

# CASH BASIS - UNAUDITED

## State Of New Hampshire Monthly Revenue Focus Department of Administrative Services

Linda M. Hodgdon, Commissioner  
Karen L. Benincasa, Comptroller



### Monthly Revenue Summary

	(for month)		
	FY 13	Plan	Inc/(Dec)
<b>Gen &amp; Educ *</b>	\$ 217.1	\$ 208.0	\$ 9.1
<b>Highway</b>	\$ 22.5	\$ 22.7	\$ (0.2)
<b>Fish &amp; Game</b>	\$ 1.7	\$ 1.8	\$ (0.1)

\* Excludes MtBE Settlement

### Current Month

General & Education Funds	FY 13 Actuals	FY 13 Plan	Actual vs. Plan	% Inc/(Dec)
Business Profits Tax	\$ 52.9	\$ 49.1	\$ 3.8	7.7%
Business Enterprise Tax	37.0	29.8	7.2	24.2%
Subtotal Business Taxes	89.9	78.9	11.0	13.9%
Meals & Rentals Tax	20.6	20.0	0.6	3.0%
Tobacco Tax	18.2	22.0	(3.8)	-17.3%
Transfer from Liquor Commission	11.8	13.8	(2.0)	-14.5%
Interest & Dividends Tax	13.3	13.8	(0.5)	-3.6%
Insurance Tax	1.0	0.5	0.5	100.0%
Communications Tax	4.2	7.2	(3.0)	-41.7%
Real Estate Transfer Tax	8.6	7.7	0.9	11.7%
Court Fines & Fees	1.0	1.2	(0.2)	-16.7%
Securities Revenue	0.4	0.8	(0.4)	-50.0%
Utility Consumption Tax	0.4	0.5	(0.1)	-20.0%
Board & Care Revenue	1.9	1.9	-	0.0%
Beer Tax	1.4	1.2	0.2	16.7%
Other	18.1	19.3	(1.2)	-6.2%
Transfer from Lottery Commission	13.2	12.5	0.7	5.6%
Transfer from Racing & Charitable Gaming	0.3	0.3	-	0.0%
Tobacco Settlement	-	-	-	
Utility Property Tax	7.9	6.2	1.7	27.4%
State Property Tax	-	-	-	
Subtotal Traditional Taxes & Transfers	212.2	207.8	4.4	2.1%
Net Medicaid Enhancement Revenue	3.4	-	3.4	
Recoveries	1.5	0.2	1.3	650.0%
Total Receipts	\$ 217.1	\$ 208.0	\$ 9.1	4.4%
MtBE Settlement	2.6	-	2.6	
Total Receipts	\$ 219.7	\$ 208.0	\$ 11.7	5.6%

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

### Analysis

**T**otal unrestricted cash basis revenue of the General and Education Funds for June totaled \$219.7 million. Excluding the unplanned MtBE Settlement payment, June results were \$217.1 million, above plan by \$9.1 million and above prior year by \$10.1 million. Year to date (YTD) receipts from traditional taxes (exclusive of MET, Recoveries, MtBE and additional Tobacco Settlement of \$20.8 million) were \$36.6 million or 1.7% ahead of plan. Total YTD revenues (including MET and Recoveries but excluding MtBE and the additional Tobacco Settlement) of \$2,239.7 million are above plan by \$9.8 million and above prior year by \$77.1 million (3.6%).

The revenue basis in this June 2013 Monthly Revenue Focus represents **PRELIMINARY CASH BASIS** results for both fiscal years presented and is unaudited. A preliminary accrual report is expected to be issued during the fourth week of July and final revenue results will be available at the conclusion of the audit after year-end accounts receivable and other adjustments are analyzed.

**Business Taxes (BPT & BET)** were above the plan by \$11.0 million (13.9%) for the month, and finished the year \$33.9 million (6.5%) higher than plan YTD. Compared to prior year, receipts for June were \$11.3 million (14.4%) higher and \$38.7 million (7.5%) above YTD. According to the Department of Revenue (DRA), YTD results reflect approximately 11% higher taxes received with returns and extensions and collections on estimates higher by 7%, as compared to prior year. In addition, YTD Tax notice revenue was higher than prior year by 4%. Partially offsetting these results were YTD refunds which were higher by \$1.6 million or 5% versus the same period in the prior year.

**Net Meals and Rentals Tax (M&R)** receipts this month came in \$0.6 million above plan and \$13.2 million above plan YTD. As can be seen in the chart on page 2, gross revenue receipts for the month, before the effect of Debt Service transfers, were 8% above prior year. YTD gross revenues were \$10.2 million or 4% above prior year.

**Tobacco Tax** revenue for the month of June was below plan and prior year. Per DRA, June stamp sales were 12% above the prior year, however, sales outstanding on bond receivable as of June 30, 2013 increased \$1.6 million (14%) as compared to June of last year. YTD Tobacco tax revenue is \$14.8 million (6.8%) below plan and \$7.8 million (3.7%) below prior year. The estimated YTD impact of the 7/1/2011 tax rate reduction is approximately \$11.8 million.

**Transfers from the State Liquor Commission** were \$2.0 million below plan for June which brings YTD results \$6.4 million below plan. However, as compared to prior year, June transfers were \$2.1 million higher and YTD \$7.9 million (6.3%) higher.

**Interest and Dividends Tax** revenue received in June was \$0.5 million (3.6%) lower than plan; however, on a year to date basis, tax revenue was approximately 7% greater. Versus the prior year, June revenue was 8.1% higher and YTD was 13.8% higher than the prior year. According to DRA, receipts on returns, estimates and extensions for the year were up by approximately 11% along with a 17% decline in refunds issued.

**Communications Taxes** continue to fall short of plan, \$3.0 million for June, and \$22.4 million year to date, which according to DRA relates primarily to the effect of tax law changes effective July 1, 2012. DRA is currently reviewing the returns filed to obtain additional information regarding the revenue reduction realized this year.

The **Real Estate Transfer Tax** collections totaled \$8.6 million for June, which were \$0.9 million above the plan and \$0.6 million above prior year, bringing year to date collections to \$92.3 million, above the plan by \$11.1 million (13.7%) and above prior year by \$9.6 million (11.6%). DRA noted that residential transactions reported by the counties for the month of May (which represents June cash receipts) were 10% higher than May of last year and was the highest level of transactions reported since June 2010.

**Utility Property Tax and Recoveries** both came in above plan for June and on a full year cash basis.

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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	7.2	8.6
FY12	7.6	9.8	7.7	6.6	7.0	6.1	8.0	5.4	4.3	5.7	6.5	8.0
FY11	9.6	6.9	6.6	6.7	6.6	7.3	7.7	5.1	5.1	5.6	8.4	6.6
Mo over Mo	0.9	(1.6)	1.2	1.8	1.0	2.4	2.0	0.9	(0.1)	(0.2)	0.7	0.6
% Mo over Mo	12%	-16%	16%	27%	14%	39%	25%	17%	-2%	-4%	11%	8%
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	9.0	9.6
% YTD change	12%	-4%	2%	7%	9%	13%	15%	15%	14%	12%	12%	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	4.0	2.3
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	0.5	(1.8)
YTD change	(0.1)	(0.2)	(1.9)	(1.9)	(5.2)	(8.1)	(11.1)	(8.1)	(2.9)	2.8	3.3	1.5

M&R Analysis						
	June			YTD		
	FY 13	FY 12	Diff	FY 13	FY 12	Diff
Gross Collections	21.8	20.2	1.6	261.9	251.7	10.2
Bldg Aid Debt Svc Transfer	(1.2)	(1.2)	-	(14.4)	(14.6)	0.2
Net Revenue	20.6	19.0	1.6	247.5	237.1	10.4

## 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	\$ 52.9	\$ 47.4	\$ 5.5	\$ 323.6	\$ 310.5	\$ 13.1	4.2%
Business Enterprise Tax	37.0	31.2	5.8	228.4	202.8	25.6	12.6%
Subtotal Business Taxes	89.9	78.6	11.3	552.0	513.3	38.7	7.5%
Meals & Rentals Tax	20.6	19.0	1.6	247.5	237.1	10.4	4.4%
Tobacco Tax	18.2	18.8	(0.6)	204.2	212.0	(7.8)	-3.7%
Transfer from Liquor Commission	11.8	9.7	2.1	132.6	124.7	7.9	6.3%
Interest & Dividends Tax	13.3	12.3	1.0	93.2	81.9	11.3	13.8%
Insurance Tax	1.0	1.4	(0.4)	95.4	85.0	10.4	12.2%
Communications Tax	4.2	6.6	(2.4)	60.0	79.2	(19.2)	-24.2%
Real Estate Transfer Tax	8.6	8.0	0.6	92.3	82.7	9.6	11.6%
Court Fines & Fees	1.0	1.1	(0.1)	13.1	13.7	(0.6)	-4.4%
Securities Revenue	0.4	0.6	(0.2)	38.1	37.6	0.5	1.3%
Utility Consumption Tax	0.4	0.4	-	6.0	5.9	0.1	1.7%
Board & Care Revenue	1.9	2.4	(0.5)	25.7	24.6	1.1	4.5%
Beer Tax	1.4	1.3	0.1	13.2	13.1	0.1	0.8%
Other	18.1	21.9	(3.8)	69.6	74.0	(4.4)	-5.9%
Transfer from Lottery Commission	13.2	11.3	1.9	72.7	66.6	6.1	9.2%
Transfer from Racing & Charitable Gaming	0.3	0.4	(0.1)	3.0	3.3	(0.3)	-9.1%
Tobacco Settlement	-	-	-	63.2	42.5	20.7	48.7%
Utility Property Tax	7.9	7.3	0.6	33.2	33.1	0.1	0.3%
State Property Tax	-	-	-	363.7	363.1	0.6	0.2%
Subtotal Traditional Taxes & Transfers	212.2	201.1	11.1	2,178.7	2,093.4	85.3	4.1%
Net Medicaid Enhancement Rev	3.4	5.0	(1.6)	76.2	62.9	13.3	21.1%
Recoveries	1.5	0.9	0.6	5.6	6.3	(0.7)	-11.1%
Total Receipts	\$ 217.1	\$ 207.0	\$ 10.1	\$ 2,260.5	\$ 2,162.6	\$ 97.9	4.5%
MtBE Settlement	2.6	-	2.6	9.0	-	9.0	
Total Receipts	\$ 219.7	\$ 207.0	\$ 12.7	\$ 2,269.5	\$ 2,162.6	\$ 106.9	4.9%

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

## General and Education Funds

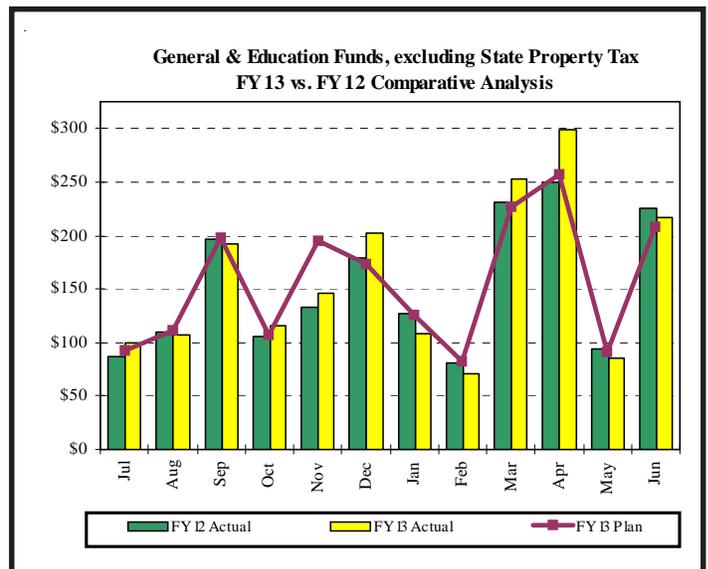
### Year-to-Date Comparison to Plan

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	\$ 266.8	\$ 264.8	\$ 2.0	\$ 56.8	\$ 57.2	\$ (0.4)	\$ 323.6	\$ 322.0	\$ 1.6	0.5%
Business Enterprise Tax	78.4	65.4	13.0	150.0	130.7	19.3	228.4	196.1	32.3	16.5%
Subtotal Business Taxes	345.2	330.2	15.0	206.8	187.9	18.9	552.0	518.1	33.9	6.5%
Meals & Rentals Tax	240.2	226.8	13.4	7.3	7.5	(0.2)	247.5	234.3	13.2	5.6%
Tobacco Tax	123.2	123.1	0.1	81.0	95.9	(14.9)	204.2	219.0	(14.8)	-6.8%
Transfer from Liquor Commission	132.6	139.0	(6.4)	-	-	-	132.6	139.0	(6.4)	-4.6%
Interest & Dividends Tax	93.2	87.1	6.1	-	-	-	93.2	87.1	6.1	7.0%
Insurance Tax	95.4	86.8	8.6	-	-	-	95.4	86.8	8.6	9.9%
Communications Tax	60.0	82.4	(22.4)	-	-	-	60.0	82.4	(22.4)	-27.2%
Real Estate Transfer Tax	61.6	54.2	7.4	30.7	27.0	3.7	92.3	81.2	11.1	13.7%
Court Fines & Fees	13.1	13.8	(0.7)	-	-	-	13.1	13.8	(0.7)	-5.1%
Securities Revenue	38.1	35.9	2.2	-	-	-	38.1	35.9	2.2	6.1%
Utility Consumption Tax	6.0	6.0	-	-	-	-	6.0	6.0	-	0.0%
Board & Care Revenue	25.7	21.0	4.7	-	-	-	25.7	21.0	4.7	22.4%
Beer Tax	13.2	13.2	-	-	-	-	13.2	13.2	-	0.0%
Other	69.6	73.9	(4.3)	-	-	-	69.6	73.9	(4.3)	-5.8%
Transfer from Lottery Commission	-	-	-	72.7	72.0	0.7	72.7	72.0	0.7	1.0%
Transfer from Racing & Charitable Gaming	-	-	-	3.0	3.8	(0.8)	3.0	3.8	(0.8)	-21.1%
Tobacco Settlement	23.2	2.4	20.8	40.0	40.0	-	63.2	42.4	20.8	49.1%
Utility Property Tax	-	-	-	33.2	28.3	4.9	33.2	28.3	4.9	17.3%
State Property Tax	-	-	-	363.7	363.1	0.6	363.7	363.1	0.6	0.2%
Subtotal Traditional Taxes & Transfers	1,340.3	1,295.8	44.5	838.4	825.5	12.9	2,178.7	2,121.3	57.4	2.7%
Net Medicaid Enhancement Rev	76.2	104.8	(28.6)	-	-	-	76.2	104.8	(28.6)	-27.3%
Recoveries	5.6	3.8	1.8	-	-	-	5.6	3.8	1.8	47.4%
Total Receipts	\$ 1,422.1	\$ 1,404.4	\$ 17.7	\$ 838.4	\$ 825.5	\$ 12.9	\$ 2,260.5	\$ 2,229.9	\$ 30.6	1.4%
MtBE Settlement	9.0	-	9.0	-	-	-	9.0	-	9.0	
Total Receipts	\$ 1,431.1	\$ 1,404.4	\$ 26.7	\$ 838.4	\$ 825.5	\$ 12.9	\$ 2,269.5	\$ 2,229.9	\$ 39.6	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.

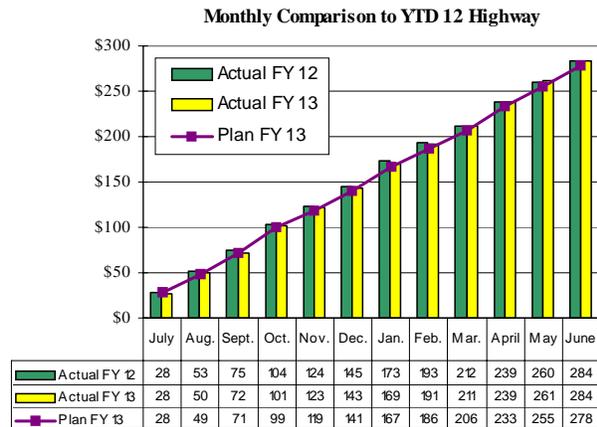
Education Trust Fund Statement of Activity - FY 2013 July 1, 2012 to June 30, 2013	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$ -
Unrestricted Revenue - See above	838.4
Expenditures Education Grants & Adm Costs	(957.7)
<b>Ending Surplus (Deficit) - unaudited</b>	<b>\$ (119.3)</b>

Ending deficit will be affected by year end accrual adjustments, after which any remaining deficit will be funded by the General Fund. The FY 2013 budget anticipated a deficit of \$130.5 million.



## Highway Fund

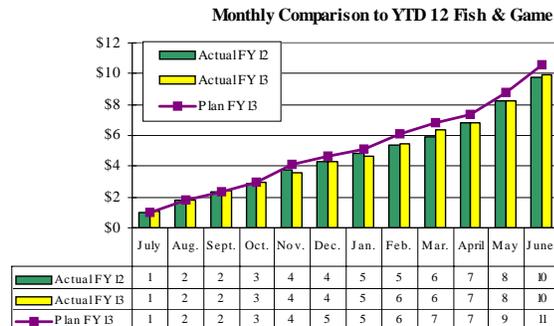
Comparison to Plan			
Revenue Category	year-to-date		
	FY 13 Actuals	FY 13 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 123.3	\$ 124.5	\$ (1.2)
Miscellaneous	47.2	43.6	3.6
<b>Motor Vehicle Fees</b>			
MV Registrations	77.9	73.9	4.0
MV Operators	12.7	12.1	0.6
Inspection Station Fees	3.9	3.9	-
MV Miscellaneous Fees	11.0	12.0	(1.0)
Certificate of Title	7.8	7.7	0.1
<b>Total Fees</b>	<b>113.3</b>	<b>109.6</b>	<b>3.7</b>
<b>Total</b>	<b>\$ 283.8</b>	<b>\$ 277.7</b>	<b>\$ 6.1</b>



According to Road Toll Operations, actual fuel consumption is up approximately 0.03% 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	\$ 8.4	\$ 8.7	\$ (0.3)
Fines and Penalties	0.1	0.2	(0.1)
Miscellaneous Sales	0.5	0.9	(0.4)
Federal Recoveries Indirect Costs	0.9	0.8	0.1
<b>Total</b>	<b>\$ 9.9</b>	<b>\$ 10.6</b>	<b>\$ (0.7)</b>



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

Continued from page 1

**Other** June receipts came in below plan by \$1.2 million bringing year to date receipts \$4.3 million below plan. June includes the annual legislated transfer of abandoned property which totaled \$13.1 million, \$6.6 million higher than original estimate. Additional anticipated revenue and transfers will be recorded through the closing period and included in the June accrual report issued at the end of July.

**Lottery Transfers** during the year in general are made for operations of the prior month. In June, transfers are made for May and an estimate of June operations and nothing is transferred in July. Transfers for the month totaling \$13.2 million (\$8.6 million May and \$4.6 million June) were \$0.7 million above plan for both June and YTD. According to the Lottery Commission, May results benefited from Powereball ticket sales leading up to the \$590.5 million jackpot on May 18<sup>th</sup>. As compared to prior year, June transfers were \$1.9 million above with YTD higher by \$6.1 million.

Approximately \$3.4 million of **Medicaid Enhancement Tax** revenue was received in June. The tax receipts relate to fiscal years 2009-2013.

As discussed in the April FY 2013 Focus, the additional \$2.6 million of **MtBE Settlement** has been recorded in the general fund in accordance with reimbursement provisions of the agreements.

### Sales of Cigarette Stamps

Total sold June through June 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	128,883	(5,103)	-3.8%
2012	133,986	(613)	-0.5%
2011	134,599	(8,271)	-5.8%
2010	142,870	(23,547)	-14.1%
2009	166,417	947	0.6%
2008	165,470		

\*Analysis period intended to smooth the effects of July rate changes  
Stamp counts include all days through the end of the month, while there is a one day lag on cash collections.

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