior year, Tobacco tax revenue for the month is below by \$0.9 million, and YTD in 2013 is below YTD 2012 by \$4.7 million. Actual stamp sales for the YTD period are lower by approximately 4% versus prior year. The estimated YTD impact of the rate reduction, effective July 1, 2011 is approximately \$7.0 million.

Interest and Dividends Tax (I&D) net collections for January totaled \$12.6 million, which were above plan by \$0.1 million and above prior year by \$0.6 million (5%). Final quarterly estimates were due from taxpayers on January 15th and were up 22% for the month as compared to the prior year, according to DRA. On a YTD basis, I&D is \$3.8 million (12%) above plan and \$6.6 million (23%) above prior year. Additionally, DRA has recently reported that approximately \$0.9 million of refund requests have accumulated over the last several months during a tax system conversion and remain unprocessed/unreported through this reporting date of January 31st. Per DRA, the pending/unprocessed refunds will be issued during February and March.

Communications taxes are below plan by \$2.2 million for January, and \$9.1 million YTD. According to DRA, the unfavorable variance largely relates to the tax law changes effective June 21, 2012.

For the fifth consecutive month the **Real Estate Transfer Tax (RET)** performed above both plan and prior year. January collections were above plan by \$2.1 million (27%) and above prior year by \$2.0 million (25%). According to DRA, the number of transactions reported by counties for the month of December (January cash receipts), increased by 8.5% versus last year, and YTD transactions in FY13 are 14.5% higher than last year. December was the thirteenth consecutive month of a year over year increase in number of county transactions reported. YTD revenue from RET is \$8.5 million (16%) above plan and \$7.7 million (15%) above prior year. See RET comparison on page 2.

Continued on page 4

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					
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					
% Mo over Mo	12%	-16%	16%	27%	14%	39%	25%					
YTD change over Prior Year	0.9	(0.7)	0.5	2.3	3.3	5.7	7.7					
% YTD change	12%	-4%	2%	7%	9%	13%	15%					

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					
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)					
YTD change	(0.1)	(0.2)	(1.9)	(1.9)	(5.2)	(8.1)	(11.1)					

M&R Analysis						
	January			YTD		
	FY 13	FY 12	Diff	FY 13	FY 12	Diff
Gross Collections	20.1	19.5	0.6	165.8	159.4	6.4
Bldg Aid Debt Srvc Transfer	(1.2)	(1.2)	-	(8.4)	(8.5)	0.1
Net Revenue	18.9	18.3	0.6	157.4	150.9	6.5

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	\$ 10.8	\$ 16.0	\$ (5.2)	\$ 151.9	\$ 156.5	\$ (4.6)	-2.9%
Business Enterprise Tax	7.7	9.9	(2.2)	106.9	101.1	5.8	5.7%
Subtotal Business Taxes	18.5	25.9	(7.4)	258.8	257.6	1.2	0.5%
Meals & Rentals Tax	18.9	18.3	0.6	157.4	150.9	6.5	4.3%
Tobacco Tax	15.7	16.6	(0.9)	124.1	128.8	(4.7)	-3.6%
Transfer from Liquor Commission	7.7	8.4	(0.7)	81.5	78.2	3.3	4.2%
Interest & Dividends Tax	12.6	12.0	0.6	35.6	29.0	6.6	22.8%
Insurance Tax	1.8	1.4	0.4	10.5	8.3	2.2	26.5%
Communications Tax	4.5	6.5	(2.0)	38.2	45.7	(7.5)	-16.4%
Real Estate Transfer Tax	10.0	8.0	2.0	60.5	52.8	7.7	14.6%
Court Fines & Fees	1.0	1.2	(0.2)	7.6	7.7	(0.1)	-1.3%
Securities Revenue	0.6	10.9	(10.3)	13.5	13.5	-	0.0%
Utility Consumption Tax	0.5	0.5	-	3.5	3.5	-	0.0%
Board & Care Revenue	2.7	1.8	0.9	15.9	12.3	3.6	29.3%
Beer Tax	1.0	1.1	(0.1)	8.1	8.1	-	0.0%
Other	5.4	5.2	0.2	30.2	29.7	0.5	1.7%
Transfer from Lottery Commission	4.9	6.7	(1.8)	36.1	31.8	4.3	13.5%
Transfer from Racing & Charitable Gaming	0.2	0.2	-	1.4	1.5	(0.1)	-6.7%
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	2.2	0.4	1.8	16.4	17.8	(1.4)	-7.9%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	108.2	125.1	(16.9)	899.3	877.2	22.1	2.5%
Net Medicaid Enhancement Rev	-	-	-	70.8	55.9	14.9	26.7%
Recoveries	0.5	1.5	(1.0)	2.1	3.7	(1.6)	-43.2%
Total Receipts	\$ 108.7	\$ 126.6	\$ (17.9)	\$ 972.2	\$ 936.8	\$ 35.4	3.8%

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



General and Education Funds

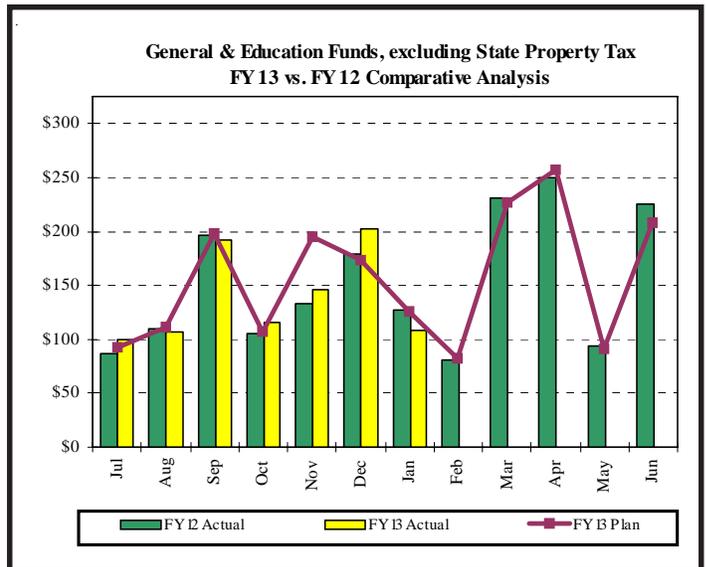
Year-to-Date Comparison to Plan

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	\$ 125.2	\$ 133.8	\$ (8.6)	\$ 26.7	\$ 28.5	\$ (1.8)	\$ 151.9	\$ 162.3	\$ (10.4)	-6.4%
Business Enterprise Tax	36.5	32.7	3.8	70.4	65.3	5.1	106.9	98.0	8.9	9.1%
Subtotal Business Taxes	161.7	166.5	(4.8)	97.1	93.8	3.3	258.8	260.3	(1.5)	-0.6%
Meals & Rentals Tax	152.3	143.6	8.7	5.1	4.8	0.3	157.4	148.4	9.0	6.1%
Tobacco Tax	69.3	72.9	(3.6)	54.8	58.5	(3.7)	124.1	131.4	(7.3)	-5.6%
Transfer from Liquor Commission	81.5	85.4	(3.9)	-	-	-	81.5	85.4	(3.9)	-4.6%
Interest & Dividends Tax	35.6	31.8	3.8	-	-	-	35.6	31.8	3.8	11.9%
Insurance Tax	10.5	9.1	1.4	-	-	-	10.5	9.1	1.4	15.4%
Communications Tax	38.2	47.3	(9.1)	-	-	-	38.2	47.3	(9.1)	-19.2%
Real Estate Transfer Tax	40.4	34.8	5.6	20.1	17.2	2.9	60.5	52.0	8.5	16.3%
Court Fines & Fees	7.6	7.7	(0.1)	-	-	-	7.6	7.7	(0.1)	-1.3%
Securities Revenue	13.5	12.2	1.3	-	-	-	13.5	12.2	1.3	10.7%
Utility Consumption Tax	3.5	3.5	-	-	-	-	3.5	3.5	-	0.0%
Board & Care Revenue	15.9	12.0	3.9	-	-	-	15.9	12.0	3.9	32.5%
Beer Tax	8.1	8.4	(0.3)	-	-	-	8.1	8.4	(0.3)	-3.6%
Other	30.2	31.3	(1.1)	-	-	-	30.2	31.3	(1.1)	-3.5%
Transfer from Lottery Commission	-	-	-	36.1	36.5	(0.4)	36.1	36.5	(0.4)	-1.1%
Transfer from Racing & Charitable Gaming	-	-	-	1.4	2.4	(1.0)	1.4	2.4	(1.0)	-41.7%
Tobacco Settlement	-	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	16.4	15.4	1.0	16.4	15.4	1.0	6.5%
State Property Tax	-	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	668.3	666.5	1.8	231.0	228.6	2.4	899.3	895.1	4.2	0.5%
Net Medicaid Enhancement Rev	70.8	104.8	(34.0)	-	-	-	70.8	104.8	(34.0)	-32.4%
Recoveries	2.1	2.7	(0.6)	-	-	-	2.1	2.7	(0.6)	-22.2%
Total Receipts	\$ 741.2	\$ 774.0	\$ (32.8)	\$ 231.0	\$ 228.6	\$ 2.4	\$ 972.2	\$ 1,002.6	\$ (30.4)	-3.0%

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.

Education Trust Fund Statement of Activity - FY 2013 July 1, 2012 to January 31, 2013	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$ -
Unrestricted Revenue - See above	231.0
Expenditures	
Education Grants & Adm Costs	(415.7)
Ending Surplus (Deficit) - unaudited	\$ (184.7)

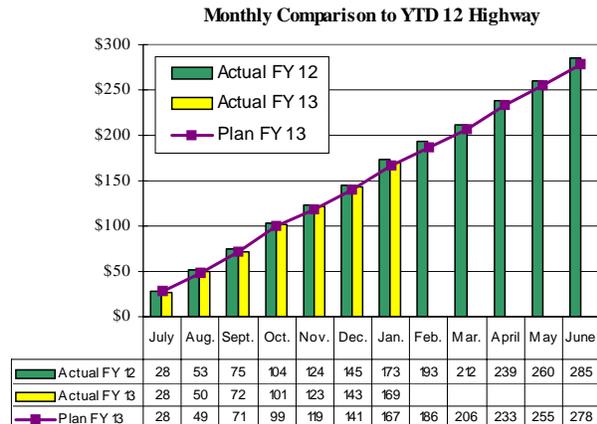
Fiscal 2013 Adequate Education Grant payments of \$578.7 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.1 million of grants through local retention of Statewide Property Tax collections. The FY 2013 budget anticipated a deficit of \$130.5 million, to be covered by a General fund transfer at year end.



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

Highway Fund

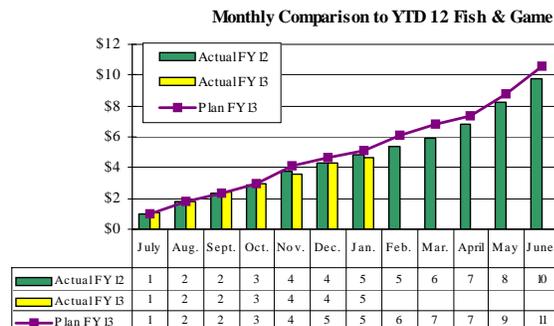
Comparison to Plan			
Revenue Category	year-to-date		
	FY 13 Actuals	FY 13 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 74.1	\$ 74.5	\$ (0.4)
Miscellaneous	31.5	29.9	1.6
Motor Vehicle Fees			
MV Registrations	43.5	42.3	1.2
MV Operators	7.4	6.9	0.5
Inspection Station Fees	2.2	2.2	-
MV Miscellaneous Fees	6.1	6.7	(0.6)
Certificate of Title	4.4	4.2	0.2
Total Fees	63.6	62.3	1.3
Total	\$ 169.2	\$ 166.7	\$ 2.5



According to Road Toll Operations, actual fuel consumption is down approximately 0.4% 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. According to the Department of Safety, the number of motor vehicle registrations are trending 3% higher than the FY 13 plan.

Fish & Game Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 13 Actuals	FY 13 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 3.6	\$ 4.2	\$ (0.6)
Fines and Penalties	0.1	0.1	-
Miscellaneous Sales	0.4	0.4	-
Federal Recoveries Indirect Costs	0.6	0.4	0.2
Total	\$ 4.7	\$ 5.1	\$ (0.4)



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

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

Continued from page 1

Securities Revenue for January came in \$8.6 million below plan for the month due to the early receipt of revenue reported last month which was projected for January collection. YTD collections are \$1.3 million above plan but equal to prior year.

The \$4.9 million transfer from the **Lottery Commission** reflects operating results for December and was below both plan and prior year. According to Lottery Management, sales suffered from 4 straight weekly Powerball wins in December 2012, which had the effect of keeping jackpots low and slowing demand.

Utility Property Tax revenues are ahead of plan and prior year due to timing of receipts this month which were projected to be collected last month.

Sales of Cigarette Stamps

Total sold June through January 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	80,148	(3,910)	-4.7%
2012	84,059	(2,879)	-3.3%
2011	86,938	(2,396)	-2.7%
2010	89,334	(16,818)	-15.8%
2009	106,152	(972)	-0.9%
2008	107,124		

*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.

**Department of Administrative Services
Linda M. Hodgdon, Commissioner
State House Annex - Room 120
25 Capitol Street
Concord, New Hampshire 03301-6312
Phone: (603)271-3201 Fax: (603)271-6600
TDD Access: Relay NH 1-800-735-2964**

**Division of Accounting Services
Edgar Carter, Comptroller
State House Annex - Room 310
25 Capitol Street
Concord, New Hampshire 03301-6312
Phone: (603) 271-3181 Fax: (603) 271-6666
TDD Access: Relay NH 1-800-735-2964**