

State Of New Hampshire

Monthly Revenue Focus

Department of Administrative Services
 Charles M. Arlinghaus, Commissioner
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Monthly Revenue Summary

Analysis

	<i>(for month)</i>		
	<u>FY 18 Actual</u>	<u>FY 18 Plan</u>	<u>Actual vs. Plan</u>
Gen & Educ	\$105.9	\$90.4	\$15.5
Highway	\$18.5	\$17.0	\$1.5
Fish & Game	\$1.2	\$1.0	\$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	\$18.8	\$6.0	\$12.8
Business Enterprise Tax	11.6	4.5	7.1
Subtotal Business Taxes	30.4	10.5	19.9
Meals & Rentals Tax	21.7	22.2	(0.5)
Tobacco Tax	13.1	14.4	(1.3)
Transfer from Liquor Commission	7.8	9.4	(1.6)
Interest & Dividends Tax	1.5	0.8	0.7
Insurance Tax	4.9	6.0	(1.1)
Communications Tax	3.5	3.6	(0.1)
Real Estate Transfer Tax	9.0	9.5	(0.5)
Court Fines & Fees	1.0	1.0	-
Securities Revenue	0.5	0.5	-
Utility Consumption Tax	0.5	0.5	-
Beer Tax	0.8	0.9	(0.1)
Other	5.6	4.3	1.3
Transfer from Lottery Commission	5.1	6.3	(1.2)
Tobacco Settlement	-	-	-
Utility Property Tax	0.2	-	0.2
State Property Tax	-	-	-
Subtotal Traditional Taxes & Transfers	105.6	89.9	15.7
Recoveries	0.3	0.5	(0.2)
Total Receipts	\$105.9	\$90.4	\$15.5

Unrestricted revenue for the General and Education Funds received during February totaled \$105.9 million, which was above the plan by \$15.5 million (17.1%) and above the prior year by \$19.6 million (22.7%). YTD unrestricted revenue totaled \$1,178.5 million, which was above plan by \$39.3 million (3.4%) and above prior year by \$67.5 million (6.1%).

Business Taxes for February totaled \$30.4 million, which were \$19.9 million (189.54%) above plan and \$20.4 million (204.0%) above prior year. YTD business tax collections are above plan by \$37.2 million (11.4%) and \$46.0 million (14.5%) above the prior year. According to the Dept. of Revenue Administration (DRA), the increase in monthly revenue for February, as compared to both the plan and prior year, was largely due to the impact of one-time anomaly payments received during the month. In addition, tax notice payments were up due to audit activity and refunds were down for the month compared to prior year.

Meals and Rentals Tax (M&R) receipts for February came in below plan by \$0.5 million (2.3%) and above prior year by \$0.5 million (2.4%), and YTD collections were \$0.5 million (0.2%) below plan and \$10.5 million (4.8%) above prior year. According to DRA, February collections (January activity) from hotels were up 3% while full service restaurants were down 1% from the same month last year.

Tobacco Tax receipts for the month were \$13.1 million, or \$1.3 million (9.0%) below plan and \$0.3 (2.3%) above February of last year. YTD collections were \$0.5 million (0.3%) below plan and \$1.1 million (0.8%) above the same YTD period last year. According to the DRA, stamp sales were up 5% in February as compared to the same month of the prior year. In addition, bond receivable balance is higher than the prior year by 2%.

Transfer from Liquor Commission in February was below plan by \$1.6 million (17.0%) and below prior year by \$1.5 million (16.1%).

Interest and Dividends Tax (I&D) collections for the month were reported at \$1.5 million, which were \$0.7 million (87.5%) above plan and \$0.8 million (114.3%) above prior year. YTD collections through February were \$45.3 million, or \$6.4 million (16.5%) above plan, and \$7.4 million (19.5%) above the prior year. DRA has reported that the increases in February interest and dividend collections compared to prior year were attributable to a delay in processing payments from December and January. In addition, refunds were down from the same month last year.

Collections for the **Communications Services Tax** for the month were \$3.5 million, which was \$0.1 million (2.8%) below plan and \$0.4 million (10.3%) below February of FY 2017, which resulted in YTD collections being \$0.4 million (1.3%) below plan and \$3.2 million (9.8%) below those in the prior year. As reported in previous months, this revenue continues to underperform against both plan and prior year.

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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	14.4	9.0				
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	2.0	(2.4)	(7.4)	(8.1)	(9.3)	(12.0)
% Mo over Mo	-4%	4%	7%	-1%	1%	4%	16%	-21%	-100%	-100%	-100%	-100%
YTD change over Prior Year	(0.7)	(0.2)	0.8	0.6	0.7	1.1	3.1	0.7	(6.7)	(14.8)	(24.1)	(36.1)
% YTD change	-4%	-1%	2%	1%	1%	1%	3%	1%	-6%	-12%	-19%	-25%

M&R ANALYSIS						
	February			YTD		
	FY 18	FY 17	Diff	FY 18	FY 17	Diff
	Gross Collections	22.7	22.3	0.4	238.4	228.2
Bldg Aid Debt Srvc Transfer	(1.0)	(1.1)	0.1	(8.2)	(8.5)	0.3
Net Revenue	21.7	21.2	0.5	230.2	219.7	10.5

BUSINESS TAX REFUND ANALYSIS												February	
	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	2.9	2.6					29.0
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	35.2
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	20.9
Mo over Mo change	(0.6)	0.5	6.9	(7.1)	(8.1)	4.1	(0.5)	(1.4)	(3.2)	(2.2)	(1.7)	(2.3)	(6.2)
YTD change	(0.6)	(0.1)	6.8	(0.3)	(8.4)	(4.3)	(4.8)	(6.2)	(9.4)	(11.6)	(13.3)	(15.6)	

General & Education Funds Comparison to FY 17

General & Education Funds	Monthly			Year-to-Date			
	FY 18 Actuals	FY 17 Actuals	Inc/(Dec)	FY 18 Actuals	FY 17 Actuals	Inc/(Dec)	% Change
Business Profits Tax	\$18.8	\$6.0	\$12.8	\$223.8	\$191.8	\$32.0	16.7%
Business Enterprise Tax	11.6	4.0	7.6	138.7	124.7	14.0	11.2%
Subtotal Business Taxes	30.4	10.0	20.4	362.5	316.5	46.0	14.5%
Meals & Rentals Tax	21.7	21.2	0.5	230.2	219.7	10.5	4.8%
Tobacco Tax	13.1	12.8	0.3	143.4	142.3	1.1	0.8%
Transfer from Liquor Commission	7.8	9.3	(1.5)	92.5	98.0	(5.5)	-5.6%
Interest & Dividends Tax	1.5	0.7	0.8	45.3	37.9	7.4	19.5%
Insurance Tax	4.9	3.8	1.1	18.4	16.1	2.3	14.3%
Communications Tax	3.5	3.9	(0.4)	29.3	32.5	(3.2)	-9.8%
Real Estate Transfer Tax	9.0	11.4	(2.4)	106.1	105.4	0.7	0.7%
Court Fines & Fees	1.0	1.0	-	8.5	8.8	(0.3)	-3.4%
Securities Revenue	0.5	0.6	(0.1)	15.9	15.5	0.4	2.6%
Utility Consumption Tax	0.5	0.5	-	3.8	4.0	(0.2)	-5.0%
Beer Tax	0.8	0.8	-	8.9	9.0	(0.1)	-1.1%
Other	5.6	4.0	1.6	36.0	35.5	0.5	1.4%
Transfer from Lottery Commission	5.1	5.2	(0.1)	50.9	41.6	9.3	22.4%
Transfer from Racing & Charitable Gaming	-	0.3	(0.3)	-	1.8	(1.8)	-100.0%
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	0.2	0.1	0.1	24.0	20.7	3.3	15.9%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	105.6	85.6	20.0	1,175.7	1,105.3	70.4	6.4%
Recoveries	0.3	0.7	(0.4)	2.8	5.7	(2.9)	-50.9%
Total Receipts	\$105.9	\$86.3	\$19.6	\$1,178.5	\$1,111.0	\$67.5	6.1%

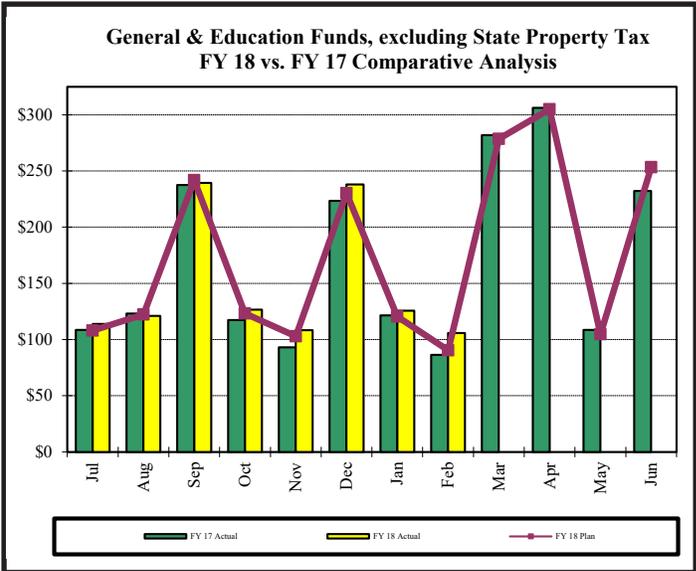
All funds reported on a cash basis, dollars in millions.

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	\$182.9	\$162.0	\$20.9	\$40.9	\$33.2	\$7.7	\$223.8	\$195.2	\$28.6	14.7%
Business Enterprise Tax	42.3	40.4	1.9	96.4	89.7	6.7	138.7	130.1	8.6	6.6%
Subtotal Business Taxes	225.2	202.4	22.8	137.3	122.9	14.4	362.5	325.3	37.2	11.4%
Meals & Rentals Tax	223.7	223.7	-	6.5	7.0	(0.5)	230.2	230.7	(0.5)	-0.2%
Tobacco Tax	84.5	80.6	3.9	58.9	63.3	(4.4)	143.4	143.9	(0.5)	-0.3%
Transfer from Liquor Commission	92.5	95.7	(3.2)	-	-	-	92.5	95.7	(3.2)	-3.3%
Interest & Dividends Tax	45.3	38.9	6.4	-	-	-	45.3	38.9	6.4	16.5%
Insurance Tax	18.4	16.4	2.0	-	-	-	18.4	16.4	2.0	12.2%
Communications Tax	29.3	29.7	(0.4)	-	-	-	29.3	29.7	(0.4)	-1.3%
Real Estate Transfer Tax	70.7	75.8	(5.1)	35.4	36.7	(1.3)	106.1	112.5	(6.4)	-5.7%
Court Fines & Fees	8.5	8.7	(0.2)	-	-	-	8.5	8.7	(0.2)	-2.3%
Securities Revenue	15.9	16.2	(0.3)	-	-	-	15.9	16.2	(0.3)	-1.9%
Utility Consumption Tax	3.8	4.0	(0.2)	-	-	-	3.8	4.0	(0.2)	-5.0%
Beer Tax	8.9	9.2	(0.3)	-	-	-	8.9	9.2	(0.3)	-3.3%
Other	36.0	34.3	1.7	-	-	-	36.0	34.3	1.7	5.0%
Transfer from Lottery Commission	-	-	-	50.9	46.2	4.7	50.9	46.2	4.7	10.2%
Tobacco Settlement	-	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	24.0	21.3	2.7	24.0	21.3	2.7	12.7%
State Property Tax	-	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	862.7	835.6	27.1	313.0	297.4	15.6	1,175.7	1,133.0	42.7	3.8%
Recoveries	2.8	6.2	(3.4)	-	-	-	2.8	6.2	(3.4)	-54.8%
Total Receipts	865.5	841.8	23.7	313.0	297.4	15.6	1,178.5	1,139.2	39.3	3.4%

EDUCATION TRUST FUND Statement of Activity - FY 2018 July 1, 2017 to February 28, 2018	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$-
Unrestricted Revenue - See above	313.0
Expenditures	
Education Grants & Adm Costs	(423.4)
Ending Surplus (Deficit) - unaudited	\$(110.4)

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.

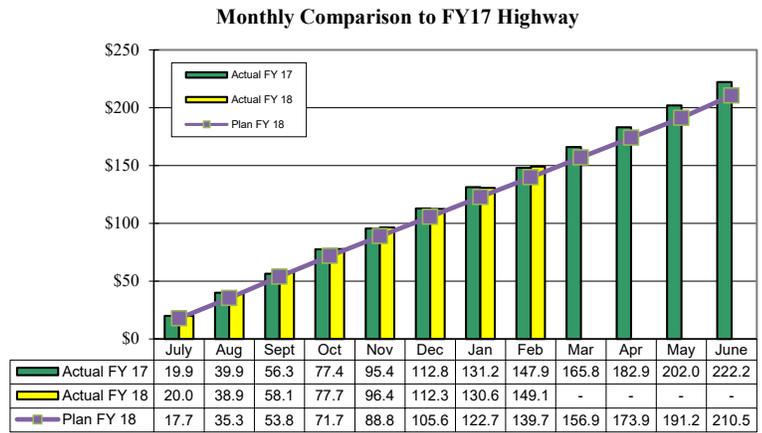


All funds reported on a cash basis, dollars in millions.



Highway Fund

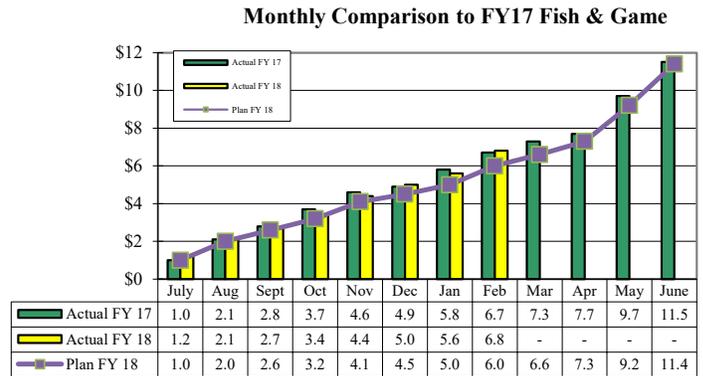
COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 17 Actuals
	FY 18 Actuals	FY 18 Plan	Actual vs. Plan	
Gasoline Road Toll	\$86.5	\$83.9	\$2.6	\$85.2
Miscellaneous	0.2	0.1	0.1	0.1
Motor Vehicle Fees				
MV Registrations	45.8	40.3	5.5	45.7
MV Operators	5.5	4.7	0.8	5.4
Inspection Station Fees	2.0	1.9	0.1	2.1
MV Miscellaneous Fees	5.2	5.1	0.1	5.5
Certificate of Title	3.9	3.7	0.2	3.9
Total Fees	62.4	55.7	6.7	62.6
Total	\$149.1	\$139.7	\$9.4	\$147.9



According to Road Toll Operations, actual fuel consumption is up approximately 1.69% 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	\$5.8	\$5.0	\$0.8	\$5.7
Fines and Penalties	0.1	0.1	-	0.1
Miscellaneous Sales	0.3	0.3	-	0.3
Federal Recoveries Indirect Costs	0.6	0.6	-	0.6
Total	\$6.8	\$6.0	\$0.8	\$6.7



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SALES OF CIGARETTE STAMPS			
Total sold (calendar month) July through February 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	75,037	(1,658)	-2.2%
2017	76,695	(3,046)	-3.8%
2016	79,741	1,348	1.7%
2015	78,393	(466)	-0.6%
2014	78,859	1,283	1.8%

Real Estate Transfer Taxes for February were \$9.0 million, which were below plan by \$0.5 million (5.3%) and \$2.4 million (21.1%) below the same month last year. YTD collections were \$6.4 million (5.7%) below plan and \$0.7 million (0.7%) above the same period in the prior year. According to DRA, the number of transactions reported by the counties for the month of February (January collections) was down 3.2% compared to the prior year, and transaction values for the activity reported by the counties were down 22% over the same month last year.

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