

State Of New Hampshire

Monthly Revenue Focus

Department of Administrative Services

Linda M. Hodgdon, Commissioner
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Monthly Revenue Summary

	<i>(for month)</i>		
	<u>FY 14</u>	<u>Plan</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$ 182.7	\$ 189.0	\$ (6.3)
Highway	\$ 23.5	\$ 17.7	\$ 5.8
Fish & Game	\$ 0.6	\$ 0.8	\$ (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	\$ 52.8	\$ 51.6	\$ 1.2	2.3%
Business Enterprise Tax	35.1	34.8	0.3	0.9%
Subtotal Business Taxes	87.9	86.4	1.5	1.7%
Meals & Rentals Tax	18.5	17.2	1.3	7.6%
Tobacco Tax	13.1	14.5	(1.4)	-9.7%
Transfer from Liquor Commission	16.2	15.9	0.3	1.9%
Interest & Dividends Tax	3.0	3.9	(0.9)	-23.1%
Insurance Tax	1.0	1.0	-	0.0%
Communications Tax	5.0	5.0	-	0.0%
Real Estate Transfer Tax	7.6	8.9	(1.3)	-14.6%
Court Fines & Fees	0.9	0.9	-	0.0%
Securities Revenue	11.4	10.9	0.5	4.6%
Utility Consumption Tax	0.4	0.5	(0.1)	-20.0%
Board & Care Revenue	-	-	-	
Beer Tax	1.0	1.0	-	0.0%
Other	3.4	4.7	(1.3)	-27.7%
Transfer from Lottery Commission	6.4	7.0	(0.6)	-8.6%
Transfer from Racing & Charitable Gaming	0.2	0.2	-	0.0%
Tobacco Settlement	(0.1)	-	(0.1)	
Utility Property Tax	6.9	10.6	(3.7)	-34.9%
State Property Tax	-	-	-	
Subtotal Traditional Taxes & Transfers	182.8	188.6	(5.8)	-3.1%
Net Medicaid Enhancement Revenue	-	-	-	
Recoveries	(0.1)	0.4	(0.5)	-125.0%
Total Receipts	\$ 182.7	\$ 189.0	\$ (6.3)	-3.3%

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

Analysis

Unrestricted revenue for the General and Education Funds received during December totaled \$182.7 million, which was below the plan by \$6.3 million (3%) and below prior year by \$19.8 million (10%), however excluding MET and Board and Care, revenue was below prior year by 2%. Year to date (YTD) unrestricted revenue totaled \$872.1 million, which was above plan by \$17.0 million (2%) and above prior year by \$8.6 million (1%).

Business Tax collections for December totaled \$87.9 million, which were \$1.5 million (2%) above plan and \$1.1 million (1%) above prior year. YTD business tax collections were also above plan by \$3.6 million (1.5%) and \$1.3 million (0.5%) above the prior year. According to the Dept. of Revenue Administration (DRA), estimated payments received this month were \$3.7 million (5%) above December of last year however \$2.1 million more in refunds were processed this month as compared to December of last year. (Note: DRA did experience a decline in refund processing in the prior year through December).

Net Meals and Rentals Tax (M&R) receipts for December came in above plan by \$1.3 million (8%) and above prior year by \$1.6 million (9.5%) which DRA attributes to increased revenue at full service hotels, full service restaurants, and fast food restaurants. As can be seen in the chart on page 2, YTD gross revenue receipts, before the effect of Debt Service transfers, were 5% above prior year.

Tobacco Tax receipts for the month were below plan by \$1.4 million (10%) but were \$3.6 million (22%) below December of last year. DRA reports that stamp sales for the month December were 1% higher than the same month last year, which may indicate that the effect of advanced purchases made in July have been realized. In addition, bonded sales outstanding (cash to be collected in January) were 34% higher than last month and 15% higher than December of last year as many stamps were purchased on bond in December.

Interest & Dividends Tax (I&D) receipts for December was \$0.9 million below both plan and prior year for the month. According to DRA, as compared to December of last year, although estimated payments received were higher by \$1.2 million, refunds processed this month were higher than a year ago by \$1.6 million. YTD revenues are tracking \$1.4 million and \$1.5 million below plan and prior year, respectively.

December **Real Estate Transfer Tax (RET)** collections, of \$7.6 million, were below plan by \$1.3 million (15%) and below prior year by \$0.9 million (11%). On a YTD basis, RET is tracking 8% above plan and 13.5% above prior year. (See RET table on page 2). According to DRA, the reported county transactions for December (November transactions) were 2% lower than the prior year, breaking a six month trend of year over year transaction increases reported. In addition, prior year December included approximately \$1 million in holding company transaction revenue which was not received in December 2014.

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RET Analysis (In Millions)												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY 14	9.6	11.8	9.8	8.9	9.6	7.6						
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	0.9	0.5	1.6	(0.9)						
% Mo over Mo	13%	44%	10%	6%	20%	-11%						
YTD change over Prior Year	1.1	4.7	5.6	6.1	7.7	6.8						
% YTD change	13%	28%	22%	18%	18%	13%						

Business Tax Refund Analysis												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY 14	2.4	2.0	2.9	4.0	12.3	3.0						
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	1.4	2.2	10.1	2.1	(1.0)	(4.3)	(6.7)	(6.9)	(4.0)	(2.3)
YTD change	1.3	1.8	3.2	5.4	15.5	17.6	16.6	12.3	5.6	(1.3)	(5.3)	(7.6)

M&R Analysis						
	December			YTD		
	FY 14	FY 13	Diff	FY 14	FY 13	Diff
Gross Collections	19.7	18.1	1.6	153.3	145.7	7.6
Bldg Aid Debt Srvc Transfer	(1.2)	(1.2)	-	(7.0)	(7.2)	0.2
Net Revenue	18.5	16.9	1.6	146.3	138.5	7.8

General & Education Funds Comparison to FY 13

General & Education Funds	Monthly			Year-to-Date			% Inc/(Dec)
	FY 14 Actuals	FY 13 Actuals	Inc/(Dec)	FY 14 Actuals	FY 13 Actuals	Inc/(Dec)	
Business Profits Tax	\$ 52.8	\$ 50.9	\$ 1.9	\$ 141.7	\$ 141.1	\$ 0.6	0.4%
Business Enterprise Tax	35.1	35.9	(0.8)	99.9	99.2	0.7	0.7%
Subtotal Business Taxes	87.9	86.8	1.1	241.6	240.3	1.3	0.5%
Meals & Rentals Tax	18.5	16.9	1.6	146.3	138.5	7.8	5.6%
Tobacco Tax	13.1	16.7	(3.6)	116.9	108.4	8.5	7.8%
Transfer from Liquor Commission	16.2	16.0	0.2	78.7	73.8	4.9	6.6%
Interest & Dividends Tax	3.0	3.9	(0.9)	21.5	23.0	(1.5)	-6.5%
Insurance Tax	1.0	1.4	(0.4)	8.0	8.7	(0.7)	-8.0%
Communications Tax	5.0	5.7	(0.7)	29.2	33.7	(4.5)	-13.4%
Real Estate Transfer Tax	7.6	8.5	(0.9)	57.3	50.5	6.8	13.5%
Court Fines & Fees	0.9	0.9	-	6.6	6.6	-	0.0%
Securities Revenue	11.4	10.9	0.5	13.6	12.9	0.7	5.4%
Utility Consumption Tax	0.4	0.4	-	3.0	3.0	-	0.0%
Board & Care Revenue	-	1.4	(1.4)	-	13.2	(13.2)	-100.0%
Beer Tax	1.0	1.0	-	6.9	7.1	(0.2)	-2.8%
Other	3.4	4.3	(0.9)	20.1	24.8	(4.7)	-19.0%
Transfer from Lottery Commission	6.4	6.7	(0.3)	31.0	31.2	(0.2)	-0.6%
Transfer from Racing & Charitable Gaming	0.2	0.2	-	1.2	1.2	-	0.0%
Tobacco Settlement	(0.1)	-	(0.1)	0.1	-	0.1	-
Utility Property Tax	6.9	6.7	0.2	16.2	14.2	2.0	14.1%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	182.8	188.4	(5.6)	798.2	791.1	7.1	0.9%
Net Medicaid Enhancement Rev	-	14.0	(14.0)	72.2	70.8	1.4	2.0%
Recoveries	(0.1)	0.1	(0.2)	1.7	1.6	0.1	6.2%
Total Receipts	\$ 182.7	\$ 202.5	\$ (19.8)	\$ 872.1	\$ 863.5	\$ 8.6	1.0%

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

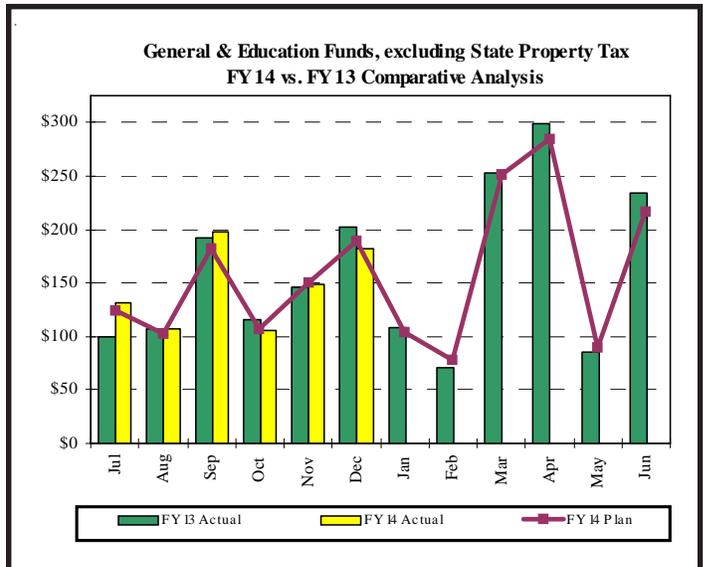
General and Education Funds

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	\$ 116.8	\$ 117.0	\$ (0.2)	\$ 24.9	\$ 25.3	\$ (0.4)	\$ 141.7	\$ 142.3	\$ (0.6)	-0.4%
Business Enterprise Tax	37.3	31.9	5.4	62.6	63.8	(1.2)	99.9	95.7	4.2	4.4%
Subtotal Business Taxes	154.1	148.9	5.2	87.5	89.1	(1.6)	241.6	238.0	3.6	1.5%
Meals & Rentals Tax	142.0	135.8	6.2	4.3	4.7	(0.4)	146.3	140.5	5.8	4.1%
Tobacco Tax	71.0	68.3	2.7	45.9	46.7	(0.8)	116.9	115.0	1.9	1.7%
Transfer from Liquor Commission	78.7	74.4	4.3	-	-	-	78.7	74.4	4.3	5.8%
Interest & Dividends Tax	21.5	22.9	(1.4)	-	-	-	21.5	22.9	(1.4)	-6.1%
Insurance Tax	8.0	6.5	1.5	-	-	-	8.0	6.5	1.5	23.1%
Communications Tax	29.2	31.0	(1.8)	-	-	-	29.2	31.0	(1.8)	-5.8%
Real Estate Transfer Tax	36.8	35.6	1.2	20.5	17.4	3.1	57.3	53.0	4.3	8.1%
Court Fines & Fees	6.6	6.5	0.1	-	-	-	6.6	6.5	0.1	1.5%
Securities Revenue	13.6	13.2	0.4	-	-	-	13.6	13.2	0.4	3.0%
Utility Consumption Tax	3.0	3.0	-	-	-	-	3.0	3.0	-	0.0%
Board & Care Revenue	-	-	-	-	-	-	-	-	-	-
Beer Tax	6.9	7.3	(0.4)	-	-	-	6.9	7.3	(0.4)	-5.5%
Other	20.1	18.3	1.8	-	-	-	20.1	18.3	1.8	9.8%
Transfer from Lottery Commission	-	-	-	31.0	31.4	(0.4)	31.0	31.4	(0.4)	-1.3%
Transfer from Racing & Charitable Gaming	-	-	-	1.2	1.2	-	1.2	1.2	-	0.0%
Tobacco Settlement	0.1	-	0.1	-	-	-	0.1	-	0.1	-
Utility Property Tax	-	-	-	16.2	18.8	(2.6)	16.2	18.8	(2.6)	-13.8%
State Property Tax	-	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	591.6	571.7	19.9	206.6	209.3	(2.7)	798.2	781.0	17.2	2.2%
Net Medicaid Enhancement Rev	72.2	72.2	-	-	-	-	72.2	72.2	-	-
Recoveries	1.7	1.9	(0.2)	-	-	-	1.7	1.9	(0.2)	-10.5%
Total Receipts	\$ 665.5	\$ 645.8	\$ 19.7	\$ 206.6	\$ 209.3	\$ (2.7)	\$ 872.1	\$ 855.1	\$ 17.0	2.0%

Education Trust Fund Statement of Activity - FY 2014 July 1, 2013 to December 31, 2013	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$ -
Unrestricted Revenue - See above	206.6
Expenditures	
Education Grants & Adm Costs	(239.3)
Ending Surplus (Deficit) - unaudited	\$ (32.7)

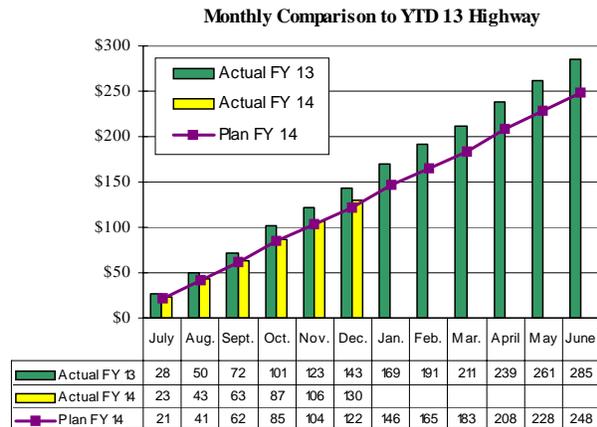
Fiscal 2014 Adequate Education Grant payments of \$572.5 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.6 million of grants through local retention of Statewide Property Tax collection. The FY 2014 budget anticipated a deficit 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	\$ 63.9	\$ 63.2	\$ 0.7
Miscellaneous	10.3	5.4	4.9
Motor Vehicle Fees			
MV Registrations	38.9	36.5	2.4
MV Operators	5.8	5.5	0.3
Inspection Station Fees	1.9	1.9	-
MV Miscellaneous Fees	5.1	5.5	(0.4)
Certificate of Title	4.0	3.8	0.2
Total Fees	55.7	53.2	2.5
Total	\$ 129.9	\$ 121.8	\$ 8.1

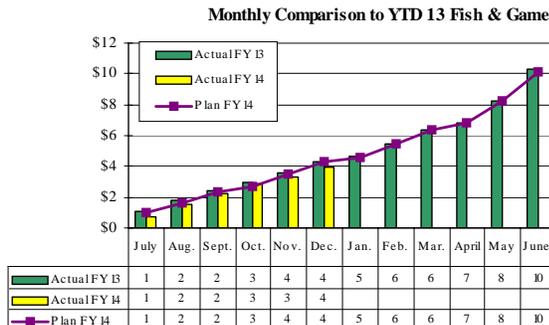


According to Road Toll Operations, actual fuel consumptions is up approximately 1.0% YTD over the same period last year. The **Miscellaneous** category exceeds plan due to timing of \$5.0 million of revenue related to the I-95 segment transfer agreement being record this month which was planned for January.

NOTE: YTD actual revenue is below YTD FY13 revenue by approximately \$12.7 million (9.0%), primarily a result of a budget change made in FY14. Federal overhead recoveries and internal indirect cost (from the Turnpike fund to the Highway Fund) are no longer reported as miscellaneous Highway fund revenue. They now are recorded as other restricted revenue within DOT's budget.

Fish & Game Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 14 Actuals	FY 14 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 3.0	\$ 3.6	\$ (0.6)
Fines and Penalties	0.1	0.1	-
Miscellaneous Sales	0.6	0.2	0.4
Federal Recoveries Indirect Costs	0.2	0.4	(0.2)
Total	\$ 3.9	\$ 4.3	\$ (0.4)



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

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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.

Other revenue for the month was lower than plan by \$1.3 million bringing YTD results to \$1.8 million (10%) above plan.

Utility Property Tax was lower than plan however slightly above prior year on a month-to-date and YTD basis.

December 2012 (FY13) **Medicaid Enhancement Tax** revenue was directed by the budget to be recorded as unrestricted revenue. Any revenue received in December 2013 (FY14) was directed by the budget to be recorded as restricted revenue.

Sales of Cigarette Stamps

Total sold June through December for each of last five years

(number of stamps, in thousands)

Prepared from data provided by DRA

	Sales of Stamps	Volume Change	Percent Change
2014**	75,128	3,713	5.2%
2013	71,415	(4,780)	-6.3%
2012*	76,195	(2,162)	-2.8%
2011	78,358	(2,513)	-3.1%
2010	80,870	9,330	13.0%

**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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