

State Of New Hampshire

Monthly Revenue Focus

Department of Administrative Services
 Vicki V. Quiram, Commissioner
 Gerard J. Murphy, Comptroller



Monthly Revenue Summary	Analysis
-------------------------	----------

	(for month)		
	FY 16 Actual	FY 16 Plan	Actual vs. Plan
Gen & Educ *	\$218.3	\$212.3	\$6.0
Highway	\$16.8	\$16.2	\$0.6
Fish & Game	\$0.5	\$0.8	\$(0.3)

* Excludes known Tax Amnesty Receipts

Unrestricted revenue for the General and Education Funds received during December totaled \$218.3 million, which was above the plan by \$6.0 million (2.8%) and above the prior year by \$10.7 million (5.2%). Year to date (YTD) unrestricted revenue totaled \$879.6 million, which was above plan by \$37.1 million (4.4%) and above prior year by \$56.3 million (6.8%).

As set forth in Chapter 276:242, Laws of 2015, from December 1, 2015 through February 15, 2016, New Hampshire taxpayers have a one-time opportunity to receive amnesty from all penalties and one-half interest on taxes outstanding as of February 15, 2016 by paying the tax due and one-half of the applicable per annum interest that has accrued since the tax was due. This **tax amnesty program** is open to all taxes collected by the Department of Revenue Administration (DRA) and is expected to bring in \$16.0 million over the 2.5 month duration of the program, which is not included in the monthly revenue plan amounts. The DRA has identified certain revenue as being associated with this tax amnesty program (see the lines at the bottom of each GF/ETF table for Tax Amnesty Receipts and the stand alone table on page 2). However, DRA also advises that its review of all revenue received to date is in process and that additional revenue associated with the tax amnesty program has not yet been identified and may still be included within the regular December revenue amounts reported here. While all such revenue has been recorded and appears in the amounts reported in this document, the DRA has not yet identified all payments that qualify for tax amnesty that were received in December, primarily due to taxpayer filing errors and insufficient time to process documents at month end. Throughout the duration of the amnesty program, DRA will continue to identify the revenue specific to the tax amnesty program, and the final results of the tax amnesty program will be known in time to be included in the March of FY 2016 revenue focus report. At that point, the regular revenue amounts from the time period of the tax amnesty program for the relevant taxes may be reduced if it is discovered that tax amnesty revenue was included in the numbers as originally reported.

Business Taxes for December totaled \$105.0 million net of revenue identified as tax amnesty revenue, which were \$11.2 million (11.9%) above plan and \$14.2 million (15.6%) above prior year. YTD business tax collections were above plan by \$28.8 million (11.9%) and \$36.2 million (15.5%) above the prior year. According to DRA, the increase in revenue as compared to the prior year was largely due to an increase in estimated tax payments, which were 15% higher as compared to the same period this time last year. For the month of December, revenue from estimated tax payments of \$98 million was the highest one-month revenue total in the last ten years, **December Business Taxes compared to plan may be overstated by inclusion of certain collections related to the tax amnesty program, however estimated tax payments are not part of the tax amnesty program.**

Meals and Rentals Tax (M&R) receipts for December net of revenue identified as tax amnesty revenue, came in slightly below plan by \$0.1 million (0.5%) and above prior year by \$0.6 million (3.1%), and YTD collections were \$5.4 million (3.4%) above plan and \$11.1 million (7.2%) above prior year. According to DRA, December collections (November activity) from full service restaurants were up 6% while hotels were down 6% from the same month last year, and collections from fast food establishments were up 3%. **December M&R revenue compared to plan may be overstated by inclusion of certain collections related to the tax amnesty program.**

Tobacco Tax receipts for the month were \$15.3 million or \$5.8 million (27.5%) below plan and \$5.6 million (26.8%) below prior year. YTD receipts were \$119.8 million or \$2.4 million (2.0%) above plan and \$3.0 million (2.6%) above prior year. As reported in the November Focus, stamp sales had increased significantly in November due to advance purchases made in anticipation of upcoming manufacturer price increases, thus December stamp sales have decreased below both November and below December of the prior year.

Interest and Dividends Tax (I&D) collections for the month net of revenue identified as tax amnesty revenue, were reported at \$4.1 million, which were \$1.1 million below plan and \$1.8 million below prior year. YTD collections through December were \$22.6 million, or \$0.5 million (2.3%) above plan, and slightly below prior year. DRA has reported that interest and dividend collections for December reflect timing of early estimates, as they are not due until January, as well as higher refund activity. **December I&D revenue compared to plan may be overstated by inclusion of certain collections related to the tax amnesty program.**

Current Month

GENERAL & EDUCATION FUNDS	FY 16 Actuals	FY 16 Plan	Actual vs. Plan
Business Profits Tax	\$63.2	\$53.5	\$9.7
Business Enterprise Tax	41.8	40.3	1.5
Subtotal Business Taxes	105.0	93.8	11.2
Meals & Rentals Tax	20.2	20.3	(0.1)
Tobacco Tax	15.3	21.1	(5.8)
Transfer from Liquor Commission	17.9	18.5	(0.6)
Interest & Dividends Tax	4.1	5.2	(1.1)
Insurance Tax	1.2	1.0	0.2
Communications Tax	4.4	4.9	(0.5)
Real Estate Transfer Tax	10.6	9.4	1.2
Court Fines & Fees	1.0	1.1	(0.1)
Securities Revenue	12.4	12.0	0.4
Utility Consumption Tax	0.4	0.5	(0.1)
Beer Tax	1.0	1.0	-
Other	6.1	3.8	2.3
Transfer from Lottery Commission	5.1	6.0	(0.9)
Transfer from Racing & Charitable Gaming	0.2	0.2	
Tobacco Settlement			
Utility Property Tax	10.3	10.5	(0.2)
State Property Tax			
Subtotal Traditional Taxes & Transfers	215.2	209.3	5.9
Recoveries	3.1	3.0	0.1
Subtotal Receipts	\$218.3	\$212.3	\$6.0
Tax Amnesty Receipts	\$1.9		
Total Receipts	\$220.2		

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
FY16	14.5	15.2	13.1	11.4	11.4	10.6						
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	1.7	1.7	(0.2)	(2.8)	(9.0)	(5.8)	(5.0)	(7.9)	(7.8)	(9.5)
% Mo over Mo	42%	27%	15%	18%	-2%	-21%	-100%	-100%	-100%	-100%	-100%	-100%
YTD change over Prior Year	4.3	7.5	9.2	10.9	10.7	7.9	(1.1)	(6.9)	(11.9)	(19.8)	(27.6)	(37.1)
% YTD change	42%	34%	27%	25%	19%	12%	-1%	-8%	-14%	-21%	-27%	-33%

	M&R ANALYSIS					
	December			YTD		
	FY 16	FY 15	Diff	FY 16	FY 15	Diff
Gross Collections	21.3	20.7	0.6	172.7	161.8	10.9
Bldg Aid Debt Srvcs Transfer	(1.1)	(1.1)		(6.6)	(6.8)	0.2
Net Revenue	20.2	19.6	0.6	166.1	155.0	11.1

	FY 2016 TAX AMNESTY PROGRAM ANALYSIS (In Millions)			
	Dec	Jan	Feb	YTD Total
Business Enterprise Tax and Business Profits Tax	\$1.5			\$1.5
Interest & Dividends Tax	\$0.1			\$0.1
Meals & Rentals Tax	\$0.3			\$0.3
Communications Tax				
Utility Consumption Tax				
Real Estate Transfer Tax				
Tobacco Tax				
Utility Property Tax				
Total	\$1.9			\$1.9

	BUSINESS TAX REFUND ANALYSIS												December
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD
FY16	2.4	1.0	3.3	4.6	4.4	2.9							18.6
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	23.8
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	26.6
Mo over Mo change	0.1	(0.2)	(1.6)	(0.1)	(5.0)	1.6	(6.4)	(1.5)	(2.8)	(2.1)	(1.7)	(2.6)	(5.2)
YTD change	0.1	(0.1)	(1.7)	(1.8)	(6.8)	(5.2)	(11.6)	(13.1)	(15.9)	(18.0)	(19.7)	(22.3)	

General & Education Funds Comparison to FY 15

Monthly

Year-to-Date

GENERAL & EDUCATION FUNDS	FY 16	FY 15	Inc/(Dec)	FY 16	FY 15	Inc/(Dec)	% Change
	Actuals	Actuals		Actuals	Actuals		
Business Profits Tax	\$63.2	\$51.4	\$11.8	\$163.6	\$140.6	\$23.0	16.4%
Business Enterprise Tax	41.8	39.4	2.4	106.6	93.4	13.2	14.1%
Subtotal Business Taxes	105.0	90.8	14.2	270.2	234.0	36.2	15.5%
Meals & Rentals Tax	20.2	19.6	0.6	166.1	155.0	11.1	7.2%
Tobacco Tax	15.3	20.9	(5.6)	119.8	116.8	3.0	2.6%
Transfer from Liquor Commission	17.9	17.9		79.8	78.9	0.9	1.1%
Interest & Dividends Tax	4.1	5.9	(1.8)	22.6	22.9	(0.3)	-1.3%
Insurance Tax	1.2	1.2		8.9	8.5	0.4	4.7%
Communications Tax	4.4	4.9	(0.5)	27.1	29.9	(2.8)	-9.4%
Real Estate Transfer Tax	10.6	13.4	(2.8)	76.2	68.3	7.9	11.6%
Court Fines & Fees	1.0	1.1	(0.1)	6.7	6.7		0.0%
Securities Revenue	12.4	11.8	0.6	14.7	14.1	0.6	4.3%
Utility Consumption Tax	0.4	0.4		3.0	2.9	0.1	3.4%
Beer Tax	1.0	0.9	0.1	7.1	7.0	0.1	1.4%
Other	6.1	4.4	1.7	21.8	25.2	(3.4)	-13.5%
Transfer from Lottery Commission	5.1	4.2	0.9	28.8	28.4	0.4	1.4%
Transfer from Racing & Charitable Gaming	0.2	0.2		1.2	1.1	0.1	9.1%
Tobacco Settlement							
Utility Property Tax	10.3	9.9	0.4	20.2	20.4	(0.2)	-1.0%
State Property Tax							
Subtotal Traditional Taxes & Transfers	215.2	207.5	7.7	874.2	820.1	54.1	6.6%
Recoveries	3.1	0.1	3.0	5.4	3.2	2.2	68.8%
Subtotal Receipts	\$218.3	\$207.6	\$10.7	\$879.6	\$823.3	\$56.3	6.8%
Tax Amnesty Receipts	\$1.9		\$1.9	\$1.9		\$1.9	100.0%
Total Receipts	\$220.2	\$207.6	\$12.6	\$881.5	\$823.3	\$58.2	7.1%

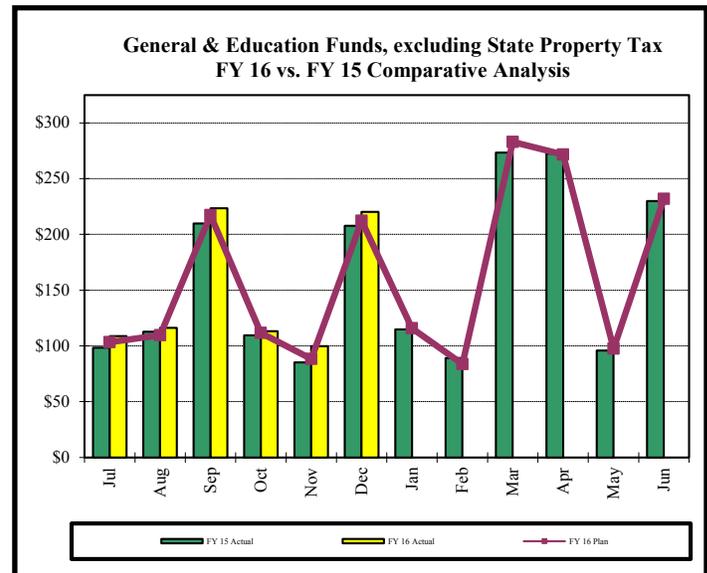
All funds reported on a cash basis, dollars in millions.

General and Education Funds

YEAR-TO-DATE COMPARISON TO PLAN

General & Education Funds	General			Education			Total			% Change
	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	
Business Profits Tax	\$134.5	\$117.5	\$17.0	\$29.1	\$25.5	\$3.6	\$163.6	\$143.0	\$20.6	14.4%
Business Enterprise Tax	35.5	33.2	2.3	71.1	65.2	5.9	106.6	98.4	8.2	8.3%
Subtotal Business Taxes	170.0	150.7	19.3	100.2	90.7	9.5	270.2	241.4	28.8	11.9%
Meals & Rentals Tax	161.0	156.0	5.0	5.1	4.7	0.4	166.1	160.7	5.4	3.4%
Tobacco Tax	69.7	65.7	4.0	50.1	51.7	(1.6)	119.8	117.4	2.4	2.0%
Transfer from Liquor Commission	79.8	81.2	(1.4)				79.8	81.2	(1.4)	-1.7%
Interest & Dividends Tax	22.6	22.1	0.5				22.6	22.1	0.5	2.3%
Insurance Tax	8.9	7.5	1.4				8.9	7.5	1.4	18.7%
Communications Tax	27.1	30.0	(2.9)				27.1	30.0	(2.9)	-9.7%
Real Estate Transfer Tax	50.8	46.2	4.6	25.4	22.8	2.6	76.2	69.0	7.2	10.4%
Court Fines & Fees	6.7	6.9	(0.2)				6.7	6.9	(0.2)	-2.9%
Securities Revenue	14.7	14.5	0.2				14.7	14.5	0.2	1.4%
Utility Consumption Tax	3.0	3.0	-				3.0	3.0	-	0.0%
Beer Tax	7.1	6.9	0.2				7.1	6.9	0.2	2.9%
Other	21.8	21.9	(0.1)				21.8	21.9	(0.1)	-0.5%
Transfer from Lottery Commission				28.8	30.7	(1.9)	28.8	30.7	(1.9)	-6.2%
Transfer from Racing & Charitable Gaming				1.2	1.0	0.2	1.2	1.0	0.2	20.0%
Tobacco Settlement										
Utility Property Tax				20.2	20.3	(0.1)	20.2	20.3	(0.1)	-0.5%
State Property Tax										
Subtotal Traditional Taxes & Transfers	643.2	612.6	30.6	231.0	221.9	9.1	874.2	834.5	39.7	4.8%
Recoveries	5.4	8.0	(2.6)				5.4	8.0	(2.6)	-32.5%
Subtotal Receipts	648.6	620.6	28.0	231.0	221.9	9.1	879.6	842.5	37.1	4.4%
Tax Amnesty Receipts	1.9						1.9			
Total Receipts	\$650.5			\$231.0			\$881.5			

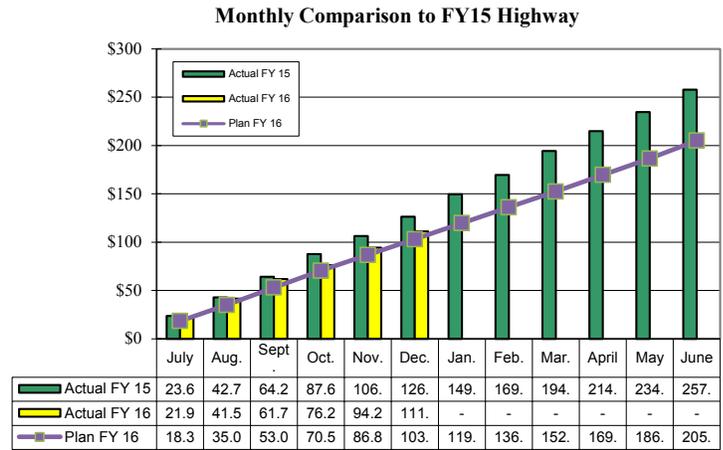
Education Trust Fund Statement of Activity - FY 2016 July 1, 2015 to December 31, 2015	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$-
Unrestricted Revenue - See above	231.0
Expenditures	
Education Grants & Adm Costs	(413.6)
Ending Surplus (Deficit) - unaudited	\$(182.6)



Fiscal 2016 Adequate Education Grant payments of \$567.9 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.1 million of grants through local retention of Statewide Property Tax collection. The FY 2016 budget anticipated a deficit of \$79.4 million, to be covered by a General fund transfer at year end.

Highway Fund

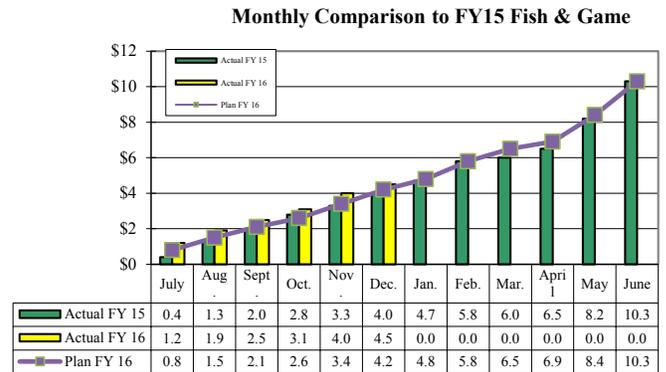
COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 15 Actuals
	FY 16 Actuals	FY 16 Plan	Actual vs. Plan	
Gasoline Road Toll	\$64.3	\$61.9	\$2.4	\$64.4
Miscellaneous	0.6	0.7	(0.1)	5.3
Motor Vehicle Fees				
MV Registrations	34.8	29.5	5.3	39.2
MV Operators	1.9	1.2	0.7	6.2
Inspection Station Fees	1.9	1.7	0.2	2.0
MV Miscellaneous Fees	4.5	4.9	(0.4)	5.1
Certificate of Title	3.0	3.1	(0.1)	4.0
Total Fees	46.1	40.4	5.7	56.5
Total	\$111.0	\$103.0	\$8.0	\$126.2



According to Road Toll Operations, actual fuel consumption is up approximately 1.83% YTD over the same period last year. The Highway Fund Plan for FY 2016 represents revenues included within HB1 (Ch. 275, Laws of 2015) adjusted for the removal of \$28.6 million of revenue associated with the cost of collection, which is no longer classified as unrestricted highway fund revenue and is instead classified as restricted revenue, per the Committee of Conference Highway Fund Surplus Statement. Actual collections have also been adjusted for this change.

Fish & Game Fund

COMPARISON TO PLAN			
Revenue Category	year-to-date		Actual vs. Plan
	FY 16 Actuals	FY 16 Plan	
Fish and Game Licenses	\$3.8	\$3.4	\$0.4
Fines and Penalties	0.1	0.1	
Miscellaneous Sales	0.2	0.2	
Federal Recoveries Indirect Costs	0.4	0.5	(0.1)
Total	\$4.5	\$4.2	\$0.3



SALES OF CIGARETTE STAMPS			
Total sold (calendar month) July 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
2016	62,382	782	1.3%
2015	61,600	(1,764)	-2.8%
2014	63,364	2,449	4.0%
2013	60,915	(5,043)	-7.6%
2012	65,958	(25)	0.04%

Continued from page 1

Real Estate Transfer Taxes (RETT) for December were \$10.6 million, which were above plan by \$1.2 million (12.8%) but below the same month last year by \$2.8 million (21%). According to DRA, taxes received in December of the prior fiscal year included holding company activity which did not occur at the same level in December of the current year. YTD collections were \$7.2 million (10.4%) above plan and \$7.9 million (11.6%) above the same period in the prior year, primarily due to counties continuing to report an increase in revenue over the prior fiscal year.

Other revenue collected for December was \$6.1 million, or \$2.3 million (60%) above plan and \$1.7 million (38%) above prior year. YTD revenue of \$21.8 million was only slightly below plan (\$0.1 million), and \$3.4 million (13.5%) below prior year. The December increase was primarily due to the timing of Indirect Cost reimbursement, which exceeded plan for the month, but is below plan YTD.

Recovery revenue for December was relatively consistent with plan, but \$3.0 million above the same period in the prior year. YTD recoveries for FY 2016 were \$5.4 million, which were \$2.6 million (32%) below plan, but \$2.2 million above prior year. According to the Department of Health and Human Services, these variances are due to timing differences in federal reimbursements, thus it is expected that subsequent receipts will bring the YTD recovery revenue in line with plan for FY 2016.

Department of Administrative Services
Vicki V. Quiram, Commissioner
State House Annex - Room 120
25 Capitol Street
Concord, New Hampshire 03301-6312
Phone: (603)271-3201 Fax: (603)271-6600
TDD Access: Relay NH 1-800-735-2964

Division of Accounting Services
Gerard J. Murphy, Comptroller
State House Annex - Room 310
25 Capitol Street
Concord, New Hampshire 03301-6312
Phone: (603) 271-1443 Fax: (603) 271-6666
TDD Access: Relay NH 1-800-735-2964