

# State Of New Hampshire

## Monthly Revenue Focus

Department of Administrative Services

Vicki V. Quiram, Commissioner

Gerard J. Murphy, Comptroller



Monthly Revenue Summary	Analysis
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	<u>FY 16</u>	<u>FY 15</u>	<u>Inc/(Dec)</u>
<b>Gen &amp; Educ</b>	<b>\$116.2</b>	<b>\$112.7</b>	<b>\$3.5</b>
<b>Highway</b>	<b>\$19.6</b>	<b>\$19.1</b>	<b>\$0.5</b>
<b>Fish &amp; Game</b>	<b>\$0.7</b>	<b>\$0.9</b>	<b>\$(0.2)</b>

This August FY 2016 Monthly Revenue Focus report is an abbreviated version of the Department's traditional revenue report, as there currently is not an enacted revenue plan for the FY 2016 and 2017 biennium. This report compares the activity for the current month and for the fiscal year to date (YTD) with the prior year.

Unrestricted revenue for the General and Education Funds received during August totaled \$116.2 million, which was above the prior year by \$3.5 million (3.1%). On a YTD basis through the month of August, unrestricted revenues were \$225.0 million, which was \$13.9 million (6.6%) above the prior year.

### Current Month

General & Education Funds	<i>FY 16 Actuals</i>	<i>FY 15 Actuals</i>	<i>Inc/(Dec)</i>
Business Profits Tax	\$7.4	\$6.5	\$0.9
Business Enterprise Tax	4.8	4.0	0.8
Subtotal Business Taxes	12.2	10.5	1.7
Meals & Rentals Tax	32.5	29.9	2.6
Tobacco Tax	22.0	22.4	(0.4)
Transfer from Liquor Commission	12.6	14.6	(2.0)
Interest & Dividends Tax	1.1	1.0	0.1
Insurance Tax	2.1	1.6	0.5
Communications Tax	4.7	5.1	(0.4)
Real Estate Transfer Tax	15.2	12.0	3.2
Court Fines & Fees	1.2	1.2	-
Securities Revenue	0.5	0.5	-
Utility Consumption Tax	0.5	0.4	0.1
Beer Tax	1.5	1.4	0.1
Other	3.4	3.8	(0.4)
Transfer from Lottery Commission	6.3	6.2	0.1
Transfer from Racing & Charitable Gaming	0.3	0.2	0.1
Tobacco Settlement	-	-	-
Utility Property Tax	-	1.8	(1.8)
State Property Tax	-	-	-
Subtotal Traditional Taxes & Transfers	116.1	112.6	3.5
Net Medicaid Enhancement Rev Recoveries	0.1	0.1	-
Total Receipts	\$116.2	\$112.7	\$3.5

**Business Taxes** for August were \$12.2 million, \$1.7 million (16.2%) above prior year, with collections on a YTD basis being \$0.2 million (0.7%) above prior year. According to the Department of Revenue Administration (DRA), historically the degree to which collections for the months of July and August act as an indicative trend has not been as high as the months of September and October.

This month's **Meals and Rentals Tax (M&R)** receipts of \$32.5 million came in above prior year by \$2.6 million (8.7%) which results in YTD collections of \$4.4 million (8.0%) above the YTD amount through August of last year. DRA noted that as compared to August of the prior year, food-related collections for the month were up by 7% and lodging-related collections for the month were up by 6%.

The August **Transfer from the Liquor Commission** was \$12.6 million (13.7%) below the August transfer in FY 2015, which results in a YTD amount \$0.2 million (0.7%) below the prior year YTD amount. According to the Liquor Commission, the decline in YTD transfers compared to last year is due to the fact that Labor Day weekend sales occurred in August last year and will occur in September this year.

**Tobacco Tax** receipts for August were \$22.0 million, which was \$0.4 million (1.8%) below the same month last year, while YTD collections were still \$4.6 million (11.4%) above prior year. DRA has reported that YTD stamp sales increased by 4% over FY 2015, and that cash collected on the receivable bond balance accounted for the remainder of the increase over the prior year.

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## Analysis

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Collections for the **Communications Services Tax** for the month were \$4.7 million, which was \$0.4 million (7.8%) below August of FY 2015, and resulted in YTD collections \$0.5 million (5.2%) below those in the prior year.

**Real Estate Transfer Taxes** for August were \$15.2 million, which were above the prior year by \$3.2 million (26.7%) and which brought YTD collections \$7.5 million (33.8%) above those from last year. DRA reports that revenue for the month from the counties was almost 27% over last year, with the number of transactions reported for the month of July (August collections) up 18.6% over July of last year and with 8 of 10 counties reporting an increase in transactions over the same month in FY 2015. The remainder of the increase in collections over the prior year was due to rising real estate values.

**Other revenues** for August of \$3.4 million were \$0.4 million below prior year, with YTD collections \$1.7 million below prior year primarily due to the fact that the timing of the receipt of certain component revenue in the prior year was earlier than anticipated.

**Utility Property Tax** receipts YTD through August were \$1.9 million below the prior year due to the fact that the revenue received during the first two months of FY2015 was related to unplanned tax notice payments.

RET Analysis (In Millions)												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY16	14.5	15.2										
FY15	10.2	12.0	11.4	9.7	11.6	13.4	9.0	5.8	5.0	7.9	7.8	9.5
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
Mo over Mo	4.3	3.2	(11.4)	(9.7)	(11.6)	(13.4)	(9.0)	(5.8)	(5.0)	(7.9)	(7.8)	(9.5)
% Mo over Mo	42%	27%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%
YTD change over Prior Year	4.3	7.5	(3.9)	(13.6)	(25.2)	(38.6)	(47.6)	(53.4)	(58.4)	(66.3)	(74.1)	(83.6)
% YTD change	42%	34%	-12%	-31%	-46%	-57%	-62%	-64%	-66%	-69%	-71%	-74%

M&R Analysis						
	August			YTD		
	FY 16	FY 15	Diff	FY 16	FY 15	Diff
Gross Collections	34.7	32.2	2.5	58.3	53.9	4.4
Bldg Aid Debt Svc Transfer	(2.2)	(2.3)	0.1	1.1	1.1	-
Net Revenue	32.5	29.9	2.6	59.4	55.0	4.4

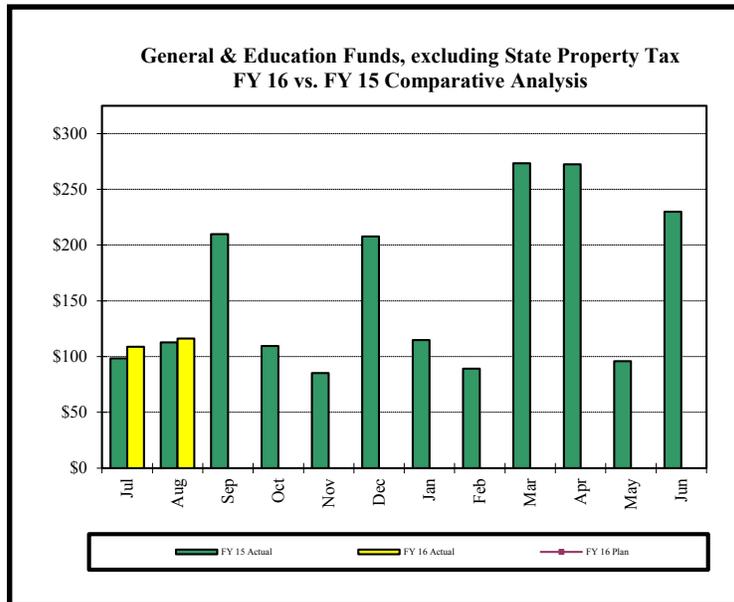
Business Tax Refund Analysis													
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	August YTD
FY16	2.4	1.0											3.4
FY15	2.3	1.2	4.9	4.7	9.4	1.3	6.4	1.5	2.8	2.1	1.7	2.6	3.5
FY14	2.4	2.0	2.9	4.0	12.3	3.0	3.6	5.0	0.5	3.8	1.6	1.8	4.4
Mo over Mo change	0.1	(0.2)	(4.9)	(4.7)	(9.4)	(1.3)	(6.4)	(1.5)	(2.8)	(2.1)	(1.7)	(2.6)	(0.1)
YTD change	0.1	(0.1)	(5.0)	(9.7)	(19.1)	(20.4)	(26.8)	(28.3)	(31.1)	(33.2)	(34.9)	(37.5)	

## General & Education Funds Comparison to FY 15

Monthly

Year-to-Date

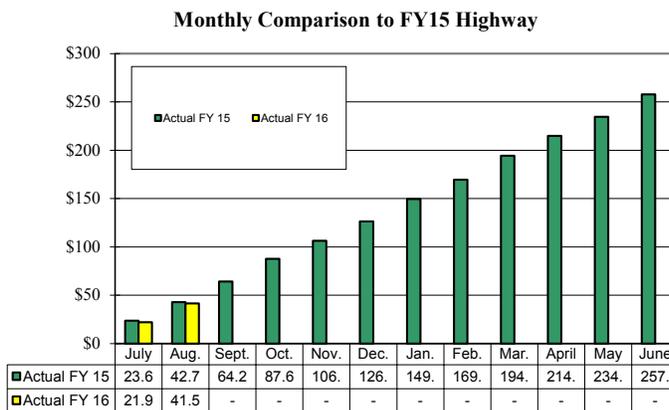
General & Education Funds	FY 16 Actuals	FY 15 Actuals	Inc/(Dec)	FY 16 Actuals	FY 15 Actuals	Inc/(Dec)	% Change
Business Profits Tax	\$7.4	\$6.5	\$0.9	\$17.1	\$17.2	\$(0.1)	-0.6%
Business Enterprise Tax	4.8	4.0	0.8	11.1	10.8	0.3	2.8%
Subtotal Business Taxes	12.2	10.5	1.7	28.2	28.0	0.2	0.7%
Meals & Rentals Tax	32.5	29.9	2.6	59.4	55.0	4.4	8.0%
Tobacco Tax	22.0	22.4	(0.4)	44.8	40.2	4.6	11.4%
Transfer from Liquor Commission	12.6	14.6	(2.0)	28.5	28.7	(0.2)	-0.7%
Interest & Dividends Tax	1.1	1.0	0.1	2.0	1.6	0.4	25.0%
Insurance Tax	2.1	1.6	0.5	3.2	2.6	0.6	23.1%
Communications Tax	4.7	5.1	(0.4)	9.2	9.7	(0.5)	-5.2%
Real Estate Transfer Tax	15.2	12.0	3.2	29.7	22.2	7.5	33.8%
Court Fines & Fees	1.2	1.2	-	2.3	2.3	-	0.0%
Securities Revenue	0.5	0.5	-	0.9	0.8	0.1	12.5%
Utility Consumption Tax	0.5	0.4	0.1	1.0	0.9	0.1	11.1%
Beer Tax	1.5	1.4	0.1	2.7	2.6	0.1	3.8%
Other	3.4	3.8	(0.4)	6.3	8.0	(1.7)	-21.3%
Transfer from Lottery Commission	6.3	6.2	0.1	6.3	6.2	0.1	1.6%
Transfer from Racing & Charitable Gaming	0.3	0.2	0.1	0.3	0.2	0.1	50.0%
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	-	1.8	(1.8)	0.1	2.0	(1.9)	-95.0%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	116.1	112.6	3.5	224.9	211.0	13.9	6.6%
Net Medicaid Enhancement Rev	-	-	-	-	-	-	-
Recoveries	0.1	0.1	-	0.1	0.1	-	0.0%
Total Receipts	\$116.2	\$112.7	\$3.5	\$225.0	\$211.1	\$13.9	6.6%



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

## Highway Fund

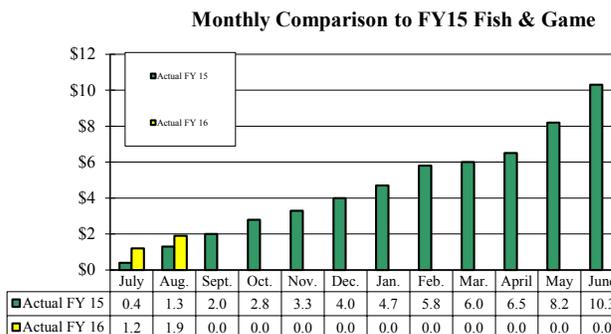
Revenue Category	FY 16 Actuals	FY 15 Actuals	Inc/(Dec)
Gasoline Road Toll	\$21.7	\$21.4	\$0.3
Miscellaneous	0.5	2.6	(2.1)
<b>Motor Vehicle Fees</b>			
MV Registrations	14.8	13.4	1.4
MV Operators	1.2	2.0	(0.8)
Inspection Station Fees	0.7	0.6	0.1
MV Miscellaneous Fees	1.6	1.6	-
Certificate of Title	1.0	1.1	(0.1)
<b>Total Fees</b>	<b>19.3</b>	<b>18.7</b>	<b>0.6</b>
<b>Total</b>	<b>\$41.5</b>	<b>\$42.7</b>	<b>\$(1.2)</b>



According to Road Toll Operations, actual fuel consumption is up approximately 1.71% YTD over the same period last year. Per the Department of Transportation, the decline in Miscellaneous revenue in the Highway fund between FY 2015 and FY 2016 is specific to the payments made by the Turnpike System to the Highway Fund for the section of I-95 purchased by the Turnpike System. These payments are scheduled to be less in FY 2016 than they were in FY 2015, with the final payment to occur in FY 2016.

## Fish & Game Fund

Revenue Category	FY 16 Actuals	FY 15 Actuals	Inc/(Dec)
Fish and Game Licenses	\$1.8	\$1.1	\$0.7
Fines and Penalties	-	-	-
Miscellaneous Sales	-	0.1	(0.1)
Federal Recoveries Indirect Costs	0.1	0.1	-
<b>Total</b>	<b>\$1.9</b>	<b>\$1.3</b>	<b>\$0.6</b>

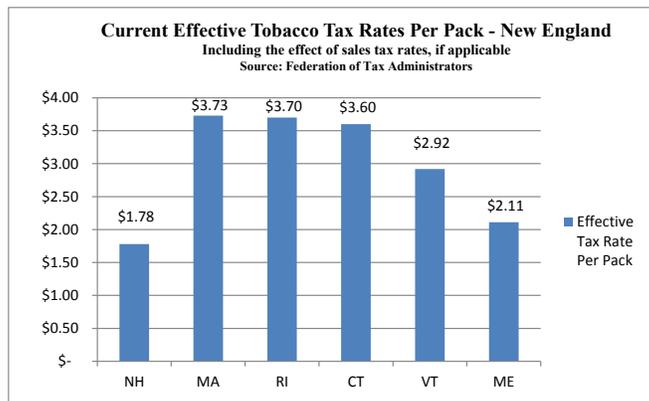


### SALES OF CIGARETTE STAMPS

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
2016	22,085	898	4.2%
2015	21,187	(14,003)	-39.8%
2014	35,190	12,203	53.1%
2013	22,987	(3,237)	-12.3%
2012	26,224	2,622	11.1%



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