

State Of New Hampshire

Monthly Revenue Focus

Department of Administrative Services

Vicki V. Quiram, Commissioner

Gerard J. Murphy, Comptroller

November
FY 2016



Monthly Revenue Summary

Analysis

	<i>(for month)</i>		
	FY 16 Actual	FY 16 Plan	Actual vs. Plan
Gen & Educ	\$99.8	\$88.3	\$11.5
Highway	\$18.0	\$16.3	\$1.7
Fish & Game	\$0.9	\$0.8	\$0.1

Unrestricted revenue for the General and Education Funds received during November totaled \$99.8 million, which was above the plan by \$11.5 million (13%) and above the prior year by \$14.5 million (17%). YTD unrestricted revenue totaled \$661.3 million, which was above plan by \$31.1 million (4.9%) and above prior year by \$45.6 million (7.4%).

Business Taxes for November totaled \$8.5 million, which were \$7.0 million above plan and \$8.2 million above prior year. YTD business tax collections were also above plan by \$17.6 million (11.9%) and \$22.0 million (15.4%) above the prior year. According to the Dept. of Revenue Administration (DRA), the increase in revenue as compared to the prior year was comprised of increases in tax return and extension revenue, as well as a 53% decrease in refunds as compared to November of the prior year.

Meals and Rentals Tax (M&R) receipts for November came in above plan by \$1.1 million (4.3%) and above prior year by \$2.3 million (9.5%), and YTD collections were \$5.5 million (3.9%) above plan and \$10.5 million (7.8%) above prior year. According to DRA, November collections (October activity) from full service restaurants and hotels were each up 9% from the same month last year.

Tobacco Tax receipts for the month were \$23.7 million, or \$7.1 million (43%) above both plan and above November of last year. According to the DRA, stamp sales increased significantly over November of last year due to the advance purchases made in anticipation of an upcoming manufacturer price increase. YTD collections were \$8.2 million (8.5%) above plan and \$8.6 million (9%) above the same YTD period last year.

Because of refunds exceeding collections for the month of November, **Interest and Dividends Tax** for the month was reported at (\$0.6) million, which was \$0.7 million below plan and \$0.3 million below prior year. YTD collections through November were \$18.5 million, which were \$1.6 million (9.5%) above plan and \$1.5 million (8.8%) above those in the prior year. DRA has reported that interest and dividend collections reflect typical activity through November.

Collections for the **Communications Services Tax** for the month were \$4.4 million, which was \$0.5 million (10.2%) below both plan and November of FY 2015, which resulted in YTD collections being \$2.4 million (9.6%) below plan and \$2.3 million (9.2%) below those in the prior year. As reported in previous months, this revenue continues to experience a downward trend.

Real Estate Transfer Taxes for November were \$11.4 million, which were below plan by \$1.1 million (8.8%) and slightly below the same month last year by \$0.2 million (1.7%). According to DRA, taxes received in November of the prior fiscal year included holding company activity which did not occur at the same level in November of the current year. YTD collections were \$6.0 million (10%) above plan and \$10.7 million (19.5%) 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 November was \$0.9 million (22%) below plan and YTD was \$2.4 million (13%) below plan. **Utility Property Tax** revenue collected for November was \$0.8 million above plan and YTD was \$0.1 million above plan. It is anticipated that these variances are due to timing differences.

Recovery revenue for November was relatively consistent with plan, and with the same period in the prior year. YTD recoveries for FY 2016 were \$2.3 million, which were \$0.8 million (26%) below the same period in the prior year and \$2.7 million (54%) below plan. According to the Department of Health and Human Services, these variances are due to additional timing differences, thus it is anticipated that subsequent receipts will bring the YTD recovery revenue in line with plan.

Current Month

GENERAL & EDUCATION FUNDS	FY 16 Actuals	FY 16 Plan	Actual vs. Plan
Business Profits Tax	\$5.2	\$0.9	\$4.3
Business Enterprise Tax	3.3	0.6	2.7
Subtotal Business Taxes	8.5	1.5	7.0
Meals & Rentals Tax	26.4	25.3	1.1
Tobacco Tax	23.7	16.6	7.1
Transfer from Liquor Commission	12.4	12.8	(0.4)
Interest & Dividends Tax	(0.6)	0.1	(0.7)
Insurance Tax	1.1	1.0	0.1
Communications Tax	4.4	4.9	(0.5)
Real Estate Transfer Tax	11.4	12.5	(1.1)
Court Fines & Fees	1.1	1.2	(0.1)
Securities Revenue	0.3	0.4	(0.1)
Utility Consumption Tax	0.6	0.5	0.1
Beer Tax	1.0	1.0	-
Other	3.2	4.1	(0.9)
Transfer from Lottery Commission	5.0	6.0	(1.0)
Transfer from Racing & Charitable Gaming	0.2	0.2	-
Tobacco Settlement	-	-	-
Utility Property Tax	0.8	-	0.8
State Property Tax	-	-	-
Subtotal Traditional Taxes & Transfers	99.5	88.1	11.4
Recoveries	0.3	0.2	0.1
Total Receipts	\$99.8	\$88.3	\$11.5

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							
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)	(13.4)	(9.0)	(5.8)	(5.0)	(7.9)	(7.8)	(9.5)
% Mo over Mo	42%	27%	15%	18%	-2%	-100%	-100%	-100%	-100%	-100%	-100%	-100%
YTD change over Prior Year	4.3	7.5	9.2	10.9	10.7	(2.7)	(11.7)	(17.5)	(22.5)	(30.4)	(38.2)	(47.7)
% YTD change	42%	34%	27%	25%	19%	-4%	-15%	-21%	-26%	-32%	-37%	-42%

M&R ANALYSIS						
	November			YTD		
	FY 16	FY 15	Diff	FY 16	FY 15	Diff
Gross Collections	27.5	25.2	2.3	151.4	141.1	10.3
Bldg Aid Debt Svc Transfer	(1.1)	(1.1)	-	(5.5)	(5.7)	0.2
Net Revenue	26.4	24.1	2.3	145.9	135.4	10.5

BUSINESS TAX REFUND ANALYSIS													November
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD
FY16	2.4	1.0	3.3	4.6	4.4								15.7
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	22.5
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	23.6
Mo over Mo change	0.1	(0.2)	(1.6)	(0.1)	(5.0)	(1.3)	(6.4)	(1.5)	(2.8)	(2.1)	(1.7)	(2.6)	(6.8)
YTD change	0.1	(0.1)	(1.7)	(1.8)	(6.8)	(8.1)	(14.5)	(16.0)	(18.8)	(20.9)	(22.6)	(25.2)	

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	\$5.2	\$0.2	\$5.0	\$100.4	\$89.2	\$11.2	12.6%
Business Enterprise Tax	3.3	0.1	3.2	64.8	54.0	10.8	20.0%
Subtotal Business Taxes	8.5	0.3	8.2	165.2	143.2	22.0	15.4%
Meals & Rentals Tax	26.4	24.1	2.3	145.9	135.4	10.5	7.8%
Tobacco Tax	23.7	16.6	7.1	104.5	95.9	8.6	9.0%
Transfer from Liquor Commission	12.4	11.9	0.5	61.9	61.0	0.9	1.5%
Interest & Dividends Tax	(0.6)	(0.3)	(0.3)	18.5	17.0	1.5	8.8%
Insurance Tax	1.1	1.2	(0.1)	7.7	7.3	0.4	5.5%
Communications Tax	4.4	4.9	(0.5)	22.7	25.0	(2.3)	-9.2%
Real Estate Transfer Tax	11.4	11.6	(0.2)	65.6	54.9	10.7	19.5%
Court Fines & Fees	1.1	0.9	0.2	5.7	5.6	0.1	1.8%
Securities Revenue	0.3	0.3	-	2.3	2.3	-	0.0%
Utility Consumption Tax	0.6	0.5	0.1	2.6	2.5	0.1	4.0%
Beer Tax	1.0	1.1	(0.1)	6.1	6.1	-	0.0%
Other	3.2	4.1	(0.9)	15.7	20.8	(5.1)	-24.5%
Transfer from Lottery Commission	5.0	7.3	(2.3)	23.7	24.2	(0.5)	-2.1%
Transfer from Racing & Charitable Gaming	0.2	0.2	-	1.0	0.9	0.1	11.1%
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	0.8	0.5	0.3	9.9	10.5	(0.6)	-5.7%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	99.5	85.2	14.3	659.0	612.6	46.4	7.6%
Recoveries	0.3	0.1	0.2	2.3	3.1	(0.8)	-25.8%
Total Receipts	\$99.8	\$85.3	\$14.5	\$661.3	\$615.7	\$45.6	7.4%

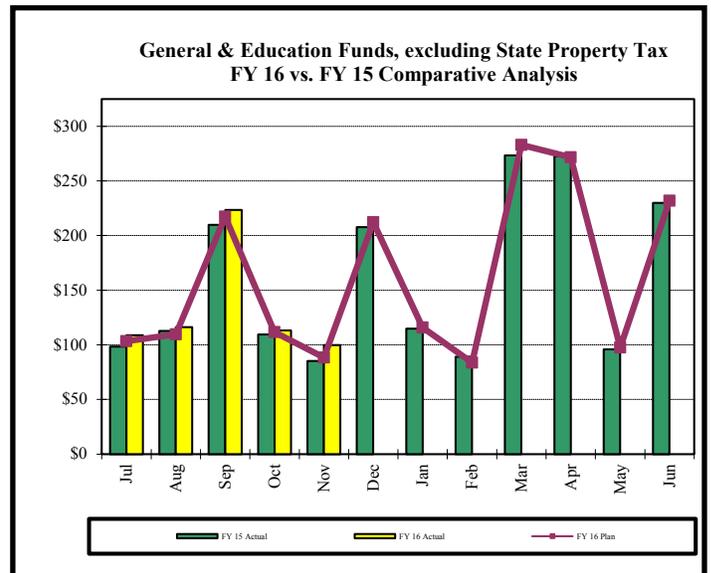
All funds reported on a cash basis, dollars in millions.

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	\$82.7	\$73.5	\$9.2	\$17.7	\$16.0	\$1.7	\$100.4	\$89.5	\$10.9	12.2%
Business Enterprise Tax	21.6	19.6	2.0	43.2	38.5	4.7	64.8	58.1	6.7	11.5%
Subtotal Business Taxes	104.3	93.1	11.2	60.9	54.5	6.4	165.2	147.6	17.6	11.9%
Meals & Rentals Tax	141.4	136.3	5.1	4.5	4.1	0.4	145.9	140.4	5.5	3.9%
Tobacco Tax	60.7	53.9	6.8	43.8	42.4	1.4	104.5	96.3	8.2	8.5%
Transfer from Liquor Commission	61.9	62.7	(0.8)	-	-	-	61.9	62.7	(0.8)	-1.3%
Interest & Dividends Tax	18.5	16.9	1.6	-	-	-	18.5	16.9	1.6	9.5%
Insurance Tax	7.7	6.5	1.2	-	-	-	7.7	6.5	1.2	18.5%
Communications Tax	22.7	25.1	(2.4)	-	-	-	22.7	25.1	(2.4)	-9.6%
Real Estate Transfer Tax	43.7	39.9	3.8	21.9	19.7	2.2	65.6	59.6	6.0	10.1%
Court Fines & Fees	5.7	5.8	(0.1)	-	-	-	5.7	5.8	(0.1)	-1.7%
Securities Revenue	2.3	2.5	(0.2)	-	-	-	2.3	2.5	(0.2)	-8.0%
Utility Consumption Tax	2.6	2.5	0.1	-	-	-	2.6	2.5	0.1	4.0%
Beer Tax	6.1	5.9	0.2	-	-	-	6.1	5.9	0.2	3.4%
Other	15.7	18.1	(2.4)	-	-	-	15.7	18.1	(2.4)	-13.3%
Transfer from Lottery Commission	-	-	-	23.7	24.7	(1.0)	23.7	24.7	(1.0)	-4.0%
Transfer from Racing & Charitable Gaming	-	-	-	1.0	0.8	0.2	1.0	0.8	0.2	25.0%
Tobacco Settlement	-	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	9.9	9.8	0.1	9.9	9.8	0.1	1.0%
State Property Tax	-	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	493.3	469.2	24.1	165.7	156.0	9.7	659.0	625.2	33.8	5.4%
Recoveries	2.3	5.0	(2.7)	-	-	-	2.3	5.0	(2.7)	-54.0%
Total Receipts	\$495.6	\$474.2	\$21.4	\$165.7	\$156.0	\$9.7	\$661.3	\$630.2	\$31.1	4.9%

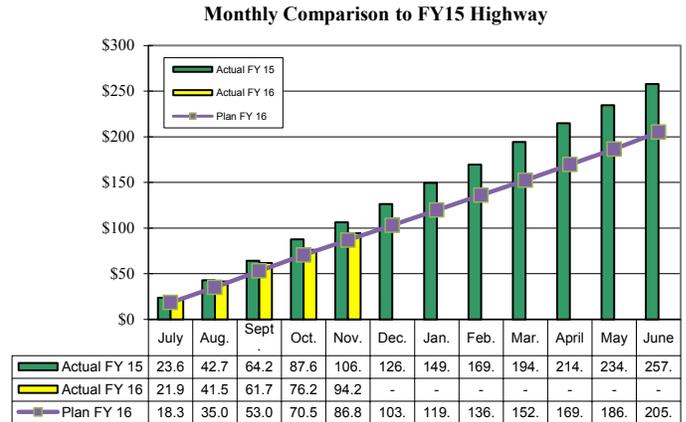
Education Trust Fund Statement of Activity - FY 2016 July 1, 2015 to November 30, 2015	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$-
Unrestricted Revenue - See above	165.7
Expenditures	
Education Grants & Adm Costs	(242.6)
Ending Surplus (Deficit) - unaudited	\$(76.9)



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

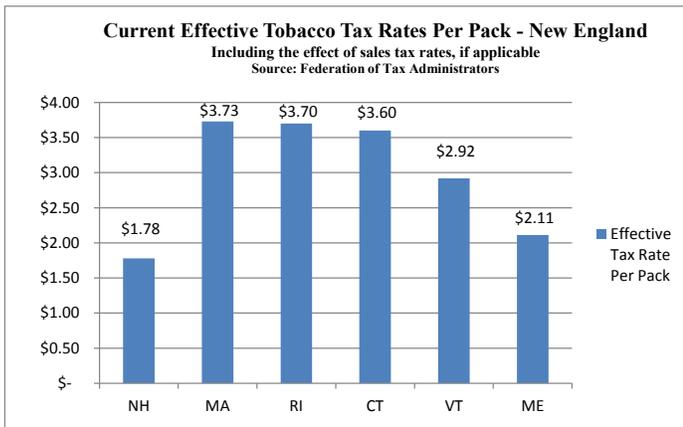
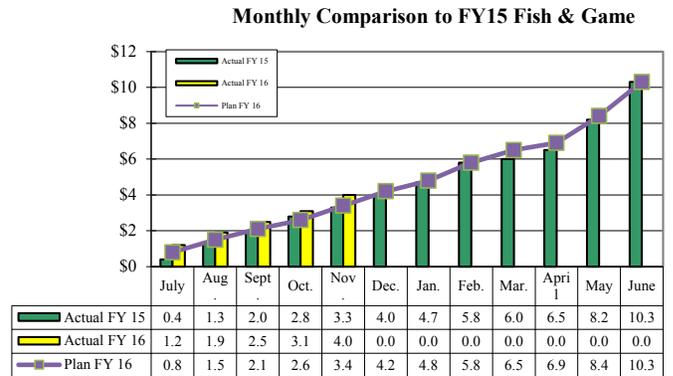
COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 15 Actuals
	FY 16 Actuals	FY 16 Plan	Actual vs. Plan	
Gasoline Road Toll	\$54.0	\$52.1	\$1.9	\$54.1
Miscellaneous	0.6	0.6	-	5.1
Motor Vehicle Fees				
MV Registrations	30.5	25.0	5.5	32.5
MV Operators	1.6	1.0	0.6	5.2
Inspection Station Fees	1.5	1.4	0.1	1.7
MV Miscellaneous Fees	3.7	4.1	(0.4)	4.2
Certificate of Title	2.3	2.6	(0.3)	3.4
Total Fees	39.6	34.1	5.5	47.0
Total	\$94.2	\$86.8	\$7.4	\$106.2



According to Road Toll Operations, actual fuel consumption is up approximately 1.75% 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	\$3.3	\$2.8	\$0.5
Fines and Penalties	0.1	-	0.1
Miscellaneous Sales	0.2	0.2	-
Federal Recoveries Indirect Costs	0.4	0.4	-
Total	\$4.0	\$3.4	\$0.6



SALES OF CIGARETTE STAMPS
Total sold (calendar month) July through November 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	53,052	2,011	3.9%
2015	51,041	(3,383)	-6.2%
2014	54,424	2,389	4.6%
2013	52,035	(3,843)	-6.9%
2012	55,878	282	0.5%

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