

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>
Gen & Educ	\$237.5	\$214.8	\$22.7
Highway	\$16.4	\$18.8	\$(2.4)
Fish & Game	\$0.7	\$0.7	-

Unrestricted revenue for the General and Education Funds received for the month of September totaled \$237.5 million, which was above the plan by \$22.7 million (10.6%) and above the prior year by \$14.1 million (6.3%). Year to date (YTD) unrestricted revenue totaled \$469.3 million, which was above plan by \$28.2 million (6.4%) and above prior year by \$20.9 million (4.7%).

Business Taxes for September totaled \$113.9 million, which were \$21.3 million (23.0%) above plan and \$9.8 million (9.4%) above prior year. YTD business taxes totaled \$151.3 million, which were \$33.6 million (28.5%) above plan and \$19.0 million (14.4%) 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 increases in estimated tax payments and tax notice collections.

Current Month

Meals and Rentals Tax (M&R) receipts for September totaled \$34.1 million, which were below plan by \$0.1 million (0.3%) but above prior year by \$0.4 million (1.2%), and YTD collections were \$2.7 million (2.9%) above plan and \$4.3 million (4.6%) above prior year. According to DRA, September collections (August activity) from full service restaurants were up 1% and from hotels were down 1%, as compared to the same month last year.

Tobacco Tax receipts for the month were \$20.6 million, or \$1.9 million (10.2%) above plan and \$1.7 million (9.0%) above prior year. YTD receipts of \$55.5 million were \$7.8 million (12.3%) below plan and \$8.2 million (12.9%) below prior year. According to DRA, While YTD stamp sales were 3% lower than the prior year, in the past two months stamp sales are actually 1% higher than the same months last year. In addition, for the third straight month the bond receivable balance is significantly higher than the same month in the prior year, thus it is expected that future cash collections in future months will be strong.

Transfer from Liquor Commission in September was equal to the plan of \$10.6 million and above prior year by \$0.6 million (6.0%).

Collections for the **Interest and Dividends Tax** for the month were \$13.8 million, or \$2.9 million (17.4%) below plan and \$1.2 million (8.0%) below prior year. YTD collections of \$15.8 million were \$3.1 million (16.4%) below plan and \$1.2 million (7.1%) below prior year.

Collections for the **Communications Services Tax** for the month were \$6.7 million, or \$1.6 million (31.4%) above plan and \$2.1 million (45.7%) above prior year. YTD collections of \$12.6 million were \$2.7 million (17.6%) below plan and \$1.2 million (8.7%) below prior year. According to DRA, the positive variance in September is due to the timing of collections and represents some collection activity which was originally expected to occur earlier in the fiscal year.

Real Estate Transfer Taxes for September were \$13.9 million, which were above plan by \$1.3 million (10.3%) and above the same month last year by \$0.8 million (6.1%). YTD collections were \$2.5 million (6.1%) above plan and \$1.0 million (2.3%) above prior year. According to DRA, both the number of transactions reported by counties for the month of September (August collections), and revenue collected, were up (9.5% and 7%, respectively) over the same period last year.

GENERAL & EDUCATION FUNDS	<i>FY 17 Actuals</i>	<i>FY 17 Plan</i>	<i>Actual vs. Plan</i>
Business Profits Tax	\$69.2	\$56.2	\$13.0
Business Enterprise Tax	44.7	36.4	8.3
Subtotal Business Taxes	113.9	92.6	21.3
Meals & Rentals Tax	34.1	34.2	(0.1)
Tobacco Tax	20.6	18.7	1.9
Transfer from Liquor Commission	10.6	10.6	-
Interest & Dividends Tax	13.8	16.7	(2.9)
Insurance Tax	2.1	1.5	0.6
Communications Tax	6.7	5.1	1.6
Real Estate Transfer Tax	13.9	12.6	1.3
Court Fines & Fees	1.2	1.2	-
Securities Revenue	0.4	0.5	(0.1)
Utility Consumption Tax	0.6	0.5	0.1
Beer Tax	1.4	1.3	0.1
Other	3.3	2.2	1.1
Transfer from Lottery Commission	5.5	6.1	(0.6)
Transfer from Racing & Charitable Gaming	0.3	0.2	0.1
Tobacco Settlement	-	-	-
Utility Property Tax	9.0	10.0	(1.0)
State Property Tax	-	-	-
Subtotal Traditional Taxes & Transfers	237.4	214.0	23.4
Recoveries	0.1	0.8	(0.7)
Total Receipts	\$237.5	\$214.8	\$22.7

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									
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	(11.4)	(11.4)	(10.6)	(12.8)	(8.1)	(7.3)	(7.6)	(8.7)	(12.5)
% Mo over Mo	9%	-7%	6%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%
YTD change over Prior Year	1.3	0.2	1.0	(10.4)	(21.8)	(32.4)	(45.2)	(53.3)	(60.6)	(68.2)	(76.9)	(89.4)
% YTD change	9%	1%	2%	-19%	-33%	-43%	-51%	-55%	-58%	-61%	-64%	-67%

M&R ANALYSIS						
	September			YTD		
	FY 17	FY 16	Diff	FY 17	FY 16	Diff
Gross Collections	35.2	34.8	0.4	100.6	96.4	4.2
Bldg Aid Debt Srvc Transfer	(1.1)	(1.1)	-	(3.2)	(3.3)	0.1
Net Revenue	34.1	33.7	0.4	97.4	93.1	4.3

Business Tax Refund Analysis													September
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD
FY17	2.4	0.8	1.1										4.3
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	6.7
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	8.4
Mo over Mo change	-	(0.2)	(2.2)	(4.6)	(4.4)	(2.9)	(1.5)	(0.8)	(1.9)	(2.2)	(2.5)	(1.1)	(2.4)
YTD change	-	(0.2)	(2.4)	(7.0)	(11.4)	(14.3)	(15.8)	(16.6)	(18.5)	(20.7)	(23.2)	(24.3)	

General & Education Funds Comparison to FY 16

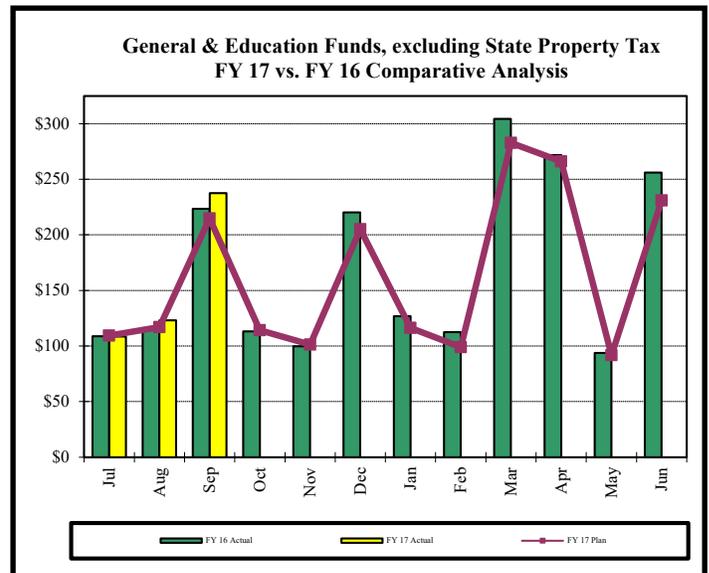
General & Education Funds	Monthly			Year-to-Date			% Change
	FY 17 Actuals	FY 16 Actuals	Inc/(Dec)	FY 17 Actuals	FY 16 Actuals	Inc/(Dec)	
Business Profits Tax	\$69.2	\$63.3	\$5.9	\$91.9	\$80.4	\$11.5	14.3%
Business Enterprise Tax	44.7	40.8	3.9	59.4	51.9	7.5	14.5%
Subtotal Business Taxes	113.9	104.1	9.8	151.3	132.3	19.0	14.4%
Meals & Rentals Tax	34.1	33.7	0.4	97.4	93.1	4.3	4.6%
Tobacco Tax	20.6	18.9	1.7	55.5	63.7	(8.2)	-12.9%
Transfer from Liquor Commission	10.6	10.0	0.6	39.6	38.5	1.1	2.9%
Interest & Dividends Tax	13.8	15.0	(1.2)	15.8	17.0	(1.2)	-7.1%
Insurance Tax	2.1	2.0	0.1	5.3	5.2	0.1	1.9%
Communications Tax	6.7	4.6	2.1	12.6	13.8	(1.2)	-8.7%
Real Estate Transfer Tax	13.9	13.1	0.8	43.8	42.8	1.0	2.3%
Court Fines & Fees	1.2	1.2	-	3.4	3.5	(0.1)	-2.9%
Securities Revenue	0.4	0.4	-	1.1	1.3	(0.2)	-15.4%
Utility Consumption Tax	0.6	0.5	0.1	1.5	1.5	-	0.0%
Beer Tax	1.4	1.2	0.2	4.0	3.9	0.1	2.6%
Other	3.3	2.3	1.0	10.4	8.6	1.8	20.9%
Transfer from Lottery Commission	5.5	5.4	0.1	13.0	11.7	1.3	11.1%
Transfer from Racing & Charitable Gaming	0.3	0.3	-	0.5	0.6	(0.1)	-16.7%
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	9.0	9.0	-	10.2	9.1	1.1	12.1%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	237.4	221.7	15.7	465.4	446.6	18.8	4.2%
Recoveries	0.1	1.7	(1.6)	3.9	1.8	2.1	116.7%
Total Receipts	\$237.5	\$223.4	\$14.1	\$469.3	\$448.4	\$20.9	4.7%

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	\$75.7	\$58.3	\$17.4	\$16.2	\$13.1	\$3.1	\$91.9	\$71.4	\$20.5	28.7%
Business Enterprise Tax	19.8	14.5	5.3	39.6	31.8	7.8	59.4	46.3	13.1	28.3%
Subtotal Business Taxes	95.5	72.8	22.7	55.8	44.9	10.9	151.3	117.7	33.6	28.5%
Meals & Rentals Tax	94.5	91.9	2.6	2.9	2.8	0.1	97.4	94.7	2.7	2.9%
Tobacco Tax	32.5	35.5	(3.0)	23.0	27.8	(4.8)	55.5	63.3	(7.8)	-12.3%
Transfer from Liquor Commission	39.6	39.6	-	-	-	-	39.6	39.6	-	0.0%
Interest & Dividends Tax	15.8	18.9	(3.1)	-	-	-	15.8	18.9	(3.1)	-16.4%
Insurance Tax	5.3	4.2	1.1	-	-	-	5.3	4.2	1.1	26.2%
Communications Tax	12.6	15.3	(2.7)	-	-	-	12.6	15.3	(2.7)	-17.6%
Real Estate Transfer Tax	29.2	28.0	1.2	14.6	13.3	1.3	43.8	41.3	2.5	6.1%
Court Fines & Fees	3.4	3.6	(0.2)	-	-	-	3.4	3.6	(0.2)	-5.6%
Securities Revenue	1.1	1.4	(0.3)	-	-	-	1.1	1.4	(0.3)	-21.4%
Utility Consumption Tax	1.5	1.5	-	-	-	-	1.5	1.5	-	0.0%
Beer Tax	4.0	3.9	0.1	-	-	-	4.0	3.9	0.1	2.6%
Other	10.4	9.4	1.0	-	-	-	10.4	9.4	1.0	10.6%
Transfer from Lottery Commission	-	-	-	13.0	12.2	0.8	13.0	12.2	0.8	6.6%
Transfer from Racing & Charitable Gaming	-	-	-	0.5	0.4	0.1	0.5	0.4	0.1	25.0%
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	345.4	326.0	19.4	120.0	111.4	8.6	465.4	437.4	28.0	6.4%
Recoveries	3.9	3.7	0.2	-	-	-	3.9	3.7	0.2	5.4%
Total Receipts	\$349.3	\$329.7	\$19.6	\$120.0	\$111.4	\$8.6	\$469.3	\$441.1	\$28.2	6.4%

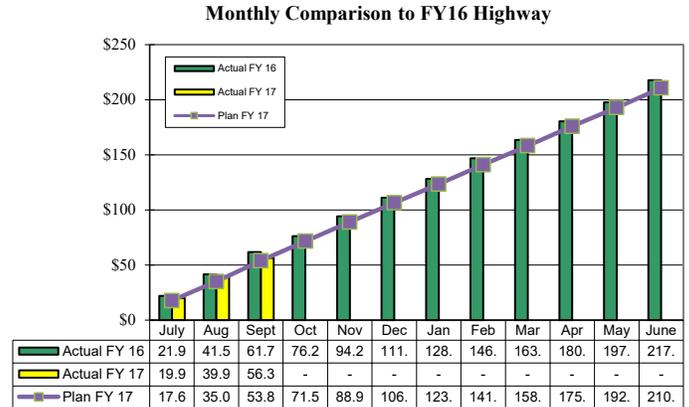
Education Trust Fund Statement of Activity - FY 2017 July 1, 2016 to September 30, 2016	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$-
Unrestricted Revenue - See above	120.0
Expenditures	
Education Grants & Adm Costs	(125.2)
Ending Surplus (Deficit) - unaudited	\$(5.2)

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 \$363.1 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

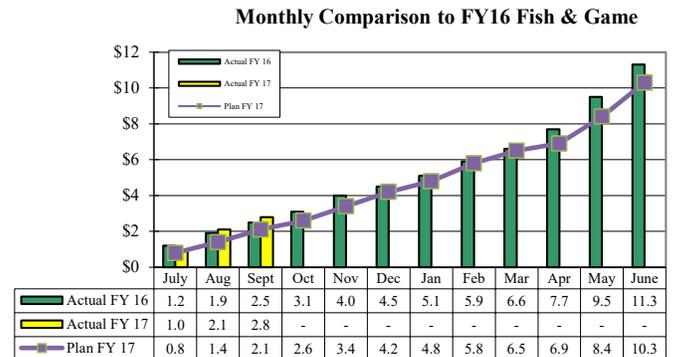
COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 16 Actuals
	FY 17 Actuals	FY 17 Plan	Actual vs. Plan	
Gasoline Road Toll	\$32.8	\$31.9	\$0.9	\$33.0
Miscellaneous	-	0.2	(0.2)	0.5
Motor Vehicle Fees				
MV Registrations	17.9	15.2	2.7	20.8
MV Operators	1.7	1.8	(0.1)	1.8
Inspection Station Fees	0.8	0.8	-	1.1
MV Miscellaneous Fees	2.0	2.3	(0.3)	2.5
Certificate of Title	1.1	1.6	(0.5)	2.0
Total Fees	23.5	21.7	1.8	28.2
Total	\$56.3	\$53.8	\$2.5	\$61.7



According to Road Toll Operations, actual fuel consumption is up approximately 1.45% 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	\$2.5	\$1.8	\$0.7	\$2.3
Fines and Penalties	-	-	-	-
Miscellaneous Sales	0.1	0.1	-	-
Federal Recoveries Indirect Costs	0.2	0.2	-	0.2
Total	\$2.8	\$2.1	\$0.7	\$2.5



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SALES OF CIGARETTE STAMPS			
Total sold (calendar month) July through September 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	31,662	(817)	-2.5%
2016	32,479	308	1.0%
2015	32,171	(8,130)	-20.2%
2014	40,301	8,970	28.6%
2013	31,331	(4,260)	-12.0%

Other revenues for September of \$3.3 million were \$1.1 million (50.0%) above plan and \$1.0 million (43.5%) above prior year. YTD collections of \$10.4 million were \$1.0 million (10.6%) above plan and \$1.8 million (20.9%) above prior year. The variances with the monthly plan were largely due to the timing of receipts of various components of Other Revenue.

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

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