

# 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
<b>Gen &amp; Educ</b>	<b>\$113.1</b>	<b>\$111.8</b>	<b>\$1.3</b>
<b>Highway</b>	<b>\$14.5</b>	<b>\$17.5</b>	<b>\$(3.0)</b>
<b>Fish &amp; Game</b>	<b>\$0.6</b>	<b>\$0.5</b>	<b>\$0.1</b>

This October FY 2016 Monthly Revenue Focus report compares the activity for the current month and for the fiscal year to date (YTD) with both the prior year and the Fiscal 2016 Revenue Plan, which is available now at [http://das.nh.gov/accounting/revenue\\_reports.asp](http://das.nh.gov/accounting/revenue_reports.asp). Hard copies of the plan allocation will be distributed with next month's revenue focus, or could be made available earlier upon request. The Plan represents a monthly allocation of the official revenue estimates as passed in Chapter 275, Laws of 2015 (HB1) plus other revenue adjustments included within Schedule 2 of the Committee of Conference Surplus Statement, and the effects of Chapter 274, Laws of 2015 (SB9) pertaining to reductions in business taxes. The total fiscal 2016 unrestricted revenue plan for General and Education Funds was set at \$2,291.1 million.

Unrestricted revenue for the General and Education Funds received during October totaled \$113.1 million, which was above the plan by \$1.3 million (1%) and above the prior year by \$3.5 million (3%). YTD unrestricted revenue totaled \$561.5 million, which was above plan by \$19.6 million (3.6%) and above prior year by \$31.1 million (6%).

### Current Month

GENERAL & EDUCATION FUNDS	FY 16 Actuals	FY 16 Plan	Actual vs. Plan
Business Profits Tax	\$14.8	\$12.8	\$2.0
Business Enterprise Tax	9.6	7.2	2.4
Subtotal Business Taxes	24.4	20.0	4.4
Meals & Rentals Tax	26.4	25.4	1.0
Tobacco Tax	17.1	18.2	(1.1)
Transfer from Liquor Commission	11.0	11.0	-
Interest & Dividends Tax	2.1	1.7	0.4
Insurance Tax	1.4	1.5	(0.1)
Communications Tax	4.5	5.2	(0.7)
Real Estate Transfer Tax	11.4	10.6	0.8
Court Fines & Fees	1.1	1.2	(0.1)
Securities Revenue	0.7	0.6	0.1
Utility Consumption Tax	0.5	0.5	-
Beer Tax	1.2	1.1	0.1
Other	3.9	5.5	(1.6)
Transfer from Lottery Commission	7.0	7.0	-
Transfer from Racing & Charitable Gaming	0.2	0.2	-
Tobacco Settlement	-	-	-
Utility Property Tax	-	-	-
State Property Tax	-	-	-
Subtotal Traditional Taxes & Transfers	112.9	109.7	3.2
Recoveries	0.2	2.1	(1.9)
Total Receipts	\$113.1	\$111.8	\$1.3

**Business Taxes** for October totaled \$24.4 million, which were \$4.4 million (22%) above plan and \$4.1 million (20%) above prior year. YTD business tax collections were also above plan by \$10.6 million (7%) and \$13.8 million (9.7%) 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 both estimated payments received and tax notice revenue.

**Meals and Rentals Tax (M&R)** receipts for October came in above plan by \$1.0 million (4%) and above prior year by \$2.4 million (10%), and YTD collections were \$4.4 million (3.8%) above plan and \$8.2 million (7.4%) above prior year. According to DRA, October collections (September activity) from full service restaurants and hotels were up 7% and 13% respectively from the same month last year.

**Transfer from Liquor Commission** in October was equal to the plan of \$11.0 million and above prior year by \$0.3 million (2.8%). The YTD transfer was below plan by \$0.4 million (1%) but above prior year by \$0.4 million (1%). Per the Liquor Commission, within the month of October, the \$11.0 million transfer consisted of Net Liquor Profit (NLP) for October of \$10.6 million, as well as \$0.4 million representing a "true-up" of September NLP, as the September transfer was an estimate due to the fact the system was down for the loading of the FY 2016 budget.

Collections for the **Interest and Dividends Tax** for the month were \$2.1 million, which was \$0.4 million (23.5%) above plan and \$0.2 million (10.5%) above prior year, which results in YTD collections being \$2.3 million (13.7%) above plan and \$1.8 million (10.4%) above those in the prior year. DRA has reported that YTD estimated tax payments for FY 2016 were 9% higher than the same period in FY 2015, coupled with YTD refunds in FY 2016 which decreased by 15% over the same period in FY 2015.

Collections for the **Communications Services Tax** for the month were \$4.5 million, which was \$0.7 million (13.5%) below both plan and October of FY 2015, which resulted in YTD collections being \$1.9 million (9.4%) below plan and \$1.8 million (9%) below those in the prior year. As reported in September, this revenue continues to experience a downward trend.

**Real Estate Transfer Taxes** for October were \$11.4 million, which were above plan by \$0.8 million (7.5%) and above the same month last year by \$1.7 million (17.5%). This resulted in YTD collections being \$7.1 million (15%) above plan and \$10.9 million (25%) above the same period in the prior year. According to DRA, the number of transactions reported for the month of September (October collections) was up 6.9% over September of last year. In addition, the counties reported an increase in revenue of 18.4% over the same period in FY 2015. The remainder of the increase in collections over the prior year was due to rising real estate values.

	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								
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	(11.6)	(13.4)	(9.0)	(5.8)	(5.0)	(7.9)	(7.8)	(9.5)
% Mo over Mo	42%	27%	15%	18%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%
YTD change over Prior Year	4.3	7.5	9.2	10.9	(0.7)	(14.1)	(23.1)	(28.9)	(33.9)	(41.8)	(49.6)	(59.1)
% YTD change	42%	34%	27%	25%	-1%	-21%	-30%	-35%	-38%	-44%	-48%	-52%

	M&R ANALYSIS October			YTD		
	FY 16	FY 15	Diff	FY 16	FY 15	Diff
	Gross Collections	27.5	25.1	2.4	123.9	115.8
Bldg Aid Debt Srvc Transfer	(1.1)	(1.1)	-	(4.4)	(4.5)	0.1
Net Revenue	26.4	24.0	2.4	119.5	111.3	8.2

	BUSINESS TAX REFUND ANALYSIS												October
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD
FY16	2.4	1.0	3.3	4.6									11.3
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	13.1
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	11.3
Mo over Mo change	0.1	(0.2)	(1.6)	(0.1)	(9.4)	(1.3)	(6.4)	(1.5)	(2.8)	(2.1)	(1.7)	(2.6)	(1.8)
YTD change	0.1	(0.1)	(1.7)	(1.8)	(11.2)	(12.5)	(18.9)	(20.4)	(23.2)	(25.3)	(27.0)	(29.6)	

## 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	\$14.8	\$13.7	\$1.1	\$95.2	\$89.0	\$6.2	7.0%
Business Enterprise Tax	9.6	6.6	3.0	61.5	53.9	7.6	14.1%
Subtotal Business Taxes	24.4	20.3	4.1	156.7	142.9	13.8	9.7%
Meals & Rentals Tax	26.4	24.0	2.4	119.5	111.3	8.2	7.4%
Tobacco Tax	17.1	18.1	(1.0)	80.8	79.3	1.5	1.9%
Transfer from Liquor Commission	11.0	10.7	0.3	49.5	49.1	0.4	0.8%
Interest & Dividends Tax	2.1	1.9	0.2	19.1	17.3	1.8	10.4%
Insurance Tax	1.4	1.6	(0.2)	6.6	6.1	0.5	8.2%
Communications Tax	4.5	5.2	(0.7)	18.3	20.1	(1.8)	-9.0%
Real Estate Transfer Tax	11.4	9.7	1.7	54.2	43.3	10.9	25.2%
Court Fines & Fees	1.1	1.3	(0.2)	4.6	4.7	(0.1)	-2.1%
Securities Revenue	0.7	0.6	0.1	2.0	2.0	-	0.0%
Utility Consumption Tax	0.5	0.5	-	2.0	2.0	-	0.0%
Beer Tax	1.2	1.1	0.1	5.1	5.0	0.1	2.0%
Other	3.9	6.2	(2.3)	12.5	16.7	(4.2)	-25.1%
Transfer from Lottery Commission	7.0	5.2	1.8	18.7	16.9	1.8	10.7%
Transfer from Racing & Charitable Gaming	0.2	0.3	(0.1)	0.8	0.7	0.1	14.3%
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	-	0.1	(0.1)	9.1	10.0	(0.9)	-9.0%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	112.9	106.8	6.1	559.5	527.4	32.1	6.1%
Recoveries	0.2	2.8	(2.6)	2.0	3.0	(1.0)	-33.3%
Total Receipts	\$113.1	\$109.6	\$3.5	\$561.5	\$530.4	\$31.1	5.9%

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	\$78.4	\$72.7	\$5.7	\$16.8	\$15.9	\$0.9	\$95.2	\$88.6	\$6.6	7.4%
Business Enterprise Tax	20.5	19.4	1.1	41.0	38.1	2.9	61.5	57.5	4.0	7.0%
Subtotal Business Taxes	98.9	92.1	6.8	57.8	54.0	3.8	156.7	146.1	10.6	7.3%
Meals & Rentals Tax	115.7	111.8	3.9	3.8	3.3	0.5	119.5	115.1	4.4	3.8%
Tobacco Tax	47.0	44.6	2.4	33.8	35.1	(1.3)	80.8	79.7	1.1	1.4%
Transfer from Liquor Commission	49.5	49.9	(0.4)	-	-	-	49.5	49.9	(0.4)	-0.8%
Interest & Dividends Tax	19.1	16.8	2.3	-	-	-	19.1	16.8	2.3	13.7%
Insurance Tax	6.6	5.5	1.1	-	-	-	6.6	5.5	1.1	20.0%
Communications Tax	18.3	20.2	(1.9)	-	-	-	18.3	20.2	(1.9)	-9.4%
Real Estate Transfer Tax	36.1	31.5	4.6	18.1	15.6	2.5	54.2	47.1	7.1	15.1%
Court Fines & Fees	4.6	4.6	-	-	-	-	4.6	4.6	-	0.0%
Securities Revenue	2.0	2.1	(0.1)	-	-	-	2.0	2.1	(0.1)	-4.8%
Utility Consumption Tax	2.0	2.0	-	-	-	-	2.0	2.0	-	0.0%
Beer Tax	5.1	4.9	0.2	-	-	-	5.1	4.9	0.2	4.1%
Other	12.5	14.0	(1.5)	-	-	-	12.5	14.0	(1.5)	-10.7%
Transfer from Lottery Commission	-	-	-	18.7	18.7	-	18.7	18.7	-	0.0%
Transfer from Racing & Charitable Gaming	-	-	-	0.8	0.6	0.2	0.8	0.6	0.2	33.3%
Tobacco Settlement	-	-	-	-	-	-	-	-	-	0.0%
Utility Property Tax	-	-	-	9.1	9.8	(0.7)	9.1	9.8	(0.7)	-7.1%
State Property Tax	-	-	-	-	-	-	-	-	-	0.0%
Subtotal Traditional Taxes & Transfers	417.4	400.0	17.4	142.1	137.1	5.0	559.5	537.1	22.4	4.2%
Recoveries	2.0	4.8	(2.8)	-	-	-	2.0	4.8	(2.8)	-58.3%
<b>Total Receipts</b>	<b>\$419.4</b>	<b>\$404.8</b>	<b>\$14.6</b>	<b>\$142.1</b>	<b>\$137.1</b>	<b>\$5.0</b>	<b>\$561.5</b>	<b>\$541.9</b>	<b>\$19.6</b>	<b>3.6%</b>

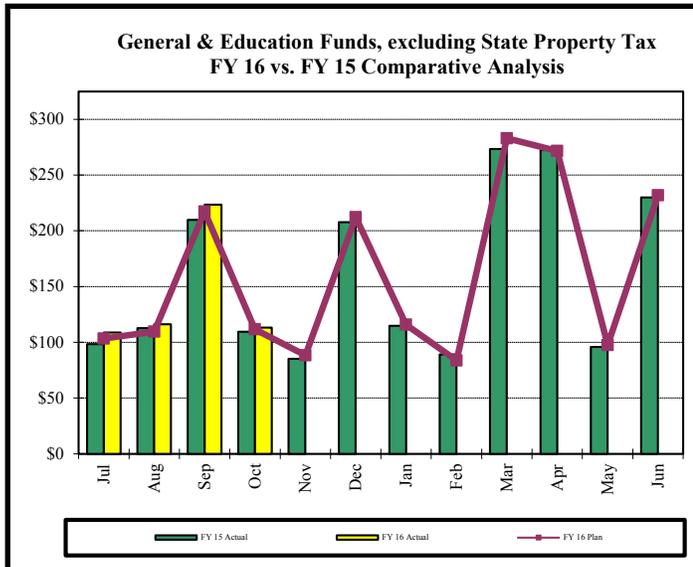
**Analysis**

*Continued from page 1*

**Other revenues** for October of \$3.9 million were \$1.6 million (29%) below plan and \$2.3 million (37%) below prior year, with YTD collections \$1.5 million (10.7%) below plan and \$4.2 million (25%) below prior year. As reported in September, the variances with the prior year were primarily due to the fact that the timing of the receipt of certain components of revenue in the prior year was earlier than anticipated, while the variances with the plan were largely due to receipt of statewide indirect cost recovery receipts and other component revenues being later than originally anticipated.

**Recovery** revenue for October was down \$2.6 million over the same period in the prior year, primarily due to timing differences in which a similar level of recovery revenue was recognized in September this year but not until October last year. YTD recoveries for FY 2016 were \$2.0 million, which was \$1 million (33%) below the same period in the prior year and \$2.8 million (58%) below plan. According to the Department of Health and Human Services, these variances are due to additional timing differences encountered in October this year, thus it is anticipated that November receipts will bring the YTD recovery revenue in line with plan.

**General & Education Funds, excluding State Property Tax  
FY 16 vs. FY 15 Comparative Analysis**

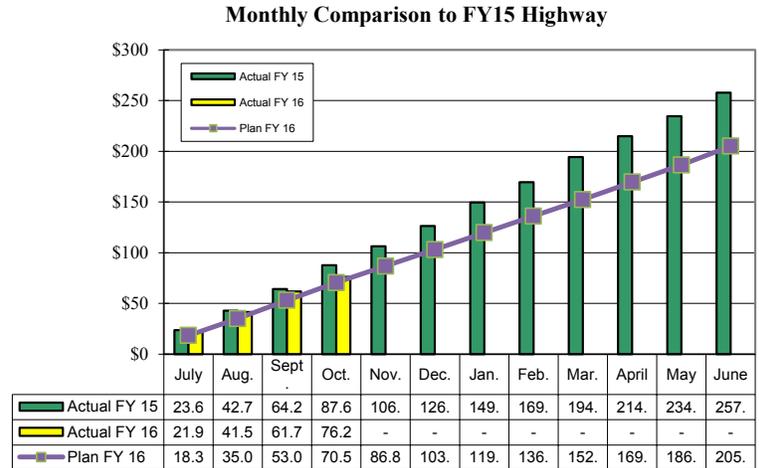


*All funds reported on a cash basis, dollars in millions.*



## Highway Fund

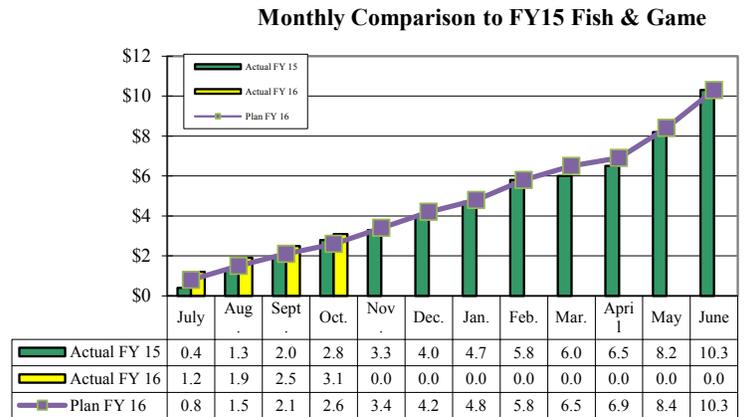
COMPARISON TO PLAN			
Revenue Category	year-to-date		
	FY 16 Actuals	FY 16 Plan	Actual vs. Plan
Gasoline Road Toll	\$43.1	\$41.6	\$1.5
Miscellaneous	0.5	0.5	-
<b>Motor Vehicle Fees</b>			
MV Registrations	25.0	20.9	4.1
MV Operators	1.4	0.8	0.6
Inspection Station Fees	1.3	1.2	0.1
MV Miscellaneous Fees	3.1	3.4	(0.3)
Certificate of Title	1.8	2.1	(0.3)
<b>Total Fees</b>	<b>32.6</b>	<b>28.4</b>	<b>4.2</b>
<b>Total</b>	<b>\$76.2</b>	<b>\$70.5</b>	<b>\$5.7</b>



According to Road Toll Operations, actual fuel consumption is up approximately 1.68% 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 16 Actuals	FY 16 Plan	Actual vs. Plan
Fish and Game Licenses	\$2.8	\$2.2	\$0.6
Fines and Penalties	-	-	-
Miscellaneous Sales	0.1	0.1	-
Federal Recoveries Indirect Costs	0.2	0.3	(0.1)
<b>Total</b>	<b>\$3.1</b>	<b>\$2.6</b>	<b>\$0.5</b>

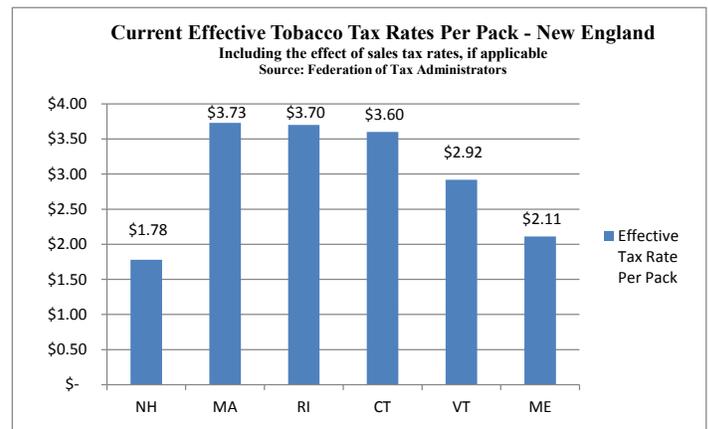


### SALES OF CIGARETTE STAMPS

Total sold (calendar month) July through October 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	42,834	763	1.8%
2015	42,071	(5,299)	-11.2%
2014	47,370	5,145	12.2%
2013	42,225	(3,209)	-7.1%
2012	45,434	732	1.6%



**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**