

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>		
	FY 20 Actual	FY 20 Plan	Actual vs. Plan
Gen & Educ	\$86.9	\$112.3	\$(25.4)
Highway	\$14.9	\$19.1	\$(4.2)
Fish & Game	\$2.4	\$1.8	\$0.6

Current Month

GENERAL & EDUCATION FUNDS	<i>FY 20 Actuals</i>	<i>FY 20 Plan</i>	<i>Actual vs. Plan</i>
Business Profits Tax	\$10.4	\$14.5	(\$4.1)
Business Enterprise Tax	5.8	7.8	(2.0)
Subtotal Business Taxes	16.2	22.3	(6.1)
Meals & Rentals Tax	11.1	26.4	(15.3)
Tobacco Tax	15.8	17.0	(1.2)
Transfer from Liquor Commission	10.8	10.6	0.2
Interest & Dividends Tax	3.8	1.9	1.9
Insurance Tax	1.5	0.6	0.9
Communications Tax	3.6	3.9	(0.3)
Real Estate Transfer Tax	10.0	12.5	(2.5)
Court Fines & Fees	0.7	1.2	(0.5)
Securities Revenue	0.4	0.7	(0.3)
Utility Consumption Tax	-	-	-
Beer Tax	1.0	1.0	-
Other	4.2	4.4	(0.2)
Transfer from Lottery Commission	6.3	8.5	(2.2)
Tobacco Settlement	-	-	-
Utility Property Tax	1.2	1.0	0.2
State Property Tax	-	-	-
Subtotal Traditional Taxes & Transfers	86.6	112.0	(25.4)
Recoveries	0.3	0.3	-
Total Receipts	\$86.9	\$112.3	\$(25.4)

Unrestricted revenue for the General and Education Funds received during May totaled \$86.9 million, which was below the plan by \$25.4 million (22.6%) and below the prior year by \$27.0 million (23.7%). YTD unrestricted revenue totaled \$2,232.5 million, which was below plan by \$100.6 million (4.3%) and below prior year by \$187.6 million (7.8%).

Business Taxes for May totaled \$16.2 million, which were \$6.1 million (27.4%) below plan and \$8.6 million (34.7%) below prior year. YTD business tax collections are below plan by \$80.7 million (12.3%) and \$160.2 million (21.9%) below the prior year. According to the Dept. of Revenue Administration (DRA), the decrease in revenue for May can be attributed to decreases in return and estimate payments. However, the decrease was partially offset by an increase in extension payments. Due to the COVID-19 pandemic, DRA issued TIR 2020-001 granting relief to Business and Interest & Dividend taxpayers, by extending the return filing deadline and first-quarter estimates due date from April 15, 2020 to June 15, 2020 for qualifying filers. Therefore, a large component of the decrease is due to timing. A portion of this revenue should be realized in June.

Meals and Rentals Tax (M&R) receipts for May came in below plan by \$15.3 million (58.0%) and below prior year by \$13.7 million (55.2%). YTD collections were \$29.2 million (8.6%) below plan and \$10.8 million (3.4%) below prior year. According to DRA, May collections (April activity) from hotels were down 85.5% while taxable meals were down 53.2% as compared to the same month last year.

Tobacco Tax receipts for the month were \$15.8 million, or \$1.2 million (7.1%) below plan and equal to prior year. YTD collections were \$8.4 million (4.7%) above plan and \$6.2 million (3.4%) above the same YTD period last year. According to the DRA, stamp sales and the bond receivable balance were both down 16% in May as compared to the same month of the prior year.

The **Transfer from the Liquor Commission** total revenue for May came in at \$13.3 million. The final quarter (\$2.5 million) of the annual transfer to the alcohol abuse prevention and treatment fund, as set forth in amended RSA 176:16 III was transferred this month, resulting in a net transfer to the general fund of \$10.8 million, which was \$1.5 million below the May transfer in fiscal year 2019.

Interest and Dividends Tax (I&D) collections for the month were reported at \$3.8 million, which were \$1.9 million (100%) above plan and \$2.0 million (111.1%) above prior year. YTD collections through May were \$81.1 million, or \$18.4 million (18.5%) below plan and \$16.9 million (17.2%) below the prior year. DRA has reported that the increase in May interest and dividend collections compared to prior year were attributable to an increase in return, estimates, and extension payments. Refund payments were also down.

Real Estate Transfer Taxes for May were \$10.0 million, which were below plan by \$2.5 million (20.0%) and \$2.1 million (17.4%) below the same month last year. YTD collections were \$3.6 million (2.5%) above plan and \$8.7 million (6.3%) above the same period in the prior year. According to DRA, the number of transactions reported by the counties for the month of May (April collections) were down 17.7% compared to the prior year, and transaction values were down 19.4% over the same period last year.

RET ANALYSIS												
(In Millions)												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY20	14.5	18.0	16.0	14.4	20.3	15.3	12.0	9.0	7.5	10.8	10.0	
FY19	15.6	17.5	17.4	12.9	13.9	12.2	12.0	8.1	8.2	9.2	12.1	14.6
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
Mo over Mo	(1.1)	0.5	(1.4)	1.5	6.4	3.1	0.0	0.9	(0.7)	1.6	(2.1)	(14.6)
% Mo over Mo	-7%	3%	-8%	12%	46%	25%	0%	11%	-9%	17%	-17%	-100%
YTD change over Prior Year	(1.1)	(0.6)	(2.0)	(0.5)	5.9	9.0	9.0	9.9	9.2	10.8	8.7	(5.9)
% YTD change	-7%	-2%	-4%	-1%	8%	10%	9%	9%	8%	9%	6%	-4%

M&R ANALYSIS						
	May			YTD		
	FY 20	FY 19	Diff	FY 20	FY 19	Diff
	Gross Collections	12.1	25.8	(13.7)	319.2	330.4
Bldg Aid Debt Srvc Transfer	(1.0)	(1.0)	-	(10.5)	(10.9)	0.4
Net Revenue	11.1	24.8	(13.7)	308.7	319.5	(10.8)

Business Tax Refund Analysis													
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD
FY20*	1.6	2.8	9.0	4.5	7.7	12.5	8.7	5.4	5.4	4.1	2.3		64.0
FY19	1.7	1.7	6.4	10.1	4.2	8.5	6.2	2.0	3.7	2.8	2.2	3.3	49.5
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	38.6
Mo over Mo change	(0.1)	1.1	2.6	(5.6)	3.5	4.0	2.5	3.4	1.7	1.3	0.1	(3.3)	14.5
YTD change	(0.1)	1.0	3.6	(2.0)	1.5	5.5	8.0	11.4	13.1	14.4	14.5	11.2	

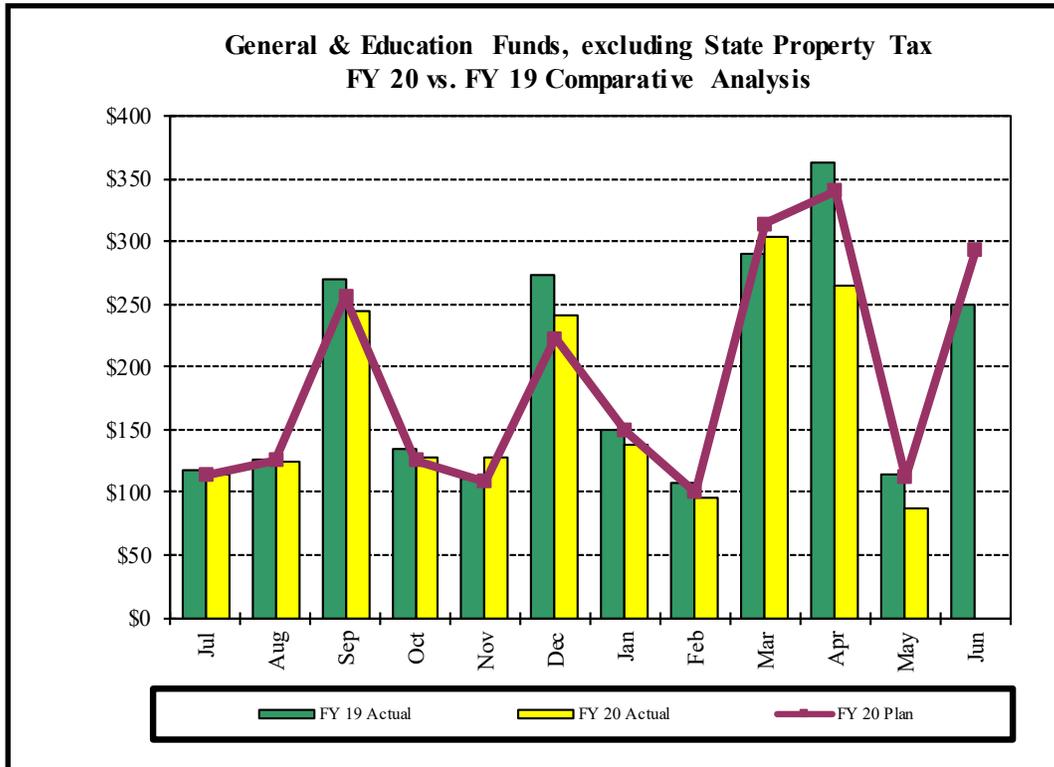
*The July FY20 Business Tax refund amount does not include \$16.4 million of anomalous refunds, in order to maintain historical trends.

General & Education Funds Comparison to FY 19

General & Education Funds	Monthly			Year-to-Date			% Change
	FY 20 Actuals	FY 19 Actuals	Inc/(Dec)	FY 20 Actuals	FY 19 Actuals	Inc/(Dec)	
Business Profits Tax	\$10.4	\$15.3	(\$4.9)	\$360.0	\$445.2	(\$85.2)	-19.1%
Business Enterprise Tax	5.8	9.5	(3.7)	212.8	287.8	(75.0)	-26.1%
Subtotal Business Taxes	16.2	24.8	(8.6)	572.8	733.0	(160.2)	-21.9%
Meals & Rentals Tax	11.1	24.8	(13.7)	308.7	319.5	(10.8)	-3.4%
Tobacco Tax	15.8	15.8	-	187.7	181.5	6.2	3.4%
Transfer from Liquor Commission	10.8	12.3	(1.5)	119.1	120.2	(1.1)	-0.9%
Interest & Dividends Tax	3.8	1.8	2.0	81.1	98.0	(16.9)	-17.2%
Insurance Tax	1.5	1.4	0.1	134.1	138.8	(4.7)	-3.4%
Communications Tax	3.6	3.7	(0.1)	36.5	38.0	(1.5)	-3.9%
Real Estate Transfer Tax	10.0	12.1	(2.1)	147.8	139.1	8.7	6.3%
Court Fines & Fees	0.7	1.3	(0.6)	11.5	12.1	(0.6)	-5.0%
Securities Revenue	0.4	0.5	(0.1)	41.2	41.7	(0.5)	-1.2%
Utility Consumption Tax	-	-	-	-	4.2	(4.2)	-100.0%
Beer Tax	1.0	0.9	0.1	11.6	11.4	0.2	1.8%
Other	4.2	6.5	(2.3)	53.4	55.7	(2.3)	-4.1%
Transfer from Lottery Commission	6.3	6.3	-	84.8	84.8	-	0.0%
Tobacco Settlement	-	-	-	42.6	44.6	(2.0)	-4.5%
Utility Property Tax	1.2	1.3	(0.1)	33.6	31.4	2.2	7.0%
State Property Tax	-	-	-	363.2	363.1	0.1	0.0%
Subtotal Traditional Taxes & Transfers	86.6	113.5	(26.9)	2,229.7	2,417.1	(187.4)	-7.8%
Recoveries	0.3	0.4	(0.1)	2.8	3.0	(0.2)	-6.7%
Total Receipts	\$86.9	\$113.9	(\$27.0)	\$2,232.5	\$2,420.1	(\$187.6)	-7.8%

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

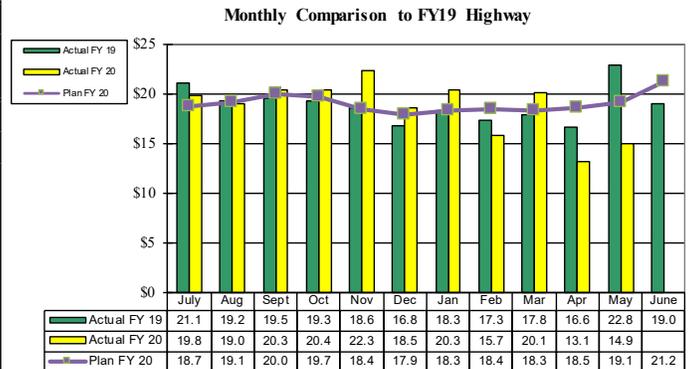
General and Education Funds										
YEAR-TO-DATE COMPARISON TO PLAN										
General & Education Funds	General			Education			Total			% Change
	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	
Business Profits Tax	\$289.3	\$330.3	(\$41.0)	\$70.7	\$77.6	(\$6.9)	\$360.0	\$407.9	(\$47.9)	-11.7%
Business Enterprise Tax	38.1	41.8	(3.7)	174.7	203.8	(29.1)	212.8	245.6	(32.8)	-13.4%
Subtotal Business Taxes	327.4	372.1	(44.7)	245.4	281.4	(36.0)	572.8	653.5	(80.7)	-12.3%
Meals & Rentals Tax	300.1	327.7	(27.6)	8.6	10.2	(1.6)	308.7	337.9	(29.2)	-8.6%
Tobacco Tax	111.8	100.5	11.3	75.9	78.8	(2.9)	187.7	179.3	8.4	4.7%
Transfer from Liquor Commission	119.1	119.3	(0.2)	-	-	-	119.1	119.3	(0.2)	-0.2%
Interest & Dividends Tax	81.1	99.5	(18.4)	-	-	-	81.1	99.5	(18.4)	-18.5%
Insurance Tax	134.1	124.6	9.5	-	-	-	134.1	124.6	9.5	7.6%
Communications Tax	36.5	37.2	(0.7)	-	-	-	36.5	37.2	(0.7)	-1.9%
Real Estate Transfer Tax	98.6	96.6	2.0	49.2	47.6	1.6	147.8	144.2	3.6	2.5%
Court Fines & Fees	11.5	11.8	(0.3)	-	-	-	11.5	11.8	(0.3)	-2.5%
Securities Revenue	41.2	43.5	(2.3)	-	-	-	41.2	43.5	(2.3)	-5.3%
Utility Consumption Tax	-	-	-	-	-	-	-	-	-	0.0%
Beer Tax	11.6	12.0	(0.4)	-	-	-	11.6	12.0	(0.4)	-3.3%
Other	52.3	47.1	5.2	1.1	-	1.1	53.4	47.1	6.3	13.4%
Transfer from Lottery Commission	-	-	-	84.8	83.0	1.8	84.8	83.0	1.8	2.2%
Tobacco Settlement	2.6	-	2.6	40.0	39.7	0.3	42.6	39.7	2.9	7.3%
Utility Property Tax	-	-	-	33.6	34.0	(0.4)	33.6	34.0	(0.4)	-1.2%
State Property Tax	-	-	-	363.2	363.1	0.1	363.2	363.1	0.1	-
Subtotal Traditional Taxes & Transfers	1,327.9	1,391.9	(64.0)	901.8	937.8	(36.0)	2,229.7	2,329.7	(100.0)	-4.3%
Recoveries	2.8	3.4	(0.6)	-	-	-	2.8	3.4	(0.6)	-17.6%
Total Receipts	\$1,330.7	\$1,395.3	(\$64.6)	\$901.8	\$937.8	(\$36.0)	\$2,232.5	\$2,333.1	(\$100.6)	-4.3%



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

Highway Fund

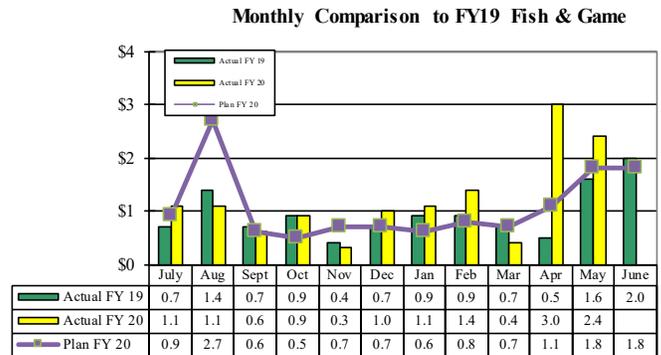
COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 19 Actuals
	FY 20 Actuals	FY 20 Plan	Actual vs. Plan	
Gasoline Road Toll	\$111.1	\$116.2	(\$5.1)	\$116.6
Miscellaneous	0.2	0.1	0.1	0.4
Motor Vehicle Fees				
MV Registrations	65.1	60.0	5.1	66.6
MV Operators	7.6	7.9	(0.3)	7.6
Inspection Station Fees	3.6	2.6	1.0	3.1
MV Miscellaneous Fees	11.4	14.2	(2.8)	7.3
Certificate of Title	5.4	5.4	-	5.7
Total Fees	93.1	90.1	3.0	90.3
Total	\$204.4	\$206.4	(\$2.0)	\$207.3



According to Road Toll Operations, actual fuel consumption is down by approximately -4.58% YTD over the same period last year. Fuel consumption for the month of April 2020 compared to April 2019 was down by approximately -36% due to COVID-19. The Highway Fund Plan for FY 2020 represents revenues included within HB3 (Ch. 345, Laws of 2019) reduced by \$33.3 million of revenue associated with the cost of collection and other adjustments per HB4 (Ch. 346).

Fish & Game Fund

COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 19 Actuals
	FY 20 Actuals	FY 20 Plan	Actual vs. Plan	
Fish and Game Licenses	\$9.8	\$8.2	\$1.6	\$8.3
Fines and Penalties	0.1	0.1	-	-
Miscellaneous	2.9	2.0	0.9	0.2
Federal Recoveries	0.5	0.8	(0.3)	0.9
Indirect Costs				
Total	\$13.3	\$11.1	\$2.2	\$9.4



In accordance with HB4 (Ch. 346), Highway Fund transfers to the Fish and Game Fund from the OHRV and Marine unrefunded tolls, per RSA 260:60 and 61, are now accounted for as unrestricted revenue in the Fish and Game Fund. The "transfer" to fund surplus was done in August 2019, under prior legislation. The increase in year-to-date revenue above plan reflects a correction of the transfer to unrestricted revenue for \$1.9 million.

Continued from page 1

SALES OF CIGARETTE STAMPS

Total sold (calendar month) July through May for each of the last five years

(number of stamps, in thousands)

Prepared from data provided by DRA

	Sales of Stamps	Volume Change	Percent Change
2020	94,893	(2,491)	-2.6%
2019	97,384	(4,438)	-4.4%
2018	101,822	(2,804)	-2.7%
2017	104,626	(5,667)	-5.1%
2016	110,293	3,111	2.9%

Other Revenues for May were below plan by \$0.2 million (4.6%) primarily due to the timing of interest earnings and post-retirement payments.