

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	\$ 100.7	\$ 104.6	\$ (3.9)
Highway	\$ 20.0	\$ 24.4	\$ (4.4)
Fish & Game	\$ 0.5	\$ 0.3	\$ 0.2

Current Month

General & Education Funds	FY 14 Actuals	FY 14 Plan	Actual vs. Plan	% Inc/(Dec)
Business Profits Tax	\$ 8.5	\$ 8.2	\$ 0.3	3.7%
Business Enterprise Tax	6.6	5.9	0.7	11.9%
Subtotal Business Taxes	15.1	14.1	1.0	7.1%
Meals & Rentals Tax	18.9	19.2	(0.3)	-1.6%
Tobacco Tax	14.7	15.5	(0.8)	-5.2%
Transfer from Liquor Commission	7.7	8.0	(0.3)	-3.7%
Interest & Dividends Tax	11.2	12.8	(1.6)	-12.5%
Insurance Tax	1.5	2.0	(0.5)	-25.0%
Communications Tax	4.9	5.1	(0.2)	-3.9%
Real Estate Transfer Tax	9.0	10.5	(1.5)	-14.3%
Court Fines & Fees	1.1	1.0	0.1	10.0%
Securities Revenue	0.7	0.3	0.4	133.3%
Utility Consumption Tax	0.5	0.5	-	0.0%
Board & Care Revenue	-	-	-	
Beer Tax	1.1	1.1	-	0.0%
Other	5.0	6.7	(1.7)	-25.4%
Transfer from Lottery Commission	7.0	7.0	-	0.0%
Transfer from Racing & Charitable Gaming	0.1	0.3	(0.2)	-66.7%
Tobacco Settlement	-	-	-	
Utility Property Tax	1.8	-	1.8	
State Property Tax	-	-	-	
Subtotal Traditional Taxes & Transfers	100.3	104.1	(3.8)	-3.7%
Net Medicaid Enhancement Revenue	-	-	-	
Recoveries	0.4	0.5	(0.1)	-20.0%
Total Receipts	\$ 100.7	\$ 104.6	\$ (3.9)	-3.7%

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

Analysis

Unrestricted revenue for the General and Education Funds received during January totaled \$100.7 million, which was below the plan by \$3.9 million (4%) and below prior year by \$8.0 million (7%). Year to date (YTD) unrestricted revenue totaled \$972.8 million, which was above plan by \$13.1 million (1%) and above prior year by \$0.6 million (.1%).

Business Tax collections for January totaled \$15.1 million, which were \$1.0 million (7%) above plan but \$3.4 million (18%) below prior year. YTD business tax collections were above plan by \$4.6 million (2%) but \$2.1 million (1%) below prior year. According to the Dept. of Revenue Administration (DRA), payments received this month with returns and extensions were \$1.4 million below January of last year and refunds processed were \$2.6 million more this month as compared to January of last year. It should be noted that at this time last year, due to tax system conversion, DRA was behind in processing requested refunds.

Net Meals and Rentals Tax (M&R) receipts for January came in below plan by \$0.3 million (2%) but equal with prior year. As can be seen in the chart on page 2, YTD gross revenue receipts, before the effect of Debt Service transfers, were 4.6% above prior year.

Tobacco Tax receipts for the month were below plan by \$0.8 million (5%) and were \$1.0 million (6%) below January of last year which, as discussed in prior month's revenue focus reports, can be partially attributed to advance purchases in July. The effects of the advance purchases were reflected in the FY14 plan allocation and DRA believes that January will be the last month impacted. DRA notes that stamp sales for the month of January were 18% below the same month last year.

Interest & Dividends Tax (I&D) receipts for January was \$1.6 million (12.5%) below plan and \$1.4 million (11%) below prior year. According to DRA, as compared to January of last year, estimated payments received were lower by \$1.5 million and refunds processed this month were higher than a year ago by \$0.4 million. YTD revenues are tracking 8% below both plan and prior year.

January **Real Estate Transfer Tax (RET)** collections, of \$9.0 million, were below plan by \$1.5 million (14%) and below prior year by \$1.0 million (10%). On a YTD basis, RET is tracking 4% above plan and 10% above prior year. (See RET table on page 2). According to DRA, the reported county transactions for January (December transactions) were 3% 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.

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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	9.0					
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)					
% Mo over Mo	13%	44%	10%	6%	20%	-11%	-10%					
YTD change over Prior Year	1.1	4.7	5.6	6.1	7.7	6.8	5.8					
% YTD change	13%	28%	22%	18%	18%	13%	10%					

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					
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	(4.3)	(6.7)	(6.9)	(4.0)	(2.3)
YTD change	1.3	1.8	3.2	5.4	15.5	17.6	20.2	15.9	9.2	2.3	(1.7)	(4.0)

M&R Analysis						
	January			YTD		
	FY 14	FY 13	Diff	FY 14	FY 13	Diff
Gross Collections	20.1	20.1	-	173.4	165.8	7.6
Bldg Aid Debt Svc Transfer	(1.2)	(1.2)	-	(8.2)	(8.4)	0.2
Net Revenue	18.9	18.9	-	165.2	157.4	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	\$ 8.5	\$ 10.8	\$ (2.3)	\$ 150.2	\$ 151.9	\$ (1.7)	-1.1%
Business Enterprise Tax	6.6	7.7	(1.1)	106.5	106.9	(0.4)	-0.4%
Subtotal Business Taxes	15.1	18.5	(3.4)	256.7	258.8	(2.1)	-0.8%
Meals & Rentals Tax	18.9	18.9	-	165.2	157.4	7.8	5.0%
Tobacco Tax	14.7	15.7	(1.0)	131.6	124.1	7.5	6.0%
Transfer from Liquor Commission	7.7	7.7	-	86.4	81.5	4.9	6.0%
Interest & Dividends Tax	11.2	12.6	(1.4)	32.7	35.6	(2.9)	-8.1%
Insurance Tax	1.5	1.8	(0.3)	9.5	10.5	(1.0)	-9.5%
Communications Tax	4.9	4.5	0.4	34.1	38.2	(4.1)	-10.7%
Real Estate Transfer Tax	9.0	10.0	(1.0)	66.3	60.5	5.8	9.6%
Court Fines & Fees	1.1	1.0	0.1	7.7	7.6	0.1	1.3%
Securities Revenue	0.7	0.6	0.1	14.3	13.5	0.8	5.9%
Utility Consumption Tax	0.5	0.5	-	3.5	3.5	-	0.0%
Board & Care Revenue	-	2.7	(2.7)	-	15.9	(15.9)	-100.0%
Beer Tax	1.1	1.0	0.1	8.0	8.1	(0.1)	-1.2%
Other	5.0	5.4	(0.4)	25.1	30.2	(5.1)	-16.9%
Transfer from Lottery Commission	7.0	4.9	2.1	38.0	36.1	1.9	5.3%
Transfer from Racing & Charitable Gaming	0.1	0.2	(0.1)	1.3	1.4	(0.1)	-7.1%
Tobacco Settlement	-	-	-	0.1	-	0.1	-
Utility Property Tax	1.8	2.2	(0.4)	18.0	16.4	1.6	9.8%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	100.3	108.2	(7.9)	898.5	899.3	(0.8)	-0.1%
Net Medicaid Enhancement Rev	-	-	-	72.2	70.8	1.4	2.0%
Recoveries	0.4	0.5	(0.1)	2.1	2.1	-	0.0%
Total Receipts	\$ 100.7	\$ 108.7	\$ (8.0)	\$ 972.8	\$ 972.2	\$ 0.6	0.1%

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

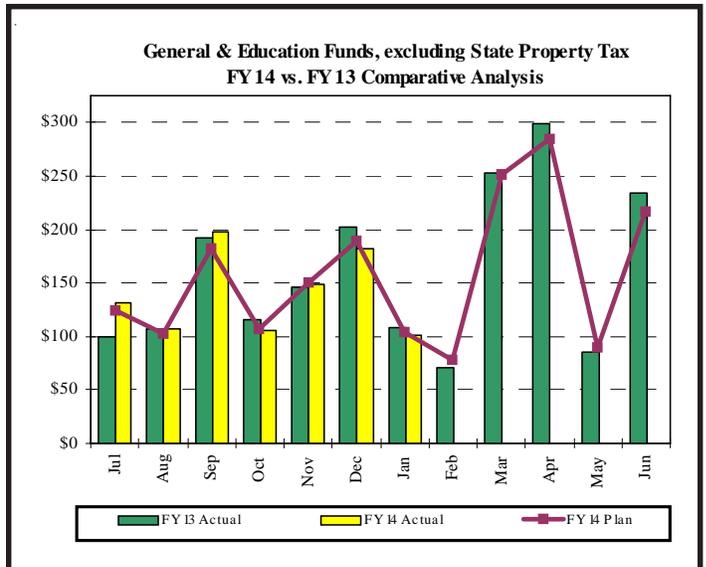
General and Education Funds

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	\$ 123.8	\$ 123.7	\$ 0.1	\$ 26.4	\$ 26.8	\$ (0.4)	\$ 150.2	\$ 150.5	\$ (0.3)	-0.2%
Business Enterprise Tax	40.0	33.9	6.1	66.5	67.7	(1.2)	106.5	101.6	4.9	4.8%
Subtotal Business Taxes	163.8	157.6	6.2	92.9	94.5	(1.6)	256.7	252.1	4.6	1.8%
Meals & Rentals Tax	160.4	154.4	6.0	4.8	5.3	(0.5)	165.2	159.7	5.5	3.4%
Tobacco Tax	79.6	77.5	2.1	52.0	53.0	(1.0)	131.6	130.5	1.1	0.8%
Transfer from Liquor Commission	86.4	82.4	4.0	-	-	-	86.4	82.4	4.0	4.9%
Interest & Dividends Tax	32.7	35.7	(3.0)	-	-	-	32.7	35.7	(3.0)	-8.4%
Insurance Tax	9.5	8.5	1.0	-	-	-	9.5	8.5	1.0	11.8%
Communications Tax	34.1	36.1	(2.0)	-	-	-	34.1	36.1	(2.0)	-5.5%
Real Estate Transfer Tax	42.9	42.6	0.3	23.4	20.9	2.5	66.3	63.5	2.8	4.4%
Court Fines & Fees	7.7	7.5	0.2	-	-	-	7.7	7.5	0.2	2.7%
Securities Revenue	14.3	13.5	0.8	-	-	-	14.3	13.5	0.8	5.9%
Utility Consumption Tax	3.5	3.5	-	-	-	-	3.5	3.5	-	0.0%
Board & Care Revenue	-	-	-	-	-	-	-	-	-	-
Beer Tax	8.0	8.4	(0.4)	-	-	-	8.0	8.4	(0.4)	-4.8%
Other	25.1	25.0	0.1	-	-	-	25.1	25.0	0.1	0.4%
Transfer from Lottery Commission	-	-	-	38.0	38.4	(0.4)	38.0	38.4	(0.4)	-1.0%
Transfer from Racing & Charitable Gaming	-	-	-	1.3	1.5	(0.2)	1.3	1.5	(0.2)	-13.3%
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	668.1	652.7	15.4	230.4	232.4	(2.0)	898.5	885.1	13.4	1.5%
Net Medicaid Enhancement Rev	72.2	72.2	-	-	-	-	72.2	72.2	-	0.0%
Recoveries	2.1	2.4	(0.3)	-	-	-	2.1	2.4	(0.3)	-12.5%
Total Receipts	\$ 742.4	\$ 727.3	\$ 15.1	\$ 230.4	\$ 232.4	\$ (2.0)	\$ 972.8	\$ 959.7	\$ 13.1	1.4%

Education Trust Fund Statement of Activity - FY 2014 July 1, 2013 to January 31, 2014	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$ -
Unrestricted Revenue - See above	230.4
Expenditures	
Education Grants & Adm Costs	(409.2)
Ending Surplus (Deficit) - unaudited	\$ (178.8)

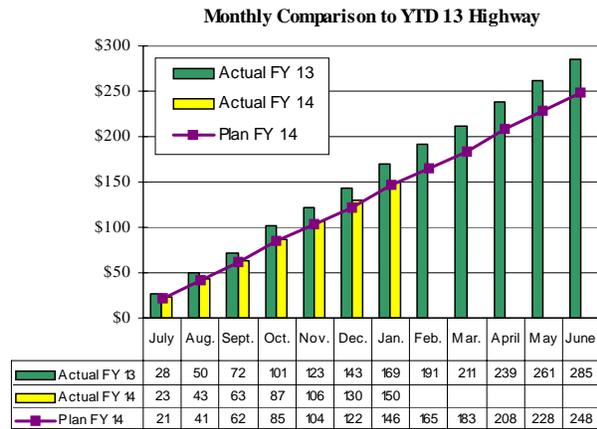
Fiscal 2014 Adequate Education Grant payments of \$572.5 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.6 million of grants through local retention of Statewide Property Tax collection. The FY 2014 budget anticipated a deficit 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	\$ 74.6	\$ 73.9	\$ 0.7
Miscellaneous	10.3	10.5	(0.2)
Motor Vehicle Fees			
MV Registrations	45.5	42.4	3.1
MV Operators	6.8	6.6	0.2
Inspection Station Fees	2.2	2.1	0.1
MV Miscellaneous Fees	5.9	6.3	(0.4)
Certificate of Title	4.6	4.4	0.2
Total Fees	65.0	61.8	3.2
Total	\$ 149.9	\$ 146.2	\$ 3.7

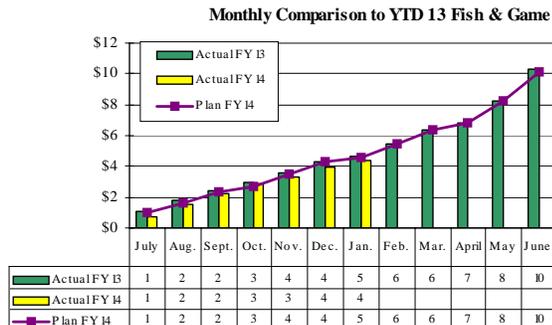


According to Road Toll Operations, actual fuel consumptions is up approximately 0.9% YTD over the same period last year.

NOTE: YTD actual revenue is below YTD FY13 revenue by approximately \$19.3 million (11.0%), 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	\$ 3.5	\$ 3.9	\$ (0.4)
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	\$ 4.4	\$ 4.6	\$ (0.2)



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

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Other revenue for the month was lower than plan by \$1.7 million bringing YTD results to slightly above plan. This month's variance to plan is largely due to timing of expected recoveries from federal and other programs.

Utility Property Tax revenues are ahead of plan this month due to timing of receipts this month which were projected to be collected last month.

Sales of Cigarette Stamps

Total sold June through January 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**	82,268	2,119	2.6%
2013	80,149	(3,910)	-4.7%
2012*	84,059	(2,879)	-3.3%
2011	86,938	(2,396)	-2.7%
2010	89,334	17,794	24.9%

**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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