

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>		
	<u>FY 16 Actual</u>	<u>FY 16 Plan</u>	<u>Actual vs. Plan</u>
Gen & Educ	\$93.7	\$97.6	\$(3.9)
Highway	\$17.3	\$16.9	\$0.4
Fish & Game	\$1.8	\$1.5	\$0.3

Current Month

GENERAL & EDUCATION FUNDS	<i>FY 16 Actuals</i>	<i>FY 16 Plan</i>	<i>Actual vs. Plan</i>
Business Profits Tax	\$8.0	\$10.1	\$(2.1)
Business Enterprise Tax	5.1	6.8	(1.7)
Subtotal Business Taxes	13.1	16.9	(3.8)
Meals & Rentals Tax	22.2	21.2	1.0
Tobacco Tax	19.6	17.4	2.2
Transfer from Liquor Commission	12.4	12.3	0.1
Interest & Dividends Tax	1.0	0.5	0.5
Insurance Tax	0.6	(0.3)	0.9
Communications Tax	4.1	4.6	(0.5)
Real Estate Transfer Tax	8.7	8.5	0.2
Court Fines & Fees	1.0	1.2	(0.2)
Securities Revenue	0.6	1.7	(1.1)
Utility Consumption Tax	0.5	0.5	-
Beer Tax	1.0	1.0	-
Other	2.1	5.7	(3.6)
Transfer from Lottery Commission	5.3	6.0	(0.7)
Transfer from Racing & Charitable Gaming	0.2	0.1	0.1
Tobacco Settlement	-	-	-
Utility Property Tax	0.2	-	0.2
State Property Tax	-	-	-
Subtotal Traditional Taxes & Transfers	92.6	97.3	(4.7)
Recoveries	1.1	0.3	0.8
Total Receipts	\$93.7	\$97.6	\$(3.9)

Unrestricted revenue for the General and Education Funds received during May totaled \$93.7 million, which was below the plan by \$3.9 million and below the prior year by \$2.2 million. Year to date (YTD) unrestricted revenue totaled \$2,134.7 million, which was above plan by \$75.4 million (3.7%) and above prior year by \$102.2 million (5.0%).

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), with a YTD total of \$19.0 million. As the tax amnesty period has closed, the final results of the program were reflected in the February revenue focus report, and the subsequent months have contained no amnesty collections.

May YTD 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. **Business Taxes** for May totaled \$13.1 million, which were \$3.8 million (22.5%) below plan and \$4.0 million (23.4%) below prior year. YTD business tax collections, net of revenue identified as tax amnesty, were above plan by \$57.1 million (12.1%) and \$61.4 million (13.1%) above the prior year. According to DRA, there were increases over prior year in some areas such as tax notice payments, but May is generally a light month for the collection of business taxes.

Meals and Rentals Tax (M&R) receipts for May came in above plan by \$1.0 million (4.7%) and above prior year by \$2.0 million (9.9%), and YTD collections, net of revenue identified as tax amnesty, were \$8.1 million (3.0%) above plan and \$18.8 million (7.4%) above prior year. According to DRA, May collections (April activity) from restaurants were up 9%, while hotels were up 4% from the same month last year.

Tobacco Tax receipts for the month were \$19.6 million or \$2.2 million (12.6%) above plan and \$2.3 million (13.3%) above prior year. YTD receipts, net of revenue identified as tax amnesty, were \$203.3 million or \$2.5 million (1.2%) above plan and \$3.6 million (1.8%) above prior year. According to DRA, May stamp sales were 14% higher than the same period in the prior year and are likely attributable to advance purchases made in anticipation of an upcoming manufacturer price increase.

Transfer from Liquor Commission in May of \$12.4 million was slightly above plan by \$0.1 million (0.8%) and above prior year by \$1.2 million (10.7%). The YTD transfer of \$129.6 million was below plan by \$0.7 million (0.5%) but above prior year by \$2.6 million (2.0%).

Interest and Dividends Tax (I&D) collections for the month were reported at \$1.0 million, which were \$0.5 million above both plan and prior year. YTD collections through May, net of revenue identified as tax amnesty,

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

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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	7.3	7.6	8.7	
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	2.3	(0.3)	0.9	(9.5)
% Mo over Mo	42%	27%	15%	18%	-2%	-21%	42%	40%	46%	-4%	12%	-100%
YTD change over Prior Year	4.3	7.5	9.2	10.9	10.7	7.9	11.7	14.0	16.3	16.0	16.9	7.4
% YTD change	42%	34%	27%	25%	19%	12%	15%	17%	19%	17%	16%	7%

M&R ANALYSIS						
	May			YTD		
	FY 16	FY 15	Diff	FY 16	FY 15	Diff
Gross Collections	23.3	21.3	2.0	86.2	267.7	18.5
Bldg Aid Debt Srvc Transfer	(1.1)	(1.1)	-	12.1)	(12.4)	0.3
Net Revenue	22.2	20.2	2.0	274.1	255.3	18.8

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													May
	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	1.9	2.2	2.5		27.5
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	38.3
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	41.1
Mo over Mo change	0.1	(0.2)	(1.6)	(0.1)	(5.0)	1.6	(4.9)	(0.7)	(0.9)	0.1	0.8	(2.6)	(10.8)
YTD change	0.1	(0.1)	(1.7)	(1.8)	(6.8)	(5.2)	(10.1)	(10.8)	(11.7)	(11.6)	10.8)	(13.4)	

General & Education Funds Comparison to FY 15

General & Education Funds	Monthly			Year-to-Date			% Change
	FY 16 Actuals	FY 15 Actuals	Inc/(Dec)	FY 16 Actuals	FY 15 Actuals	Inc/(Dec)	
Business Profits Tax	\$8.0	\$10.5	\$(2.5)	\$317.1	\$284.5	\$32.6	11.5%
Business Enterprise Tax	5.1	6.6	(1.5)	212.8	184.0	28.8	15.7%
Subtotal Business Taxes	13.1	17.1	(4.0)	529.9	468.5	61.4	13.1%
Meals & Rentals Tax	22.2	20.2	2.0	274.1	255.3	18.8	7.4%
Tobacco Tax	19.6	17.3	2.3	203.3	199.7	3.6	1.8%
Transfer from Liquor Commission	12.4	11.2	1.2	129.6	127.0	2.6	2.0%
Interest & Dividends Tax	1.0	0.5	0.5	75.1	82.2	(7.1)	-8.6%
Insurance Tax	0.6	(2.1)	2.7	122.2	113.6	8.6	7.6%
Communications Tax	4.1	4.6	(0.5)	48.4	53.2	(4.8)	-9.0%
Real Estate Transfer Tax	8.7	7.8	0.9	120.7	103.8	16.9	16.3%
Court Fines & Fees	1.0	1.0	-	12.2	12.1	0.1	0.8%
Securities Revenue	0.6	1.4	(0.8)	43.1	41.8	1.3	3.1%
Utility Consumption Tax	0.5	0.5	-	5.5	5.5	-	0.0%
Beer Tax	1.0	1.0	-	11.9	11.8	0.1	0.8%
Other	2.1	5.9	(3.8)	47.3	50.7	(3.4)	-6.7%
Transfer from Lottery Commission	5.3	7.7	(2.4)	63.4	62.2	1.2	1.9%
Transfer from Racing & Charitable Gaming	0.2	0.2	-	2.6	2.4	0.2	8.3%
Tobacco Settlement	-	-	-	41.5	41.9	(0.4)	-1.0%
Utility Property Tax	0.2	0.5	(0.3)	32.6	32.0	0.6	1.9%
State Property Tax	-	-	-	363.1	363.4	(0.3)	-0.1%
Subtotal Traditional Taxes & Transfers	92.6	94.8	(2.2)	2,126.5	2,027.1	99.4	4.9%
Recoveries	1.1	1.1	-	8.2	5.4	2.8	51.9%
Subtotal Receipts	\$93.7	\$95.9	\$(2.2)	\$2,134.7	\$2,032.5	\$102.2	5.0%
Tax Amnesty Receipts				\$19.0		\$19.0	100.0%
Total Receipts	\$93.7	\$95.9	\$(2.2)	\$2,153.7	\$2,032.5	\$121.2	6.0%

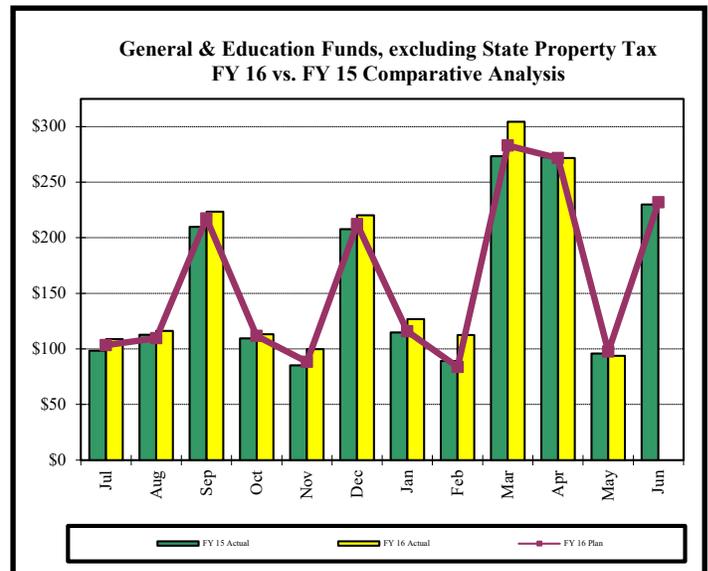
All funds reported on a cash basis, dollars in millions.

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	\$255.4	\$231.4	\$24.0	\$61.7	\$50.6	\$11.1	\$317.1	\$282.0	\$35.1	12.4%
Business Enterprise Tax	62.4	63.4	(1.0)	150.4	127.4	23.0	212.8	190.8	22.0	11.5%
Subtotal Business Taxes	317.8	294.8	23.0	212.1	178.0	34.1	529.9	472.8	57.1	12.1%
Meals & Rentals Tax	266.2	258.1	8.1	7.9	7.9	-	274.1	266.0	8.1	3.0%
Tobacco Tax	118.3	112.4	5.9	85.0	88.4	(3.4)	203.3	200.8	2.5	1.2%
Transfer from Liquor Commission	129.6	130.3	(0.7)	-	-	-	129.6	130.3	(0.7)	-0.5%
Interest & Dividends Tax	75.1	79.4	(4.3)	-	-	-	75.1	79.4	(4.3)	-5.4%
Insurance Tax	122.2	117.6	4.6	-	-	-	122.2	117.6	4.6	3.9%
Communications Tax	48.4	53.5	(5.1)	-	-	-	48.4	53.5	(5.1)	-9.5%
Real Estate Transfer Tax	80.4	72.4	8.0	40.3	35.6	4.7	120.7	108.0	12.7	11.8%
Court Fines & Fees	12.2	12.7	(0.5)	-	-	-	12.2	12.7	(0.5)	-3.9%
Securities Revenue	43.1	41.5	1.6	-	-	-	43.1	41.5	1.6	3.9%
Utility Consumption Tax	5.5	5.5	-	-	-	-	5.5	5.5	-	0.0%
Beer Tax	11.9	11.8	0.1	-	-	-	11.9	11.8	0.1	0.8%
Other	47.3	49.5	(2.2)	-	-	-	47.3	49.5	(2.2)	-4.4%
Transfer from Lottery Commission	-	-	-	63.4	61.0	2.4	63.4	61.0	2.4	3.9%
Transfer from Racing & Charitable Gaming	-	-	-	2.6	2.1	0.5	2.6	2.1	0.5	23.8%
Tobacco Settlement	1.5	2.3	(0.8)	40.0	40.0	-	41.5	42.3	(0.8)	-1.9%
Utility Property Tax	-	-	-	32.6	32.0	0.6	32.6	32.0	0.6	1.9%
State Property Tax	-	-	-	363.1	363.1	-	363.1	363.1	-	0.0%
Subtotal Traditional Taxes & Transfers	1,279.5	1,241.8	37.7	847.0	808.1	38.9	2,126.5	2,049.9	76.6	3.7%
Net Medicaid Enhancement Rev	-	-	-	-	-	-	-	-	-	-
Recoveries	8.2	9.4	(1.2)	-	-	-	8.2	9.4	(1.2)	-12.8%
Subtotal Receipts	1,287.7	1,251.2	36.5	847.0	808.1	38.9	2,134.7	2,059.3	75.4	3.7%
Tax Amnesty Receipts	19.0	-	-	-	-	-	19.0	-	-	-
Total Receipts	\$1,306.7	-	-	\$847.0	-	-	\$2,153.7	-	-	-

Education Trust Fund Statement of Activity - FY 2016 July 1, 2015 to May 31, 2016	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$-
Unrestricted Revenue - See above	847.0
Expenditures	
Education Grants & Adm Costs	(956.2)
Ending Surplus (Deficit) - unaudited	\$(109.2)

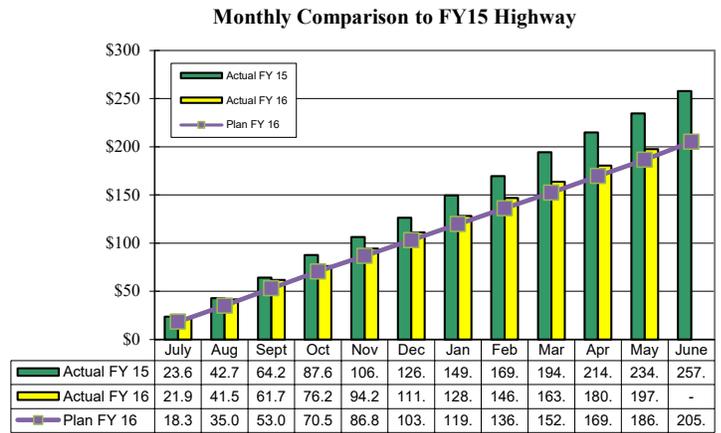


Fiscal 2016 Adequate Education Grant payments of \$567.9 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.1 million of grants through local retention of Statewide Property Tax collection. The FY 2016 budget anticipated a deficit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

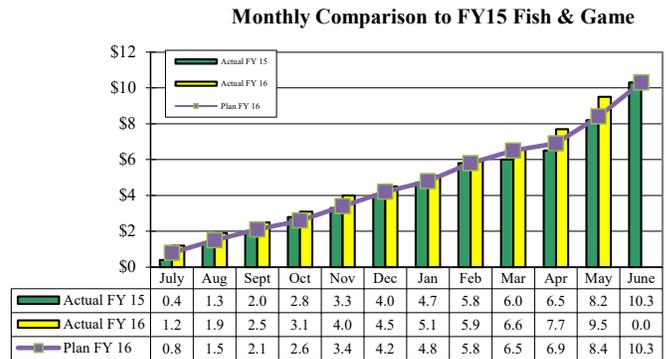
COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 15 Actuals
	FY 16 Actuals	FY 16 Plan	Actual vs. Plan	
Gasoline Road Toll	\$113.3	\$110.2	\$3.1	\$114.8
Miscellaneous	0.8	1.2	(0.4)	14.6
Motor Vehicle Fees				
MV Registrations	63.4	55.1	8.3	73.9
MV Operators	3.4	2.2	1.2	11.2
Inspection Station Fees	3.1	3.0	0.1	3.5
MV Miscellaneous Fees	8.2	9.0	(0.8)	9.4
Certificate of Title	5.4	5.8	(0.4)	7.2
Total Fees	83.5	75.1	8.4	105.2
Total	\$197.6	\$186.5	\$11.1	\$234.6



According to Road Toll Operations, actual fuel consumption is up approximately .88% 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	\$8.3	\$7.1	\$1.2	\$6.5
Fines and Penalties	0.1	0.1	-	0.1
Miscellaneous Sales	0.3	0.4	(0.1)	0.5
Federal Recoveries Indirect Costs	0.8	0.8	-	1.1
Total	\$9.5	\$8.4	\$1.1	\$8.2



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were \$75.1 million, or \$4.3 million (5.4%) below plan and \$7.1 million (8.6%) below prior year.

Real Estate Transfer Taxes (RETT) for May were \$8.7 million, which were above plan by \$0.2 million (2.4%) and above prior year by \$0.9 million (11.5%). YTD collections of \$120.7 million were \$12.7 million (11.8%) above plan and \$16.9 million (16.3%) above prior year. According to DRA, the revenue collected in May (April transactions) reflects an increase in both sales value and volume of transactions, as compared to the prior fiscal year.

Other revenues for May of \$2.1 million were \$3.6 million (63%) below plan and \$3.8 million (64%) below prior year, with YTD collections coming in \$2.2 million (4.4%) below plan and \$3.4 million (6.7%) below prior year. The variances with the plan were largely due to the timing of statewide indirect cost recovery receipts and other component revenues which were not received as early as originally anticipated. The negative variance is expected to be resolved before the end of the fiscal year.

SALES OF CIGARETTE STAMPS			
Total sold (calendar month) July through May 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	110,293	3,111	2.9%
2015	107,182	(1,130)	-1.0%
2014	108,312	1,692	1.6%
2013	106,620	(6,629)	-5.9%
2012	113,249	1,261	1.1%

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