

**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

	<i>(for month)</i>		
	FY 18 Actual	FY 18 Plan	Actual vs. Plan
<b>Gen &amp; Educ</b>	\$274.1	\$253.4	\$20.7
<b>Highway</b>	\$20.7	\$19.3	\$1.4
<b>Fish &amp; Game</b>	\$2.3	\$2.2	\$0.1

The revenue basis in this June 2018 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.

Unrestricted revenue for the General and Education Funds received during June totaled \$274.1 million, which was above the plan by \$20.7 million (8.2%) and above the prior year by \$42.0 million (18.1%). YTD unrestricted revenue totaled \$2,571.8 million, which was above plan by \$127.9 million (5.2%) and above prior year by \$168.6 million (7.0%).

**Business Taxes** for June totaled \$129.6 million, which were \$21.8 million (20.2%) above plan and \$32.7 million (33.7%) above prior year. On a YTD basis, business tax collections are above plan by \$113.6 million (17.2%) and \$136.9 million (21.4%) above the prior year. According to the Dept. of Revenue Administration (DRA), the increase in revenue for June can be attributed to an increase in return, estimate, extension, and tax notice payments as well as a decrease in refund payments over the same period last year.

**Meals and Rentals Tax (M&R)** receipts for June came in at plan and above prior year by \$1.7 million (6.6%). YTD collections were \$0.2 million (0.1%) above plan and \$16.8 million (5.4%) above prior year. According to DRA, June collections (May activity) from hotels were up 9% while taxable meals were up 4.5% as compared to the same month last year.

**Tobacco Tax** receipts for the month were \$21.1 million, or \$1.1 million (5.5%) above plan and \$1.7 million (8.8%) above prior year. YTD collections were \$1.2 million (0.6%) above plan and \$0.9 million (0.4%) above the same YTD period last year. According to the DRA, stamp sales were down 15% in June as compared to the same month of the prior year and the bond receivable balance is down 36% as compared to the same month in the prior year.

**Transfer from Liquor Commission** in June of \$13.0 million was below plan by \$3.7 million (22.2%) and below prior year by \$0.1 million (0.8%). The YTD transfer of \$137.5 million was below plan by \$6.8 million (4.7%) and below prior year by \$5.1 million (3.6%).

**Interest and Dividends Tax (I&D)** collections for the month were reported at \$13.6 million, which were \$0.4 million (2.9%) below plan and \$0.1 million above prior year. YTD collections through June were \$106.2 million, or \$10.2 million (10.6%) above plan and \$12.3 million (13.1%) above the prior year. DRA has reported that the increases in June interest and dividend collections compared to prior year were primarily attributable to refunds being down 33% over prior year for the same month.

**Real Estate Transfer Taxes** for June were \$14.0 million, which is at plan and \$2.0 million (16.7%) above the same month last year. YTD collections were \$6.2 million (4.0%) below plan, but \$6.5 million (4.6%) above the same period in the prior year. According to DRA, the number of transactions reported by the counties for the month of June (May collections), was up 0.5% compared to the prior year, and transaction values were up 15.5% over the same period last year.

### Current Month

GENERAL & EDUCATION FUNDS	FY 18 Actuals	FY 18 Plan	Actual vs. Plan
Business Profits Tax	\$79.9	\$64.9	\$15.0
Business Enterprise Tax	49.7	42.9	6.8
Subtotal Business Taxes	129.6	107.8	21.8
Meals & Rentals Tax	27.5	27.5	-
Tobacco Tax	21.1	20.0	1.1
Transfer from Liquor Commission	13.0	16.7	(3.7)
Interest & Dividends Tax	13.6	14.0	(0.4)
Insurance Tax	0.1	-	0.1
Communications Tax	3.6	3.6	-
Real Estate Transfer Tax	14.0	14.0	-
Court Fines & Fees	1.1	1.2	(0.1)
Securities Revenue	0.5	0.7	(0.2)
Utility Consumption Tax	0.6	0.5	0.1
Beer Tax	1.3	1.1	0.2
Other	25.6	22.1	3.5
Transfer from Lottery Commission	12.1	14.2	(2.1)
Tobacco Settlement	-	-	-
Utility Property Tax	10.0	9.4	0.6
State Property Tax	-	-	-
Subtotal Traditional Taxes & Transfers	273.7	252.8	20.9
Recoveries	0.4	0.6	(0.2)
Total Receipts	\$274.1	\$253.4	\$20.7

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

*Continued on page 4*

	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	6.5	9.6	12.5
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)	(0.9)	1.5	3.2	2.0
% Mo over Mo	-4%	4%	7%	-1%	1%	4%	16%	-21%	-12%	19%	34%	17%
YTD change over Prior Year	(0.7)	(0.2)	0.8	0.6	0.7	1.1	3.1	0.7	(0.2)	1.3	4.5	6.5
% YTD change	-4%	-1%	2%	1%	1%	1%	3%	1%	-0%	1%	3%	5%

	M&R Analysis					
	June			YTD		
	FY 18	FY 17	Diff	FY 18	FY 17	Diff
Gross Collections	28.5	26.9	1.6	342.3	325.9	16.4
Bldg Aid Debt Srvc Transfer	(1.0)	(1.1)	0.1	(12.3)	(12.7)	0.4
Net Revenue	27.5	25.8	1.7	330.0	313.2	16.8

	Business Tax Refund Analysis												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	June YTD
FY18	1.8	1.3	8.0	4.2	2.9	5.3	2.9	2.6	5.3	2.8	1.5	1.4	40.0
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	44.6
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	28.6
Mo over Mo change	(0.6)	0.5	6.9	(7.1)	(8.1)	4.1	(0.5)	(1.4)	2.1	0.6	(0.2)	(0.9)	(4.6)
YTD change	(0.6)	(0.1)	6.8	(0.3)	(8.4)	(4.3)	(4.8)	(6.2)	(4.1)	(3.5)	(3.7)	(4.6)	

## 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	\$79.9	\$58.6	\$21.3	\$478.8	\$386.3	\$92.5	23.9%
Business Enterprise Tax	49.7	38.3	11.4	297.1	252.7	44.4	17.6%
Subtotal Business Taxes	129.6	96.9	32.7	775.9	639.0	136.9	21.4%
Meals & Rentals Tax	27.5	25.8	1.7	330.0	313.2	16.8	5.4%
Tobacco Tax	21.1	19.4	1.7	216.2	215.3	0.9	0.4%
Transfer from Liquor Commission	13.0	13.1	(0.1)	137.5	142.6	(5.1)	-3.6%
Interest & Dividends Tax	13.6	13.5	0.1	106.2	93.9	12.3	13.1%
Insurance Tax	0.1	0.5	(0.4)	115.0	121.7	(6.7)	-5.5%
Communications Tax	3.6	4.0	(0.4)	43.6	47.8	(4.2)	-8.8%
Real Estate Transfer Tax	14.0	12.0	2.0	148.7	142.2	6.5	4.6%
Court Fines & Fees	1.1	1.2	(0.1)	12.9	13.6	(0.7)	-5.1%
Securities Revenue	0.5	0.7	(0.2)	43.3	44.6	(1.3)	-2.9%
Utility Consumption Tax	0.6	0.5	0.1	5.8	6.0	(0.2)	-3.3%
Beer Tax	1.3	1.3	-	13.1	13.0	0.1	0.8%
Other	25.6	19.7	5.9	79.5	72.9	6.6	9.1%
Transfer from Lottery Commission	12.1	13.2	(1.1)	85.9	73.2	12.7	17.3%
Transfer from Racing & Charitable Gaming	-	0.6	(0.6)	-	3.2	(3.2)	-100.0%
Tobacco Settlement	-	-	-	45.9	42.6	3.3	7.7%
Utility Property Tax	10.0	9.2	0.8	45.2	41.8	3.4	8.1%
State Property Tax	-	-	-	363.1	363.4	(0.3)	-0.1%
Subtotal Traditional Taxes & Transfers	273.7	231.6	42.1	2,567.8	2,390.0	177.8	7.4%
Recoveries	0.4	0.5	(0.1)	4.0	8.7	(4.7)	-54.0%
Subtotal Receipts	\$274.1	\$232.1	\$42.0	\$2,571.8	\$2,398.7	\$173.1	7.2%
Legal Settlement	-	-	-	-	4.5	(4.5)	-100.0%
Total Receipts	\$274.1	\$232.1	\$42.0	\$2,571.8	\$2,403.2	\$168.6	7.0%

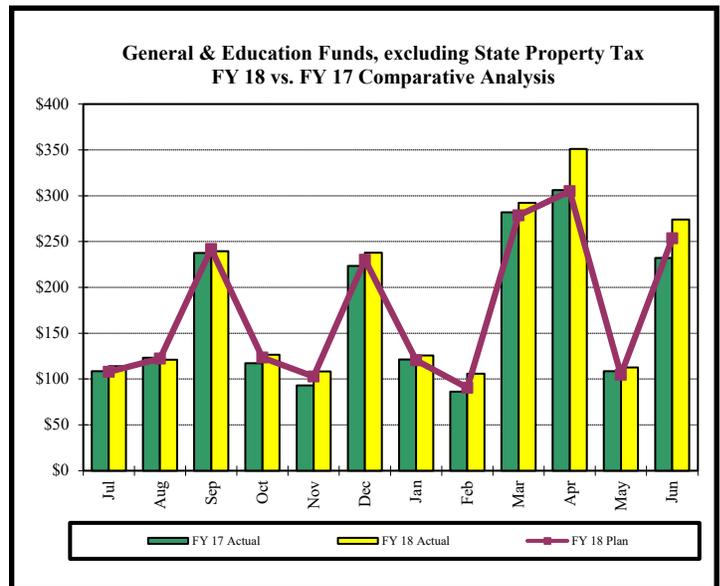
*All funds reported on a cash basis, dollars in millions.*

## 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	\$392.5	\$329.9	\$62.6	\$86.3	\$67.5	\$18.8	\$478.8	\$397.4	\$81.4	20.5%
Business Enterprise Tax	94.0	82.2	11.8	203.1	182.7	20.4	297.1	264.9	32.2	12.2%
<b>Subtotal Business Taxes</b>	<b>486.5</b>	<b>412.1</b>	<b>74.4</b>	<b>289.4</b>	<b>250.2</b>	<b>39.2</b>	<b>775.9</b>	<b>662.3</b>	<b>113.6</b>	<b>17.2%</b>
Meals & Rentals Tax	320.9	319.9	1.0	9.1	9.9	(0.8)	330.0	329.8	0.2	0.1%
Tobacco Tax	127.2	120.4	6.8	89.0	94.6	(5.6)	216.2	215.0	1.2	0.6%
Transfer from Liquor Commission	137.5	144.3	(6.8)	-	-	-	137.5	144.3	(6.8)	-4.7%
Interest & Dividends Tax	106.2	96.0	10.2	-	-	-	106.2	96.0	10.2	10.6%
Insurance Tax	115.0	113.6	1.4	-	-	-	115.0	113.6	1.4	1.2%
Communications Tax	43.6	44.0	(0.4)	-	-	-	43.6	44.0	(0.4)	-0.9%
Real Estate Transfer Tax	99.1	105.3	(6.2)	49.6	49.6	-	148.7	154.9	(6.2)	-4.0%
Court Fines & Fees	12.9	13.2	(0.3)	-	-	-	12.9	13.2	(0.3)	-2.3%
Securities Revenue	43.3	45.7	(2.4)	-	-	-	43.3	45.7	(2.4)	-5.3%
Utility Consumption Tax	5.8	6.0	(0.2)	-	-	-	5.8	6.0	(0.2)	-3.3%
Beer Tax	13.1	13.2	(0.1)	-	-	-	13.1	13.2	(0.1)	-0.8%
Other	79.5	74.8	4.7	-	-	-	79.5	74.8	4.7	6.3%
Transfer from Lottery Commission	-	-	-	85.9	81.0	4.9	85.9	81.0	4.9	6.0%
Tobacco Settlement	5.9	-	5.9	40.0	35.0	5.0	45.9	35.0	10.9	31.1%
Utility Property Tax	-	-	-	45.2	42.9	2.3	45.2	42.9	2.3	5.4%
State Property Tax	-	-	-	363.1	363.1	-	363.1	363.1	-	-
<b>Subtotal Traditional Taxes &amp; Transfers</b>	<b>1,596.5</b>	<b>1,508.5</b>	<b>88.0</b>	<b>971.3</b>	<b>926.3</b>	<b>45.0</b>	<b>2,567.8</b>	<b>2,434.8</b>	<b>133.0</b>	<b>5.5%</b>
Recoveries	4.0	9.1	(5.1)	-	-	-	4.0	9.1	(5.1)	-56.0%
<b>Total Receipts</b>	<b>1,600.5</b>	<b>1,517.6</b>	<b>82.9</b>	<b>971.3</b>	<b>926.3</b>	<b>45.0</b>	<b>2,571.8</b>	<b>2,443.9</b>	<b>127.9</b>	<b>5.2%</b>

Education Trust Fund	
Statement of Activity - FY 2018	
July 1, 2017 to June 30, 2018	
Description	Amount
<b>Beginning Surplus (Deficit) - unaudited</b>	\$ -
<b>Unrestricted Revenue - See above</b>	971.3
<b>Expenditures</b>	
<b>Education Grants &amp; Adm Costs</b>	(959.9)
<b>Ending Surplus (Deficit) - unaudited</b>	<b>\$ 11.4</b>

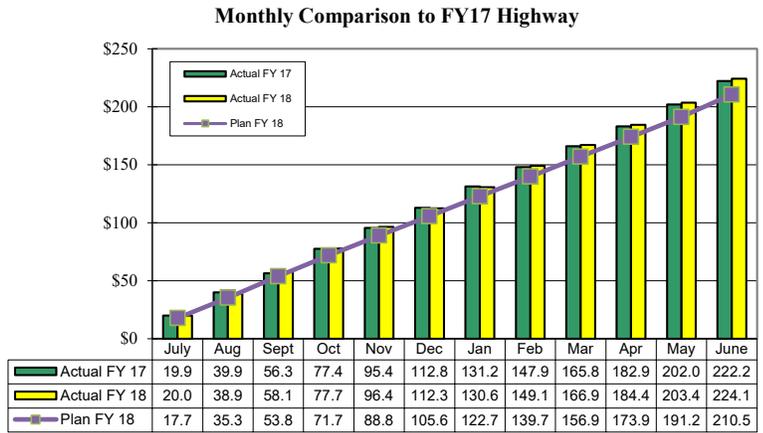
*Ending surplus will be affected by any further year end accrual adjustments, after which any surplus will remain in the Education Trust Fund. The FY 2018 budget anticipated a deficit of \$35.3 million.*



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

## Highway Fund

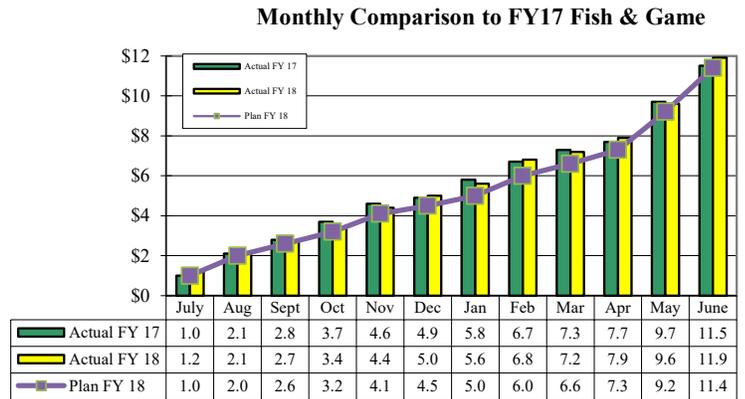
COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 17 Actuals
	FY 18 Actuals	FY 18 Plan	Actual vs. Plan	
Gasoline Road Toll	\$126.2	\$123.2	\$3.0	\$124.5
Miscellaneous	0.2	0.2	-	0.4
<b>Motor Vehicle Fees</b>				
MV Registrations	71.3	62.6	8.7	71.0
MV Operators	8.6	7.4	1.2	8.5
Inspection Station Fees	3.2	3.2	-	3.3
MV Miscellaneous Fees	8.2	8.0	0.2	8.6
Certificate of Title	6.4	5.9	0.5	5.9
<b>Total Fees</b>	<b>97.7</b>	<b>87.1</b>	<b>10.6</b>	<b>97.3</b>
<b>Total</b>	<b>\$224.1</b>	<b>\$210.5</b>	<b>\$13.6</b>	<b>\$222.2</b>



According to Road Toll Operations, actual fuel consumption is up approximately 1.12% 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	\$10.3	\$9.6	\$0.7	\$10.0
Fines and Penalties	0.1	0.1	-	0.1
Miscellaneous Sales	0.5	0.8	(0.3)	0.4
Federal Recoveries Indirect Costs	1.0	0.9	0.1	1.0
<b>Total</b>	<b>\$11.9</b>	<b>\$11.4</b>	<b>\$0.5</b>	<b>\$11.5</b>



<b>SALES OF CIGARETTE STAMPS</b>			
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
2018	111,953	(4,547)	-3.9%
2017	116,500	(5,278)	-4.3%
2016	121,778	2,942	2.5%
2015	118,836	(1,041)	-0.9%
2014	119,877	13,257	12.4%

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**Other revenues** for June of \$25.6 million were \$3.5 million (15.8%) above plan and \$5.9 million (29.9%) above prior year. June includes the annual legislated transfer of abandoned property which totaled \$18.1 million, \$4.3 million higher than the plan amount and \$5.2 million higher than 2017. This was primarily a result of the liquidation of securities held as unclaimed property, which were sold at higher equity market levels than anticipated. YTD collections included in Other revenues of \$79.5 million were \$4.7 million (6.3%) above plan and \$6.6 million (9.1%) above prior year, primarily as a result of both the abandoned property increase as well as higher than anticipated interest earned on surplus funds. Additional revenue and transfers will be recorded through the extended closing period.

**Lottery Transfers** during the year, in general, are made for operations of the prior month. In June, transfers are made for May and an estimate of June operations and nothing is transferred in July. Transfers for the month totaling \$12.1 million were \$2.1 million below plan for June, but \$4.9 million above plan YTD. As compared to prior year, for the month of June, transfers were down by \$1.1 million and YTD transfers were higher by \$12.7 million.

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