

# State Of New Hampshire

## Monthly Revenue Focus

### Department of Administrative Services

Charles M. Arlinghaus, Commissioner

Dana M. Call, Comptroller

September  
FY 2020

#### Monthly Revenue Summary

	<i>(for month)</i>		
	<b>FY 20 Actual</b>	<b>FY 19 Actual</b>	<b>Inc/(Dec)</b>
<b>Gen &amp; Educ</b>	<b>\$243.8</b>	<b>\$270.5</b>	<b>\$(26.7)</b>
<b>Highway</b>	<b>\$20.3</b>	<b>\$19.5</b>	<b>\$0.8</b>
<b>Fish &amp; Game</b>	<b>\$0.6</b>	<b>\$0.7</b>	<b>\$(0.1)</b>

#### Current Month

<b>GENERAL &amp; EDUCATION FUNDS</b>	<b>FY 20 Actuals</b>	<b>FY 19 Actuals</b>	<b>Inc/(Dec)</b>
Business Profits Tax	\$72.6	\$85.2	\$(12.6)
Business Enterprise Tax	45.2	\$53.1	(7.9)
Subtotal Business Taxes	117.8	138.3	(20.5)
Meals & Rentals Tax	40.2	37.6	2.6
Tobacco Tax	15.5	18.8	(3.3)
Transfer from Liquor Commission	8.7	12.6	(3.9)
Interest & Dividends Tax	17.1	16.0	1.1
Insurance Tax	2.4	2.3	0.1
Communications Tax	3.2	3.6	(0.4)
Real Estate Transfer Tax	16.0	17.4	(1.4)
Court Fines & Fees	1.1	1.0	0.1
Securities Revenue	0.3	0.6	(0.3)
Utility Consumption Tax	-	0.5	(0.5)
Beer Tax	1.4	1.4	-
Other	4.1	2.7	1.4
Transfer from Lottery Commission	7.4	7.6	(0.2)
Tobacco Settlement	-	-	-
Utility Property Tax	8.2	9.9	(1.7)
State Property Tax	-	-	-
Subtotal Traditional Taxes & Transfers	243.4	270.3	(26.9)
Recoveries	0.4	0.2	0.2
Total Receipts	\$243.8	\$270.5	\$(26.7)

#### Analysis

This September FY 2020 Monthly Revenue Focus report is an abbreviated version of the Department's traditional revenue report, as the Department will be collaborating with agencies during October to calculate a monthly allocation of unrestricted revenue based on the recently enacted budget for the FY 2020 and 2021 biennium. This report compares the activity for the current month and for the fiscal year to date (YTD) with the prior year. Also, for informational purposes the Department has prepared additional analysis incorporating the revenue estimates for fiscal year 2020, shown on page 3 of this report.

Unrestricted revenue for the General and Education Funds received during September totaled \$243.8 million, which was below the prior year by \$26.7 million (9.9%). On a YTD basis through the month of September, unrestricted revenues were \$482.2 million, which was \$32.1 million (6.2%) below the prior year.

**Business Taxes** for September were \$117.8 million, \$20.5 million (14.8%) below prior year, with collections on an YTD basis being \$25.9 million (14.2%) below prior year. According to the Department of Revenue Administration (DRA), payments from returns were up while estimate and extension payments were down due to large anomalous payments received in September of fiscal year 2019. Estimate payments were more on trend with September of fiscal year 2018, while return and extension payments were ahead of September of fiscal year 2018.

This month's **Meals and Rentals Tax** (M&R) receipts of \$40.2 million came in above prior year by \$2.6 million (6.9%) which results in YTD collections of \$5.5 million (5.1%) above the YTD amount through September of last year. DRA noted that as compared to September of the prior year, taxable meals for the month were up by 5.1% and hotels for the month were up by 4.0%.

**Tobacco Tax** receipts for September were \$15.5 million, which was \$3.3 million (17.6%) below the same month last year, while YTD collections were \$3.5 million (6.1%) below prior year. DRA has reported that the majority of the decrease is due to a timing of receipts. In addition, stamp sales increased by 3% over fiscal year 2019, and that bond receivable balance was up 18% as compared to the same month in the prior year.

The **Transfer from the Liquor Commission** total revenue for September came in at \$11.2 million. One 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 \$8.7 million, which was \$3.9 million below the September transfer in fiscal year 2019.

Collections for the **Interest and Dividends Tax** for the month were \$17.1 million, or \$1.1 million (6.9%) above prior year. YTD collections of \$20.1 million were \$1.8 million (9.8%) above prior year. According to DRA, this is primarily attributable to an increase in estimate payments over September of fiscal year 2019.

Collections for the **Communications Services Tax** for the month were \$3.2 million, which was \$0.4 million (11.1%) below prior year, and resulted in YTD collections \$0.7 million (6.5%) below those in the prior year.

*Continued on page 4*

## General and Education Funds

### YEAR-TO-DATE COMPARISON TO PRIOR FISCAL YEAR

General & Education Funds	General			Education			Total		
	FY 20 Actual	FY 19 Actual	Inc/(dec)	FY 20 Actual	FY 19 Actual	Inc/(dec)	FY 20 Actual	FY 19 Actual	Inc/(dec)
Business Profits Tax	\$78.1	\$84.4	\$(6.3)	\$18.8	\$21.3	\$(2.5)	\$96.9	\$105.7	\$(8.8)
Business Enterprise Tax	9.8	\$24.6	(14.8)	\$49.4	\$51.7	(2.3)	59.2	76.3	(17.1)
Subtotal Business Taxes	87.9	109.0	(21.1)	68.2	73.0	(4.8)	156.1	182.0	(25.9)
Meals & Rentals Tax	109.6	104.0	5.6	3.2	3.3	(0.1)	112.8	107.3	5.5
Tobacco Tax	31.7	33.6	(1.9)	21.9	23.5	(1.6)	53.6	57.1	(3.5)
Transfer from Liquor Commission	35.4	38.9	(3.5)	-	-	-	35.4	38.9	(3.5)
Interest & Dividends Tax	20.1	18.3	1.8	-	-	-	20.1	18.3	1.8
Insurance Tax	6.4	6.7	(0.3)	-	-	-	6.4	6.7	(0.3)
Communications Tax	10.0	10.7	(0.7)	-	-	-	10.0	10.7	(0.7)
Real Estate Transfer Tax	32.4	33.7	(1.3)	16.1	16.8	(0.7)	48.5	50.5	(2.0)
Court Fines & Fees	3.5	3.4	0.1	-	-	-	3.5	3.4	0.1
Securities Revenue	1.1	1.3	(0.2)	-	-	-	1.1	1.3	(0.2)
Utility Consumption Tax	-	1.4	(1.4)	-	-	-	-	1.4	(1.4)
Beer Tax	3.9	4.0	(0.1)	-	-	-	3.9	4.0	(0.1)
Other	6.9	8.2	(1.3)	-	-	-	6.9	8.2	(1.3)
Transfer from Lottery Commission	-	-	-	13.3	12.7	0.6	13.3	12.7	0.6
Tobacco Settlement	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	9.6	11.2	(1.6)	9.6	11.2	(1.6)
State Property Tax	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	348.9	373.2	(24.3)	132.3	140.5	(8.2)	481.2	513.7	(32.5)
Recoveries	1.0	0.6	0.4	-	-	-	1.0	0.6	0.4
Total Receipts	\$349.9	\$373.8	\$(23.9)	\$132.3	\$140.5	\$(8.2)	\$482.2	\$514.3	\$(32.1)

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

**FOR INFORMATIONAL PURPOSES - ABRIDGED VERSION  
SEPT YTD COLLECTIONS VS. PRORATED BUDGET**

	General			Education			Total		
	YTD SEPT	Budget	Diff	YTD SEPT	Budget	Diff	YTD SEPT	Budget	Diff
Business Profits Tax	78.1	81.5	(3.4)	18.8	18.0	0.8	96.9	99.5	(2.6)
Business Enterprise Tax	9.8	11.2	(1.4)	49.4	48.6	0.8	59.2	59.8	(0.6)
Subtotal Business Taxes	87.9	92.7	(4.8)	68.2	66.6	1.6	156.1	159.3	(3.2)
Meals & Rentals Tax	109.6	109.2	0.4	3.2	3.4	(0.2)	112.8	112.6	0.2
Tobacco Tax	31.7	29.4	2.3	21.9	23.0	(1.1)	53.6	52.4	1.2
Transfer from Liquor Commission	35.4	38.9	(3.5)				35.4	38.9	(3.5)
Interest & Dividends Tax	20.1	20.1	(0.0)				20.1	20.1	(0.0)
Insurance Tax	6.4	5.9	0.5				6.4	5.9	0.5
Communications Tax	10.0	10.5	(0.5)				10.0	10.5	(0.5)
Real Estate Transfer Tax	32.4	31.7	0.7	16.1	16.0	0.1	48.5	47.7	0.8
Other	16.4	16.5	(0.1)				16.4	16.5	(0.1)
Transfer from Lottery Commission				13.3	17.1	(3.8)	13.3	17.1	(3.8)
Utility Property Tax				9.6	10.2	(0.6)	9.6	10.2	(0.6)
State Property Tax									
Total Receipts	349.9	354.9	(5.0)	132.3	136.3	(4.0)	482.2	491.2	(9.0)

	Annual Budget		
	General	Education	Total
Business Profits Tax	403.5	91.5	495.0
Business Enterprise Tax	52.4	247.6	300.0
Subtotal Business Taxes	455.9	339.1	795.0
Meals & Rentals Tax	357.4	11.1	368.5
Tobacco Tax	110.9	87.1	198.0
Transfer from Liquor Commission	132.8		132.8
Interest & Dividends Tax	116.9		116.9
Insurance Tax	125.1		125.1
Communications Tax	40.7		40.7
Real Estate Transfer Tax	106.8	52.6	159.4
Other	143.1		143.1
Transfer from Lottery Commission		100.4	100.4
Tobacco Settlement		39.7	39.7
Utility Property Tax		43.4	43.4
State Property Tax		363.1	363.1
<b>Total Receipts</b>	<b>1,589.6</b>	<b>1,036.5</b>	<b>2,626.1</b>

**NOTES:**

1) Annual Budget represents FY 20 Revenue Estimates and Schedule 2 Revenue Adjustments, per the LBA Surplus Statement, excluding \$68.1 million in the Education Fund. It is anticipated that this will be appropriated to DOE and not flow through a cash revenue transaction.

2) The prorated budget amount was based on an average of YTD Sept collections as a percent of total collections of each individual tax.

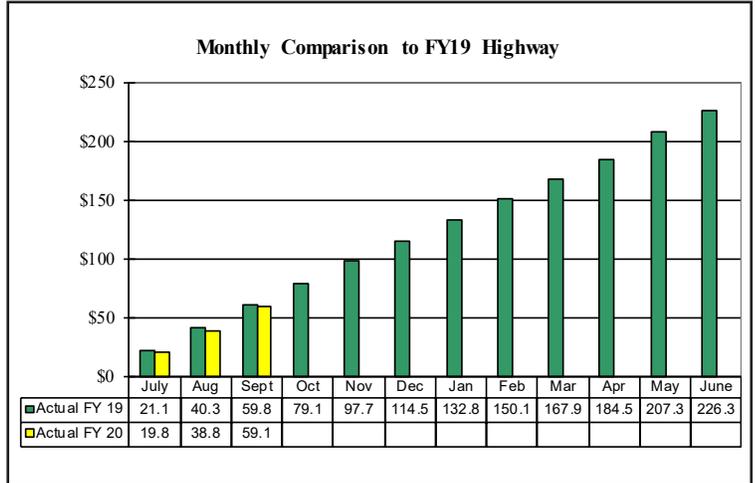
3) The official monthly plan will be calculated in collaboration with agencies, as normal practice, and will be incorporated in the Oct Monthly Revenue Focus.

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

## Current Month Analysis

### Highway Fund

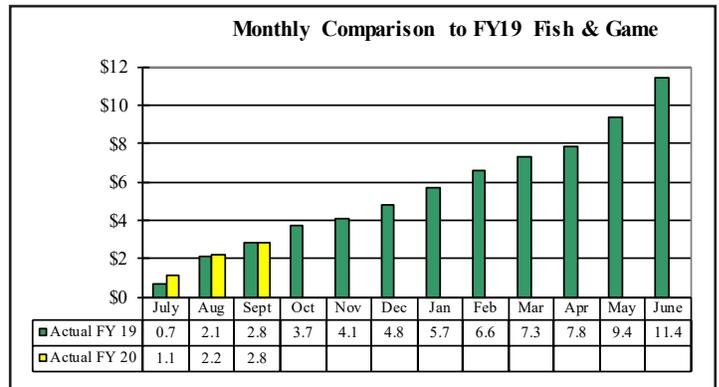
Revenue Category	year-to-date		
	FY 20 Actuals	FY 19 Actuals	Inc/(Dec)
Gasoline Road Toll	\$33.8	\$33.6	\$0.2
Miscellaneous	-	0.3	(0.3)
<b>Motor Vehicle Fees</b>			
MV Registrations	18.2	19.3	(1.1)
MV Operators	2.4	2.3	0.1
Inspection Station Fees	1.1	0.9	0.2
MV Miscellaneous Fees	2.1	1.9	0.2
Certificate of Title	1.5	1.5	-
<b>Total Fees</b>	<b>25.3</b>	<b>25.9</b>	<b>(0.6)</b>
<b>Total</b>	<b>\$59.1</b>	<b>\$59.8</b>	<b>\$(0.7)</b>



According to Road Toll Operations, actual fuel consumption is up approximately 0.28% YTD over the same period last year.

### Fish & Game Fund

Revenue Category	year-to-date		
	FY 20 Actuals	FY 19 Actuals	Inc/(Dec)
Fish and Game Licenses	\$2.6	\$2.6	\$-
Fines and Penalties	-	-	-
Miscellaneous Sales	0.2	0.1	0.1
Federal Recoveries			
Indirect Costs	-	0.1	(0.1)
<b>Total</b>	<b>\$2.8</b>	<b>\$2.8</b>	<b>\$-</b>



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SALES OF CIGARETTE STAMPS			
Total sold (calendar month) July through September 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	27,810	(1,864)	-6.3%
2019	29,674	(985)	-3.2%
2018	30,659	(1,003)	-3.2%
2017	31,662	(817)	-2.5%
2016	32,479	308	1.0%

**Real Estate Transfer Taxes** for September were \$16.0 million, which were below the prior year by \$1.4 million (8.0%) and which brought YTD collections \$2.0 million (4.0%) below those from last year. According to DRA, the number of transactions reported by the counties for the month of September (August collections) were down 12.4% compared to the prior year, and transaction values were down 8.2% over the same period last year. RETT revenue was down in seven of the ten counties compared to September of fiscal year 2019.

**Other revenues** for September of \$4.1 million were \$1.4 million (51.9%) above the prior year primarily due to the timing of receipts for interest.

**Utility Property Tax** receipts YTD through September were \$1.6 million (14.3%) below the prior year primarily due to revaluations currently being performed and valuations being adjusted.

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