

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	\$ 84.0	\$ 78.3	\$ 5.7
Highway	\$ 18.7	\$ 18.3	\$ 0.4
Fish & Game	\$ 1.3	\$ 0.9	\$ 0.4

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	\$ 4.9	\$ 3.5	\$ 1.4	40.0%
Business Enterprise Tax	3.3	2.2	1.1	50.0%
Subtotal Business Taxes	8.2	5.7	2.5	43.9%
Meals & Rentals Tax	17.2	16.7	0.5	3.0%
Tobacco Tax	15.7	13.8	1.9	13.8%
Transfer from Liquor Commission	8.6	7.9	0.7	8.9%
Interest & Dividends Tax	0.6	0.3	0.3	100.0%
Insurance Tax	4.9	5.0	(0.1)	-2.0%
Communications Tax	4.8	5.1	(0.3)	-5.9%
Real Estate Transfer Tax	6.0	6.6	(0.6)	-9.1%
Court Fines & Fees	1.0	1.0	(0.0)	0.0%
Securities Revenue	0.4	0.8	(0.4)	-50.0%
Utility Consumption Tax	0.5	0.5	-	0.0%
Board & Care Revenue	-	-	-	-
Beer Tax	0.9	0.9	-	0.0%
Other	8.1	6.5	1.6	24.6%
Transfer from Lottery Commission	6.3	6.3	-	0.0%
Transfer from Racing & Charitable Gaming	0.3	0.6	(0.3)	-50.0%
Tobacco Settlement	-	-	-	-
Utility Property Tax	-	-	-	-
State Property Tax	-	-	-	-
Subtotal Traditional Taxes & Transfers	83.5	77.7	5.8	7.5%
Net Medicaid Enhancement Revenue	-	-	-	-
Recoveries	0.5	0.6	(0.1)	-16.7%
Total Receipts	\$ 84.0	\$ 78.3	\$ 5.7	7.3%

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

Analysis

Unrestricted revenue for the General and Education Funds received during February totaled \$84.0 million, which was above the plan by \$5.7 million (7%) and above prior year by \$12.9 million (18%). Year to date (YTD) unrestricted revenue totaled \$1,056.8 million, which was above plan by \$18.8 million (2%) and above prior year by \$13.5 million (1%).

Business Tax* collections for February totaled \$8.2 million, which were \$2.5 million above plan and \$4.3 million above prior year. YTD business tax collections were above plan by \$7.1 million (3%) and \$2.2 million (1%) above prior year. According to the Dept. of Revenue Administration (DRA), payments received this month with returns, extensions, and tax notice receipts were all higher than February of last year. Refunds were also higher than prior year for the month and YTD refunds already exceed the full amount of FY13 refunds issued by \$0.9 million.

Net **Meals and Rentals Tax (M&R)** receipts for February came in above plan by \$0.5 million (3%) and above prior year by \$0.7 million (4%). As can be seen in the chart on page 2, YTD gross revenue receipts, before the effect of Debt Service transfers, were 4.5% above prior year.

Tobacco Tax* receipts for the month were above plan by \$1.9 million (14%) and were \$2.5 million (19%) above February of last year. DRA notes that stamp sales for the month of February were 5% above the same month last year and this month's reported results include one extra day of collections.

Interest & Dividends Tax (I&D)* receipts for February were \$0.3 million above plan and \$1.2 million above prior year. According to DRA, as compared to February of last year, tax notice payments received were higher by \$0.2 million and refunds processed this month were lower than a year ago by \$0.9 million (Note: DRA was behind in processing refunds in FY13 and processed several months of refunds in February 2013). YTD revenues are tracking 7.5% below plan and 5% below prior year.

February **Real Estate Transfer Tax (RET)** collections, of \$6.0 million, were below plan by \$0.6 million (9%) and below prior year by \$0.3 million (5%). On a YTD basis, RET is tracking 3% above plan and 8% above prior year. (See RET table on page 2). According to DRA, the reported county transactions for February (January transactions) were 9% lower than the prior year.

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 higher than plan by \$1.6 million bringing YTD results to \$1.7 million above plan. This month's variance to plan is primarily attributable to timing of expected recoveries from federal and other programs.

* After working collaboratively with DAS, in February and on a go-forward basis, the State is now able to recognize revenue received on the last business day of each month which eliminates the historical one-day lag in reporting. Accordingly, the month of February includes an additional day of revenue receipts which was approximately \$0.6 million for all DRA-collected taxes.

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	9.0	6.0				
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)	(1.0)	(0.3)				
% Mo over Mo	13%	44%	10%	6%	20%	-11%	-10%	-5%				
YTD change over Prior Year	1.1	4.7	5.6	6.1	7.7	6.8	5.8	5.5				
% YTD change	13%	28%	22%	18%	18%	13%	10%	8%				

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	3.6	5.0				
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	2.6	0.7				
YTD change	1.3	1.8	3.2	5.4	15.5	17.6	20.2	20.9				

M&R Analysis						
	February			YTD		
	FY 14	FY 13	Diff	FY 14	FY 13	Diff
Gross Collections	18.4	17.7	0.7	191.7	183.5	8.2
Bldg Aid Debt Svc Transfer	(1.2)	(1.2)	-	(9.3)	(9.6)	0.3
Net Revenue	17.2	16.5	0.7	182.4	173.9	8.5

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	\$ 4.9	\$ 2.3	\$ 2.6	\$ 155.1	\$ 154.2	\$ 0.9	0.6%
Business Enterprise Tax	3.3	1.6	1.7	109.8	108.5	1.3	1.2%
Subtotal Business Taxes	8.2	3.9	4.3	264.9	262.7	2.2	0.8%
Meals & Rentals Tax	17.2	16.5	0.7	182.4	173.9	8.5	4.9%
Tobacco Tax	15.7	13.2	2.5	147.3	137.3	10.0	7.3%
Transfer from Liquor Commission	8.6	7.7	0.9	95.0	89.2	5.8	6.5%
Interest & Dividends Tax	0.6	(0.6)	1.2	33.3	35.0	(1.7)	-4.9%
Insurance Tax	4.9	4.1	0.8	14.4	14.6	(0.2)	-1.4%
Communications Tax	4.8	2.5	2.3	38.9	40.7	(1.8)	-4.4%
Real Estate Transfer Tax	6.0	6.3	(0.3)	72.3	66.8	5.5	8.2%
Court Fines & Fees	1.0	1.0	(0.0)	8.7	8.6	0.1	1.2%
Securities Revenue	0.4	0.4	(0.0)	14.7	13.9	0.8	5.8%
Utility Consumption Tax	0.5	0.5	-	4.0	4.0	-	0.0%
Board & Care Revenue	-	2.1	(2.1)	-	18.0	(18.0)	-100.0%
Beer Tax	0.9	0.9	-	8.9	9.0	(0.1)	-1.1%
Other	8.1	4.8	3.3	33.2	35.0	(1.8)	-5.1%
Transfer from Lottery Commission	6.3	6.6	(0.3)	44.3	42.7	1.6	3.7%
Transfer from Racing & Charitable Gaming	0.3	0.4	(0.1)	1.6	1.8	(0.2)	-11.1%
Tobacco Settlement	-	-	-	0.1	-	0.1	-
Utility Property Tax	-	0.3	(0.3)	18.0	16.7	1.3	7.8%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	83.5	70.6	12.9	982.0	969.9	12.1	1.2%
Net Medicaid Enhancement Rev	-	-	-	72.2	70.8	1.4	2.0%
Recoveries	0.5	0.5	-	2.6	2.6	-	0.0%
Total Receipts	\$ 84.0	\$ 71.1	\$ 12.9	\$ 1,056.8	\$ 1,043.3	\$ 13.5	1.3%

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

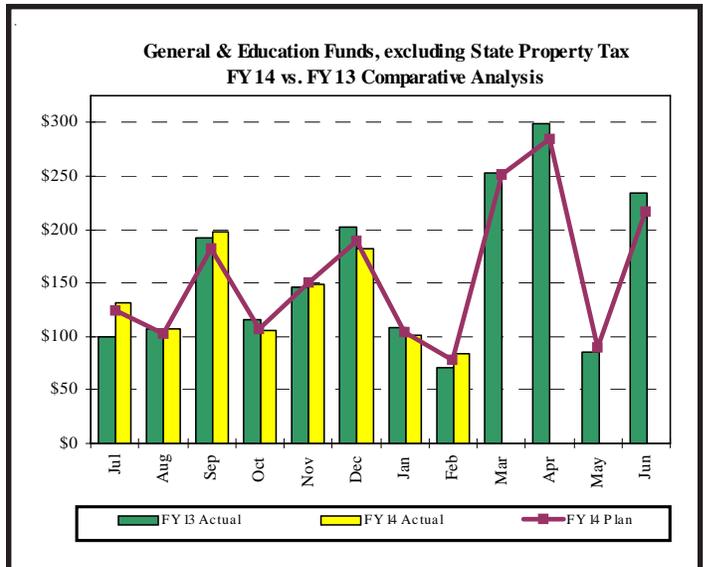
General and Education Funds

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	\$ 127.8	\$ 126.6	\$ 1.2	\$ 27.3	\$ 27.4	\$ (0.1)	\$ 155.1	\$ 154.0	\$ 1.1	0.7%
Business Enterprise Tax	41.1	34.6	6.5	68.7	69.2	(0.5)	109.8	103.8	6.0	5.8%
Subtotal Business Taxes	168.9	161.2	7.7	96.0	96.6	(0.6)	264.9	257.8	7.1	2.8%
Meals & Rentals Tax	177.1	170.6	6.5	5.3	5.8	(0.5)	182.4	176.4	6.0	3.4%
Tobacco Tax	89.1	85.7	3.4	58.2	58.6	(0.4)	147.3	144.3	3.0	2.1%
Transfer from Liquor Commission	95.0	90.3	4.7	-	-	-	95.0	90.3	4.7	5.2%
Interest & Dividends Tax	33.3	36.0	(2.7)	-	-	-	33.3	36.0	(2.7)	-7.5%
Insurance Tax	14.4	13.5	0.9	-	-	-	14.4	13.5	0.9	6.7%
Communications Tax	38.9	41.2	(2.3)	-	-	-	38.9	41.2	(2.3)	-5.6%
Real Estate Transfer Tax	47.1	47.0	0.1	25.2	23.1	2.1	72.3	70.1	2.2	3.1%
Court Fines & Fees	8.7	8.5	0.2	-	-	-	8.7	8.5	0.2	2.4%
Securities Revenue	14.7	14.3	0.4	-	-	-	14.7	14.3	0.4	2.8%
Utility Consumption Tax	4.0	4.0	-	-	-	-	4.0	4.0	-	0.0%
Board & Care Revenue	-	-	-	-	-	-	-	-	-	-
Beer Tax	8.9	9.3	(0.4)	-	-	-	8.9	9.3	(0.4)	-4.3%
Other	33.2	31.5	1.7	-	-	-	33.2	31.5	1.7	5.4%
Transfer from Lottery Commission	-	-	-	44.3	44.7	(0.4)	44.3	44.7	(0.4)	-0.9%
Transfer from Racing & Charitable Gaming	-	-	-	1.6	2.1	(0.5)	1.6	2.1	(0.5)	-23.8%
Tobacco Settlement	0.1	-	0.1	-	-	-	0.1	-	0.1	-
Utility Property Tax	-	-	-	18.0	18.8	(0.8)	18.0	18.8	(0.8)	-4.3%
State Property Tax	-	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	733.4	713.1	20.3	248.6	249.7	(1.1)	982.0	962.8	19.2	2.0%
Net Medicaid Enhancement Rev	72.2	72.2	-	-	-	-	72.2	72.2	-	0.0%
Recoveries	2.6	3.0	(0.4)	-	-	-	2.6	3.0	(0.4)	-13.3%
Total Receipts	\$ 808.2	\$ 788.3	\$ 19.9	\$ 248.6	\$ 249.7	\$ (1.1)	\$ 1,056.8	\$ 1,038.0	\$ 18.8	1.8%

Education Trust Fund Statement of Activity - FY 2014 July 1, 2013 to February 28, 2014	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$ -
Unrestricted Revenue - See above	248.6
Expenditures	
Education Grants & Adm Costs	(411.7)
Ending Surplus (Deficit) - unaudited	\$ (163.1)

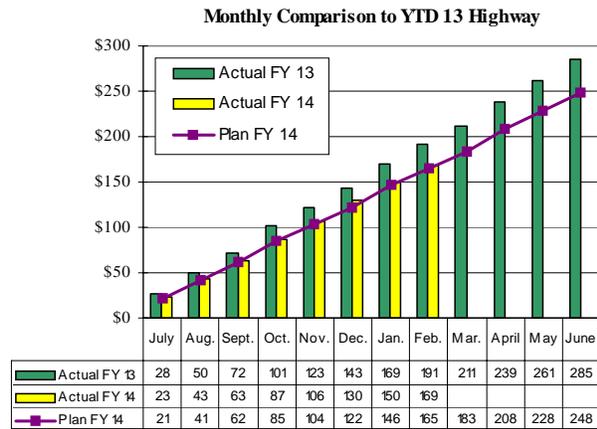
Fiscal 2014 Adequate Education Grant payments of \$572.5 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.6 million of grants through local retention of Statewide Property Tax collection. The FY 2014 budget anticipated a deficit 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	\$ 84.7	\$ 83.9	\$ 0.8
Miscellaneous	10.3	10.5	(0.2)
Motor Vehicle Fees			
MV Registrations	51.2	48.1	3.1
MV Operators	7.9	7.4	0.5
Inspection Station Fees	2.4	2.4	-
MV Miscellaneous Fees	6.9	7.3	(0.4)
Certificate of Title	5.2	4.9	0.3
Total Fees	73.6	70.1	3.5
Total	\$ 168.6	\$ 164.5	\$ 4.1

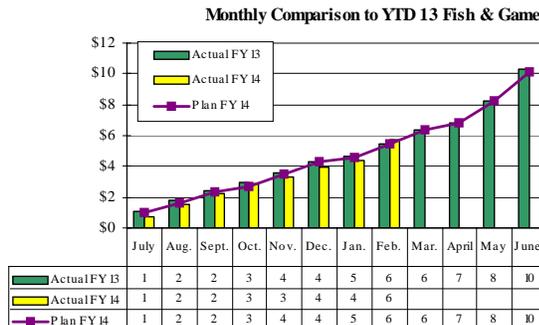


According to Road Toll Operations, actual fuel consumptions is up approximately 0.9% YTD over the same period last year.

NOTE: YTD actual revenue is below YTD FY13 revenue by approximately \$22.7 million (12.0%), 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	\$ 4.4	\$ 4.7	\$ (0.3)
Fines and Penalties	0.1	0.1	-
Miscellaneous Sales	0.6	0.2	0.4
Federal Recoveries Indirect Costs	0.6	0.5	0.1
Total	\$ 5.7	\$ 5.5	\$ 0.2



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

Sales of Cigarette Stamps			
Total sold (calendar month) June through February 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**	90,612	2,536	2.9%
2013	88,076	(5,406)	-5.8%
2012*	93,482	(2,312)	-2.4%
2011	95,795	(3,360)	-3.4%
2010	99,155	27,614	38.6%

**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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