

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 19 Actual	FY 19 Plan	Actual vs. Plan
Gen & Educ	\$117.5	\$108.8	\$8.7
Highway	\$21.1	\$17.1	\$4.0
Fish & Game	\$0.7	\$1.0	\$(0.3)

This July FY 2019 Monthly Revenue Focus report compares the activity for the current month and for the fiscal year to date (YTD) with both the prior year and the Fiscal 2019 Revenue Plan. The plan card may be found at http://das.nh.gov/accounting/revenue_reports.asp. The Plan represents a monthly allocation of the official revenue estimates as passed in Chapter 155, Laws of 2017 (HB144) plus other revenue adjustments included within Schedule 2 of the Committee of Conference Surplus Statement. The total fiscal 2019 unrestricted revenue plan for General and Education Funds was set at \$2,471.7 million.

Unrestricted revenue for the General and Education Funds received for the month of July (and fiscal year to date) totaled \$117.5 million, which was above the plan by \$8.7 million (8.0%) and above the prior year by \$3.6 million (3.2%).

Business Taxes for July totaled \$27.6 million, which were \$10.1 million (57.7%) above plan and \$4.9 million (21.6%) above prior year. According to the Dept. of Revenue Administration (DRA), the increase in revenue as compared to the plan was primarily due to anomalies in extension tax payments and high tax notice payments offset by a decrease in return payments.

Meals and Rentals Tax (M&R) receipts for July totaled \$32.5 million, which were above plan by \$1.1 million (3.5%) and above prior year by \$2.5 million (8.3%). According to DRA, July collections (June activity) from taxable meals and hotels were up 5.8% and 8.4% respectively from the same month last year.

Tobacco Tax receipts for the month were \$16.2 million, or \$1.2 million (8.0%) above plan and \$3.0 million (15.6%) below prior year. According to DRA, July stamp sales were 2% higher and the bond receivable balance was down 8.0% as compared to the same month in the prior year.

Transfer from Liquor Commission in July was \$14.0 million, or \$1.2 million (7.9%) below plan and below prior year by \$0.9 million (6.0%).

Collections for the **Interest and Dividends Tax** for the month were \$0.8 million, or \$0.1 million (11.1%) below plan and \$0.1 million (11.1%) below prior year. DRA has reported that increases in estimate and tax notice payments were offset by increases in refunds and decreases in return payments as compared to the same period in FY 2018.

Collections for the **Communications Services Tax** for the month were \$3.6 million, or \$0.2 million (5.9%) above plan and \$0.1 million (2.7%) below prior year. As reported in FY 2018, this revenue continues to experience a downward trend.

Real Estate Transfer Taxes for July were \$15.6 million, which were below plan by \$1.1 million (6.6%) but above the same month last year by \$0.5 million (3.3%). According to DRA, the number of transactions reported by the counties for the month of July (June collections) was down 6.0% over the same period last year, while transaction values were up 3.2%.

Other revenues for July of \$2.4 million were \$1.3 million (35.1%) below plan and below prior year by \$0.8 million (25.0%). The variances with the plan were largely due to the reclassification of the Office of Professional Licensure and Certification revenues from unrestricted to dedicated funds as of July 1, 2018.

Recovery revenue for July was down \$0.6 million as compared to the plan primarily due to a projected deficit for FY 2019 as a result of changes in costs subject to audit recovery.

Current Month

GENERAL & EDUCATION FUNDS	<i>FY 19 Actuals</i>	<i>FY 19 Plan</i>	<i>Actual vs. Plan</i>
Business Profits Tax	\$17.0	\$10.5	\$6.5
Business Enterprise Tax	10.6	7.0	3.6
Subtotal Business Taxes	27.6	17.5	10.1
Meals & Rentals Tax	32.5	31.4	1.1
Tobacco Tax	16.2	15.0	1.2
Transfer from Liquor Commission	14.0	15.2	(1.2)
Interest & Dividends Tax	0.8	0.9	(0.1)
Insurance Tax	1.5	1.2	0.3
Communications Tax	3.6	3.4	0.2
Real Estate Transfer Tax	15.6	16.7	(1.1)
Court Fines & Fees	1.1	1.0	0.1
Securities Revenue	0.3	0.3	-
Utility Consumption Tax	0.4	0.5	(0.1)
Beer Tax	1.3	1.3	-
Other	2.4	3.7	(1.3)
Transfer from Lottery Commission	-	-	-
Tobacco Settlement	-	-	-
Utility Property Tax	0.1	-	0.1
State Property Tax	-	-	-
Subtotal Traditional Taxes & Transfers	117.4	108.1	9.3
Recoveries	0.1	0.7	(0.6)
Total Receipts	\$117.5	\$108.8	\$8.7

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
FY19	15.6											
FY18	15.1	14.6	14.9	13.7	13.0	11.4	14.4	9.0	6.5	9.6	12.5	14.0
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
Mo over Mo	0.5	(14.6)	(14.9)	(13.7)	(13.0)	(11.4)	(14.4)	(9.0)	(6.5)	(9.6)	(12.5)	(14.0)
% Mo over Mo	3%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%
YTD change over Prior Year	0.5	(14.1)	(29.0)	(42.7)	(55.7)	(67.1)	(81.5)	(90.5)	(97.0)	(106.6)	(119.1)	(133.1)
% YTD change	3%	-47%	-65%	-73%	-78%	-81%	-84%	-85%	-86%	-87%	-88%	-90%

M&R ANALYSIS						
	July			YTD		
	FY 19	FY 18	Diff	FY 19	FY 18	Diff
Gross Collections	33.5	31.0	2.5	33.5	31.0	2.5
Bldg Aid Debt Srvc Transfer	(1.0)	(1.0)	-	(1.0)	(1.0)	0.0
Net Revenue	32.5	30.0	2.5	32.5	30.0	2.5

Business Tax Refund Analysis													
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July YTD
FY19	1.7												1.7
FY 18	1.8	1.3	8.0	4.2	2.9	5.3	2.9	2.6	5.3	2.8	1.5	1.4	1.8
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	2.4
Mo over Mo change	(0.1)	(1.3)	(8.0)	(4.2)	(2.9)	(5.3)	(2.9)	(2.6)	(5.3)	(2.8)	(1.5)	(1.4)	(0.1)
YTD change	(0.1)	(1.4)	(9.4)	(13.6)	(16.5)	(21.8)	(24.7)	(27.3)	(32.6)	(35.4)	(36.9)	(38.3)	

General & Education Funds Comparison to FY 18

General & Education Funds	Monthly			Year-to-Date			% Change
	FY 19 Actuals	FY 18 Actuals	Inc/(Dec)	FY 19 Actuals	FY 18 Actuals	Inc/(Dec)	
Business Profits Tax	\$17.0	\$14.0	\$3.0	\$17.0	\$14.0	\$3.0	21.4%
Business Enterprise Tax	10.6	8.7	1.9	10.6	8.7	1.9	21.8%
Subtotal Business Taxes	27.6	22.7	4.9	27.6	22.7	4.9	21.6%
Meals & Rentals Tax	32.5	30.0	2.5	32.5	30.0	2.5	8.3%
Tobacco Tax	16.2	19.2	(3.0)	16.2	19.2	(3.0)	-15.6%
Transfer from Liquor Commission	14.0	14.9	(0.9)	14.0	14.9	(0.9)	-6.0%
Interest & Dividends Tax	0.8	0.9	(0.1)	0.8	0.9	(0.1)	-11.1%
Insurance Tax	1.5	1.1	0.4	1.5	1.1	0.4	36.4%
Communications Tax	3.6	3.7	(0.1)	3.6	3.7	(0.1)	-2.7%
Real Estate Transfer Tax	15.6	15.1	0.5	15.6	15.1	0.5	3.3%
Court Fines & Fees	1.1	1.0	0.1	1.1	1.0	0.1	10.0%
Securities Revenue	0.3	0.3	-	0.3	0.3	-	0.0%
Utility Consumption Tax	0.4	0.4	-	0.4	0.4	-	0.0%
Beer Tax	1.3	1.4	(0.1)	1.3	1.4	(0.1)	-7.1%
Other	2.4	3.2	(0.8)	2.4	3.2	(0.8)	-25.0%
Transfer from Lottery Commission	-	-	-	-	-	-	-
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	0.1	-	0.1	0.1	-	0.1	-
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	117.4	113.9	3.5	117.4	113.9	3.5	3.1%
Recoveries	0.1	-	0.1	0.1	-	0.1	-
Total Receipts	\$117.5	\$113.9	\$3.6	\$117.5	\$113.9	\$3.6	3.2%

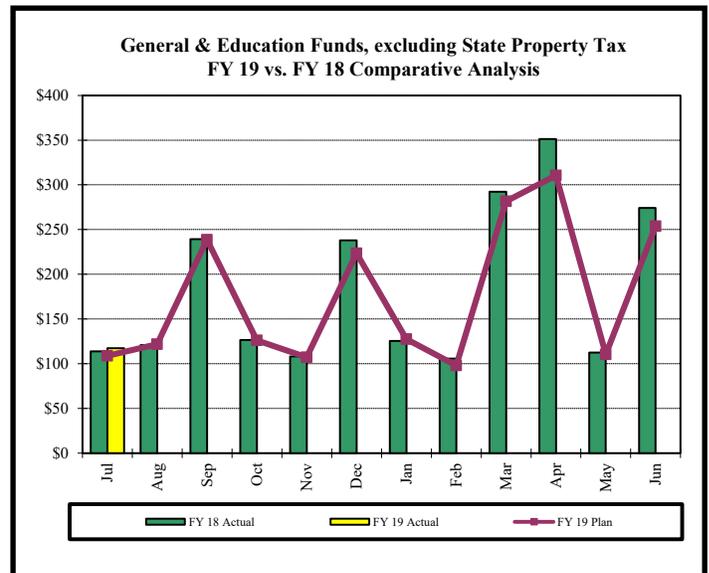
All funds reported on a cash basis, dollars in millions.

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	\$13.8	\$8.7	\$5.1	\$3.2	\$1.8	\$1.4	\$17.0	\$10.5	\$6.5	61.9%
Business Enterprise Tax	2.7	2.0	0.7	7.9	5.0	2.9	10.6	7.0	3.6	51.4%
Subtotal Business Taxes	16.5	10.7	5.8	11.1	6.8	4.3	27.6	17.5	10.1	57.7%
Meals & Rentals Tax	31.6	30.5	1.1	0.9	0.9	-	32.5	31.4	1.1	3.5%
Tobacco Tax	9.6	8.4	1.2	6.6	6.6	-	16.2	15.0	1.2	8.0%
Transfer from Liquor Commission	14.0	15.2	(1.2)	-	-	-	14.0	15.2	(1.2)	-7.9%
Interest & Dividends Tax	0.8	0.9	(0.1)	-	-	-	0.8	0.9	(0.1)	-11.1%
Insurance Tax	1.5	1.2	0.3	-	-	-	1.5	1.2	0.3	25.0%
Communications Tax	3.6	3.4	0.2	-	-	-	3.6	3.4	0.2	5.9%
Real Estate Transfer Tax	10.4	11.3	(0.9)	5.2	5.4	(0.2)	15.6	16.7	(1.1)	-6.6%
Court Fines & Fees	1.1	1.0	0.1	-	-	-	1.1	1.0	0.1	10.0%
Securities Revenue	0.3	0.3	-	-	-	-	0.3	0.3	-	0.0%
Utility Consumption Tax	0.4	0.5	(0.1)	-	-	-	0.4	0.5	(0.1)	-20.0%
Beer Tax	1.3	1.3	-	-	-	-	1.3	1.3	-	0.0%
Other	2.4	3.7	(1.3)	-	-	-	2.4	3.7	(1.3)	-35.1%
Transfer from Lottery Commission	-	-	-	-	-	-	-	-	-	0.0%
Tobacco Settlement	-	-	-	-	-	-	-	-	-	0.0%
Utility Property Tax	-	-	-	0.1	-	0.1	0.1	-	0.1	0.0%
State Property Tax	-	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	93.5	88.4	5.1	23.9	19.7	4.2	117.4	108.1	9.3	8.6%
Recoveries	0.1	0.7	(0.6)	-	-	-	0.1	0.7	(0.6)	-85.7%
Total Receipts	\$93.6	\$89.1	\$4.5	\$23.9	\$19.7	\$4.2	\$117.5	\$108.8	\$8.7	8.0%

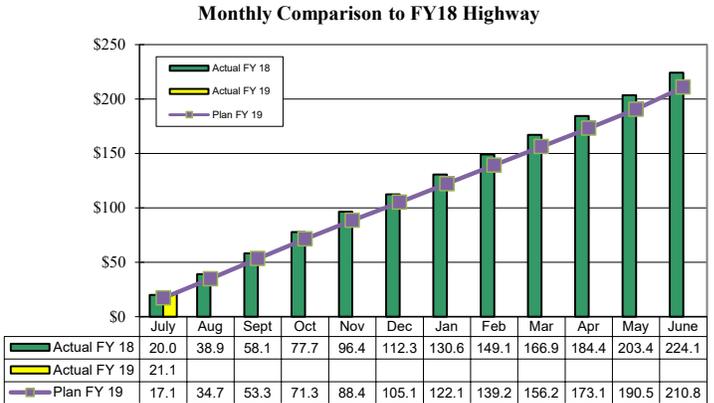
EDUCATION TRUST FUND	
Statement of Activity - FY 2019	
July 1, 2018 to July 31, 2018	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$11.4
Unrestricted Revenue - See above	23.9
Expenditures	
Education Grants & Adm Costs	(3.6)
Ending Surplus (Deficit) - unaudited	\$31.7

The beginning surplus of \$11.4 million is on the cash basis. Fiscal 2019 Adequate Education Grant payments of \$548.9 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 2019 budget anticipated a deficit of \$9.6 million, to be covered by a General fund transfer at year end.



Highway Fund

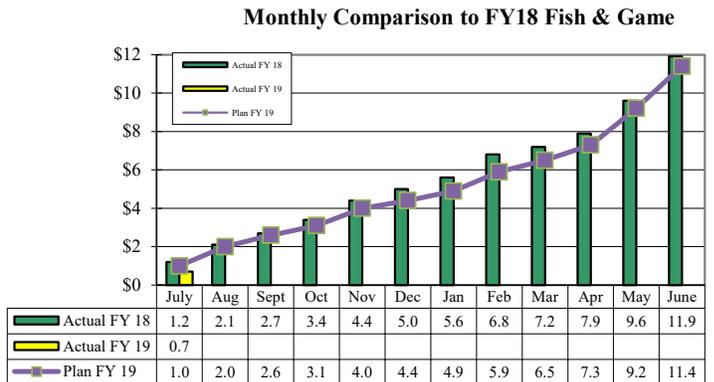
COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 18 Actuals
	FY 19 Actuals	FY 19 Plan	Actual vs. Plan	
Gasoline Road Toll	\$11.1	\$10.5	\$0.6	\$11.2
Miscellaneous	-	-	-	-
Motor Vehicle Fees				
MV Registrations	8.0	5.1	2.9	7.3
MV Operators	0.8	0.5	0.3	0.6
Inspection Station Fees	0.2	0.2	-	0.2
MV Miscellaneous Fees	0.6	0.6	-	0.6
Certificate of Title	0.4	0.2	0.2	0.1
Total Fees	10.0	6.6	3.4	8.8
Total	\$21.1	\$17.1	\$4.0	\$20.0



According to Road Toll Operations, actual fuel consumption is down approximately 0.87% YTD over the same period last year. The Highway Fund Plan for FY 2019 represents revenues included within HB144 (Ch. 155, Laws of 2017) adjusted for the removal of \$ 31.4 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.

Fish & Game Fund

COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 18 Actuals
	FY 19 Actuals	FY 19 Plan	Actual vs. Plan	
Fish and Game Licenses	\$0.7	\$0.9	\$(0.2)	\$1.2
Fines and Penalties	-	-	-	-
Miscellaneous Sales	-	-	-	-
Federal Recoveries Indirect Costs	-	0.1	(0.1)	-
Total	\$0.7	\$1.0	\$(0.3)	\$1.2



SALES OF CIGARETTE STAMPS			
Total sold (calendar month) July for each of last five years (number of stamps, in thousands)			
Prepared from data provided by DRA			
	Sales of Stamps	Volume Change	Percent Change
2019	10,260	167	1.7%
2018	10,093	434	4.5%
2017	9,659	(946)	-8.9%
2016	10,605	668	6.7%
2015	9,937	(18,683)	-65.3%

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