

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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	(for month)		
	FY 16 Actual	FY 16 Plan	Actual vs. Plan
Gen & Educ *	\$98.4	\$83.7	\$14.7
Highway	\$18.5	\$16.4	\$2.1
Fish & Game	\$0.8	\$1.0	\$(0.2)
<i>* Excludes known Tax Amnesty Receipts</i>			

Unrestricted revenue for the General and Education Funds received during February, excluding tax amnesty revenue discussed below, totaled \$98.4 million, which was above the plan by \$14.7 million (17.6%) and above the prior year by \$9.2 million (10.3%). Year to date (YTD) unrestricted revenue totaled \$1,101.9 million, which was above plan by \$57.8 million (5.5%) and above prior year by \$74.6 million (7.3%).

As set forth in Chapter 276:242, Laws of 2015, from December 1, 2015 through February 15, 2016, New Hampshire taxpayers had 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** was open to all taxes collected by the Department of Revenue Administration (DRA). The revenue collected under the program has not been 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). Since inception of the program, DRA has continued to review revenue received to determine if additional revenue associated with the tax amnesty program had not yet been identified or had been reported in a different period. For February, this equates to \$1.8 million in additional amnesty revenue attributed to December/January tax payments, but reflected within the month of February. As the tax amnesty period has closed, the final results of the program are reflected in this revenue focus report.

Current Month

GENERAL & EDUCATION FUNDS	FY 16 Actuals	FY 16 Plan	Actual vs. Plan
Business Profits Tax	\$4.6	\$7.7	\$(3.1)
Business Enterprise Tax	10.9	5.1	5.8
Subtotal Business Taxes	15.5	12.8	2.7
Meals & Rentals Tax	20.1	20.0	0.1
Tobacco Tax	15.7	15.2	0.5
Transfer from Liquor Commission	8.4	8.5	(0.1)
Interest & Dividends Tax	1.1	1.4	(0.3)
Insurance Tax	6.5	2.0	4.5
Communications Tax	4.6	4.7	(0.1)
Real Estate Transfer Tax	8.1	6.3	1.8
Court Fines & Fees	1.1	1.0	0.1
Securities Revenue	0.8	0.5	0.3
Utility Consumption Tax	0.5	0.5	
Beer Tax	0.8	1.0	(0.2)
Other	3.8	3.9	(0.1)
Transfer from Lottery Commission	10.9	5.3	5.6
Transfer from Racing & Charitable Gaming	0.2	0.4	(0.2)
Tobacco Settlement			
Utility Property Tax			
State Property Tax			
Subtotal Traditional Taxes & Transfers	98.1	83.5	14.6
Recoveries	0.3	0.2	0.1
Subtotal Receipts	\$98.4	\$83.7	\$14.7
Tax Amnesty Receipts	\$14.2		
Total Receipts	\$112.6		

February Business Taxes, Meals and Rentals Tax, Tobacco Tax and Interest and Dividends Tax have been adjusted for certain collections related to the tax amnesty program. Estimated tax payments are not part of the tax amnesty program. Business Taxes for February totaled \$15.5 million net of revenue identified as tax amnesty revenue, which were \$2.7 million (21.1%) above plan and \$1.4 million (9.9%) above prior year. YTD business tax collections were above plan by \$35.4 million (12.9%) and \$40.7 million (15.1%) 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, as well as a reduction in refunds.

Meals and Rentals Tax (M&R) receipts for February net of revenue identified as tax amnesty revenue, came in slightly above plan by \$0.1 million (0.5%) and above prior year by \$1.1 million (5.8%), and YTD collections were \$5.9 million (2.9%) above plan and \$13.4 million (6.9%) above prior year. According to DRA, February collections (January activity) from restaurants were up 9% while hotels were up 3% from the same month last year.

Tobacco Tax receipts for the month net of revenue identified as tax amnesty revenue, were \$15.7 million or \$0.5 million (3.3%) above both plan and \$0.6 million (4%) above prior year. YTD receipts were \$148.6 million or \$0.2 million (0.1%) below plan but \$0.6 million (0.4%) above prior year. According to DRA, FY16 YTD stamp sales were 2% higher than the same period in the prior year.

Interest and Dividends Tax (I&D) collections for the month net of revenue identified as tax amnesty revenue, were reported at \$1.1 million, which were \$0.3 million (21.4%) below both plan and prior year. YTD collections through February were \$38.3 million, or \$3.1 million (8.8%) above plan and \$1.8 million (4.9%) above prior year. According to DRA, the majority of the increase this month is due to an increase in returns filed with payments.

Insurance Tax receipts reported for the month were above plan by \$4.5 million bringing YTD receipts to \$5.3 million (42%) above plan. According to the Insurance Dept. these favorable results were attributable to timing of premium payments.

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

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	12.8	8.1				
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)	3.8	2.3	(5.0)	(7.9)	(7.8)	(9.5)
% Mo over Mo	42%	27%	15%	18%	-2%	-21%	42%	40%	-100%	-100%	-100%	-100%
YTD change over Prior Year	4.3	7.5	9.2	10.9	10.7	7.9	11.7	14.0	9.0	1.1	(6.7)	(16.2)
% YTD change	42%	34%	27%	25%	19%	12%	15%	17%	10%	1%	-6%	-14%

M&R ANALYSIS						
	February			YTD		
	FY 16	FY 15	Diff	FY 16	FY 15	Diff
Gross Collections	21.2	20.1	1.1	217.2	204.0	13.2
Bldg Aid Debt Srvc Transfer	(1.1)	(1.1)		(8.8)	(9.0)	0.2
Net Revenue	20.1	19.0	1.1	208.4	195.0	13.4

FY 2016 Tax Amnesty Program Analysis (In Millions)				
	Dec/Jan	Dec/Jan	Feb	YTD
	(as reported)	(reported in Feb)	(actual)	Total
BET and BPT	3.2	1.0	11.2	15.4
I & D Tax	0.6	0.1	0.7	1.4
Meals & Rentals Tax	0.7	0.6	0.2	1.5
Tobacco Tax	0.3	0.1	0	0.4
Real Estate Transfer Tax			0.2	0.2
Rail Road Tax			0.1	0.1
Total	4.8	1.8	12.4	19.0

BUSINESS TAX REFUND ANALYSIS													February
	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	1.5	0.8					20.9
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	31.7
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	35.2
Mo over Mo change	0.1	(0.2)	(1.6)	(0.1)	(5.0)	1.6	(4.9)	(0.7)	(2.8)	(2.1)	(1.7)	(2.6)	(10.8)
YTD change	0.1	(0.1)	(1.7)	(1.8)	(6.8)	(5.2)	(10.1)	(10.8)	(13.6)	(15.7)	(17.4)	(20.0)	

General & Education Funds Comparison to FY 15

GENERAL & EDUCATION FUNDS	Monthly			Year-to-Date			
	FY 16 Actuals	FY 15 Actuals	Inc/(Dec)	FY 16 ACTUALS	FY 15 Actuals	Inc/(Dec)	% Change
Business Profits Tax	\$4.6	\$8.7	\$(4.1)	\$182.8	\$162.8	\$20.0	12.3%
Business Enterprise Tax	10.9	5.4	5.5	127.9	107.2	20.7	19.3%
Subtotal Business Taxes	15.5	14.1	1.4	310.7	270.0	40.7	15.1%
Meals & Rentals Tax	20.1	19.0	1.1	208.4	195.0	13.4	6.9%
Tobacco Tax	15.7	15.1	0.6	148.6	148.0	0.6	0.4%
Transfer from Liquor Commission	8.4	8.6	(0.2)	97.9	96.7	1.2	1.2%
Interest & Dividends Tax	1.1	1.4	(0.3)	38.3	36.5	1.8	4.9%
Insurance Tax	6.5	7.0	(0.5)	17.7	18.2	(0.5)	-2.7%
Communications Tax	4.6	4.6		35.7	39.2	(3.5)	-8.9%
Real Estate Transfer Tax	8.1	5.8	2.3	97.1	83.1	14.0	16.8%
Court Fines & Fees	1.1	1.0	0.1	8.9	8.6	0.3	3.5%
Securities Revenue	0.8	0.3	0.5	15.9	15.3	0.6	3.9%
Utility Consumption Tax	0.5	0.5		4.0	3.9	0.1	2.6%
Beer Tax	0.8	0.9	(0.1)	9.0	9.0		0.0%
Other	3.8	3.7	0.1	32.1	34.0	(1.9)	-5.6%
Transfer from Lottery Commission	10.9	6.6	4.3	46.9	42.7	4.2	9.8%
Transfer from Racing & Charitable Gaming	0.2	0.2		1.7	1.5	0.2	13.3%
Tobacco Settlement							
Utility Property Tax		0.2	(0.2)	22.6	22.1	0.5	2.3%
State Property Tax							
Subtotal Traditional Taxes & Transfers	98.1	89.0	9.1	1,095.5	1,023.8	71.7	7.0%
Recoveries	0.3	0.2	0.1	6.4	3.5	2.9	82.9%
Subtotal Receipts	\$98.4	\$89.2	\$9.2	\$1,101.9	\$1,027.3	\$74.6	7.3%
Tax Amnesty Receipts	\$14.2		\$14.2	\$19.0		\$19.0	100.0%
Total Receipts	\$112.6	\$89.2	\$23.4	\$1,120.9	\$1,027.3	\$93.6	9.1%

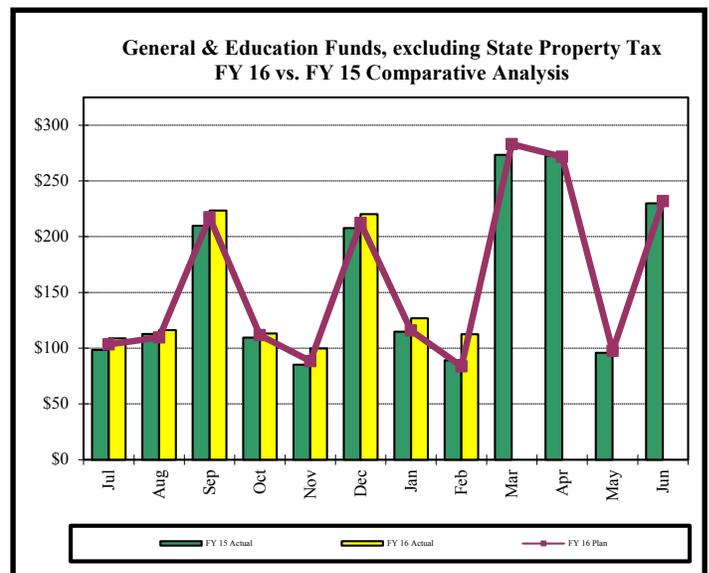
All funds reported on a cash basis, dollars in millions.

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	\$147.8	\$134.2	\$13.6	\$35.0	\$29.2	\$5.8	\$182.8	\$163.4	\$19.4	11.9%
Business Enterprise Tax	42.6	37.7	4.9	85.3	74.2	11.1	127.9	111.9	16.0	14.3%
Subtotal Business Taxes	190.4	171.9	18.5	120.3	103.4	16.9	310.7	275.3	35.4	12.9%
Meals & Rentals Tax	202.2	196.5	5.7	6.2	6.0	0.2	208.4	202.5	5.9	2.9%
Tobacco Tax	86.4	83.3	3.1	62.2	65.5	(3.3)	148.6	148.8	(0.2)	-0.1%
Transfer from Liquor Commission	97.9	99.7	(1.8)				97.9	99.7	(1.8)	-1.8%
Interest & Dividends Tax	38.3	35.2	3.1				38.3	35.2	3.1	8.8%
Insurance Tax	17.7	12.4	5.3				17.7	12.4	5.3	42.7%
Communications Tax	35.7	39.5	(3.8)				35.7	39.5	(3.8)	-9.6%
Real Estate Transfer Tax	64.7	57.1	7.6	32.4	28.0	4.4	97.1	85.1	12.0	14.1%
Court Fines & Fees	8.9	8.9					8.9	8.9		0.0%
Securities Revenue	15.9	15.7	0.2				15.9	15.7	0.2	1.3%
Utility Consumption Tax	4.0	4.0					4.0	4.0		0.0%
Beer Tax	9.0	8.9	0.1				9.0	8.9	0.1	1.1%
Other	32.1	33.6	(1.5)				32.1	33.6	(1.5)	-4.5%
Transfer from Lottery Commission				46.9	42.5	4.4	46.9	42.5	4.4	10.4%
Transfer from Racing & Charitable Gaming				1.7	1.6	0.1	1.7	1.6	0.1	6.2%
Tobacco Settlement										
Utility Property Tax				22.6	22.0	0.6	22.6	22.0	0.6	2.7%
State Property Tax										
Subtotal Traditional Taxes & Transfers	803.2	766.7	36.5	292.3	269.0	23.3	1,095.5	1,035.7	59.8	5.8%
Recoveries	6.4	8.4	(2.0)				6.4	8.4	(2.0)	-23.8%
Subtotal Receipts	809.6	775.1	34.5	292.3	269.0	23.3	1,101.9	1,044.1	57.8	5.5%
Tax Amnesty Receipts	19.0						19.0			
Total Receipts	\$828.6			\$292.3			\$1,120.9			

Education Trust Fund Statement of Activity - FY 2016 July 1, 2015 to February 29, 2016	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$-
Unrestricted Revenue - See above	292.3
Expenditures	
Education Grants & Adm Costs	(420.3)
Ending Surplus (Deficit) - unaudited	\$(128.0)

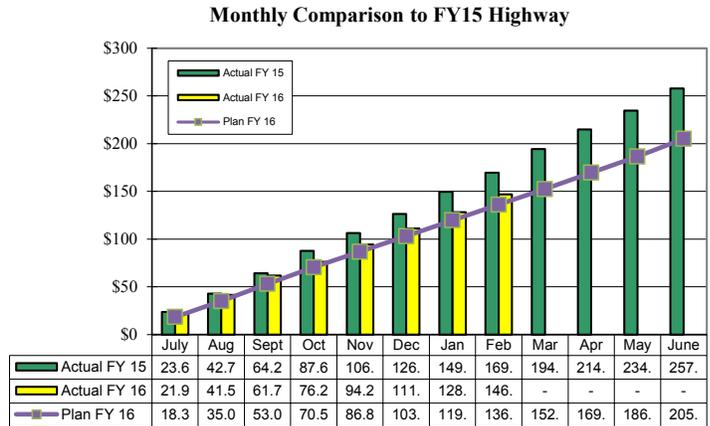


Fiscal 2016 Adequate Education Grant payments of \$567.9 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.1 million of grants through local retention of Statewide Property Tax collection. The FY 2016 budget anticipated a deficit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

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

Highway Fund

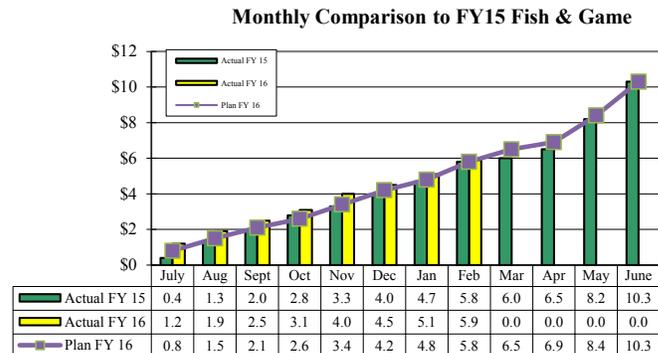
COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 15 Actuals
	FY 16 Actuals	FY 16 Plan	Actual vs. Plan	
Gasoline Road Toll	\$84.5	\$82.0	\$2.5	\$85.3
Miscellaneous	0.6	0.9	(0.3)	9.8
Motor Vehicle Fees				
MV Registrations	47.0	39.1	7.9	52.5
MV Operators	2.5	1.6	0.9	7.9
Inspection Station Fees	2.3	2.1	0.2	2.4
MV Miscellaneous Fees	5.9	6.4	(0.5)	6.6
Certificate of Title	3.9	4.0	(0.1)	5.0
Total Fees	61.6	53.2	8.4	74.4
Total	\$146.7	\$136.1	\$10.6	\$169.5



According to Road Toll Operations, actual fuel consumption is up approximately 1.38% 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			FY 15 Actuals
	FY 16 Actuals	FY 16 Plan	Actual vs. Plan	
Fish and Game Licenses	\$5.1	\$4.8	\$0.3	\$4.5
Fines and Penalties	0.1	0.1		0.1
Miscellaneous Sales	0.2	0.3	(0.1)	0.4
Federal Recoveries Indirect Costs	0.5	0.6	(0.1)	0.8
Total	\$5.9	\$5.8	\$0.1	\$5.8



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Collections for the **Communications Services Tax** for the month were \$4.6 million, which was \$0.1 million (2.1%) below plan and flat as compared to prior year. YTD collections were \$3.8 million (9.6%) below plan and \$3.5 million (8.9%) below the prior year. As reported in previous Focus reports, this revenue continues to experience a downward trend.

Real Estate Transfer Taxes (RETT) for February were \$8.1 million, which were above plan by \$1.8 million (28.6%) and above prior year by \$2.3 million (39.7%). YTD collections of \$97.1 million were \$12.0 million (14.1%) above plan and \$14.0 million (16.8%) above prior year. According to DRA, February had counties continuing to report an increase in revenue over the prior fiscal year, as well as increased holding company activity.

Transfers from the Lottery Commission for the month were \$10.9 million, or \$5.6 million above plan and \$4.3 million above the prior year, while YTD transfers were \$4.4 million above plan and \$4.2 million above prior year. The Lottery Commission attributes these positive variances to increased sales (January activity) as a result of the recent record high Powerball jackpot.

Sales of Cigarette Stamps			
Total sold (calendar month) July 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
2016	79,741	1,348	1.7%
2015	78,393	(455)	-0.6%
2014	78,848	1,272	1.6%
2013	77,576	(5,669)	-6.8%
2012	83,245	(175)	-0.2%

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