

State Of New Hampshire

Monthly Revenue Focus

Department of Administrative Services
Vicki V. Quiram, Commissioner



Monthly Revenue Summary

Analysis

	<i>(for month)</i>		
	FY 17 Actual	FY 17 Plan	Actual vs. Plan
Gen & Educ	\$645.4	\$645.8	\$(0.4)
Highway	\$17.9	\$17.2	\$0.7
Fish & Game	\$0.6	\$0.7	\$(0.1)

Unrestricted revenue for the General and Education Funds received during March totaled \$645.4 million, which was below the plan by \$0.4 million (0.1%) and below the prior year by \$22.0 million (3.3%). YTD unrestricted revenue totaled \$1,756.4 million, which was above plan by \$29.2 million (1.7%) but below prior year by \$31.9 million (1.8%).

Business Taxes for March totaled \$87.1 million, which were \$12.0 million (12.1%) below plan and \$24.9 million (22.2%) below prior year. YTD business tax collections are above plan by \$23.0 million (6.0%) but \$19.1 million (4.5%) below the prior year. While comparing YTD collections to the prior year, it should be noted that fiscal 2016 included \$19.0 in tax amnesty receipts, which do not repeat in fiscal 2017. The tax amnesty program, as set forth in Chapter 276:242, Laws of 2015, was in place from December 1, 2015 through February 15, 2016. According to the Dept. of Revenue Administration (DRA), the decrease in monthly revenue for March 2017 was largely due to the timing of payments as a result of 2016 tax law changes which altered the due dates for certain types of returns.

Current Month

GENERAL & EDUCATION FUNDS	<i>FY 17 Actuals</i>	<i>FY 17 Plan</i>	<i>Actual vs. Plan</i>
Business Profits Tax	\$52.2	\$60.4	\$(8.2)
Business Enterprise Tax	34.9	38.7	(3.8)
Subtotal Business Taxes	87.1	99.1	(12.0)
Meals & Rentals Tax	21.5	23.0	(1.5)
Tobacco Tax	18.7	17.4	1.3
Transfer from Liquor Commission	8.5	8.7	(0.2)
Interest & Dividends Tax	4.3	3.9	0.4
Insurance Tax	102.8	95.0	7.8
Communications Tax	4.2	4.9	(0.7)
Real Estate Transfer Tax	7.4	6.6	0.8
Court Fines & Fees	1.3	1.2	0.1
Securities Revenue	6.9	8.6	(1.7)
Utility Consumption Tax	0.5	0.5	-
Beer Tax	0.8	0.9	(0.1)
Other	5.5	6.2	(0.7)
Transfer from Lottery Commission	6.1	5.8	0.3
Transfer from Racing & Charitable Gaming	0.3	0.2	0.1
Tobacco Settlement	-	-	-
Utility Property Tax	0.8	-	0.8
State Property Tax	363.4	363.1	0.3
Subtotal Traditional Taxes & Transfers	640.1	645.1	(5.0)
Recoveries	0.8	0.7	0.1
Subtotal Receipts	\$640.9	\$645.8	\$(4.9)
Legal Settlement	4.5	-	4.5
Total Receipts	\$645.4	\$645.8	\$(0.4)

Meals and Rentals Tax (M&R) receipts for March came in below plan by \$1.5 million (6.5%) and below prior year by \$0.8 million (3.6%). YTD collections were \$4.9 million (2.1%) above plan and \$10.5 million (4.6%) above prior year. According to DRA, March collections (February activity) from hotels were down 10% while full service restaurants were down 3% as compared to the same month last year.

Tobacco Tax receipts for the month were \$18.7 million, or \$1.3 million (7.5%) above plan and \$1.2 million (6.9%) above prior year. YTD collections were \$4.2 million (2.5%) below plan and \$5.1 million (3.1%) below the same YTD period last year. According to the DRA, stamp sales were up 4% in March as compared to the same month of the prior year.

Interest and Dividends Tax (I&D) collections for the month were reported at \$4.3 million, which were \$0.4 million (10.3%) above plan and \$0.8 million (22.9%) above prior year. YTD collections through March were \$42.2 million, or \$3.0 million (6.6%) below plan, but \$0.4 million (1.0%) above the prior year. DRA has reported that the slight increases in March interest and dividend collections compared to prior year were attributable to all categories of payments and largely the result of the timing of payments.

Insurance Tax receipts reported for the month were above plan by \$7.8 million (8.2%) and above prior year by \$0.4 million (0.4%). YTD receipts of \$118.9 million were \$7.0 million (6.3%) above plan and \$1.2 million (1.0%) below prior year. According to the Insurance Dept. YTD favorable results were attributable to higher levels of premium tax as a result of growth in the tax base, as well as higher fee revenue versus plan. As in the prior year, it should be noted that \$0.7 million of March collections has been excluded from this report as the Insurance Dept. estimates that this amount is unearned and will not be recognized as fiscal 2017 revenue but will be recognized as fiscal 2018 revenue.

Collections for the **Communications Services Tax** for the month were \$4.2 million, which was \$0.7 million (14.3%) below plan and \$0.2 million (4.5%) below March of FY 2016, which resulted in YTD collections being \$8.0 million (17.9%) below plan and \$3.4 million (8.5%) below those in the prior year.

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	7.4			
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	0.1	(7.6)	(8.7)	(12.5)
% Mo over Mo	9%	-7%	6%	22%	13%	4%	-3%	41%	1%	-100%	-100%	-100%
YTD change over Prior Year	1.3	0.2	1.0	3.5	5.0	5.4	5.0	8.3	8.4	0.8	(7.9)	(20.4)
% YTD change	9%	1%	2%	6%	8%	7%	6%	9%	8%	1%	-7%	-15%

M&R ANALYSIS						
	March			YTD		
	FY 17	FY 16	Diff	FY 17	FY 16	Diff
Gross Collections	22.6	23.4	(0.8)	250.7	240.6	10.1
Bldg Aid Debt Srvc Transfer	(1.1)	(1.1)	-	(9.5)	(9.9)	0.4
Net Revenue	21.5	22.3	(0.8)	241.2	230.7	10.5

Business Tax Refund Analysis													March
	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	3.2				38.4
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	22.8
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	34.5
Mo over Mo change	-	(0.2)	(2.2)	6.7	6.6	(1.7)	1.9	3.2	1.3	(2.2)	(2.5)	(1.1)	15.6
YTD change	-	(0.2)	(2.4)	4.3	10.9	9.2	11.1	14.3	15.6	13.4	10.9	9.8	

General & Education Funds Comparison to FY 16

General & Education Funds	Monthly			Year-to-Date			
	FY 17 Actuals	FY 16 Actuals	Inc/(Dec)	FY 17 Actuals	FY 16 Actuals	Inc/(Dec)	% Change
Business Profits Tax	\$52.2	\$68.5	\$(16.3)	\$244.0	\$251.3	\$(7.3)	-2.9%
Business Enterprise Tax	34.9	43.5	(8.6)	159.6	171.4	(11.8)	-6.9%
Subtotal Business Taxes	87.1	112.0	(24.9)	403.6	422.7	(19.1)	-4.5%
Meals & Rentals Tax	21.5	22.3	(0.8)	241.2	230.7	10.5	4.6%
Tobacco Tax	18.7	17.5	1.2	161.0	166.1	(5.1)	-3.1%
Transfer from Liquor Commission	8.5	9.8	(1.3)	106.5	107.7	(1.2)	-1.1%
Interest & Dividends Tax	4.3	3.5	0.8	42.2	41.8	0.4	1.0%
Insurance Tax	102.8	102.4	0.4	118.9	120.1	(1.2)	-1.0%
Communications Tax	4.2	4.4	(0.2)	36.7	40.1	(3.4)	-8.5%
Real Estate Transfer Tax	7.4	7.3	0.1	112.8	104.4	8.4	8.0%
Court Fines & Fees	1.3	1.1	0.2	10.1	10.0	0.1	1.0%
Securities Revenue	6.9	8.6	(1.7)	22.4	24.5	(2.1)	-8.6%
Utility Consumption Tax	0.5	0.5	-	4.5	4.5	-	0.0%
Beer Tax	0.8	0.9	(0.1)	9.8	9.9	(0.1)	-1.0%
Other	5.5	7.5	(2.0)	41.0	39.6	1.4	3.5%
Transfer from Lottery Commission	6.1	5.4	0.7	47.7	52.3	(4.6)	-8.8%
Transfer from Racing & Charitable Gaming	0.3	0.4	(0.1)	2.1	2.1	-	0.0%
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	0.8	0.2	0.6	21.5	22.8	(1.3)	-5.7%
State Property Tax	363.4	363.1	0.3	363.4	363.1	0.3	0.1%
Subtotal Traditional Taxes & Transfers	640.1	666.9	(26.8)	1,745.4	1,762.4	(17.0)	-1.0%
Recoveries	0.8	0.5	0.3	6.5	6.9	(0.4)	-5.8%
Subtotal Receipts	\$640.9	\$667.4	\$(26.5)	\$1,751.9	\$1,769.3	\$(17.4)	-1.0%
Tax Amnesty Receipts			-		19.0	(19.0)	100.0%
Legal Settlement	4.5		4.5	4.5		4.5	-
Total Receipts	\$645.4	\$667.4	\$(22.0)	\$1,756.4	\$1,788.3	\$(31.9)	-1.8%

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

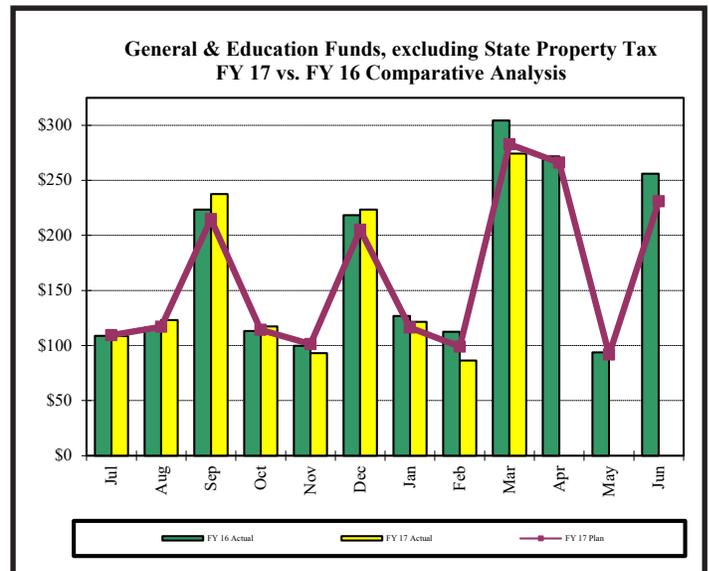
General and Education Funds

YEAR-TO-DATE COMPARISON TO PLAN

General & Education Funds	General			Education			Total			%
	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	
Business Profits Tax	\$201.0	\$186.1	\$14.9	\$43.0	\$41.8	\$1.2	\$244.0	\$227.9	\$16.1	7.1%
Business Enterprise Tax	53.2	47.8	5.4	106.4	104.9	1.5	159.6	152.7	6.9	4.5%
Subtotal Business Taxes	254.2	233.9	20.3	149.4	146.7	2.7	403.6	380.6	23.0	6.0%
Meals & Rentals Tax	234.5	229.3	5.2	6.7	7.0	(0.3)	241.2	236.3	4.9	2.1%
Tobacco Tax	94.4	92.5	1.9	66.6	72.7	(6.1)	161.0	165.2	(4.2)	-2.5%
Transfer from Liquor Commission	106.5	107.6	(1.1)	-	-	-	106.5	107.6	(1.1)	-1.0%
Interest & Dividends Tax	42.2	45.2	(3.0)	-	-	-	42.2	45.2	(3.0)	-6.6%
Insurance Tax	118.9	111.9	7.0	-	-	-	118.9	111.9	7.0	6.3%
Communications Tax	36.7	44.7	(8.0)	-	-	-	36.7	44.7	(8.0)	-17.9%
Real Estate Transfer Tax	75.2	67.1	8.1	37.6	31.8	5.8	112.8	98.9	13.9	14.1%
Court Fines & Fees	10.1	10.4	(0.3)	-	-	-	10.1	10.4	(0.3)	-2.9%
Securities Revenue	22.4	23.5	(1.1)	-	-	-	22.4	23.5	(1.1)	-4.7%
Utility Consumption Tax	4.5	4.5	-	-	-	-	4.5	4.5	-	0.0%
Beer Tax	9.8	10.0	(0.2)	-	-	-	9.8	10.0	(0.2)	-2.0%
Other	41.0	39.0	2.0	-	-	-	41.0	39.0	2.0	5.1%
Transfer from Lottery Commission	-	-	-	47.7	49.5	(1.8)	47.7	49.5	(1.8)	-3.6%
Transfer from Racing & Charitable Gaming	-	-	-	2.1	1.7	0.4	2.1	1.7	0.4	23.5%
Tobacco Settlement	-	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	21.5	22.3	(0.8)	21.5	22.3	(0.8)	-3.6%
State Property Tax	-	-	-	363.4	363.1	0.3	363.4	363.1	0.3	0.1%
Subtotal Traditional Taxes & Transfers	1,050.4	1,019.6	30.8	695.0	694.8	0.2	1,745.4	1,714.4	31.0	1.8%
Recoveries	6.5	8.3	(1.8)	-	-	-	6.5	8.3	(1.8)	-21.7%
Subtotal Receipts	1,056.9	1,027.9	29.0	695.0	694.8	0.2	1,751.9	1,722.7	29.2	1.7%
Legal Settlement	4.5	-	4.5	-	-	-	4.5	-	4.5	
Total Receipts	\$1,061.4	\$1,027.9	\$33.5	\$695.0	\$694.8	\$0.2	\$1,756.4	\$1,722.7	\$33.7	2.0%

EDUCATION TRUST FUND	
Statement of Activity - FY 2017	
July 1, 2016 to March 31, 2017	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$-
Unrestricted Revenue - See above	695.0
Expenditures	
Education Grants & Adm Costs	(955.2)
Ending Surplus (Deficit) - unaudited	\$(260.2)

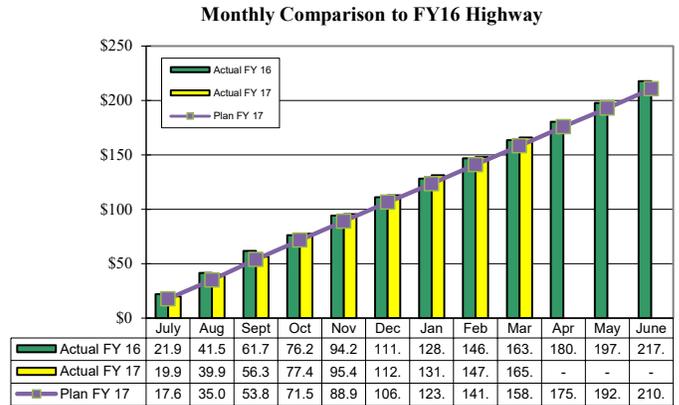
Fiscal 2017 Adequate Education Grant payments of \$569.4 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.4 million of grants through local retention of Statewide Property Tax collection. The FY 2017 budget anticipated a deficit of \$85.7 million, to be covered by a General fund transfer at year end.





Highway Fund

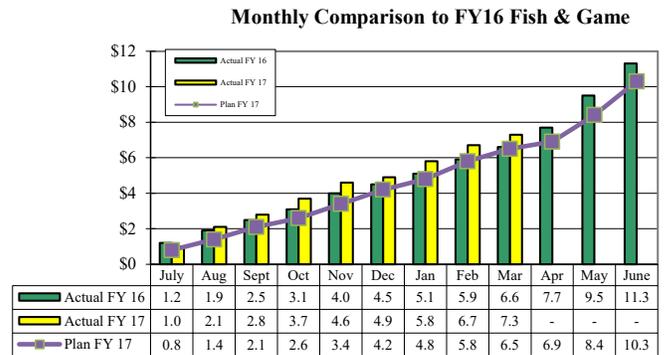
COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 16 Actuals
	FY 17 Actuals	FY 17 Plan	Actual vs. Plan	
Gasoline Road Toll	\$94.3	\$92.0	\$2.3	\$93.9
Miscellaneous	0.2	0.7	(0.5)	0.8
Motor Vehicle Fees				
MV Registrations	52.0	45.3	6.7	52.4
MV Operators	6.2	5.5	0.7	2.8
Inspection Station Fees	2.4	2.4	-	2.5
MV Miscellaneous Fees	6.4	7.3	(0.9)	6.7
Certificate of Title	4.3	5.0	(0.7)	4.4
Total Fees	71.3	65.5	5.8	68.8
Total	\$165.8	\$158.2	\$7.6	\$163.5



According to Road Toll Operations, actual fuel consumption is up approximately .63% 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	\$6.2	\$5.4	\$0.8	\$5.7
Fines and Penalties	0.1	0.1	-	0.1
Miscellaneous Sales	0.3	0.3	-	0.2
Federal Recoveries Indirect Costs	0.7	0.7	-	0.6
Total	\$7.3	\$6.5	\$0.8	\$6.6



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As reported in previous months, this revenue continues to underperform against both plan and prior year.

Real Estate Transfer Taxes for March were \$7.4 million, which were above plan by \$0.8 million (12.1%) and \$0.1 million (1.4%) above the same month last year. According to DRA, the number of transactions reported by the counties for the month of March (February collections) was down 6.8% compared to the prior year, while transaction values continued to increase. YTD collections were \$13.9 million (14.1%) above plan and \$8.4 million (8.0%) above the same period in the prior year.

Securities revenue reported for the month of March was below both plan and prior year by \$1.7 million (19.8%), and YTD collections were below plan by \$1.1 million (4.7%) and below prior year by \$2.1 million (8.6%). According to the Secretary of State's office, the decrease is due to timing differences as certain major filers submit electronically, resulting in variances in the monthly collections.

Also during March, the State recorded revenue of \$4.5 million resulting from excess legal settlement funds deposited into the Consumer Protection Escrow account which were authorized to be transferred to the State's general fund.

SALES OF CIGARETTE STAMPS

Total sold (calendar month) July through March 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	86,772	(2,699)	-3.0%
2016	89,471	1,478	1.7%
2015	87,993	(16)	-0.0%
2014	88,009	1,793	2.1%
2013	86,216	(6,239)	-6.7%

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

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