

# 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>		
	<b>FY 17 Actual</b>	<b>FY 17 Plan</b>	<b>Actual vs. Plan</b>
<b>Gen &amp; Educ</b>	<b>\$123.2</b>	<b>\$116.9</b>	<b>\$6.3</b>
<b>Highway</b>	<b>\$20.0</b>	<b>\$17.4</b>	<b>\$2.6</b>
<b>Fish &amp; Game</b>	<b>\$1.1</b>	<b>\$0.6</b>	<b>\$0.5</b>

Unrestricted revenue for the General and Education Funds received for the month of August totaled \$123.2 million, which was above the plan by \$6.3 million (5.4%) and above the prior year by \$7.0 million (6.0%). Year to date (YTD) unrestricted revenue totaled \$231.8 million, which was above plan by \$5.5 million (2.4%) and above prior year by \$6.8 million (3.0%).

**Business Taxes** for August totaled \$14.5 million, which were \$3.7 million (34.3%) above plan and \$2.3 million (18.9%) above prior year. YTD business taxes totaled \$37.4 million, which were \$12.3 million (49.0%) above plan and \$9.2 million (32.6%) above prior year. According to the Dept. of Revenue Administration (DRA), the increase in YTD revenue as compared to the prior year was primarily due to an increase in tax notice revenue.

### Current Month

**Meals and Rentals Tax (M&R)** receipts for August totaled \$34.8 million, which were above plan by \$1.8 million (5.5%) and above prior year by \$2.3 million (7.1%), and YTD collections were \$2.8 million (4.6%) above plan and \$3.9 million (6.6%) above prior year. According to DRA, August collections (July activity) from full service restaurants and hotels were up 7% and 6% respectively from the same month last year.

**Tobacco Tax** receipts for the month were \$20.2 million, or \$1.7 million (7.8%) below plan and \$1.8 million (8.2%) below prior year. YTD receipts of \$34.9 million were \$9.7 million (21.7%) below plan and \$9.9 million (22.1%) below prior year. According to DRA, YTD stamp sales were 4% lower than the prior year. In addition, the bond receivable balance is significantly higher than the prior year, thus it is expected that collections in September will be strong.

**Transfer from Liquor Commission** in August was equal to the plan of \$14.5 million and above prior year by \$1.9 million (15.1%).

Collections for the **Interest and Dividends Tax** for the month were \$1.3 million, or \$0.1 million (8.3%) above plan and \$0.2 million (18.2%) above prior year. YTD collections of \$2.0 million were \$0.2 million (9.1%) below plan but equal to prior year.

Collections for the **Communications Services Tax** for the month were \$1.6 million, or \$3.6 million (69.2%) below plan and \$3.1 million (66.0%) below prior year. YTD collections of \$5.9 million were \$4.3 million (42.2%) below plan and \$3.3 million (35.9%) below prior year. According to DRA, the shortfall in August is due to timing of collections, and September collections are expected to be ahead of plan.

**Real Estate Transfer Taxes** for August were \$14.1 million, which were below plan by \$0.6 million (4.1%) and below the same month last year by \$1.1 million (7.2%). However, YTD collections were \$1.2 million (4.2%) above plan and \$0.2 million (0.7%) above prior year. According to DRA, unlike recent months, both the number of transactions reported by counties for the month of August (July collections), and revenue collected, were down (10% and 6.8%, respectively) over the same period last year.

**Other revenues** for August of \$3.9 million were \$0.6 million (18.2%) above plan and \$0.5 million (14.7%) above prior year. YTD collections

<b>GENERAL &amp; EDUCATION FUNDS</b>	<i>FY 17 Actuals</i>	<i>FY 17 Plan</i>	<i>Actual vs. Plan</i>
Business Profits Tax	\$8.9	\$6.6	\$2.3
Business Enterprise Tax	5.6	4.2	1.4
Subtotal Business Taxes	14.5	10.8	3.7
Meals & Rentals Tax	34.8	33.0	1.8
Tobacco Tax	20.2	21.9	(1.7)
Transfer from Liquor Commission	14.5	14.5	-
Interest & Dividends Tax	1.3	1.2	0.1
Insurance Tax	2.2	1.6	0.6
Communications Tax	1.6	5.2	(3.6)
Real Estate Transfer Tax	14.1	14.7	(0.6)
Court Fines & Fees	1.2	1.2	-
Securities Revenue	0.6	0.5	0.1
Utility Consumption Tax	0.5	0.5	-
Beer Tax	1.2	1.4	(0.2)
Other	3.9	3.3	0.6
Transfer from Lottery Commission	7.5	6.1	1.4
Transfer from Racing & Charitable Gaming	0.2	0.2	-
Tobacco Settlement	-	-	-
Utility Property Tax	1.2	-	1.2
State Property Tax	-	-	-
Subtotal Traditional Taxes & Transfers	119.5	116.1	3.4
Recoveries	3.7	0.8	2.9
Subtotal Receipts	\$123.2	\$116.9	\$6.3
Total Receipts	\$123.2	\$116.9	\$6.3

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
FY17	15.8	14.1										
FY16	14.5	15.2	13.1	11.4	11.4	10.6	12.8	8.1	7.3	7.6	8.7	12.5
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
Mo over Mo	1.3	(1.1)	(13.1)	(11.4)	(11.4)	(10.6)	(12.8)	(8.1)	(7.3)	(7.6)	(8.7)	(12.5)
% Mo over Mo	9%	-7%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%
YTD change over Prior Year	1.3	0.2	(12.9)	(24.3)	(35.7)	(46.3)	(59.1)	(67.2)	(74.5)	(82.1)	(90.8)	(103.3)
% YTD change	9%	1%	-30%	-45%	-54%	-61%	-66%	-69%	-71%	-73%	-75%	-78%

M&R ANALYSIS						
	August			YTD		
	FY 17	FY 16	Diff	FY 17	FY 16	Diff
Gross Collections	35.9	33.6	2.3	65.4	61.6	3.8
Bldg Aid Debt Srvc Transfer	(1.1)	(1.1)	-	(2.1)	(2.2)	0.1
Net Revenue	34.8	32.5	2.3	63.3	59.4	3.9

Business Tax Refund Analysis													August
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD
FY17	2.4	0.8											3.2
FY16	2.4	1.0	3.3	4.6	4.4	2.9	1.5	0.8	1.9	2.2	2.5	1.1	3.4
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	3.5
Mo over Mo change	-	(0.2)	(3.3)	(4.6)	(4.4)	(2.9)	(1.5)	(0.8)	(1.9)	(2.2)	(2.5)	(1.1)	(0.2)
YTD change	-	(0.2)	(3.5)	(8.1)	(12.5)	(15.4)	(16.9)	(17.7)	(19.6)	(21.8)	(24.3)	(25.4)	

## General & Education Funds Comparison to FY 16

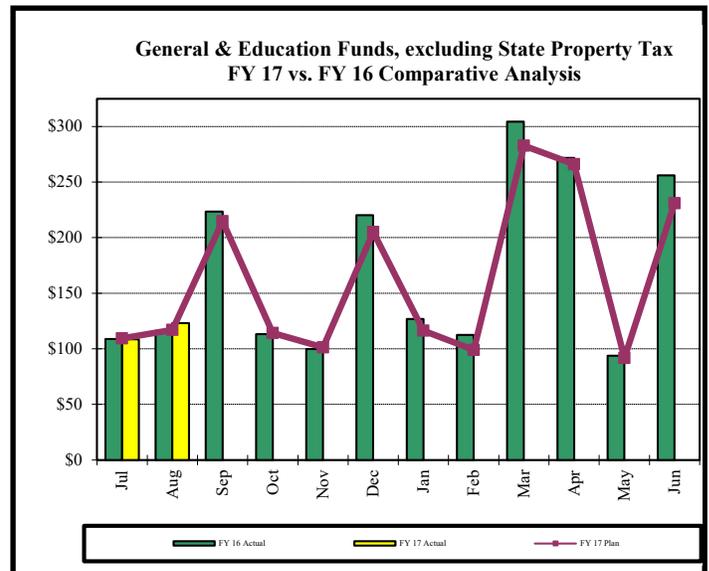
General & Education Funds	Monthly			Year-to-Date			% Change
	FY 17 Actuals	FY 16 Actuals	Inc/(Dec)	FY 17 Actuals	FY 16 Actuals	Inc/(Dec)	
Business Profits Tax	\$8.9	\$7.4	\$1.5	\$22.7	\$17.1	\$5.6	32.7%
Business Enterprise Tax	5.6	4.8	0.8	14.7	11.1	3.6	32.4%
Subtotal Business Taxes	14.5	12.2	2.3	37.4	28.2	9.2	32.6%
Meals & Rentals Tax	34.8	32.5	2.3	63.3	59.4	3.9	6.6%
Tobacco Tax	20.2	22.0	(1.8)	34.9	44.8	(9.9)	-22.1%
Transfer from Liquor Commission	14.5	12.6	1.9	29.0	28.5	0.5	1.8%
Interest & Dividends Tax	1.3	1.1	0.2	2.0	2.0	-	0.0%
Insurance Tax	2.2	2.1	0.1	3.2	3.2	-	0.0%
Communications Tax	1.6	4.7	(3.1)	5.9	9.2	(3.3)	-35.9%
Real Estate Transfer Tax	14.1	15.2	(1.1)	29.9	29.7	0.2	0.7%
Court Fines & Fees	1.2	1.2	-	2.2	2.3	(0.1)	-4.3%
Securities Revenue	0.6	0.5	0.1	0.7	0.9	(0.2)	-22.2%
Utility Consumption Tax	0.5	0.5	-	0.9	1.0	(0.1)	-10.0%
Beer Tax	1.2	1.5	(0.3)	2.6	2.7	(0.1)	-3.7%
Other	3.9	3.4	0.5	7.1	6.3	0.8	12.7%
Transfer from Lottery Commission	7.5	6.3	1.2	7.5	6.3	1.2	19.0%
Transfer from Racing & Charitable Gaming	0.2	0.3	(0.1)	0.2	0.3	(0.1)	-33.3%
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	1.2	-	1.2	1.2	0.1	1.1	1100.0%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	119.5	116.1	3.4	228.0	224.9	3.1	1.4%
Recoveries	3.7	0.1	3.6	3.8	0.1	3.7	3700.0%
Total Receipts	\$123.2	\$116.2	\$7.0	\$231.8	\$225.0	\$6.8	3.0%

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	\$18.7	\$12.4	\$6.3	\$4.0	\$2.8	\$1.2	\$22.7	\$15.2	\$7.5	49.3%
Business Enterprise Tax	4.9	3.1	1.8	9.8	6.8	3.0	14.7	9.9	4.8	48.5%
Subtotal Business Taxes	23.6	15.5	8.1	13.8	9.6	4.2	37.4	25.1	12.3	49.0%
Meals & Rentals Tax	61.5	58.7	2.8	1.8	1.8	-	63.3	60.5	2.8	4.6%
Tobacco Tax	20.5	25.0	(4.5)	14.4	19.6	(5.2)	34.9	44.6	(9.7)	-21.7%
Transfer from Liquor Commission	29.0	29.0	-	-	-	-	29.0	29.0	-	0.0%
Interest & Dividends Tax	2.0	2.2	(0.2)	-	-	-	2.0	2.2	(0.2)	-9.1%
Insurance Tax	3.2	2.7	0.5	-	-	-	3.2	2.7	0.5	18.5%
Communications Tax	5.9	10.2	(4.3)	-	-	-	5.9	10.2	(4.3)	-42.2%
Real Estate Transfer Tax	19.9	19.5	0.4	10.0	9.2	0.8	29.9	28.7	1.2	4.2%
Court Fines & Fees	2.2	2.4	(0.2)	-	-	-	2.2	2.4	(0.2)	-8.3%
Securities Revenue	0.7	0.9	(0.2)	-	-	-	0.7	0.9	(0.2)	-22.2%
Utility Consumption Tax	0.9	1.0	(0.1)	-	-	-	0.9	1.0	(0.1)	-10.0%
Beer Tax	2.6	2.6	-	-	-	-	2.6	2.6	-	0.0%
Other	7.1	7.2	(0.1)	-	-	-	7.1	7.2	(0.1)	-1.4%
Transfer from Lottery Commission	-	-	-	7.5	6.1	1.4	7.5	6.1	1.4	23.0%
Transfer from Racing & Charitable Gaming	-	-	-	0.2	0.2	-	0.2	0.2	-	0.0%
Tobacco Settlement	-	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	1.2	-	1.2	1.2	-	1.2	-
State Property Tax	-	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	179.1	176.9	2.2	48.9	46.5	2.4	228.0	223.4	4.6	2.1%
Recoveries	3.8	2.9	0.9	-	-	-	3.8	2.9	0.9	31.0%
Total Receipts	\$182.9	\$179.8	\$3.1	\$48.9	\$46.5	\$2.4	\$231.8	\$226.3	\$5.5	2.4%

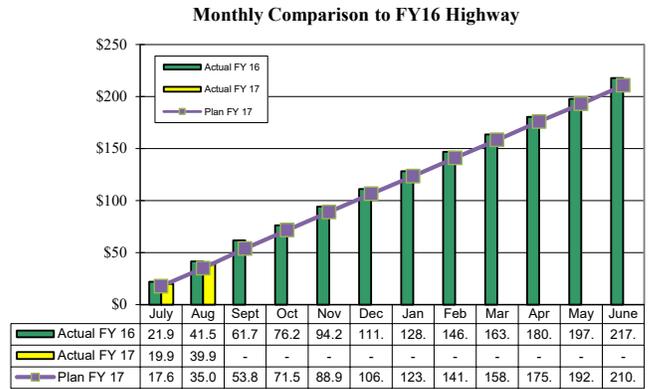
Education Trust Fund Statement of Activity - FY 2017 July 1, 2016 to August 31, 2016	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$-
Unrestricted Revenue - See above	48.9
<b>Expenditures</b>	
Education Grants & Adm Costs	(117.1)
<b>Ending Surplus (Deficit) - unaudited</b>	<b>\$(68.2)</b>

Fiscal 2017 Adequate Education Grant payments of \$569.4 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 2017 budget anticipated a deficit of \$85.7 million, to be covered by a General fund transfer at year end.



## Highway Fund

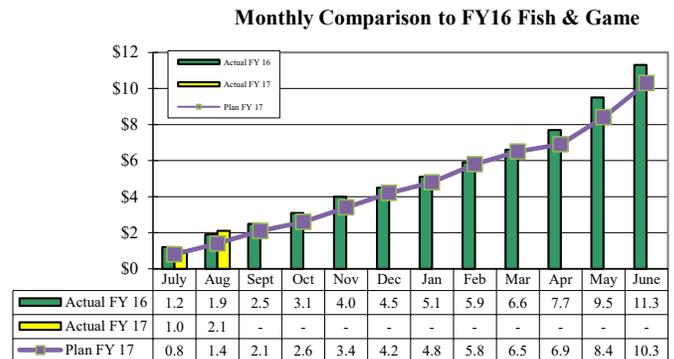
COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 16 Actuals
	FY 17 Actuals	FY 17 Plan	Actual vs. Plan	
Gasoline Road Toll	\$21.6	\$20.8	\$0.8	\$21.7
Miscellaneous	-	0.1	(0.1)	0.5
<b>Motor Vehicle Fees</b>				
MV Registrations	14.1	10.1	4.0	14.8
MV Operators	1.5	1.2	0.3	1.2
Inspection Station Fees	0.6	0.5	0.1	0.7
MV Miscellaneous Fees	1.3	1.4	(0.1)	1.6
Certificate of Title	0.8	0.9	(0.1)	1.0
<b>Total Fees</b>	<b>18.3</b>	<b>14.1</b>	<b>4.2</b>	<b>19.3</b>
<b>Total</b>	<b>\$39.9</b>	<b>\$35.0</b>	<b>\$4.9</b>	<b>\$41.5</b>



According to Road Toll Operations, actual fuel consumption is up approximately 0.82% YTD over the same period last year. The Highway Fund Plan for FY 2017 represents revenues included within HB1 (Ch. 275, Laws of 2015) adjusted for the removal of \$29.7 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 17 Actuals	FY 17 Plan	Actual vs. Plan	
Fish and Game Licenses	\$1.9	\$1.3	\$0.6	\$1.8
Fines and Penalties	-	-	-	-
Miscellaneous Sales	0.1	-	0.1	-
Federal Recoveries Indirect Costs	0.1	0.1	-	0.1
<b>Total</b>	<b>\$2.1</b>	<b>\$1.4</b>	<b>\$0.7</b>	<b>\$1.9</b>



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of \$7.1 million were \$0.1 million (1.4%) below plan but \$0.8 million (12.7%) above prior year. The variances with the monthly plan were largely due to timing of statewide post retirement and indirect cost recovery receipts.

**Transfer from Lottery Commission** in August was higher than the plan by \$1.4 million (23%) and above prior year by \$1.2 million (19%) due to a large Powerball jackpot late in July, which also generated an increase in other ticket sales.

**Utility Property Tax** collections for August of \$1.2 million were 100% above both plan and prior year, due to the timing of receipts being earlier than anticipated.

**Recovery** revenue for August of \$3.7 million was \$2.9 million (362%) above plan, while YTD revenue was \$0.9 million (31%) above plan. This was primarily due to the timing of collections, which can vary significantly from month to month.

<b>SALES OF CIGARETTE STAMPS</b>			
Total sold (calendar month) July through August for each of last five years (number of stamps, in thousands)			
Prepared from data provided by DRA			
	Sales of Stamps	Volume Change	Percent Change
2017	21,203	(882)	-4.0%
2016	22,085	898	4.2%
2015	21,187	(14,003)	-39.8%
2014	35,190	12,203	53.1%
2013	22,987	(3,237)	-12.3%

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