

# 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>		
	<u>FY 17 Actual</u>	<u>FY 17 Plan</u>	<u>Actual vs. Plan</u>
<b>Gen &amp; Educ</b>	<b>\$117.4</b>	<b>\$114.3</b>	<b>\$3.1</b>
<b>Highway</b>	<b>\$21.1</b>	<b>\$17.7</b>	<b>\$3.4</b>
<b>Fish &amp; Game</b>	<b>\$0.9</b>	<b>\$0.5</b>	<b>\$0.4</b>

Unrestricted revenue for the General and Education Funds received for the month of October totaled \$117.4 million, which was above the plan by \$3.1 million (2.7%) and above the prior year by \$4.3 million (3.8%). Year to date (YTD) unrestricted revenue totaled \$586.7 million, which was above plan by \$31.3 million (5.6%) and above prior year by \$25.2 million (4.5%).

**Business Taxes** for October totaled \$17.6 million, which were \$4.2 million (19.3%) below plan and \$6.8 million (27.9%) below prior year. YTD business taxes totaled \$168.9 million, which were \$29.4 million (21.1%) above plan and \$12.2 million (7.8%) above prior year. According to the Dept. of Revenue Administration (DRA), the decrease in October revenue as compared to the prior year was primarily due to a 147% increase in refunds as compared to the same month of the prior year, offset by an 18% increase in tax return revenue and a 35% increase in extension revenue. The increase in refunds was driven by the high volume of tax returns that had been filed on extension, resulting in refunds of overpayments processed this month.

**Meals and Rentals Tax (M&R)** receipts for October totaled \$28.1 million, which were above plan by \$1.1 million (4.1%) and above prior year by \$1.7 million (6.4%), and YTD collections were \$3.8 million (3.1%) above plan and \$6.0 million (5.0%) above prior year. According to DRA, October collections (September activity) from full service restaurants were up 5.5% and from hotels were up 6%, as compared to the same month last year.

**Tobacco Tax** receipts for the month were \$21.8 million, or \$4.8 million (28.2%) above plan and \$4.7 million (27.5%) above prior year. YTD receipts of \$77.3 million were \$3.0 million (3.7%) below plan and \$3.5 million (4.3%) below prior year. According to DRA, the increase for October was a result of collections related to the previous months' high bond receivable balance. This was offset by lower stamp sales for October, which were down 8% from the same month in the prior year.

**Transfer from Liquor Commission** in October was equal to the plan of \$12.6 million and above prior year by \$1.6 million (14.5%).

Collections for the **Interest and Dividends Tax** for the month were \$2.4 million, or \$0.4 million (20.0%) above plan and \$0.3 million (14.3%) above prior year. YTD collections of \$18.2 million were \$2.7 million (12.9%) below plan and \$0.9 million (4.7%) below prior year.

Collections for the **Communications Services Tax** for the month were \$4.2 million, or \$0.8 million (16.0%) below plan and \$0.3 million (6.7%) below prior year. YTD collections of \$16.8 million were \$3.5 million (17.2%) below plan and \$1.5 million (8.2%) below prior year. According to DRA, this revenue continues to experience a downward trend.

**Real Estate Transfer Taxes** for October were \$13.9 million, which were above plan by \$2.9 million (26.4%) and above the same month last year by \$2.5 million (21.9%). YTD collections were \$5.4 million (10.3%) above plan and \$3.5 million (6.5%) above prior year. According to DRA, both the number of transactions reported by counties for the month of October (September collections), and transaction values, were up over the same period last year (5.3% and 21.7%, respectively).

### 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	\$10.7	\$13.2	\$(2.5)
Business Enterprise Tax	6.9	8.6	(1.7)
Subtotal Business Taxes	17.6	21.8	(4.2)
Meals & Rentals Tax	28.1	27.0	1.1
Tobacco Tax	21.8	17.0	4.8
Transfer from Liquor Commission	12.6	12.6	-
Interest & Dividends Tax	2.4	2.0	0.4
Insurance Tax	1.5	1.1	0.4
Communications Tax	4.2	5.0	(0.8)
Real Estate Transfer Tax	13.9	11.0	2.9
Court Fines & Fees	1.2	1.2	-
Securities Revenue	0.6	0.6	-
Utility Consumption Tax	0.5	0.5	-
Beer Tax	1.2	1.1	0.1
Other	5.6	5.3	0.3
Transfer from Lottery Commission	5.6	7.1	(1.5)
Transfer from Racing & Charitable Gaming	0.4	0.2	0.2
Tobacco Settlement	-	-	-
Utility Property Tax	-	-	-
State Property Tax	-	-	-
Subtotal Traditional Taxes & Transfers	117.2	113.5	3.7
Recoveries	0.2	0.8	(0.6)
<b>Total Receipts</b>	<b>\$117.4</b>	<b>\$114.3</b>	<b>\$3.1</b>

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								
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	(11.4)	(10.6)	(12.8)	(8.1)	(7.3)	(7.6)	(8.7)	(12.5)
% Mo over Mo	9%	-7%	6%	22%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%
YTD change over Prior Year	1.3	0.2	1.0	3.5	(7.9)	(18.5)	(31.3)	(39.4)	(46.7)	(54.3)	(63.0)	(75.5)
% YTD change	9%	1%	2%	6%	-12%	-24%	-35%	-41%	-45%	-48%	-52%	-57%

M&R ANALYSIS						
	October			YTD		
	FY 17	FY 16	Diff	FY 17	FY 16	Diff
Gross Collections	29.2	27.5	1.7	129.7	123.9	5.8
Bldg Aid Debt Srvc Transfer	(1.1)	(1.1)		(4.2)	(4.4)	0.2
Net Revenue	28.1	26.4	1.7	125.5	119.5	6.0

Business Tax Refund Analysis													October
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD
FY17	2.4	0.8	1.1	11.3									15.6
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	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
Mo over Mo change	-	(0.2)	(2.2)	6.7	(4.4)	(2.9)	(1.5)	(0.8)	(1.9)	(2.2)	(2.5)	(1.1)	4.3
YTD change	-	(0.2)	(2.4)	4.3	(0.1)	(3.0)	(4.5)	(5.3)	(7.2)	(9.4)	(11.9)	(13.0)	

## General & Education Funds Comparison to FY 16

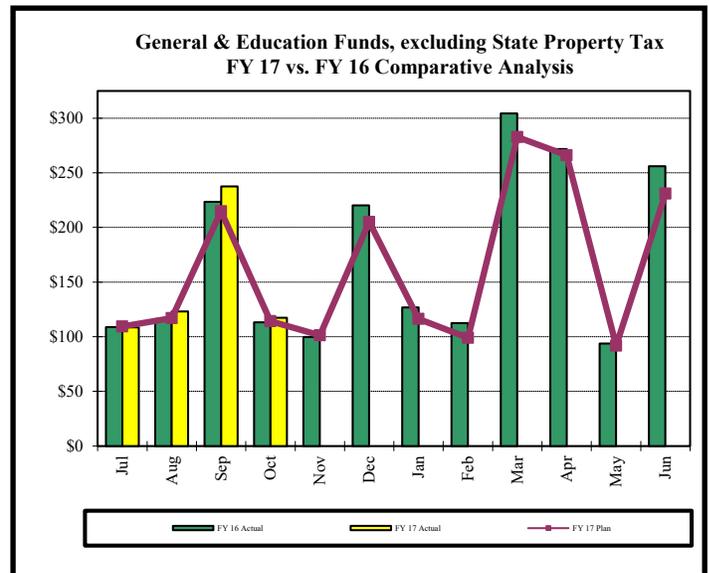
General & Education Funds	Monthly			Year-to-Date			% Change
	FY 17 Actuals	FY 16 Actuals	Inc/(Dec)	FY 17 Actuals	FY 16 Actuals	Inc/(Dec)	
Business Profits Tax	\$10.7	\$14.8	\$(4.1)	\$102.6	\$95.2	\$7.4	7.8%
Business Enterprise Tax	6.9	9.6	(2.7)	66.3	61.5	4.8	7.8%
Subtotal Business Taxes	17.6	24.4	(6.8)	168.9	156.7	12.2	7.8%
Meals & Rentals Tax	28.1	26.4	1.7	125.5	119.5	6.0	5.0%
Tobacco Tax	21.8	17.1	4.7	77.3	80.8	(3.5)	-4.3%
Transfer from Liquor Commission	12.6	11.0	1.6	52.2	49.5	2.7	5.5%
Interest & Dividends Tax	2.4	2.1	0.3	18.2	19.1	(0.9)	-4.7%
Insurance Tax	1.5	1.4	0.1	6.8	6.6	0.2	3.0%
Communications Tax	4.2	4.5	(0.3)	16.8	18.3	(1.5)	-8.2%
Real Estate Transfer Tax	13.9	11.4	2.5	57.7	54.2	3.5	6.5%
Court Fines & Fees	1.2	1.1	0.1	4.6	4.6	-	0.0%
Securities Revenue	0.6	0.7	(0.1)	1.7	2.0	(0.3)	-15.0%
Utility Consumption Tax	0.5	0.5	-	2.0	2.0	-	0.0%
Beer Tax	1.2	1.2	-	5.2	5.1	0.1	2.0%
Other	5.6	3.9	1.7	16.0	12.5	3.5	28.0%
Transfer from Lottery Commission	5.6	7.0	(1.4)	18.6	18.7	(0.1)	-0.5%
Transfer from Racing & Charitable Gaming	0.4	0.2	0.2	0.9	0.8	0.1	12.5%
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	10.2	9.1	1.1	12.1%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	117.2	112.9	4.3	582.6	559.5	23.1	4.1%
Recoveries	0.2	0.2	(0.0)	4.1	2.0	2.1	105.0%
Total Receipts	\$117.4	\$113.1	\$4.3	\$586.7	\$561.5	\$25.2	4.5%

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	\$84.5	\$69.1	\$15.4	\$18.1	\$15.5	\$2.6	\$102.6	\$84.6	\$18.0	21.3%
Business Enterprise Tax	22.1	17.2	4.9	44.2	37.7	6.5	66.3	54.9	11.4	20.8%
Subtotal Business Taxes	106.6	86.3	20.3	62.3	53.2	9.1	168.9	139.5	29.4	21.1%
Meals & Rentals Tax	121.8	118.1	3.7	3.7	3.6	0.1	125.5	121.7	3.8	3.1%
Tobacco Tax	45.3	45.0	0.3	32.0	35.3	(3.3)	77.3	80.3	(3.0)	-3.7%
Transfer from Liquor Commission	52.2	52.2	-	-	-	-	52.2	52.2	-	0.0%
Interest & Dividends Tax	18.2	20.9	(2.7)	-	-	-	18.2	20.9	(2.7)	-12.9%
Insurance Tax	6.8	5.3	1.5	-	-	-	6.8	5.3	1.5	28.3%
Communications Tax	16.8	20.3	(3.5)	-	-	-	16.8	20.3	(3.5)	-17.2%
Real Estate Transfer Tax	38.5	35.5	3.0	19.2	16.8	2.4	57.7	52.3	5.4	10.3%
Court Fines & Fees	4.6	4.8	(0.2)	-	-	-	4.6	4.8	(0.2)	-4.2%
Securities Revenue	1.7	2.0	(0.3)	-	-	-	1.7	2.0	(0.3)	-15.0%
Utility Consumption Tax	2.0	2.0	-	-	-	-	2.0	2.0	-	0.0%
Beer Tax	5.2	5.0	0.2	-	-	-	5.2	5.0	0.2	4.0%
Other	16.0	14.7	1.3	-	-	-	16.0	14.7	1.3	8.8%
Transfer from Lottery Commission	-	-	-	18.6	19.3	(0.7)	18.6	19.3	(0.7)	-3.6%
Transfer from Racing & Charitable Gaming	-	-	-	0.9	0.6	0.3	0.9	0.6	0.3	50.0%
Tobacco Settlement	-	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	10.2	10.0	0.2	10.2	10.0	0.2	2.0%
State Property Tax	-	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	435.7	412.1	23.6	146.9	138.8	8.1	582.6	550.9	31.7	5.8%
Recoveries	4.1	4.5	(0.4)	-	-	-	4.1	4.5	(0.4)	-8.9%
Total Receipts	\$439.8	\$416.6	\$23.2	\$146.9	\$138.8	\$8.1	\$586.7	\$555.4	\$31.3	5.6%

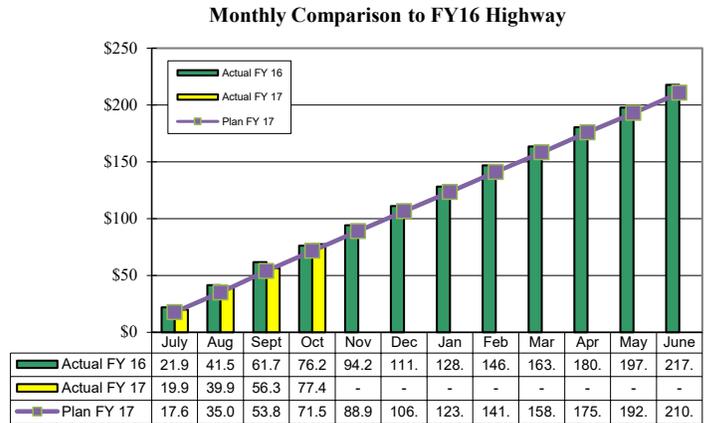
Education Trust Fund Statement of Activity - FY 2017 July 1, 2016 to October 31, 2016	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$-
Unrestricted Revenue - See above	146.9
<b>Expenditures</b>	
Education Grants & Adm Costs	(238.4)
<b>Ending Surplus (Deficit) - unaudited</b>	<b>\$(91.5)</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

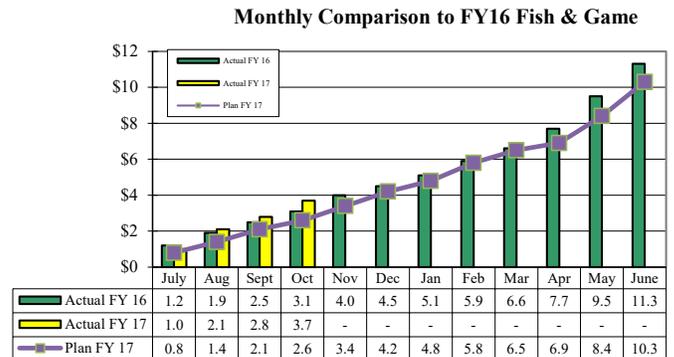
COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 16 Actuals
	FY 17 Actuals	FY 17 Plan	Actual vs. Plan	
Gasoline Road Toll	\$43.5	\$41.9	\$1.6	\$43.1
Miscellaneous	-	0.2	(0.2)	0.5
<b>Motor Vehicle Fees</b>				
MV Registrations	24.9	20.5	4.4	25.0
MV Operators	3.0	2.4	0.6	1.4
Inspection Station Fees	1.2	1.1	0.1	1.3
MV Miscellaneous Fees	2.8	3.2	(0.4)	3.1
Certificate of Title	2.0	2.2	(0.2)	1.8
<b>Total Fees</b>	<b>33.9</b>	<b>29.4</b>	<b>4.5</b>	<b>32.6</b>
<b>Total</b>	<b>\$77.4</b>	<b>\$71.5</b>	<b>\$5.9</b>	<b>\$76.2</b>



According to Road Toll Operations, actual fuel consumption is up approximately 1.20% 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	\$3.3	\$2.2	\$1.1	\$2.8
Fines and Penalties	0.1	-	0.1	-
Miscellaneous Sales	0.1	0.1	-	0.1
Federal Recoveries Indirect Costs	0.2	0.3	(0.1)	0.2
<b>Total</b>	<b>\$3.7</b>	<b>\$2.6</b>	<b>\$1.1</b>	<b>\$3.1</b>



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**Other revenues** for October of \$5.6 million were \$0.3 million (5.7%) above plan and \$1.7 million (43.6%) above prior year. YTD collections of \$16.0 million were \$1.3 million (8.8%) above plan and \$3.5 million (28.0%) above prior year. The variances with the monthly plan were largely due to the timing of receipts of various components of Other Revenue.

<b>SALES OF CIGARETTE STAMPS</b>			
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
2017	41,217	(1,617)	-3.8%
2016	42,834	763	1.8%
2015	42,071	(5,310)	-11.2%
2014	47,381	5,156	12.2%
2013	42,225	(3,209)	-7.1%

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

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