

State Of New Hampshire

Monthly Revenue Focus

Department of Administrative Services

Linda M. Hodgdon, Commissioner

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Monthly Revenue Summary

Analysis

	<i>(for month)</i>		
	<u>FY 15</u>	<u>Plan</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$112.7	\$106.3	\$6.4
Highway	\$19.1	\$19.4	\$(0.3)
Fish & Game	\$0.9	\$0.6	\$0.3

Unrestricted revenue for the General and Education Funds received during August totaled \$112.7 million, which was above the plan by \$6.4 million and above prior year by \$5.7 million. Year to date (YTD) revenue totaled \$211.1 million, which was also above the plan by \$5.0 million but below prior year by \$27.3 million. The variance to prior years is primarily the result of the tobacco stamps purchased in the prior year in advance of the rate increase effective August 1, 2013.

Included as an insert to this report, and also available at <http://admin.state.nh.us/accounting>, is the Fiscal 2015 Revenue Plan. The plan represents a monthly allocation of the official revenue estimates as passed in Chapter 143, Laws of 2013 (HB1) plus other revenue adjustments included within Schedules 2 & 4 of the Committee of Conference Surplus Statement and the effects of Chapter 158:16, Laws of 2014 pertaining to the Medicaid Enhancement Tax. The total fiscal 2015 unrestricted revenue plan for General and Education Funds is \$2,219.8 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.

Business Tax collections for August totaled \$10.5 million, which were \$0.2 million below plan but \$0.2 million above prior year. YTD collections totaled \$28.0 million, \$0.9 million (3%) below plan and \$4.9 million (15%) below prior year. Next month, 3rd quarter estimated payments by calendar year businesses are due.

Revenue from the **Meals and Rentals Tax (M&R)** netted \$29.9 million this month, above plan by \$0.6 million and \$1.2 million above the prior year. According to the Dept. of Revenue (DRA), collections from full service restaurants and hotels were up 3% and 5%, respectively over August of last year (August receipts related to July activity). As can be seen in the chart on page 2, gross revenue receipts on a YTD basis is tracking \$2.0 million or 4% above prior year.

Tobacco Tax receipts for August came in above plan by \$2.8 million and \$1.7 million above prior year. As reported by DRA, stamp sales increased significantly from August of last year due to the advance purchases made in July of last year in anticipation of the August 1st rate increase. YTD collections were \$1.2 million above plan but \$27.2 million below prior year. Please see table on page 4.

Current Month

General & Education Funds	<i>FY 15 Actuals</i>	<i>FY 15 Plan</i>	<i>Actual vs. Plan</i>	<i>% Inc/(Dec)</i>
Business Profits Tax	\$6.5	\$6.4	\$0.1	1.6%
Business Enterprise Tax	4.0	4.3	(0.3)	-7.0%
Subtotal Business Taxes	10.5	10.7	(0.2)	-1.9%
Meals & Rentals Tax	29.9	29.3	0.6	2.0%
Tobacco Tax	22.4	19.6	2.8	14.3%
Transfer from Liquor Commission	14.6	14.6	-	0.0%
Interest & Dividends Tax	1.0	1.2	(0.2)	-16.7%
Insurance Tax	1.6	1.3	0.3	23.1%
Communications Tax	5.1	5.2	(0.1)	-1.9%
Real Estate Transfer Tax	12.0	12.0	-	0.0%
Court Fines & Fees	1.2	1.2	-	0.0%
Securities Revenue	0.5	0.4	0.1	25.0%
Utility Consumption Tax	0.4	0.5	(0.1)	-20.0%
Beer Tax	1.4	1.5	(0.1)	-6.7%
Other	3.8	2.0	1.8	90.0%
Transfer from Lottery Commission	6.2	6.2	-	0.0%
Transfer from Racing & Charitable Gaming	0.2	0.2	-	0.0%
Tobacco Settlement	-	-	-	-
Utility Property Tax	1.8	-	1.8	-
State Property Tax	-	-	-	-
Subtotal Traditional Taxes & Transfers	112.6	105.9	6.7	6.3%
Recoveries	0.1	0.4	(0.3)	-75.0%
Total Receipts	\$112.7	\$106.3	\$6.4	6.0%

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

Continued on page 4

RET Analysis (In Millions)												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY15	10.2	12.0										
FY14	9.6	11.8	9.8	8.9	9.6	7.6	9.0	6.0	5.4	6.0	7.6	8.9
FY13	8.5	8.2	8.9	8.4	8.0	8.5	10.0	6.3	4.2	5.5	7.2	8.6
Mo over Mo	0.6	0.2										
% Mo over Mo	6%	2%										
YTD change over Prior Year	0.6	0.8										
% YTD change	6%	4%										

Business Tax Refund Analysis													August
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD
FY15	2.3	1.2											3.5
FY14	2.4	2.0	2.9	4.0	12.3	3.0	3.6	5.0	0.5	3.8	1.6	1.8	4.4
FY13	1.1	1.5	1.5	1.8	2.2	0.9	1.0	4.3	6.7	6.9	4.0	2.3	2.6
Mo over Mo change	(0.1)	(0.8)	(2.9)	(4.0)	(12.3)	(3.0)	(3.6)	(5.0)	(0.5)	(3.8)	(1.6)	(1.8)	(0.9)
YTD change	(0.1)	(0.9)	(3.8)	(7.8)	(20.1)	(23.1)	(26.7)	(31.7)	(32.2)	(36.0)	(37.6)	(39.4)	

M&R Analysis						
	August			YTD		
	FY 15	FY 14	Diff	FY 15	FY 14	Diff
Gross Collections	31.0	29.9	1.1	57.3	55.3	2.0
Bldg Aid Debt Srvc Transfer	(1.1)	(1.2)	0.1	(2.3)	(2.3)	-
Net Revenue	29.9	28.7	1.2	55.0	53.0	2.0

General & Education Funds Comparison to FY 14

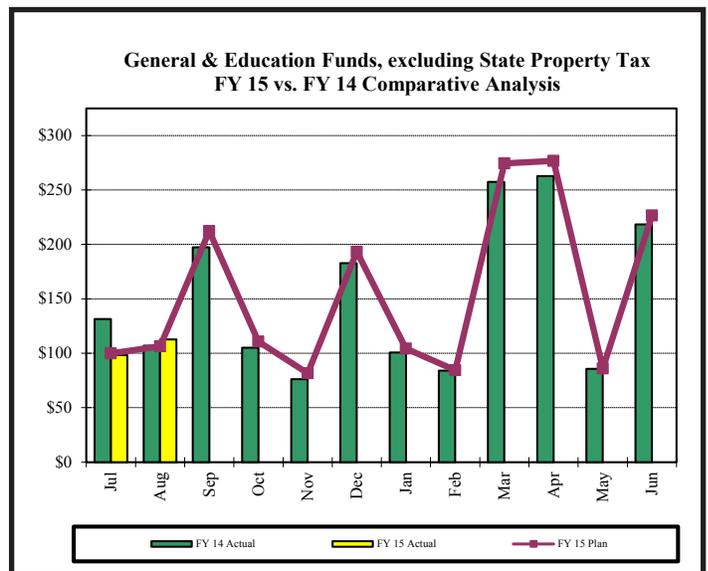
General & Education Funds	Monthly			Year-to-Date				Actual vs. Plan		
	FY 15 Actuals	FY 14 Actuals	Inc/(Dec)	FY 15 Actuals	FY 14 Actuals	Inc/(Dec)	% Inc/(Dec)	FY 15 Actuals	FY 15 Plan	Inc/(Dec)
Business Profits Tax	\$6.5	\$10.8	\$(4.3)	\$17.2	\$19.7	\$(2.5)	-12.7%	\$10.7	\$10.9	\$(0.2)
Business Enterprise Tax	4.0	(0.5)	4.5	10.8	13.2	(2.4)	-18.2%	6.8	7.3	(0.5)
Subtotal Business Taxes	10.5	10.3	0.2	28.0	32.9	(4.9)	-14.9%	17.5	18.2	(0.7)
Meals & Rentals Tax	29.9	28.7	1.2	55.0	53.0	2.0	3.8%	25.1	24.8	0.3
Tobacco Tax	22.4	20.7	1.7	40.2	67.4	(27.2)	-40.4%	17.8	19.4	(1.6)
Transfer from Liquor Commission	14.6	14.8	(0.2)	28.7	28.5	0.2	0.7%	14.1	13.8	0.3
Interest & Dividends Tax	1.0	1.0	-	1.6	1.8	(0.2)	-11.1%	0.6	1.0	(0.4)
Insurance Tax	1.6	1.5	0.1	2.6	2.6	-	0.0%	1.0	1.0	-
Communications Tax	5.1	4.9	0.2	9.7	9.3	0.4	4.3%	4.6	4.7	(0.1)
Real Estate Transfer Tax	12.0	11.8	0.2	22.2	21.4	0.8	3.7%	10.2	9.8	0.4
Court Fines & Fees	1.2	1.2	-	2.3	2.2	0.1	4.5%	1.1	1.0	0.1
Securities Revenue	0.5	0.5	-	0.8	0.9	(0.1)	-11.1%	0.3	0.4	(0.1)
Utility Consumption Tax	0.4	0.5	(0.1)	0.9	1.0	(0.1)	-10.0%	0.5	0.5	-
Beer Tax	1.4	1.4	-	2.6	2.5	0.1	4.0%	1.2	1.1	0.1
Other	3.8	2.6	1.2	8.0	7.6	0.4	5.3%	4.2	3.9	0.3
Transfer from Lottery Commission	6.2	6.4	(0.2)	6.2	6.4	(0.2)	-3.1%	-	-	-
Transfer from Racing & Charitable Gaming	0.2	0.2	-	0.2	0.2	-	0.0%	-	-	-
Tobacco Settlement	-	-	-	-	-	-	-	-	-	-
Utility Property Tax	1.8	0.1	1.7	2.0	0.3	1.7	566.7%	0.2	-	0.2
State Property Tax	-	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	112.6	106.6	6.0	211.0	238.0	(27.0)	-11.3%	98.4	99.6	(1.2)
Recoveries	0.1	0.4	(0.3)	0.1	0.4	(0.3)	-75.0%	-	0.2	(0.2)
Total Receipts	\$112.7	\$107.0	\$5.7	\$211.1	\$238.4	\$(27.3)	-11.5%	\$98.4	\$99.8	\$(1.4)

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	\$14.2	\$14.3	\$(0.1)	\$3.0	\$3.0	\$-	\$17.2	\$17.3	\$(0.1)	-0.6%
Business Enterprise Tax	3.6	3.8	(0.2)	7.2	7.8	(0.6)	10.8	11.6	(0.8)	-6.9%
Subtotal Business Taxes	17.8	18.1	(0.3)	10.2	10.8	(0.6)	28.0	28.9	(0.9)	-3.1%
Meals & Rentals Tax	53.3	52.4	0.9	1.7	1.7	-	55.0	54.1	0.9	1.7%
Tobacco Tax	23.5	22.8	0.7	16.7	16.2	0.5	40.2	39.0	1.2	3.1%
Transfer from Liquor Commission	28.7	28.4	0.3	-	-	-	28.7	28.4	0.3	1.1%
Interest & Dividends Tax	1.6	2.2	(0.6)	-	-	-	1.6	2.2	(0.6)	-27.3%
Insurance Tax	2.6	2.3	0.3	-	-	-	2.6	2.3	0.3	13.0%
Communications Tax	9.7	9.9	(0.2)	-	-	-	9.7	9.9	(0.2)	-2.0%
Real Estate Transfer Tax	14.6	13.8	0.8	7.6	8.0	(0.4)	22.2	21.8	0.4	1.8%
Court Fines & Fees	2.3	2.2	0.1	-	-	-	2.3	2.2	0.1	4.5%
Securities Revenue	0.8	0.8	-	-	-	-	0.8	0.8	-	0.0%
Utility Consumption Tax	0.9	1.0	(0.1)	-	-	-	0.9	1.0	(0.1)	-10.0%
Beer Tax	2.6	2.6	-	-	-	-	2.6	2.6	-	0.0%
Other	8.0	5.9	2.1	-	-	-	8.0	5.9	2.1	35.6%
Transfer from Lottery Commission	-	-	-	6.2	6.2	-	6.2	6.2	-	0.0%
Transfer from Racing & Charitable Gaming	-	-	-	0.2	0.2	-	0.2	0.2	-	0.0%
Tobacco Settlement	-	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	2.0	-	2.0	2.0	-	2.0	-
State Property Tax	-	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers Recoveries	166.4	162.4	4.0	44.6	43.1	1.5	211.0	205.5	5.5	2.7%
Recoveries	0.1	0.6	(0.5)	-	-	-	0.1	0.6	(0.5)	-83.3%
Total Receipts	\$166.5	\$163.0	\$3.5	\$44.6	\$43.1	\$1.5	\$211.1	\$206.1	\$5.0	2.4%

Education Trust Fund Statement of Activity - FY 2015 July 1, 2014 to August 31, 2014	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$ -
Unrestricted Revenue - See above	44.6
Expenditures	
Education Grants & Adm Costs	(114.8)
Ending Surplus (Deficit) - unaudited	\$(70.2)



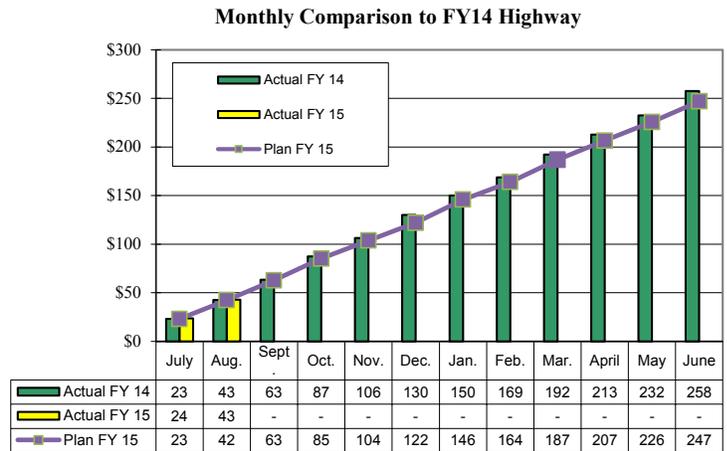
Fiscal 2015 Adequate Education Grant payments of \$572.5 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.6 million of grants through local retention of Statewide Property Tax collection. The FY 2015 budget anticipated a deficit of \$99.2 million, to be covered by a General fund transfer at year end.

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



Highway Fund

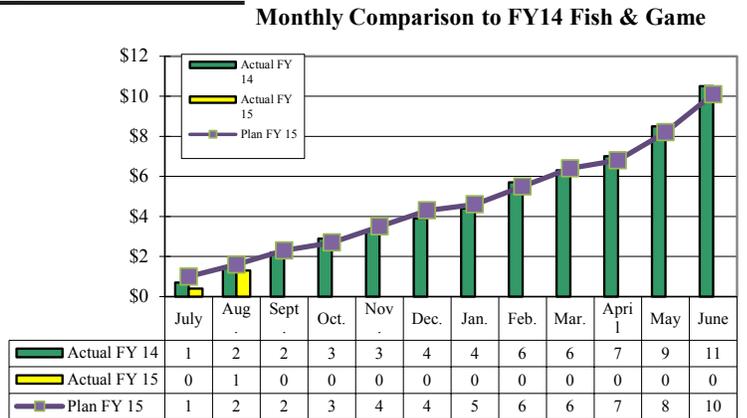
Comparison to Plan			
Revenue Category	year-to-date		
	FY 15 Actuals	FY 15 Plan	Actual vs. Plan
Gasoline Road Toll	\$21.4	\$20.9	\$0.5
Miscellaneous	2.6	2.6	-
Motor Vehicle Fees			
MV Registrations	13.4	13.5	(0.1)
MV Operators	2.0	2.0	-
Inspection Station Fees	0.6	0.6	-
MV Miscellaneous Fees	1.6	1.8	(0.2)
Certificate of Title	1.1	1.0	0.1
Total Fees	18.7	18.9	(0.2)
Total	\$42.7	\$42.4	\$0.3



According to Road Toll Operations, actual fuel consumption is up approximately 1.48% YTD over the same period last year.

Fish & Game Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 15 Actuals	FY 15 Plan	Actual vs. Plan
Fish and Game Licenses	\$1.1	\$1.5	\$(0.4)
Fines and Penalties	-	-	-
Miscellaneous Sales	0.1	-	0.1
Federal Recoveries Indirect Costs	0.1	0.1	-
Total	\$1.3	\$1.6	\$(0.3)



Continued from page 1

Transfer from Liquor Commission of \$14.6 million is an estimate. An estimate is used this month due to inventory/cost of sales subsystem challenges. A true up of this August revenue will be reported in the September revenues reported.

Other revenue for the month was higher than plan by \$1.8 million bringing YTD results to \$2.1 million (36%) above plan which is largely due to timing of expected recoveries of post retirement costs from federal and other programs, as well as, other fees.

According to DRA, the favorable August variance versus plan for **Utility Property Tax** is due to a combination of timing differences (earlier than planned receipts) and tax notice payments which were received during the month.

Sales of Cigarette Stamps

Total sold (calendar month) July through August for each of last five years
(number of stamps, in thousands)

Prepared from data provided by DRA

	Sales of Stamps	Volume Change	Percent Change
2015	21,187	(14,003)	-39.8%
2014	35,190	12,203	53.1%
2013	22,987	(3,236)	-12.3%
2012	26,224	2,622	11.1%
2011	23,602	904	4.0%

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