

CASH BASIS - UNAUDITED

State Of New Hampshire Monthly Revenue Focus

Department of Administrative Services

Charles M. Arlinghaus, Commissioner

Dana M. Call, Comptroller



Monthly Revenue Summary	Analysis
-------------------------	----------

	(for month)		
	FY 17 Actual	FY 17 Plan	Actual vs. Plan
Gen & Educ	\$232.1	\$231.0	\$1.1
Highway	\$20.2	\$17.8	\$2.4
Fish & Game	\$1.8	\$1.9	\$(0.1)

Unrestricted revenue for the General and Education Funds received during June totaled \$232.1 million, which was above the plan by \$1.1 million (0.5%) but below the prior year by \$23.8 million (9.3%). YTD unrestricted revenue totaled \$2,403.2 million, which was above plan by \$91.8 million (4.0%) but below prior year by \$6.4 million (0.3%).

The revenue basis in this June 2017 Monthly Revenue Focus represents **PRELIMINARY CASH BASIS** results for both fiscal years presented and is unaudited. A preliminary accrual report is expected to be issued later in July and final revenue results will be available at the conclusion of the audit after year-end accounts receivable and other adjustments are analyzed. 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 include \$19 million in receipts associated with 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.

Current Month

GENERAL & EDUCATION FUNDS	FY 17 Actuals	FY 17 Plan	Actual vs. Plan
Business Profits Tax	\$58.6	\$56.1	\$2.5
Business Enterprise Tax	38.3	37.1	1.2
Subtotal Business Taxes	96.9	93.2	3.7
Meals & Rentals Tax	25.8	25.2	0.6
Tobacco Tax	19.4	21.6	(2.2)
Transfer from Liquor Commission	13.1	13.4	(0.3)
Interest & Dividends Tax	13.5	14.0	(0.5)
Insurance Tax	0.5	1.0	(0.5)
Communications Tax	4.0	4.4	(0.4)
Real Estate Transfer Tax	12.0	11.0	1.0
Court Fines & Fees	1.2	1.1	0.1
Securities Revenue	0.7	0.7	0.0
Utility Consumption Tax	0.5	0.5	-
Beer Tax	1.3	1.0	0.3
Other	19.7	20.9	(1.2)
Transfer from Lottery Commission	13.2	12.5	0.7
Transfer from Racing & Charitable Gaming	0.6	0.4	0.2
Tobacco Settlement	-	-	-
Utility Property Tax	9.2	9.4	(0.2)
State Property Tax	-	-	-
Subtotal Traditional Taxes & Transfers	231.6	230.3	1.3
Recoveries	0.5	0.7	(0.2)
Subtotal Receipts	\$232.1	\$231.0	\$1.1
Legal Settlement	-	-	-
Total Receipts	\$232.1	\$231.0	\$1.1

Business Taxes for June totaled \$96.9 million, which were \$3.7 million (4.0%) above plan but \$14.2 million (12.8%) below prior year. According to the Dept. of Revenue Administration (DRA), the variance in revenue for June can be attributed primarily to estimated tax payments. As noted in prior year focus reports, estimated tax payments in June 2016 were at their highest levels in ten years. According to DRA, a review of the activity in June 2017 determined that while estimated tax payments were still significant as compared to the ten-year trend, there was a 13% decrease as compared to the same month in the prior year. On a YTD basis, business tax collections are above plan by \$73.9 million (13.1%) and \$2.0 million (0.3%) below the prior year.

Meals and Rentals Tax (M&R) receipts for June came in above plan by \$0.6 million (2.4%) and above prior year by \$1.7 million (7.1%). YTD collections were \$5.7 million (1.9%) above plan and \$15.0 million (5.0%) above prior year. According to DRA, June collections (May activity) from hotels were up 9% while full service restaurants were up 4% as compared to the same month last year. In addition, DRA notes that some of the FY17 increase can be attributed to tax payments prompted by operator re-licensing, which occurs every two years.

Tobacco Tax receipts for the month were \$19.4 million, or \$2.2 million (10.2%) below plan and \$5.9 million (23.3%) below prior year. YTD collections were \$6.4 million (2.9%) below plan and \$13.3 million (5.8%) below the same YTD period last year. According to the DRA, these negative variances are due to stamp sales being down 4% YTD and to an increase in the bond receivable balance. In future months, DRA expects a portion of the negative variance to be mitigated by collections against the bond receivable balance.

Transfer from Liquor Commission in June of \$13.1 million was slightly below plan by \$0.3 million (2.2%) and below prior year by \$0.1 million (0.8%). The YTD transfer of \$142.6 million was below plan by \$1.6 million (1.1%) and below prior year by \$0.2 million (0.1%).

Interest and Dividends Tax (I&D) collections for the month were reported at \$13.5 million, which were \$0.5 million (3.6%) below plan but \$0.7 million (5.5%) above prior year. YTD collections through June were \$93.9 million, or \$2.1 million (2.2%) below plan, but \$6.0 million (6.8%) above the prior year. DRA has reported that the increases in June interest and dividend collections compared to prior year were primarily attributable to estimated tax payments.

Continued on page 4

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

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	8.1	9.3	12.0
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	0.5	0.6	(0.5)
% Mo over Mo	9%	-7%	6%	22%	13%	4%	-3%	41%	1%	7%	7%	-4%
YTD change over Prior Year	1.3	0.2	1.0	3.5	5.0	5.4	5.0	8.3	8.4	8.9	9.5	9.0
% YTD change	9%	1%	2%	6%	8%	7%	6%	9%	8%	8%	8%	7%

M&R ANALYSIS						
	June			YTD		
	FY 17	FY 16	Diff	FY 17	FY 16	Diff
Gross Collections	26.9	25.2	1.7	325.9	311.4	14.5
Bldg Aid Debt Srvc Transfer	(1.1)	(1.1)	-	(12.7)	(13.2)	0.5
Net Revenue	25.8	24.1	1.7	313.2	298.2	15.0

Business Tax Refund Analysis													June
	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	2.2	1.7	2.3	44.6
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	28.6
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	40.9
Mo over Mo change	-	(0.2)	(2.2)	6.7	6.6	(1.7)	1.9	3.2	1.3	-	(0.8)	1.2	16.0
YTD change	-	(0.2)	(2.4)	4.3	10.9	9.2	11.1	14.3	15.6	15.6	14.8	16.0	

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	\$58.6	\$67.4	\$(8.8)	\$386.3	\$384.5	\$1.8	0.5%
Business Enterprise Tax	38.3	43.7	(5.4)	252.7	256.5	(3.8)	-1.5%
Subtotal Business Taxes	96.9	111.1	(14.2)	639.0	641.0	(2.0)	-0.3%
Meals & Rentals Tax	25.8	24.1	1.7	313.2	298.2	15.0	5.0%
Tobacco Tax	19.4	25.3	(5.9)	215.3	228.6	(13.3)	-5.8%
Transfer from Liquor Commission	13.1	13.2	(0.1)	142.6	142.8	(0.2)	-0.1%
Interest & Dividends Tax	13.5	12.8	0.7	93.9	87.9	6.0	6.8%
Insurance Tax	0.5	1.2	(0.7)	121.7	123.4	(1.7)	-1.4%
Communications Tax	4.0	4.2	(0.2)	47.8	52.6	(4.8)	-9.1%
Real Estate Transfer Tax	12.0	12.5	(0.5)	142.2	133.2	9.0	6.8%
Court Fines & Fees	1.2	1.2	(0.0)	13.6	13.4	0.2	1.5%
Securities Revenue	0.7	0.6	0.1	44.6	43.7	0.9	2.1%
Utility Consumption Tax	0.5	0.5	-	6.0	6.0	-	0.0%
Beer Tax	1.3	1.2	0.1	13.0	13.1	(0.1)	-0.8%
Other	19.7	23.7	(4.0)	72.9	71.0	1.9	2.7%
Transfer from Lottery Commission	13.2	12.4	0.8	73.2	75.8	(2.6)	-3.4%
Transfer from Racing & Charitable Gaming	0.6	0.6	-	3.2	3.2	-	0.0%
Tobacco Settlement	-	-	-	42.6	41.5	1.1	2.7%
Utility Property Tax	9.2	10.7	(1.5)	41.8	43.3	(1.5)	-3.5%
State Property Tax	-	-	-	363.4	363.1	0.3	0.1%
Subtotal Traditional Taxes & Transfers	231.6	255.3	(23.7)	2,390.0	2,381.8	8.2	0.3%
Recoveries	0.5	0.6	(0.1)	8.7	8.8	(0.1)	-1.1%
Subtotal Receipts	\$232.1	\$255.9	\$(23.8)	\$2,398.7	\$2,390.6	\$8.1	0.3%
Tax Amnesty Receipts			-		19.0	(19.0)	-
Legal Settlement			-	4.5		4.5	-
Total Receipts	\$232.1	\$255.9	\$(23.8)	\$2,403.2	\$2,409.6	\$(6.4)	-0.3%

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

General and Education Funds

YEAR-TO-DATE COMPARISON TO PLAN

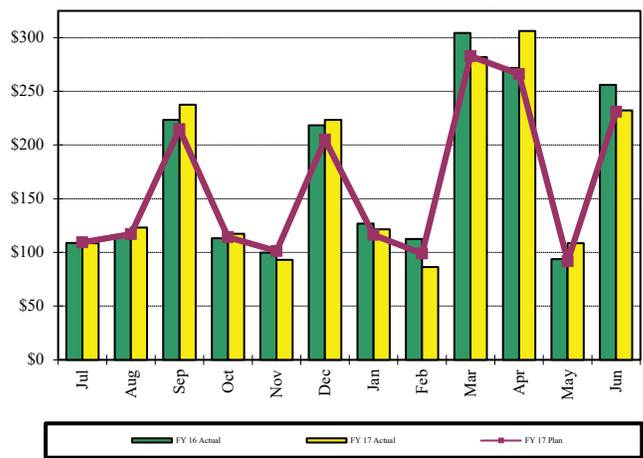
General & Education Funds	General			Education			Total			% Change
	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	
Business Profits Tax	\$318.2	\$277.4	\$40.8	\$68.1	\$62.4	\$5.7	\$386.3	\$339.8	\$46.5	13.7%
Business Enterprise Tax	84.2	70.5	13.7	168.5	154.8	13.7	252.7	225.3	27.4	12.2%
Subtotal Business Taxes	402.4	347.9	54.5	236.6	217.2	19.4	639.0	565.1	73.9	13.1%
Meals & Rentals Tax	304.6	298.4	6.2	8.6	9.1	(0.5)	313.2	307.5	5.7	1.9%
Tobacco Tax	126.3	124.1	2.2	89.0	97.6	(8.6)	215.3	221.7	(6.4)	-2.9%
Transfer from Liquor Commission	142.6	144.2	(1.6)	-	-	-	142.6	144.2	(1.6)	-1.1%
Interest & Dividends Tax	93.9	96.0	(2.1)	-	-	-	93.9	96.0	(2.1)	-2.2%
Insurance Tax	121.7	114.4	7.3	-	-	-	121.7	114.4	7.3	6.4%
Communications Tax	47.8	58.4	(10.6)	-	-	-	47.8	58.4	(10.6)	-18.2%
Real Estate Transfer Tax	94.8	85.8	9.0	47.4	40.6	6.8	142.2	126.4	15.8	12.5%
Court Fines & Fees	13.6	13.8	(0.2)	-	-	-	13.6	13.8	(0.2)	-1.4%
Securities Revenue	44.6	42.8	1.8	-	-	-	44.6	42.8	1.8	4.2%
Utility Consumption Tax	6.0	6.0	-	-	-	-	6.0	6.0	-	0.0%
Beer Tax	13.0	13.0	-	-	-	-	13.0	13.0	-	0.0%
Other	72.9	70.3	2.6	-	-	-	72.9	70.3	2.6	3.7%
Transfer from Lottery Commission	-	-	-	73.2	75.0	(1.8)	73.2	75.0	(1.8)	-2.4%
Transfer from Racing & Charitable Gaming	-	-	-	3.2	2.5	0.7	3.2	2.5	0.7	28.0%
Tobacco Settlement	2.6	-	2.6	40.0	39.0	1.0	42.6	39.0	3.6	9.2%
Utility Property Tax	-	-	-	41.8	41.8	-	41.8	41.8	-	0.0%
State Property Tax	-	-	-	363.4	363.1	0.3	363.4	363.1	0.3	0.1%
Subtotal Traditional Taxes & Transfers	1,486.8	1,415.1	71.7	903.2	885.9	17.3	2,390.0	2,301.0	89.0	3.9%
Recoveries	8.7	10.4	(1.7)	-	-	-	8.7	10.4	(1.7)	-16.3%
Subtotal Receipts	1,495.5	1,425.5	70.0	903.2	885.9	17.3	2,398.7	2,311.4	87.3	3.8%
Legal Settlement	4.5	-	4.5	-	-	-	4.5	-	4.5	
Total Receipts	\$1,500.0	\$1,425.5	\$74.5	\$903.2	\$885.9	\$17.3	\$2,403.2	\$2,311.4	\$91.8	4.0%

EDUCATION TRUST FUND
Statement of Activity - FY 2017
July 1, 2016 to June 30, 2017

Description	Amount
Beginning Surplus (Deficit) - unaudited	\$-
Unrestricted Revenue - See above	903.2
Expenditures	
Education Grants & Adm Costs	(967.0)
Ending Surplus (Deficit) - unaudited	\$(63.8)

Ending deficit will be affected by any further year end accrual adjustments, after which any remaining deficit will be funded by the General Fund. The FY 2017 budget anticipated a deficit of \$85.7 million.

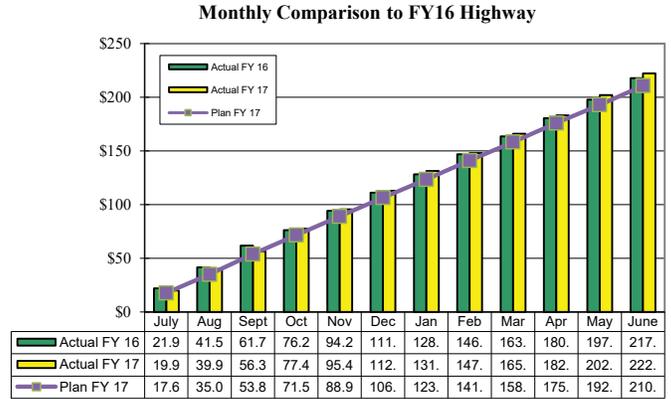
General & Education Funds, excluding State Property Tax
FY 17 vs. FY 16 Comparative Analysis





Highway Fund

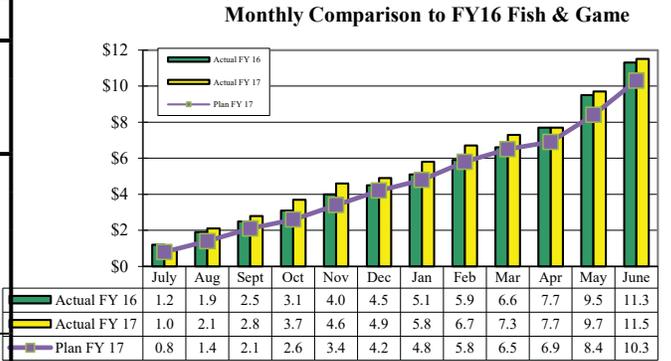
COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 16 Actuals
	FY 17 Actuals	FY 17 Plan	Actual vs. Plan	
Gasoline Road Toll	\$124.5	\$120.7	\$3.8	\$123.8
Miscellaneous	0.4	0.9	(0.5)	0.7
Motor Vehicle Fees				
MV Registrations	71.0	61.5	9.5	70.7
MV Operators	8.5	7.4	1.1	3.9
Inspection Station Fees	3.3	3.2	0.1	3.5
MV Miscellaneous Fees	8.6	9.9	(1.3)	9.1
Certificate of Title	5.9	7.0	(1.1)	6.0
Total Fees	97.3	89.0	8.3	93.2
Total	\$222.2	\$210.6	\$11.6	\$217.7



According to Road Toll Operations, actual fuel consumption is up approximately .85% 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	\$10.0	\$8.5	\$1.5	\$10.0
Fines and Penalties	0.1	0.1	-	0.1
Miscellaneous Sales	0.4	0.8	(0.4)	0.3
Federal Recoveries Indirect Costs	1.0	0.9	0.1	0.9
Total	\$11.5	\$10.3	\$1.2	\$11.3



Continued from page 1

SALES OF CIGARETTE STAMPS			
Total sold (calendar month) July through June 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	116,500	(5,278)	-4.3%
2016	121,778	2,942	2.5%
2015	118,836	(1,041)	-0.9%
2014	119,877	1,493	1.3%
2013	118,384	(5,368)	-4.3%

Real Estate Transfer Taxes for June were \$12.0 million, which were above plan by \$1.0 million (9.1%) but \$0.5 million (4.0%) below the same month last year. According to DRA, both the number of transactions reported by the counties for the month of June (May collections), and transaction values, were flat as compared to the prior year. YTD collections were \$15.8 million (12.5%) above plan and \$9.0 million (6.8%) above the same period in the prior year.

Other revenues for June of \$19.7 million were \$1.2 million (5.7%) below plan and \$4.0 million (16.9%) below prior year. June includes the annual legislated transfer of abandoned property which totaled \$12.9 million, \$0.2 million lower than the plan amount and \$3.3 million lower than 2016. YTD collections of \$72.9 million were \$2.6 million (3.7%) above plan and \$1.9 million (2.7%) above prior year, primarily as a result of penalty assessment revenue which is now accounted for as unrestricted general funds. In addition, FY17 reflects an increase of \$4.5 million above plan 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 in fiscal year 2017. Additional anticipated revenue and transfers will be recorded through the closing period.

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

Department of Administrative Services
Charles M. Arlinghaus, Commissioner
State House Annex - Room 120
25 Capitol Street
Concord, New Hampshire 03301-6312
Phone: (603)271-3204 Fax: (603)271-6600
TDD Access: Relay NH 1-800-735-2964

Division of Accounting Services
Dana M. Call, Comptroller
State House Annex - Room 310
25 Capitol Street
Concord, New Hampshire 03301-6312
Phone: (603) 271-3190 Fax: (603) 271-6666
TDD Access: Relay NH 1-800-735-2964