

State Of New Hampshire

Monthly Revenue Focus

Department of Administrative Services

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



Monthly Revenue Summary

	<i>(for month)</i>		
	<u>FY 14</u>	<u>Plan</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$ 107.0	\$ 102.9	\$ 4.1
Highway	\$ 19.3	\$ 19.6	\$ (0.3)
Fish & Game	\$ 0.8	\$ 0.6	\$ 0.2

Current Month

General & Education Funds	<i>FY 14</i> <i>Actuals</i>	<i>FY 14</i> <i>Plan</i>	<i>Actual vs.</i> <i>Plan</i>	<i>%</i> <i>Inc/(Dec)</i>
Business Profits Tax	\$ 10.8	\$ 8.9	\$ 1.9	21.3%
Business Enterprise Tax	(0.5)	5.8	(6.3)	-108.6%
Subtotal Business Taxes	10.3	14.7	(4.4)	-29.9%
Meals & Rentals Tax	28.7	27.5	1.2	4.4%
Tobacco Tax	20.7	17.0	3.7	21.8%
Transfer from Liquor Commission	14.8	13.7	1.1	8.0%
Interest & Dividends Tax	1.0	0.8	0.2	25.0%
Insurance Tax	1.5	1.2	0.3	25.0%
Communications Tax	4.9	5.3	(0.4)	-7.5%
Real Estate Transfer Tax	11.8	10.1	1.7	16.8%
Court Fines & Fees	1.2	1.3	(0.1)	-7.7%
Securities Revenue	0.5	0.5	-	0.0%
Utility Consumption Tax	0.5	0.5	-	0.0%
Board & Care Revenue	-	-	-	-
Beer Tax	1.4	1.4	-	0.0%
Other	2.6	1.9	0.7	36.8%
Transfer from Lottery Commission	6.4	6.4	-	0.0%
Transfer from Racing & Charitable Gaming	0.2	0.2	-	0.0%
Tobacco Settlement	-	-	-	-
Utility Property Tax	0.1	-	0.1	-
State Property Tax	-	-	-	-
Subtotal Traditional Taxes & Transfers	106.6	102.5	4.1	4.0%
Net Medicaid Enhancement Revenue	-	-	-	-
Recoveries	0.4	0.4	-	0.0%
Total Receipts	\$ 107.0	\$ 102.9	\$ 4.1	4.0%

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

Analysis

Unrestricted revenue for the General and Education Funds received during August totaled \$107.0 million, which was above the plan by \$4.1 million and above prior year by \$0.5 million. Year to date (YTD) revenue totaled \$238.4 million, which was also above the plan by \$11.2 million and above prior year period by \$32.2 million.

Business Tax collections for August totaled \$10.3 million, which were \$4.4 million below plan and \$4.2 million below prior year. According to the Dept. of Revenue (DRA), total collections with returns, extensions and estimated payments were 6% below August of last year along with \$2.7 million less of tax notice payments. YTD collections totaled \$32.9 million, equal to plan and slightly above prior year. This is generally a very low business tax collection period, with 3rd quarter estimated payments by calendar year corporations due next month.

Revenue from the **Meals and Rentals Tax (M&R)** netted \$28.7 million this month, above plan by \$1.2 million and \$1.6 million above the prior year. According to DRA, July transactions (August Revenue) from full service restaurants and hotels were both up 4% over July of last year. As can be seen in the chart on page 2, gross revenue receipts on a YTD basis is tracking \$2.5 million or 5% above prior year.

Tobacco Tax receipts for August came in above plan by \$3.7 million and \$1.2 million above prior year. DRA notes that although stamp sales declined 47% from August of last year, this month's receipts include collection of July bonded sales which included purchases in anticipation of the rate increase. Per DRA, the significant increase in stamp sales in July was primarily assumed to be volume purchases which would normally be purchased in August - January FY 2014. Accordingly, the July plan estimate was assumed to be equal to July actual revenue and August - January plan amounts include estimated volume reductions due to the advance purchases that took place. YTD collections were \$3.7 million above plan and \$28.7 million above prior year. Please see table on page 4.

The **Real Estate Transfer Tax (RET)** collections for August were \$1.7 million (17%) above plan and \$3.6 million (44%) above prior year. According to DRA, the number of transactions reported by counties for the month of July (August cash receipts), increased by 19% over last year, and the current month also includes an increase in non-county related revenue versus the prior year. (See RET table on page 2.)

Other Revenues are above plan YTD largely due to proceeds from the sale of real property.

Continued on page 4

RET Analysis (In Millions)												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY 14	9.6	11.8										
FY 13	8.5	8.2	8.9	8.4	8.0	8.5	10.0	6.3	4.2	5.5	7.2	9.7
FY 12	7.6	9.8	7.7	6.6	7.0	6.1	8.0	5.4	4.3	5.7	6.5	7.3
Mo over Mo	1.1	3.6										
% Mo over Mo	13%	44%										
YTD change over Prior Year	1.1	4.7										
% YTD change	13%	28%										

Business Tax Refund Analysis												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY 14	2.4	2.0										
FY 13	1.1	1.5	1.5	1.8	2.2	0.9	1.0	4.3	6.7	6.9	4.0	2.3
FY 12	1.2	1.6	3.2	1.8	5.5	3.8	4.0	1.3	1.5	1.2	3.5	4.1
Mo over Mo change	1.3	0.5	(1.5)	(1.8)	(2.2)	(0.9)	(1.0)	(4.3)	(6.7)	(6.9)	(4.0)	(2.3)
YTD change	1.3	1.8	0.3	(1.5)	(3.7)	(4.6)	(5.6)	(9.9)	(16.6)	(23.5)	(27.5)	(29.8)

M&R Analysis						
	August			YTD		
	FY 14	FY 13	Diff	FY 14	FY 13	Diff
Gross Collections	29.9	28.3	1.6	55.3	52.8	2.5
Bldg Aid Debt Srvc Transfer	(1.2)	(1.2)	-	(2.3)	(2.4)	0.1
Net Revenue	28.7	27.1	1.6	53.0	50.4	2.6

General & Education Funds Comparison to FY 13

General & Education Funds	Monthly			Year-to-Date				% Inc/(Dec)
	FY 14	FY 13	Inc/(Dec)	FY 14	FY 13	Inc/(Dec)		
	Actuals	Actuals		Actuals	Actuals			
Business Profits Tax	\$ 10.8	\$ 8.6	\$ 2.2	\$ 19.7	\$ 19.1	\$ 0.6	3.1%	
Business Enterprise Tax	(0.5)	5.9	(6.4)	13.2	13.3	(0.1)	-0.8%	
Subtotal Business Taxes	10.3	14.5	(4.2)	32.9	32.4	0.5	1.5%	
Meals & Rentals Tax	28.7	27.1	1.6	53.0	50.4	2.6	5.2%	
Tobacco Tax	20.7	19.5	1.2	67.4	38.7	28.7	74.2%	
Transfer from Liquor Commission	14.8	13.2	1.6	28.5	25.3	3.2	12.6%	
Interest & Dividends Tax	1.0	0.8	0.2	1.8	1.8	-	0.0%	
Insurance Tax	1.5	1.3	0.2	2.6	2.5	0.1	4.0%	
Communications Tax	4.9	5.4	(0.5)	9.3	12.6	(3.3)	-26.2%	
Real Estate Transfer Tax	11.8	8.2	3.6	21.4	16.7	4.7	28.1%	
Court Fines & Fees	1.2	1.3	(0.1)	2.2	2.4	(0.2)	-8.3%	
Securities Revenue	0.5	0.4	0.1	0.9	0.7	0.2	28.6%	
Utility Consumption Tax	0.5	0.5	-	1.0	0.9	0.1	11.1%	
Board & Care Revenue	-	2.4	(2.4)	-	4.9	(4.9)	-100.0%	
Beer Tax	1.4	1.3	0.1	2.5	2.6	(0.1)	-3.8%	
Other	2.6	4.8	(2.2)	7.6	8.5	(0.9)	-10.6%	
Transfer from Lottery Commission	6.4	5.2	1.2	6.4	5.2	1.2	23.1%	
Transfer from Racing & Charitable Gaming	0.2	-	0.2	0.2	-	0.2	100.0%	
Tobacco Settlement	-	-	-	-	-	-	-	
Utility Property Tax	0.1	0.2	(0.1)	0.3	0.2	0.1	50.0%	
State Property Tax	-	-	-	-	-	-	-	
Subtotal Traditional Taxes & Transfers	106.6	106.1	0.5	238.0	205.8	32.2	15.6%	
Net Medicaid Enhancement Rev	-	-	-	-	-	-	-	
Recoveries	0.4	0.4	-	0.4	0.4	-	0.0%	
Total Receipts	\$ 107.0	\$ 106.5	\$ 0.5	\$ 238.4	\$ 206.2	\$ 32.2	15.6%	

July Analysis

Actual vs. Plan		
FY 14	FY 14	Inc/(Dec)
Actuals	Plan	
\$ 8.9	\$ 10.9	\$ (2.0)
13.7	7.3	6.4
22.6	18.2	4.4
24.3	23.6	0.7
46.7	46.7	-
13.7	12.1	1.6
0.8	1.0	(0.2)
1.1	1.0	0.1
4.4	5.4	(1.0)
9.6	8.9	0.7
1.0	1.1	(0.1)
0.4	0.3	0.1
0.5	0.5	-
-	-	-
1.1	1.4	(0.3)
5.0	3.9	1.1
-	-	-
-	-	-
-	-	-
0.2	-	0.2
-	-	-
-	-	-
131.4	124.1	7.3
-	-	-
-	0.2	(0.2)
\$131.4	\$124.3	\$ 7.1

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

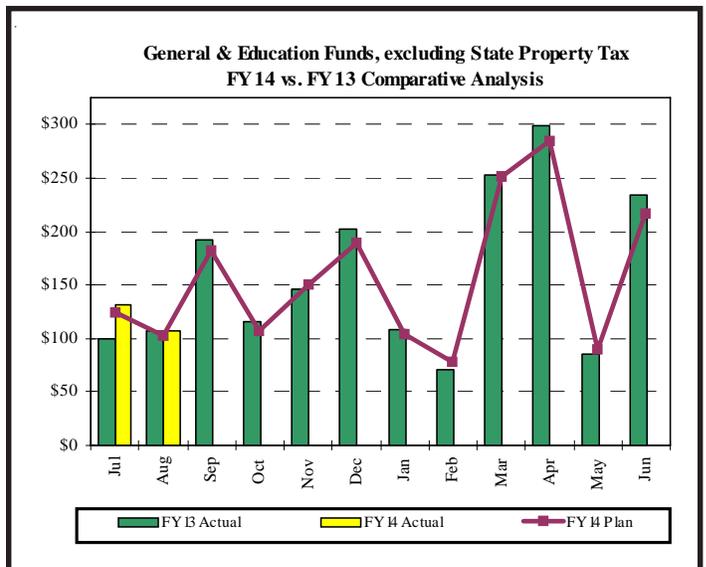
General and Education Funds

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	\$ 16.2	\$ 16.3	\$ (0.1)	\$ 3.5	\$ 3.5	\$ -	\$ 19.7	\$ 19.8	\$ (0.1)	-0.5%
Business Enterprise Tax	4.4	4.3	0.1	8.8	8.8	-	13.2	13.1	0.1	0.8%
Subtotal Business Taxes	20.6	20.6	(0.0)	12.3	12.3	-	32.9	32.9	(0.0)	0.0%
Meals & Rentals Tax	51.6	49.4	2.2	1.4	1.7	(0.3)	53.0	51.1	1.9	3.7%
Tobacco Tax	40.9	37.8	3.1	26.5	25.9	0.6	67.4	63.7	3.7	5.8%
Transfer from Liquor Commission	28.5	25.8	2.7	-	-	-	28.5	25.8	2.7	10.5%
Interest & Dividends Tax	1.8	1.8	-	-	-	-	1.8	1.8	-	0.0%
Insurance Tax	2.6	2.2	0.4	-	-	-	2.6	2.2	0.4	18.2%
Communications Tax	9.3	10.7	(1.4)	-	-	-	9.3	10.7	(1.4)	-13.1%
Real Estate Transfer Tax	14.3	12.8	1.5	7.1	6.2	0.9	21.4	19.0	2.4	12.6%
Court Fines & Fees	2.2	2.4	(0.2)	-	-	-	2.2	2.4	(0.2)	-8.3%
Securities Revenue	0.9	0.8	0.1	-	-	-	0.9	0.8	0.1	12.5%
Utility Consumption Tax	1.0	1.0	-	-	-	-	1.0	1.0	-	0.0%
Board & Care Revenue	-	-	-	-	-	-	-	-	-	-
Beer Tax	2.5	2.8	(0.3)	-	-	-	2.5	2.8	(0.3)	-10.7%
Other	7.6	5.8	1.8	-	-	-	7.6	5.8	1.8	31.0%
Transfer from Lottery Commission	-	-	-	6.4	6.4	-	6.4	6.4	-	0.0%
Transfer from Racing & Charitable Gaming	-	-	-	0.2	0.2	-	0.2	0.2	-	0.0%
Tobacco Settlement	-	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	0.3	-	0.3	0.3	-	0.3	-
State Property Tax	-	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	183.8	173.9	9.9	54.2	52.7	1.5	238.0	226.6	11.4	5.0%
Net Medicaid Enhancement Rev	-	-	-	-	-	-	-	-	-	-
Recoveries	0.4	0.6	(0.2)	-	-	-	0.4	0.6	(0.2)	-33.3%
Total Receipts	\$ 184.2	\$ 174.5	\$ 9.7	\$ 54.2	\$ 52.7	\$ 1.5	\$ 238.4	\$ 227.2	\$ 11.2	4.9%

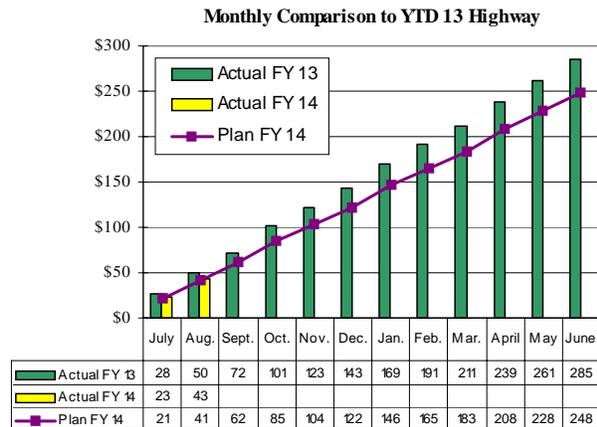
Education Trust Fund Statement of Activity - FY 2014 July 1, 2013 to August 31, 2013	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$ -
Unrestricted Revenue - See above	54.2
Expenditures	
Education Grants & Adm Costs	(115.6)
Ending Surplus (Deficit) - unaudited	\$ (61.4)

Fiscal 2014 Aequate Education Grant payments of \$572.5 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.6 million of grants through local retention of Statewide Property Tax collection. The FY 2014 budget anticipated a deficit of \$105.5 million, to be covered by a General fund transfer at year end.



Highway Fund

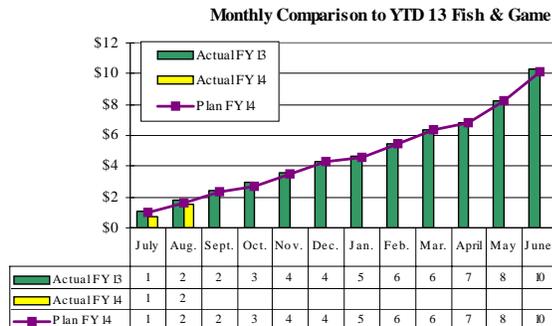
Comparison to Plan			
Revenue Category	year-to-date		
	FY 14 Actuals	FY 14 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 21.2	\$ 21.0	\$ 0.2
Miscellaneous	1.5	1.6	(0.1)
Motor Vehicle Fees			
MV Registrations	14.3	12.7	1.6
MV Operators	2.0	1.9	0.1
Inspection Station Fees	0.6	0.6	-
MV Miscellaneous Fees	1.7	1.9	(0.2)
Certificate of Title	1.2	1.3	(0.1)
Total Fees	19.8	18.4	1.4
Total	\$ 42.5	\$ 41.0	\$ 1.5



According to Road Toll Operations, actual fuel consumption is up approximately 1.4% YTD over the same period last year.

Fish & Game Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 14 Actuals	FY 14 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 1.2	\$ 1.5	\$ (0.3)
Fines and Penalties	-	-	-
Miscellaneous Sales	0.2	-	0.2
Federal Recoveries Indirect Costs	0.1	0.1	-
Total	\$ 1.5	\$ 1.6	\$ (0.1)



Continued from page 1

As compared to prior year, unrestricted **Board & Care Revenue** in FY14 is \$0 as this revenue is now budgeted as restricted funds as part of the fiscal 2014 (& 2015) operating budget.

Included as an insert to this report, and also available at <http://admin.state.nh.us/accounting>, is the Fiscal 2014 Revenue Plan. The plan represents a monthly allocation of the official revenue estimates as passed in HB1 plus other revenue adjustments included within Schedules 2 & 4 of the Committee of Conference Surplus Statement. The total fiscal 2014 unrestricted revenue plan for General and Education Funds was set at \$2,241.6 million. Since the Plan was not yet available for last month's Revenue Focus, a comparison of July results to July plan has been provided on page 2 of this report.

Sales of Cigarette Stamps

Total sold June through August for each of last six years

(number of stamps, in thousands)

Prepared from data provided by DRA

	Sales of Stamps	Volume Change	Percent Change
2014**	46,954	13,467	40.2%
2013	33,487	(2,974)	-8.2%
2012*	36,461	485	1.3%
2011	35,976	(1,016)	-2.7%
2010	36,992	(7,016)	-15.9%
2009	44,009	(225)	-0.5%

**Tax rate increase effective 8/1/13 believed to result in consumer advance purchases in July FY 14

*Tax rate decrease effective 7/1/11 believed to result in consumer purchase delays from June FY 11, to July FY 12

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