

# State Of New Hampshire

## Monthly Revenue Focus

Department of Administrative Services  
Vicki V. Quiram, Commissioner



### Monthly Revenue Summary

	<i>(for month)</i>		
	<u>FY 17 Actual</u>	<u>FY 17 Plan</u>	<u>Actual vs. Plan</u>
<b>Gen &amp; Educ</b>	<b>\$86.3</b>	<b>\$98.9</b>	<b>\$(12.6)</b>
<b>Highway</b>	<b>\$16.7</b>	<b>\$17.6</b>	<b>\$(0.9)</b>
<b>Fish &amp; Game</b>	<b>\$0.9</b>	<b>\$1.0</b>	<b>\$(0.1)</b>

### Current Month

<b>GENERAL &amp; EDUCATION FUNDS</b>	<i>FY 17 Actuals</i>	<i>FY 17 Plan</i>	<i>Actual vs. Plan</i>
Business Profits Tax	\$6.0	\$8.3	\$(2.3)
Business Enterprise Tax	4.0	9.7	(5.7)
Subtotal Business Taxes	10.0	18.0	(8.0)
Meals & Rentals Tax	21.2	20.8	0.4
Tobacco Tax	12.8	15.7	(2.9)
Transfer from Liquor Commission	9.3	9.3	-
Interest & Dividends Tax	0.7	1.2	(0.5)
Insurance Tax	3.8	7.4	(3.6)
Communications Tax	3.9	5.1	(1.2)
Real Estate Transfer Tax	11.4	7.6	3.8
Court Fines & Fees	1.0	1.1	(0.1)
Securities Revenue	0.6	0.9	(0.3)
Utility Consumption Tax	0.5	0.5	-
Beer Tax	0.8	0.9	(0.1)
Other	4.0	3.9	0.1
Transfer from Lottery Commission	5.2	5.5	(0.3)
Transfer from Racing & Charitable Gaming	0.3	0.3	0.0
Tobacco Settlement	-	-	-
Utility Property Tax	0.1	-	0.1
State Property Tax	-	-	-
Subtotal Traditional Taxes & Transfers	85.6	98.2	(12.6)
Recoveries	0.7	0.7	0
Total Receipts	\$86.3	\$98.9	\$(12.6)

### Analysis

Unrestricted revenue for the General and Education Funds received during February totaled \$86.3 million, which was below the plan by \$12.6 million (12.7%) and below the prior year by \$12.1 million (12.3%). YTD unrestricted revenue totaled \$1,111.0 million, which was above plan by \$34.1 million (3.2%) and above prior year by \$9.1 million (0.8%).

As discussed in prior fiscal year Revenue Focus reports, when comparing fiscal year 2017 actual results to the same period in fiscal year 2016, it should be noted that fiscal year 2016 amounts have been adjusted for the tax amnesty program that was in place from December 1, 2015 through February 15, 2016, as set forth in Chapter 276:242, Laws of 2015. Amounts collected through the tax amnesty program are shown as a lump sum, separate from the individual revenue source.

**Business Taxes** for February totaled \$10.0 million, which were \$8.0 million (44.4%) below plan and \$5.5 million (35.5%) below prior year. However, YTD business tax collections are above plan by \$35.0 million (12.4%) and \$5.8 million (1.9%) above the prior year. According to the Dept. of Revenue Administration (DRA), the decrease in monthly revenue for February, as compared to both the plan and prior year, was largely due to the impact of the tax amnesty program last year, which affected the timing of tax payments and the development of the fiscal year 2017 monthly plan amounts.

**Meals and Rentals Tax (M&R)** receipts for February came in above plan by \$0.4 million (1.9%) and above prior year by \$1.1 million (5.5%), and YTD collections were \$6.4 million (3.0%) above plan and \$11.3 million (5.4%) above prior year. According to DRA, February collections (January activity) from hotels were up 5% while full service restaurants were consistent with the same month last year.

**Tobacco Tax** receipts for the month were \$12.8 million, or \$2.9 million (18.5%) below both plan and February of last year. YTD collections were \$5.5 million (3.7%) below plan and \$6.3 million (4.2%) below the same YTD period last year. According to the DRA, stamp sales were down 11% in February as compared to the same month of the prior year.

**Interest and Dividends Tax (I&D)** collections for the month were reported at \$0.7 million, which were \$0.5 million (41.7%) below plan and \$0.4 million (36.4%) below prior year. YTD collections through February were \$37.9 million, or \$3.4 million (8.2%) below plan, and \$0.4 million (1.0%) below the prior year. DRA has reported that the decreases in February interest and dividend collections compared to prior year were attributable to all categories of payments and largely the result of the prior year tax amnesty program.

**Insurance Tax** receipts reported for the month were below plan by \$3.6 million (48.6%) and below prior year by \$2.7 million (41.5%). YTD receipts of \$16.1 million were \$0.8 million (4.7%) below plan and \$1.6 million (9.0%) below prior year. According to the Insurance Dept. these variances were attributable to timing of premium payments.

Collections for the **Communications Services Tax** for the month were \$3.9 million, which was \$1.2 million (23.5%) below plan and \$0.7 million (15.2%)

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	13.9	13.9	12.9	11.0	12.4	11.4				
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)	0.8	2.5	1.5	0.4	(0.4)	3.3	(7.3)	(7.6)	(8.7)	(12.5)
% Mo over Mo	9%	-7%	6%	22%	13%	4%	-3%	41%	-100%	-100%	-100%	-100%
YTD change over Prior Year	1.3	0.2	1.0	3.5	5.0	5.4	5.0	8.3	1.0	(6.6)	(15.3)	(27.8)
% YTD change	9%	1%	2%	6%	8%	7%	6%	9%	1%	-6%	-13%	-21%

M&R ANALYSIS						
	February			YTD		
	FY 17	FY 16	Diff	FY 17	FY 16	Diff
Gross Collections	22.3	21.2	1.1	228.2	217.2	11.0
Bldg Aid Debt Srvc Transfer	(1.1)	(1.1)	-	(8.5)	(8.8)	0.3
Net Revenue	21.2	20.1	1.1	219.7	208.4	11.3

Business Tax Refund Analysis													February
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD
FY17	2.4	0.8	1.1	11.3	11.0	1.2	3.4	4.0					35.2
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	20.9
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	31.7
Mo over Mo change	-	(0.2)	(2.2)	6.7	6.6	(1.7)	1.9	3.2	(1.9)	(2.2)	(2.5)	(1.1)	14.3
YTD change	-	(0.2)	(2.4)	4.3	10.9	9.2	11.1	14.3	12.4	10.2	7.7	6.6	

## 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	\$6.0	\$4.6	\$1.4	\$191.8	\$182.8	\$9.0	4.9%
Business Enterprise Tax	4.0	10.9	(6.9)	124.7	127.9	(3.2)	-2.5%
Subtotal Business Taxes	10.0	15.5	(5.5)	316.5	310.7	5.8	1.9%
Meals & Rentals Tax	21.2	20.1	1.1	219.7	208.4	11.3	5.4%
Tobacco Tax	12.8	15.7	(2.9)	142.3	148.6	(6.3)	-4.2%
Transfer from Liquor Commission	9.3	8.4	0.9	98.0	97.9	0.1	0.1%
Interest & Dividends Tax	0.7	1.1	(0.4)	37.9	38.3	(0.4)	-1.0%
Insurance Tax	3.8	6.5	(2.7)	16.1	17.7	(1.6)	-9.0%
Communications Tax	3.9	4.6	(0.7)	32.5	35.7	(3.2)	-9.0%
Real Estate Transfer Tax	11.4	8.1	3.3	105.4	97.1	8.3	8.5%
Court Fines & Fees	1.0	1.1	(0.1)	8.8	8.9	(0.1)	-1.1%
Securities Revenue	0.6	0.8	(0.2)	15.5	15.9	(0.4)	-2.5%
Utility Consumption Tax	0.5	0.5	-	4.0	4.0	-	0.0%
Beer Tax	0.8	0.8	-	9.0	9.0	-	0.0%
Other	4.0	3.8	0.2	35.5	32.1	3.4	10.6%
Transfer from Lottery Commission	5.2	10.9	(5.7)	41.6	46.9	(5.3)	-11.3%
Transfer from Racing & Charitable Gaming	0.3	0.2	0.1	1.8	1.7	0.1	5.9%
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	0.1	-	0.1	20.7	22.6	(1.9)	-8.4%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	85.6	98.1	(12.5)	1,105.3	1,095.5	9.8	0.9%
Recoveries	0.7	0.3	0.4	5.7	6.4	(0.7)	-10.9%
Subtotal Receipts	\$86.3	\$98.4	\$(12.1)	\$1,111.0	\$1,101.9	\$9.1	0.8%
Tax Amnesty Receipts		14.2	(14.2)		\$19.0	\$(19.0)	100.0%
Total Receipts	\$86.3	\$112.6	\$(26.3)	\$1,111.0	\$1,120.9	\$(9.9)	-0.9%

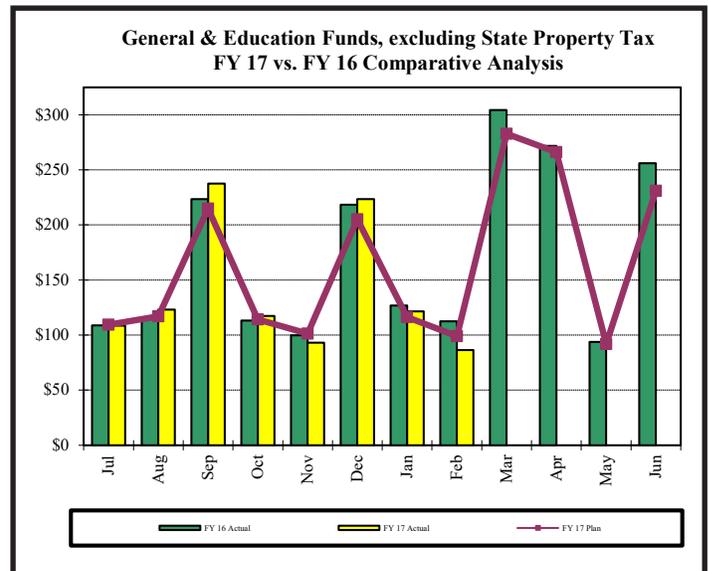
All funds reported on a cash basis, dollars in millions.

## 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	\$158.0	\$136.8	\$21.2	\$33.8	\$30.7	\$3.1	\$191.8	\$167.5	\$24.3	14.5%
Business Enterprise Tax	41.6	35.7	5.9	83.1	78.3	4.8	124.7	114.0	10.7	9.4%
<b>Subtotal Business Taxes</b>	<b>199.6</b>	<b>172.5</b>	<b>27.1</b>	<b>116.9</b>	<b>109.0</b>	<b>7.9</b>	<b>316.5</b>	<b>281.5</b>	<b>35.0</b>	<b>12.4%</b>
Meals & Rentals Tax	213.5	207.0	6.5	6.2	6.3	(0.1)	219.7	213.3	6.4	3.0%
Tobacco Tax	83.5	82.8	0.7	58.8	65.0	(6.2)	142.3	147.8	(5.5)	-3.7%
Transfer from Liquor Commission	98.0	98.9	(0.9)	-	-	-	98.0	98.9	(0.9)	-0.9%
Interest & Dividends Tax	37.9	41.3	(3.4)	-	-	-	37.9	41.3	(3.4)	-8.2%
Insurance Tax	16.1	16.9	(0.8)	-	-	-	16.1	16.9	(0.8)	-4.7%
Communications Tax	32.5	39.8	(7.3)	-	-	-	32.5	39.8	(7.3)	-18.3%
Real Estate Transfer Tax	70.3	62.6	7.7	35.1	29.7	5.4	105.4	92.3	13.1	14.2%
Court Fines & Fees	8.8	9.2	(0.4)	-	-	-	8.8	9.2	(0.4)	-4.3%
Securities Revenue	15.5	14.9	0.6	-	-	-	15.5	14.9	0.6	4.0%
Utility Consumption Tax	4.0	4.0	-	-	-	-	4.0	4.0	-	0.0%
Beer Tax	9.0	9.1	(0.1)	-	-	-	9.0	9.1	(0.1)	-1.1%
Other	35.5	32.8	2.7	-	-	-	35.5	32.8	2.7	8.2%
Transfer from Lottery Commission	-	-	-	41.6	43.7	(2.1)	41.6	43.7	(2.1)	-4.8%
Transfer from Racing & Charitable Gaming	-	-	-	1.8	1.5	0.3	1.8	1.5	0.3	20.0%
Tobacco Settlement	-	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	20.7	22.3	(1.6)	20.7	22.3	(1.6)	-7.2%
State Property Tax	-	-	-	-	-	-	-	-	-	-
<b>Subtotal Traditional Taxes &amp; Transfers</b>	<b>824.2</b>	<b>791.8</b>	<b>32.4</b>	<b>281.1</b>	<b>277.5</b>	<b>3.6</b>	<b>1,105.3</b>	<b>1,069.3</b>	<b>36.0</b>	<b>3.4%</b>
Recoveries	5.7	7.6	(1.9)	-	-	-	5.7	7.6	(1.9)	-25.0%
<b>Total Receipts</b>	<b>\$829.9</b>	<b>\$799.4</b>	<b>\$30.5</b>	<b>\$281.1</b>	<b>\$277.5</b>	<b>\$3.6</b>	<b>\$1,111.0</b>	<b>\$1,076.9</b>	<b>\$34.1</b>	<b>3.2%</b>

Education Trust Fund Statement of Activity - FY 2017 July 1, 2016 to February 28, 2017	
Description	Amount
<b>Beginning Surplus (Deficit) - unaudited</b>	\$-
<b>Unrestricted Revenue - See above</b>	281.1
<b>Expenditures</b>	
<b>Education Grants &amp; Adm Costs</b>	(422.5)
<b>Ending Surplus (Deficit) - unaudited</b>	<b>\$(141.4)</b>

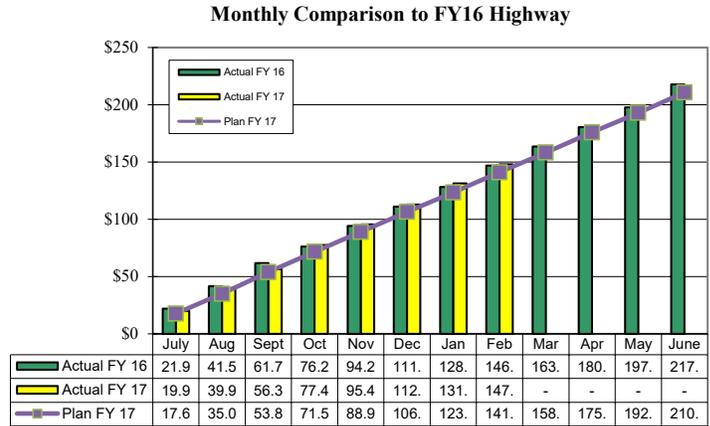
Fiscal 2017 Adequate Education Grant payments of \$569.4 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.1 million of grants through local retention of Statewide Property Tax collection. The FY 2017 budget anticipated a deficit of \$85.7 million, to be covered by a General fund transfer at year end.



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

## Highway Fund

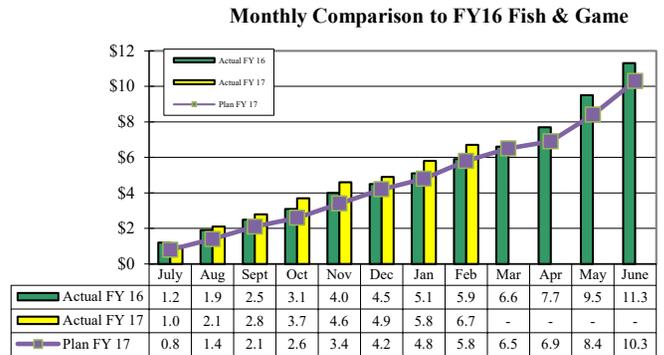
COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 16 Actuals
	FY 17 Actuals	FY 17 Plan	Actual vs. Plan	
Gasoline Road Toll	\$85.2	\$82.7	\$2.5	\$84.5
Miscellaneous	0.1	0.6	(0.5)	0.6
<b>Motor Vehicle Fees</b>				
MV Registrations	45.7	40.0	5.7	47.0
MV Operators	5.4	4.8	0.6	2.5
Inspection Station Fees	2.1	2.1	-	2.3
MV Miscellaneous Fees	5.5	6.4	(0.9)	5.9
Certificate of Title	3.9	4.4	(0.5)	3.9
<b>Total Fees</b>	<b>62.6</b>	<b>57.7</b>	<b>4.9</b>	<b>61.6</b>
<b>Total</b>	<b>\$147.9</b>	<b>\$141.0</b>	<b>\$6.9</b>	<b>\$146.7</b>



According to Road Toll Operations, actual fuel consumption is up approximately .91% 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	\$5.7	\$4.8	\$0.9	\$5.1
Fines and Penalties	0.1	0.1	-	0.1
Miscellaneous Sales	0.3	0.3	-	0.2
Federal Recoveries Indirect Costs	0.6	0.6	-	0.5
<b>Total</b>	<b>\$6.7</b>	<b>\$5.8</b>	<b>\$0.9</b>	<b>\$5.9</b>



## SALES OF CIGARETTE STAMPS

Total sold (calendar month) July through February 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	76,695	(3,046)	-3.8%
2016	79,741	1,348	1.7%
2015	78,393	(466)	-0.6%
2014	78,859	1,283	1.7%
2013	77,576	(5,669)	-6.8%

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below February of FY 2016, which resulted in YTD collections being \$7.3 million (18.3%) below plan and \$3.2 million (9.0%) below those in the prior year. As reported in previous months, this revenue continues to underperform against both plan and prior year.

**Real Estate Transfer Taxes** for February were \$11.4 million, which were above plan by \$3.8 million (50.0%) and \$3.3 million (40.7%) above the same month last year. According to DRA, the number of transactions reported by the counties for the month of February (January collections) was up 10% compared to the prior year, and transaction values for the activity reported by the counties were up 40% over the same month last year. YTD collections were \$13.1 million (14.2%) above plan and \$8.3 million (8.5%) above the same period in the prior year.

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