

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	\$ 146.3	\$ 195.2	\$ (48.9)
Highway	\$ 21.2	\$ 19.7	\$ 1.5
Fish & Game	\$ 0.6	\$ 1.1	\$ (0.5)

Current Month

General & Education Funds	FY 13 Actuals	FY 13 Plan	Actual vs. Plan	% Inc/(Dec)
Business Profits Tax	\$ 4.3	\$ 5.7	\$ (1.4)	-24.6%
Business Enterprise Tax	3.2	3.6	(0.4)	-11.1%
Subtotal Business Taxes	7.5	9.3	(1.8)	-19.4%
Meals & Rentals Tax	20.7	20.5	0.2	1.0%
Tobacco Tax	17.4	17.1	0.3	1.8%
Transfer from Liquor Commission	11.1	11.6	(0.5)	-4.3%
Interest & Dividends Tax	1.1	0.1	1.0	1000.0%
Insurance Tax	1.4	1.0	0.4	40.0%
Communications Tax	4.7	6.8	(2.1)	-30.9%
Real Estate Transfer Tax	8.0	6.9	1.1	15.9%
Court Fines & Fees	1.1	1.0	0.1	10.0%
Securities Revenue	0.4	0.3	0.1	33.3%
Utility Consumption Tax	0.6	0.5	0.1	20.0%
Board & Care Revenue	2.5	1.8	0.7	38.9%
Beer Tax	1.0	1.0	-	0.0%
Other	4.9	5.3	(0.4)	-7.5%
Transfer from Lottery Commission	6.3	6.5	(0.2)	-3.1%
Transfer from Racing & Charitable Gaming	0.3	0.3	-	0.0%
Tobacco Settlement	-	-	-	-
Utility Property Tax	-	-	-	-
State Property Tax	-	-	-	-
Subtotal Traditional Taxes & Transfers	89.0	90.0	(1.0)	-1.1%
Net Medicaid Enhancement Revenue	56.8	104.8	(48.0)	-45.8%
Recoveries	0.5	0.4	0.1	25.0%
Total Receipts	\$ 146.3	\$ 195.2	\$ (48.9)	-25.1%

Analysis

Unrestricted revenue for the General and Education Funds received during November totaled \$146.3 million, which was below plan by \$48.9 million, due principally to lower than expected Medicaid Enhancement Tax (MET). However, November MET receipts were above prior year by \$10.1 million. YTD unrestricted revenue totaled \$661.0 million, which was below plan by \$42.8 million but above prior year by \$29.7 million. However, YTD receipts from traditional taxes (exclusive of MET and Recoveries) were 1% above plan and 3.5% above prior year.

Business Taxes came in below plan and prior year for the month by \$1.8 million and \$1.7 million, respectively. According to Dept. of Revenue (DRA), tax notices revenue was below prior year by \$6.7 million (91%), partially due to unusually high notices in FY2011. However, refunds for November were also \$3.3 million (60%) less than November last year, partially offsetting this impact. On a YTD basis, Business Taxes are \$0.8 million above plan and \$2.4 million (1.6%) above prior year.

Meals and Rentals Tax (M&R) receipts, net of the transfer to Building Aid Debt Service, this month came in \$0.2 million above plan but slightly below the prior year. As can be seen in the chart on page 2, YTD gross revenue receipts, before transfers, is tracking \$5.4 million or 4% above prior year.

Tobacco Tax collections for the month were slightly above plan and prior year bringing YTD revenue to \$4.6 million (4.8%) below plan and \$2.6 million (2.8%) below last year. Stamp sales for the period June – November (see page 4 chart) are 5.4% lower than last year. The estimated YTD impact of the rate reduction, effective July 1, 2011 is approximately 5.0 million.

Transfers of profit from **the State Liquor Commission** for the month was only lower than plan by \$0.5 million. However, YTD results are behind plan by \$3.2 million (5.2%), while ahead of prior year's profits by \$1.8 million or 3.2%.

Interest & Dividends Tax (I&D) receipts for November were \$1.0 million above plan. As compared to prior year, monthly receipts were \$2.7 million higher due to lower refunds issued and higher estimated payments. YTD revenues are tracking \$4.9 million (34.5%) above prior year.

The **Communications Tax** collections for November were \$2.1 million below plan and \$1.8 million below prior year. Year to date, the Communications Tax is \$6.1 million (18%) below plan and \$4.9 million (15%) below prior year. According to DRA, these results largely reflect the effects of Chapter 279, Laws of 2012 which eliminated charges for Internet Access from the tax.

Real Estate Transfer Tax revenues, reflecting transactions occurring through the prior month, have now exceeded plan and prior year for three consecutive months, exceeding plan \$1.1 million and prior year \$1.0 million. DRA noted that the number of transactions reported by counties for the month of October were 23% higher than last year, and are also tracking 13% above the same prior YTD transaction period of July - October. YTD collections were \$3.9 million above plan and \$3.3 million above prior year.

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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							
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							
% Mo over Mo	12%	-16%	16%	27%	14%							
YTD change over Prior Year	0.9	(0.7)	0.5	2.3	3.3							
% YTD change	12%	-4%	2%	7%	9%							

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

	M&R Analysis					
	November			YTD		
	FY 13	FY 12	Diff	FY 13	FY 12	Diff
Gross Collections	21.9	22.0	(0.1)	127.6	122.2	5.4
Bldg Aid Debt Svc Transfer	(1.2)	(1.2)	-	(6.0)	(6.1)	0.1
Net Revenue	20.7	20.8	(0.1)	121.6	116.1	5.5

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	\$ 4.3	\$ 5.5	\$ (1.2)	\$ 90.2	\$ 91.6	\$ (1.4)	-1.5%
Business Enterprise Tax	3.2	3.7	(0.5)	63.3	59.5	3.8	6.4%
Subtotal Business Taxes	7.5	9.2	(1.7)	153.5	151.1	2.4	1.6%
Meals & Rentals Tax	20.7	20.8	(0.1)	121.6	116.1	5.5	4.7%
Tobacco Tax	17.4	16.8	0.6	91.7	94.3	(2.6)	-2.8%
Transfer from Liquor Commission	11.1	11.6	(0.5)	57.8	56.0	1.8	3.2%
Interest & Dividends Tax	1.1	(1.6)	2.7	19.1	14.2	4.9	34.5%
Insurance Tax	1.4	0.8	0.6	7.3	6.0	1.3	21.7%
Communications Tax	4.7	6.5	(1.8)	28.0	32.9	(4.9)	-14.9%
Real Estate Transfer Tax	8.0	7.0	1.0	42.0	38.7	3.3	8.5%
Court Fines & Fees	1.1	1.1	-	5.7	5.6	0.1	1.8%
Securities Revenue	0.4	0.5	(0.1)	2.0	2.3	(0.3)	-13.0%
Utility Consumption Tax	0.6	0.5	0.1	2.6	2.5	0.1	4.0%
Board & Care Revenue	2.5	2.1	0.4	11.8	8.3	3.5	42.2%
Beer Tax	1.0	0.9	0.1	6.1	6.1	-	0.0%
Other	4.9	5.2	(0.3)	20.5	19.3	1.2	6.2%
Transfer from Lottery Commission	6.3	4.6	1.7	24.5	20.6	3.9	18.9%
Transfer from Racing & Charitable Gaming	0.3	0.3	-	1.0	1.0	-	0.0%
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	7.5	7.5	-	0.0%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	89.0	86.3	2.7	602.7	582.5	20.2	3.5%
Net Medicaid Enhancement Rev	56.8	46.7	10.1	56.8	46.7	10.1	21.6%
Recoveries	0.5	0.4	0.1	1.5	2.1	(0.6)	-28.6%
Total Receipts	\$ 146.3	\$ 133.4	\$ 12.9	\$ 661.0	\$ 631.3	\$ 29.7	4.7%

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

General and Education Funds

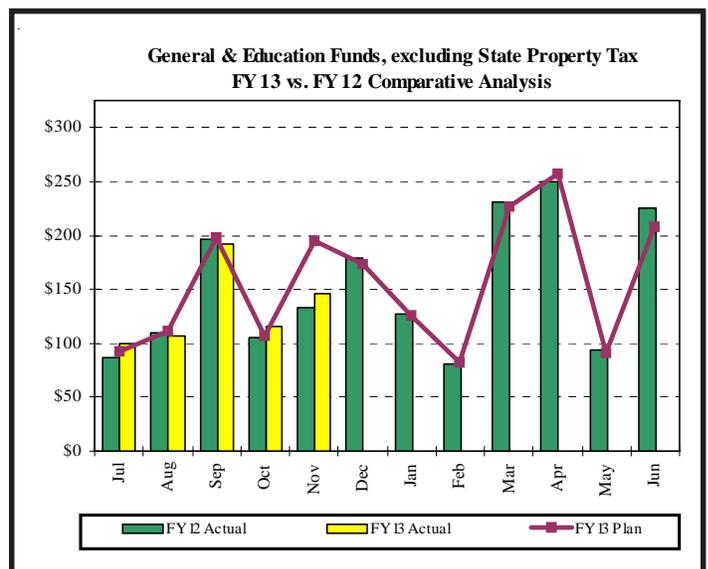
Year-to-Date Comparison to Plan

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	\$ 74.4	\$ 78.3	\$ (3.9)	\$ 15.8	\$ 16.7	\$ (0.9)	\$ 90.2	\$ 95.0	\$ (4.8)	-5.1%
Business Enterprise Tax	21.6	19.3	2.3	41.7	38.4	3.3	63.3	57.7	5.6	9.7%
Subtotal Business Taxes	96.0	97.6	(1.6)	57.5	55.1	2.4	153.5	152.7	0.8	0.5%
Meals & Rentals Tax	117.6	110.5	7.1	4.0	3.7	0.3	121.6	114.2	7.4	6.5%
Tobacco Tax	57.6	52.8	4.8	34.1	43.5	(9.4)	91.7	96.3	(4.6)	-4.8%
Transfer from Liquor Commission	57.8	61.0	(3.2)	-	-	-	57.8	61.0	(3.2)	-5.2%
Interest & Dividends Tax	19.1	16.5	2.6	-	-	-	19.1	16.5	2.6	15.8%
Insurance Tax	7.3	6.1	1.2	-	-	-	7.3	6.1	1.2	19.7%
Communications Tax	28.0	34.1	(6.1)	-	-	-	28.0	34.1	(6.1)	-17.9%
Real Estate Transfer Tax	28.0	25.5	2.5	14.0	12.6	1.4	42.0	38.1	3.9	10.2%
Court Fines & Fees	5.7	5.6	0.1	-	-	-	5.7	5.6	0.1	1.8%
Securities Revenue	2.0	2.5	(0.5)	-	-	-	2.0	2.5	(0.5)	-20.0%
Utility Consumption Tax	2.6	2.5	0.1	-	-	-	2.6	2.5	0.1	4.0%
Board & Care Revenue	11.8	8.5	3.3	-	-	-	11.8	8.5	3.3	38.8%
Beer Tax	6.1	6.3	(0.2)	-	-	-	6.1	6.3	(0.2)	-3.2%
Other	20.5	20.6	(0.1)	-	-	-	20.5	20.6	(0.1)	-0.5%
Transfer from Lottery Commission	-	-	-	24.5	24.0	0.5	24.5	24.0	0.5	2.1%
Transfer from Racing & Charitable Gaming	-	-	-	1.0	1.4	(0.4)	1.0	1.4	(0.4)	-28.6%
Tobacco Settlement	-	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	7.5	6.7	0.8	7.5	6.7	0.8	11.9%
State Property Tax	-	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	460.1	450.1	10.0	142.6	147.0	(4.4)	602.7	597.1	5.6	0.9%
Net Medicaid Enhancement Rev	56.8	104.8	(48.0)	-	-	-	56.8	104.8	(48.0)	-45.8%
Recoveries	1.5	1.9	(0.4)	-	-	-	1.5	1.9	(0.4)	-21.1%
Total Receipts	\$ 518.4	\$ 556.8	\$ (38.4)	\$ 142.6	\$ 147.0	\$ (4.4)	\$ 661.0	\$ 703.8	\$ (42.8)	-6.1%

* 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 November 30, 2012	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$ -
Unrestricted Revenue - See above	142.6
Expenditures	
Education Grants & Adm Costs	(242.4)
Ending Surplus (Deficit) - unaudited	\$ (99.8)

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.

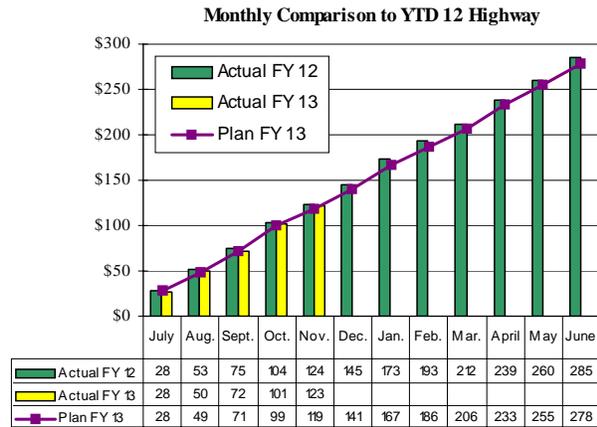


All funds reported on a cash basis, dollars in millions.



Highway Fund

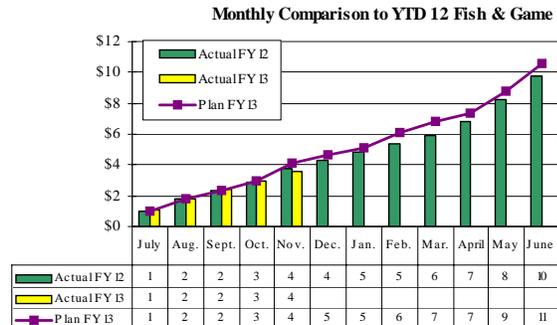
Comparison to Plan			
Revenue Category	year-to-date		
	FY 13 Actuals	FY 13 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 53.5	\$ 53.5	\$ -
Miscellaneous	22.1	19.8	2.3
Motor Vehicle Fees			
MV Registrations	32.2	31.2	1.0
MV Operators	5.3	4.9	0.4
Inspection Station Fees	1.7	1.7	-
MV Miscellaneous Fees	4.5	4.8	(0.3)
Certificate of Title	3.2	3.1	0.1
Total Fees	46.9	45.7	1.2
Total	\$ 122.5	\$ 119.0	\$ 3.5



YTD Highway Fund revenues came in 3% 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 2% higher than what was forecast this fiscal year.

Fish & Game Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 13 Actuals	FY 13 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 2.9	\$ 3.4	\$ (0.5)
Fines and Penalties	-	0.1	(0.1)
Miscellaneous Sales	0.3	0.3	-
Federal Recoveries Indirect Costs	0.4	0.3	0.1
Total	\$ 3.6	\$ 4.1	\$ (0.5)



The year to date revenues dropped off from plan this month due to the lower number of licenses being sold.

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

Continued from page 1

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

Medicaid Enhancement Tax receipts are lower than plan due to the reporting by hospitals of significantly lower than expected net patient service revenues and, additionally, some have not paid the tax. Total MET receipts during FY2013 have been \$165.4 million. Approximately \$2.9 million relate to prior tax years and the remaining \$162.5 million relates to the current year. Of the current year receipts, \$108.6 million was recorded as restricted revenue as budgeted with the Department of Health and Human Services and the remaining amount of approximately \$54 million is recorded as unrestricted revenue.

Sales of Cigarette Stamps			
Total sold June through November 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	62,534	(3,581)	-5.4%
2012	66,115	(1,855)	-2.7%
2011	67,970	(2,119)	-3.0%
2010	70,090	(12,232)	-14.9%
2009	82,321	(1,737)	-2.1%
2008	84,059		

*Analysis period intended to smooth the effects of July 1 tax adjustments
Stamp counts include all days through the end of the month. Cash collections can be delayed one day.

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