

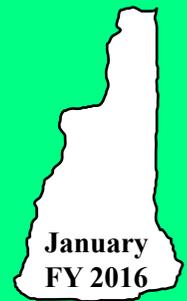
State Of New Hampshire

Monthly Revenue Focus

Department of Administrative Services

Vicki V. Quiram, Commissioner

Gerard J. Murphy, Comptroller



Monthly Revenue Summary

Analysis

	<i>(for month)</i>		
	FY 16 Actual	FY 16 Plan	Actual vs. Plan
Gen & Educ *	\$123.9	\$117.9	\$6.0
Highway	\$17.2	\$16.7	\$0.5
Fish & Game	\$0.6	\$0.6	

* Excludes known Tax Amnesty Receipts

Unrestricted revenue for the General and Education Funds received during January, excluding tax amnesty revenue discussed below, totaled \$123.9 million, which was above the plan by \$6.0 million (5.1%) and above the prior year by \$9.1 million (7.9%). Year to date (YTD) unrestricted revenue totaled \$1,003.5 million, which was above plan by \$43.1 million (4.5%) and above prior year by \$65.4 million (7.0%).

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). 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). However, DRA also advises that it continues to review revenue as it is received to determine if additional revenue associated with the tax amnesty program has not yet been identified and may still be included within the regular January 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 January, 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. Up until 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. For January, this equates to \$1.6 million in additional amnesty revenue attributed to December tax payments, but reflected within the month of January.

January 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, however, it should be noted when comparing to plan that further analysis continues. Estimated tax payments are not part of the tax amnesty program. Business Taxes for January totaled \$25.0 million net of revenue identified as tax amnesty revenue, which were \$3.9 million (18.5%) above plan and \$3.1 million (14.2%) above prior year. YTD business tax collections were above plan by \$32.7 million (12.5%) and \$39.3 million (15.4%) 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 January net of revenue identified as tax amnesty revenue, came in slightly above plan by \$0.4 million (1.8%) and above prior year by \$1.2 million (5.7%), and YTD collections were \$5.8 million (3.2%) above plan and \$12.3 million (7.0%) above prior year. According to DRA, January collections (December activity) from restaurants were up 7% while hotels were relatively flat from the same month last year.

Tobacco Tax receipts for the month net of revenue identified as tax amnesty revenue, were \$13.1 million or \$3.1 million (19%) below both plan and below prior year. YTD receipts were \$132.9 million or \$0.7 million (0.5%) below plan, with no change from the prior year. According to DRA, although January receipts are down, there is a higher bond receivable at the end of January, thus tobacco tax receipts are expected to increase in the ensuing months.

The **Transfer from the Liquor Commission** of \$9.7 million for January was only \$0.3 million below plan for the month, which results in the YTD amount being \$1.7 million below YTD plan. Circumstances worth noting in the month of January were the inclusion of \$3.8 million of proceeds from the sale of the former State Liquor store in Salem as well as the transfer of gross profit to the alcohol abuse prevention and treatment fund of \$3.2 million, as set forth in in Chapter 276:138, Laws of 2015.

Interest and Dividends Tax (I&D) collections for the month net of revenue identified as tax amnesty revenue, were reported at \$14.6 million, which were \$2.9 million (24.8%)

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Current Month

GENERAL & EDUCATION FUNDS	FY 16 Actuals	FY 16 Plan	Actual vs. Plan
Business Profits Tax	\$14.6	\$12.7	\$1.9
Business Enterprise Tax	10.4	8.4	2.0
Subtotal Business Taxes	25.0	21.1	3.9
Meals & Rentals Tax	22.2	21.8	0.4
Tobacco Tax	13.1	16.2	(3.1)
Transfer from Liquor Commission	9.7	10.0	(0.3)
Interest & Dividends Tax	14.6	11.7	2.9
Insurance Tax	2.3	2.9	(0.6)
Communications Tax	4.0	4.8	(0.8)
Real Estate Transfer Tax	12.8	9.8	3.0
Court Fines & Fees	1.1	1.0	0.1
Securities Revenue	0.4	0.7	(0.3)
Utility Consumption Tax	0.5	0.5	
Beer Tax	1.1	1.0	0.1
Other	6.5	7.8	(1.3)
Transfer from Lottery Commission	7.2	6.5	0.7
Transfer from Racing & Charitable Gaming	0.3	0.2	0.1
Tobacco Settlement			
Utility Property Tax	2.4	1.7	0.7
State Property Tax			
Subtotal Traditional Taxes & Transfers	123.2	117.7	5.5
Recoveries	0.7	0.2	0.5
Subtotal Receipts	\$123.9	\$117.9	\$6.0
Tax Amnesty Receipts	\$2.9		
Total Receipts	\$126.8		

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					
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	(5.8)	(5.0)	(7.9)	(7.8)	(9.5)
% Mo over Mo	42%	27%	15%	18%	-2%	-21%	42%	-100%	-100%	-100%	-100%	-100%
YTD change over Prior Year	4.3	7.5	9.2	10.9	10.7	7.9	11.7	5.9	0.9	(7.0)	(14.8)	(24.3)
% YTD change	42%	34%	27%	25%	19%	12%	15%	7%	1%	-7%	-14%	-21%

M&R ANALYSIS						
	January			YTD		
	FY 16	FY 15	Diff	FY 16	FY 15	Diff
	Gross Collections	23.3	22.1	1.2	196.0	183.9
Bldg Aid Debt Srvc Transfer	(1.1)	(1.1)		(7.7)	(7.9)	0.2
Net Revenue	22.2	21.0	1.2	188.3	176.0	12.3

FY 2016 TAX AMNESTY PROGRAM ANALYSIS (In Millions)					
	Dec (as reported)	Dec (reported in Jan)	Jan (Actual)	Feb	YTD Total
BET and BPT	1.5	0.9	0.8		3.2
I & D Tax	0.1	0.3	0.2		0.6
Meals & Rentals Tax	0.3	0.1	0.3		0.7
Tobacco Tax		0.3			0.3
Communications Tax					
Utility Consumption Tax					
Real Estate Transfer Tax					
Utility Property Tax					
Total	1.9	1.6	1.3		4.8

BUSINESS TAX REFUND ANALYSIS													January YTD
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
FY16	2.4	1.0	3.3	4.6	4.4	2.9	1.5						20.1
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	30.2
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	30.2
Mo over Mo change	0.1	(0.2)	(1.6)	(0.1)	(5.0)	1.6	(4.9)	(1.5)	(2.8)	(2.1)	(1.7)	(2.6)	(10.1)
YTD change	0.1	(0.1)	(1.7)	(1.8)	(6.8)	(5.2)	10.1	(11.6)	(14.4)	(16.5)	(18.2)	(20.8)	

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	\$14.6	\$13.5	\$1.1	\$178.2	\$154.1	\$24.1	15.6%
Business Enterprise Tax	10.4	8.4	2.0	117.0	101.8	15.2	14.9%
Subtotal Business Taxes	25.0	21.9	3.1	295.2	255.9	39.3	15.4%
Meals & Rentals Tax	22.2	21.0	1.2	188.3	176.0	12.3	7.0%
Tobacco Tax	13.1	16.1	(3.0)	132.9	132.9	-	0.0%
Transfer from Liquor Commission	9.7	9.2	0.5	89.5	88.1	1.4	1.6%
Interest & Dividends Tax	14.6	12.2	2.4	37.2	35.1	2.1	6.0%
Insurance Tax	2.3	2.7	(0.4)	11.2	11.2	-	0.0%
Communications Tax	4.0	4.7	(0.7)	31.1	34.6	(3.5)	-10.1%
Real Estate Transfer Tax	12.8	9.0	3.8	89.0	77.3	11.7	15.1%
Court Fines & Fees	1.1	0.9	0.2	7.8	7.6	0.2	2.6%
Securities Revenue	0.4	0.9	(0.5)	15.1	15.0	0.1	0.7%
Utility Consumption Tax	0.5	0.5		3.5	3.4	0.1	2.9%
Beer Tax	1.1	1.1		8.2	8.1	0.1	1.2%
Other	6.5	5.1	1.4	28.3	30.3	(2.0)	-6.6%
Transfer from Lottery Commission	7.2	7.7	(0.5)	36.0	36.1	(0.1)	-0.3%
Transfer from Racing & Charitable Gaming	0.3	0.2	0.1	1.5	1.3	0.2	15.4%
Tobacco Settlement							
Utility Property Tax	2.4	1.5	0.9	22.6	21.9	0.7	3.2%
State Property Tax							
Subtotal Traditional Taxes & Transfers	123.2	114.7	8.5	997.4	934.8	62.6	6.7%
Recoveries	0.7	0.1	0.6	6.1	3.3	2.8	84.8%
Subtotal Receipts	\$123.9	\$114.8	\$9.1	1,003.5	\$938.1	\$65.4	7.0%
Tax Amnesty Receipts	\$2.9		\$2.9	\$4.8		\$4.8	100.0%
Total Receipts	\$126.8	\$114.8	\$12.0	\$1,008.3	\$938.1	\$70.2	7.5%

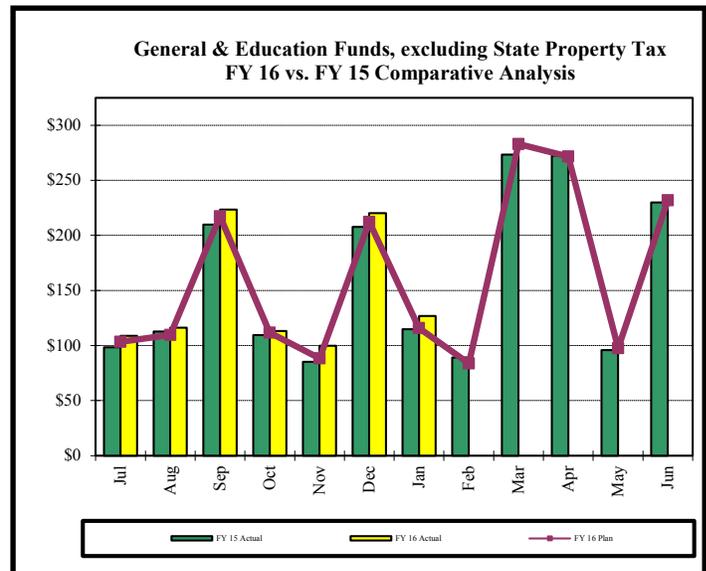
All funds reported on a cash basis, dollars in millions.

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	\$146.2	\$127.9	\$18.3	\$32.0	\$27.8	\$4.2	\$178.2	\$155.7	\$22.5	14.5%
Business Enterprise Tax	39.0	36.0	3.0	78.0	70.8	7.2	117.0	106.8	10.2	9.6%
Subtotal Business Taxes	185.2	163.9	21.3	110.0	98.6	11.4	295.2	262.5	32.7	12.5%
Meals & Rentals Tax	182.6	177.1	5.5	5.7	5.4	0.3	188.3	182.5	5.8	3.2%
Tobacco Tax	77.3	74.8	2.5	55.6	58.8	(3.2)	132.9	133.6	(0.7)	-0.5%
Transfer from Liquor Commission	89.5	91.2	(1.7)				89.5	91.2	(1.7)	-1.9%
Interest & Dividends Tax	37.2	33.8	3.4				37.2	33.8	3.4	10.1%
Insurance Tax	11.2	10.4	0.8				11.2	10.4	0.8	7.7%
Communications Tax	31.1	34.8	(3.7)				31.1	34.8	(3.7)	-10.6%
Real Estate Transfer Tax	59.3	52.8	6.5	29.7	26.0	3.7	89.0	78.8	10.2	12.9%
Court Fines & Fees	7.8	7.9	(0.1)				7.8	7.9	(0.1)	-1.3%
Securities Revenue	15.1	15.2	(0.1)				15.1	15.2	(0.1)	-0.7%
Utility Consumption Tax	3.5	3.5	-				3.5	3.5	-	0.0%
Beer Tax	8.2	7.9	0.3				8.2	7.9	0.3	3.8%
Other	28.3	29.7	(1.4)				28.3	29.7	(1.4)	-4.7%
Transfer from Lottery Commission				36.0	37.2	(1.2)	36.0	37.2	(1.2)	-3.2%
Transfer from Racing & Charitable Gaming				1.5	1.2	0.3	1.5	1.2	0.3	25.0%
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	736.3	703.0	33.3	261.1	249.2	11.9	997.4	952.2	45.2	4.7%
Recoveries	6.1	8.2	(2.1)				6.1	8.2	(2.1)	-25.6%
Subtotal Receipts	742.4	711.2	31.2	261.1	249.2	11.9	1,003.5	960.4	43.1	4.5%
Tax Amnesty Receipts	4.8						4.8			
Total Receipts	\$747.2			\$261.1			\$1,008.3			

Education Trust Fund	
Statement of Activity - FY 2016	
July 1, 2015 to January 31, 2016	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$-
Unrestricted Revenue - See above	261.1
Expenditures	
Education Grants & Adm Costs	(415.6)
Ending Surplus (Deficit) - unaudited	\$(154.5)

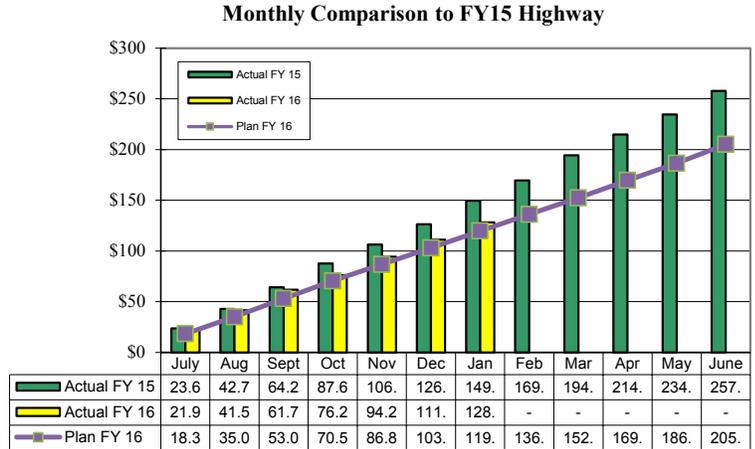


Fiscal 2016 Adequate Education Grant payments of \$567.9 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.1 million of grants through local retention of Statewide Property Tax collection. The FY 2016 budget anticipated a deficit 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

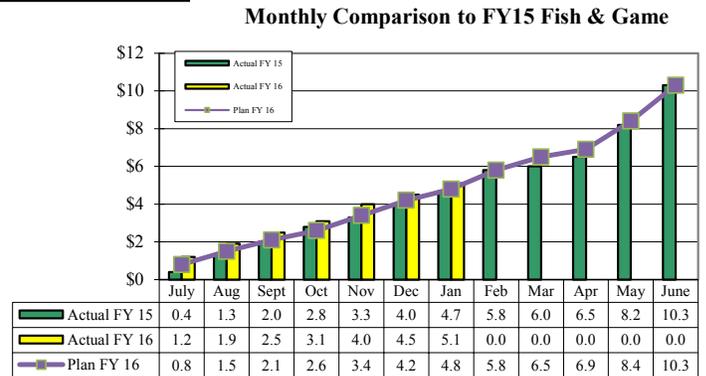
COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 15 Actuals
	FY 16 Actuals	FY 16 Plan	Actual vs. Plan	
Gasoline Road Toll	\$74.6	\$72.1	\$2.5	\$74.8
Miscellaneous	0.6	0.8	(0.2)	9.8
Motor Vehicle Fees				
MV Registrations	40.2	34.3	5.9	45.1
MV Operators	2.2	1.4	0.8	7.1
Inspection Station Fees	2.0	1.9	0.1	2.2
MV Miscellaneous Fees	5.1	5.6	(0.5)	5.8
Certificate of Title	3.5	3.6	(0.1)	4.6
Total Fees	53.0	46.8	6.2	64.8
Total	\$128.2	\$119.7	\$8.5	\$149.4



According to Road Toll Operations, actual fuel consumption is up approximately 1.86% 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	\$4.3	\$4.0	\$0.3	\$3.7
Fines and Penalties	0.1	0.1		0.1
Miscellaneous Sales	0.2	0.2		0.4
Federal Recoveries Indirect Costs	0.5	0.5		0.5
Total	\$5.1	\$4.8	\$0.3	\$4.7



Continued from page 1
 above plan and \$2.4 million (19.7%) above prior year. YTD collections through January were \$37.2 million, or \$3.4 million (10%) above plan and \$2.1 million (6%) above prior year. According to DRA, the majority of the increase this month is in higher tax notice revenue, however DRA indicates that tax notices were not significantly impacted by the amnesty program.

Collections for the **Communications Services Tax** for the month were \$4.0 million, which was \$0.8 million (16.7%) below plan and \$0.7 million (14.9%) below prior year, which resulted in YTD collections being \$3.7 million (10.6%) below plan and \$3.5 million (10.1%) below those in the prior year. As reported in previous Focus reports, this revenue continues to experience a downward trend.

Real Estate Transfer Taxes (RETT) for January were \$12.8 million, which were above plan by \$3.0 million (30%) and above prior year by \$3.8 million (42%). YTD collections were \$10.2 million (12.9%) above plan and \$11.7 million (15.1%) above prior year. According to DRA, January was a very strong month for real estate sales, with counties continuing to report an increase in revenue over the prior fiscal year, as well as increased holding company activity.

Other revenue collected for January was \$6.5 million, or \$1.3 million (16.7%) below plan but \$1.4 million (27.5%) above prior year. The plan for the month of January included \$2.0 million of estimated proceeds for an assumed sale of State property, which has not occurred. While YTD revenue of \$28.3 million is \$1.4 million below plan, it is expected that YTD Other revenue will be in line with plan in subsequent months.

SALES OF CIGARETTE STAMPS			
Total sold (calendar month) July 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
2016	70,921	1,387	2.0%
2015	69,534	(970)	-1.4%
2014	70,504	855	1.2%
2013	69,649	(4,173)	-5.7%
2012	73,822	(741)	1.0%

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