

State Of New Hampshire

Monthly Revenue Focus

Department of Administrative Services
 Charles M. Arlinghaus, Commissioner
 Dana M. Call, Comptroller



Monthly Revenue Summary

	<i>(for month)</i>		
	<u>FY 18 Actual</u>	<u>FY 18 Plan</u>	<u>Actual vs. Plan</u>
Gen & Educ	\$237.9	\$230.2	\$7.7
Highway	\$15.9	\$16.8	\$(0.9)
Fish & Game	\$0.6	\$0.4	\$0.2

Current Month

GENERAL & EDUCATION FUNDS	<i>FY 18 Actuals</i>	<i>FY 18 Plan</i>	<i>Actual vs. Plan</i>
Business Profits Tax	\$71.7	\$66.8	\$4.9
Business Enterprise Tax	44.4	44.7	(0.3)
Subtotal Business Taxes	116.1	111.5	4.6
Meals & Rentals Tax	23.2	22.8	0.4
Tobacco Tax	15.4	17.8	(2.4)
Transfer from Liquor Commission	17.7	18.5	(0.8)
Interest & Dividends Tax	12.6	5.3	7.3
Insurance Tax	1.5	1.1	0.4
Communications Tax	3.3	3.8	(0.5)
Real Estate Transfer Tax	11.4	12.5	(1.1)
Court Fines & Fees	1.0	1.1	(0.1)
Securities Revenue	12.8	13.1	(0.3)
Utility Consumption Tax	0.4	0.5	(0.1)
Beer Tax	1.1	1.0	0.1
Other	4.7	4.4	0.3
Transfer from Lottery Commission	5.4	6.0	(0.6)
Tobacco Settlement	-	-	-
Utility Property Tax	10.8	9.7	1.1
State Property Tax	-	-	-
Subtotal Traditional Taxes & Transfers	237.4	229.1	8.3
Recoveries	0.5	1.1	(0.6)
Total Receipts	\$237.9	\$230.2	\$7.7

Analysis

Unrestricted revenue for the General and Education Funds received during December totaled \$237.9 million, which was above the plan by \$7.7 million (3.3%) and above the prior year by \$14.4 million (6.4%). YTD unrestricted revenue totaled \$947.0 million, which was above plan by \$18.7 million (2.0%) and above prior year by \$43.7 million (4.8%).

Business Taxes for December totaled \$116.1 million, which were \$4.6 million (4.1%) above plan and \$6.1 million (5.5%) above prior year. YTD business tax collections are above plan by \$16.3 million (5.6%) and \$23.5 million (8.3%) above the prior year. According to the Dept. of Revenue Administration (DRA), the increase was primarily due to unusually high estimated payments for the month, which was offset by decreases in returns, extensions and notice payments. In addition, refunds were significantly higher than in the same month last year. While the anomaly in estimated tax payments resulted in a positive variance for the month of December, estimated payments are not an indicator that actual results will exceed plan amounts for the fiscal year.

Meals and Rentals Tax (M&R) receipts for December came in above plan by \$0.4 million (1.8%) and above prior year by \$1.7 million (7.9%), and YTD collections were \$0.6 million (0.3%) below plan and \$8.5 million (4.9%) above prior year. According to DRA, December collections (November activity) from full service restaurants were up 3% and from hotels were up 16% from the same month last year.

Tobacco Tax receipts for the month were \$15.4 million, or \$2.4 million (13.5%) below plan and \$3.2 million (17.2%) below December of last year. In addition, YTD collections were \$0.8 million (0.7%) below plan and \$0.8 million (0.7%) above the same YTD period last year. According to DRA, YTD stamp sales were 9% lower than the prior year. In addition, the bond receivable balance is lower than the prior year by 4%.

Transfer from Liquor Commission in December was below plan by \$0.8 million (4.3%) and below prior year by \$0.6 million (3.3%).

Interest and Dividends Tax (I&D) collections for the month were reported at \$12.6 million, which were \$7.3 million above plan and \$7.3 million above prior year. YTD collections through December were \$32.8 million, or \$8.1 million (32.8%) above plan and \$8.6 million (35.5%) above prior year. DRA has reported that December interest and dividend collections reflect higher estimated payments than the same month of the prior year, which may be indicative of a national trend of making certain tax prepayments in December in anticipation of tax law changes.

Collections for the **Communications Services Tax** for the month were \$3.3 million, which was \$0.5 million (13.2%) below plan and \$0.8 million (19.5%) below December of FY 2017, which resulted in YTD collections being \$0.5 million (2.2%) below plan and \$2.8 million (11.3%) below those in the prior year. This is the result of a decrease in estimated payments as compared to the prior year.

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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
FY18	15.1	14.6	14.9	13.7	13.0	11.4						
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
Mo over Mo	(0.7)	0.5	1.0	(0.2)	0.1	0.4	(12.4)	(11.4)	(7.4)	(8.1)	(9.3)	(12.0)
% Mo over Mo	-4%	4%	7%	-1%	1%	4%	-100%	-100%	-100%	-100%	-100%	-100%
YTD change over Prior Year	(0.7)	(0.2)	0.8	0.6	0.7	1.1	(11.3)	(22.7)	(30.1)	(38.2)	(47.5)	(59.5)
% YTD change	-4%	-1%	2%	1%	1%	1%	-12%	-22%	-27%	-32%	-36%	-42%

M&R ANALYSIS						
	December			YTD		
	FY 18	FY 17	Diff	FY 18	FY 17	Diff
	Gross Collections	24.2	22.6	1.6	189.4	181.1
Bldg Aid Debt Srvc Transfer	(1.0)	(1.1)	0.1	(6.2)	(6.4)	0.2
Net Revenue	23.2	21.5	1.7	183.2	174.7	8.5

BUSINESS TAX REFUND ANALYSIS													December
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD
FY18	1.8	1.3	8.0	4.2	2.9	5.3							23.5
FY 17	2.4	0.8	1.1	11.3	11.0	1.2	3.4	4.0	3.2	2.2	1.7	2.3	27.8
FY 16	2.4	1.0	3.3	4.6	4.4	2.9	1.5	0.8	1.9	2.2	2.5	1.1	18.6
Mo over Mo change	(0.6)	0.5	6.9	(7.1)	(8.1)	4.1	(3.4)	(4.0)	(3.2)	(2.2)	(1.7)	(2.3)	(4.3)
YTD change	(0.6)	(0.1)	6.8	(0.3)	(8.4)	(4.3)	(7.7)	(11.7)	(14.9)	(17.1)	(18.8)	(21.1)	

General & Education Funds Comparison to FY 17

General & Education Funds	Monthly			Year-to-Date			% Change
	FY 18 Actuals	FY 17 Actuals	Inc/(Dec)	FY 18 Actuals	FY 17 Actuals	Inc/(Dec)	
Business Profits Tax	\$71.7	\$66.5	\$5.2	\$188.6	\$171.0	\$17.6	10.3%
Business Enterprise Tax	44.4	43.5	0.9	117.0	111.1	5.9	5.3%
Subtotal Business Taxes	116.1	110.0	6.1	305.6	282.1	23.5	8.3%
Meals & Rentals Tax	23.2	21.5	1.7	183.2	174.7	8.5	4.9%
Tobacco Tax	15.4	18.6	(3.2)	112.9	112.1	0.8	0.7%
Transfer from Liquor Commission	17.7	18.3	(0.6)	83.1	83.2	(0.1)	-0.1%
Interest & Dividends Tax	12.6	5.3	7.3	32.8	24.2	8.6	35.5%
Insurance Tax	1.5	1.4	0.1	11.2	9.8	1.4	14.3%
Communications Tax	3.3	4.1	(0.8)	22.0	24.8	(2.8)	-11.3%
Real Estate Transfer Tax	11.4	11.0	0.4	82.7	81.6	1.1	1.3%
Court Fines & Fees	1.0	1.1	(0.1)	6.6	6.7	(0.1)	-1.5%
Securities Revenue	12.8	12.5	0.3	14.7	14.6	0.1	0.7%
Utility Consumption Tax	0.4	0.4	-	2.8	3.0	(0.2)	-6.7%
Beer Tax	1.1	1.0	0.1	7.1	7.1	-	0.0%
Other	4.7	4.9	(0.2)	23.8	24.8	(1.0)	-4.0%
Transfer from Lottery Commission	5.4	4.9	0.5	33.8	29.2	4.6	15.8%
Transfer from Racing & Charitable Gaming	-	0.2	(0.2)	-	1.3	(1.3)	-100.0%
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	10.8	8.2	2.6	22.6	19.6	3.0	15.3%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	237.4	223.4	14.0	944.9	898.8	46.1	5.1%
Recoveries	0.5	0.1	0.4	2.1	4.5	(2.4)	-53.3%
Total Receipts	\$237.9	\$223.5	\$14.4	\$947.0	\$903.3	\$43.7	4.8%

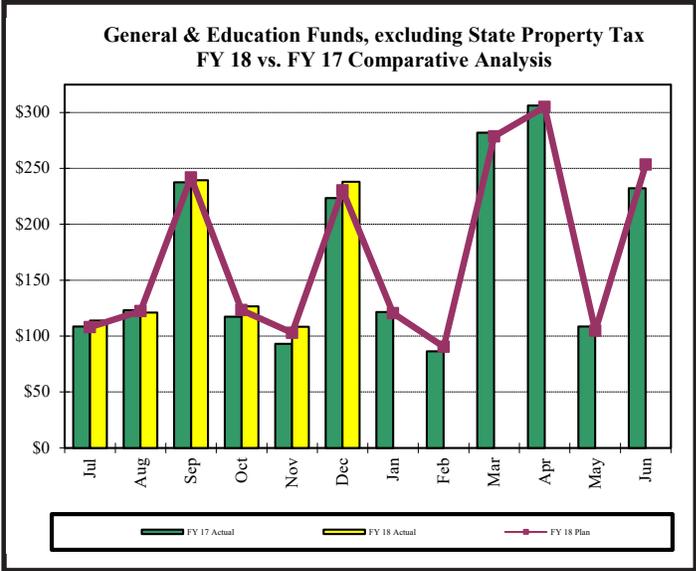
All funds reported on a cash basis, dollars in millions.

General and Education Funds

YEAR-TO-DATE COMPARISON TO PLAN										
General & Education Funds	General			Education			Total			% Change
	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	
Business Profits Tax	\$155.3	\$144.5	\$10.8	\$33.3	\$29.6	\$3.7	\$188.6	\$174.1	\$14.5	8.3%
Business Enterprise Tax	39.0	35.8	3.2	78.0	79.4	(1.4)	117.0	115.2	1.8	1.6%
Subtotal Business Taxes	194.3	180.3	14.0	111.3	109.0	2.3	305.6	289.3	16.3	5.6%
Meals & Rentals Tax	178.0	178.2	(0.2)	5.2	5.6	(0.4)	183.2	183.8	(0.6)	-0.3%
Tobacco Tax	66.5	63.7	2.8	46.4	50.0	(3.6)	112.9	113.7	(0.8)	-0.7%
Transfer from Liquor Commission	83.1	84.6	(1.5)	-	-	-	83.1	84.6	(1.5)	-1.8%
Interest & Dividends Tax	32.8	24.7	8.1	-	-	-	32.8	24.7	8.1	32.8%
Insurance Tax	11.2	8.4	2.8	-	-	-	11.2	8.4	2.8	33.3%
Communications Tax	22.0	22.5	(0.5)	-	-	-	22.0	22.5	(0.5)	-2.2%
Real Estate Transfer Tax	55.1	60.2	(5.1)	27.6	28.4	(0.8)	82.7	88.6	(5.9)	-6.7%
Court Fines & Fees	6.6	6.7	(0.1)	-	-	-	6.6	6.7	(0.1)	-1.5%
Securities Revenue	14.7	15.3	(0.6)	-	-	-	14.7	15.3	(0.6)	-3.9%
Utility Consumption Tax	2.8	3.0	(0.2)	-	-	-	2.8	3.0	(0.2)	-6.7%
Beer Tax	7.1	7.2	(0.1)	-	-	-	7.1	7.2	(0.1)	-1.4%
Other	23.8	23.2	0.6	-	-	-	23.8	23.2	0.6	2.6%
Transfer from Lottery Commission	-	-	-	33.8	31.9	1.9	33.8	31.9	1.9	6.0%
Tobacco Settlement	-	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	22.6	20.2	2.4	22.6	20.2	2.4	11.9%
State Property Tax	-	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	698.0	678.0	20.0	246.9	245.1	1.8	944.9	923.1	21.8	2.4%
Recoveries	2.1	5.2	(3.1)	-	-	-	2.1	5.2	(3.1)	-59.6%
Total Receipts	700.1	683.2	16.9	246.9	245.1	1.8	947.0	928.3	18.7	2.0%

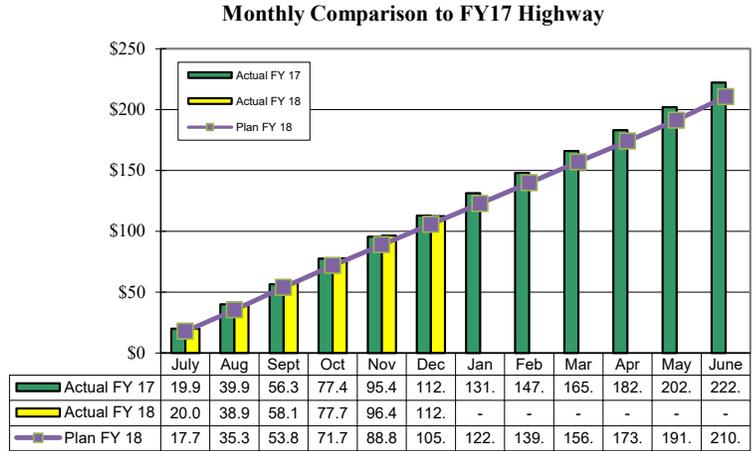
Education Trust Fund Statement of Activity - FY 2018 July 1, 2017 to December 31, 2017	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$-
Unrestricted Revenue - See above	246.9
Expenditures	
Education Grants & Adm Costs	(414.7)
Ending Surplus (Deficit) - unaudited	\$(167.8)

Fiscal 2018 Adequate Education Grant payments of \$562.5 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 2018 budget anticipated a deficit of \$35.3 million, to be covered by a General fund transfer at year end.



Highway Fund

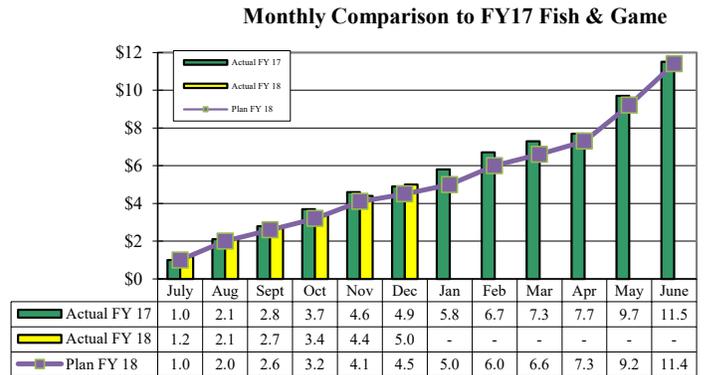
COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 17 Actuals
	FY 18 Actuals	FY 18 Plan	Actual vs. Plan	
Gasoline Road Toll	\$65.4	\$63.5	\$1.9	\$64.6
Miscellaneous	0.1	0.1	-	0.1
Motor Vehicle Fees				
MV Registrations	34.5	30.2	4.3	35.3
MV Operators	3.9	3.6	0.3	4.1
Inspection Station Fees	1.6	1.5	0.1	1.7
MV Miscellaneous Fees	3.9	3.9	-	4.2
Certificate of Title	2.9	2.8	0.1	2.8
Total Fees	46.8	42.0	4.8	48.1
Total	\$112.3	\$105.6	\$6.7	\$112.8



According to Road Toll Operations, actual fuel consumption is up approximately 1.48% YTD over the same period last year. The Highway Fund Plan for FY 2018 represents revenues included within HB144 (Ch. 155, Laws of 2017) adjusted for the removal of \$30.6 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 17 Actuals
	FY 18 Actuals	FY 18 Plan	Actual vs. Plan	
Fish and Game Licenses	\$4.2	\$3.7	\$0.5	\$4.1
Fines and Penalties	0.1	0.1	-	0.1
Miscellaneous Sales	0.3	0.2	0.1	0.3
Federal Recoveries Indirect Costs	0.4	0.5	(0.1)	0.4
Total	\$5.0	\$4.5	\$0.5	\$4.9



SALES OF CIGARETTE STAMPS

Total sold (calendar month) July through December for each of last five years
(number of stamps, in thousands)

Prepared from data provided by DRA

	Sales of Stamps	Volume Change	Percent Change
2018	58,308	(2,124)	-3.5%
2017	60,432	(1,950)	-3.1%
2016	62,382	782	1.3%
2015	61,600	(1,775)	-2.8%
2014	63,375	2,460	4.0%

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Real Estate Transfer Taxes for December were \$11.4 million, which were below plan by \$1.1 million (8.8%) and \$0.4 million (3.6%) above the same month last year. YTD collections were \$5.9 million (6.7%) below plan and \$1.1 million (1.3%) above the same period in the prior year. According to DRA, the number of transactions reported by the counties for the month of December (November collections) was up 3.4%, and transaction values for the activity reported by the counties were up 5.0% over the same month last year. However, limitations in the availability of inventory have resulted in YTD collections falling behind the planned growth in revenue.

For **Utility Property Tax** collections, the variance from plan appears to be due to the timing of the receipt of revenue.

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