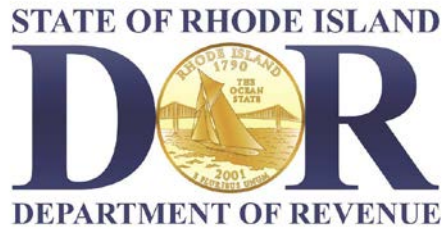


STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
GOVERNOR GINA M. RAIMONDO



Office of Revenue Analysis

Cash Collections Report as of August 2015 Summary

Fiscal Year-to-Date through August:

FY 2016 total general revenue cash collections through August were \$617.9 million, up \$31.1 million or 5.3 percent from the same period in FY 2015. The breakdown by major revenue components is as follows:

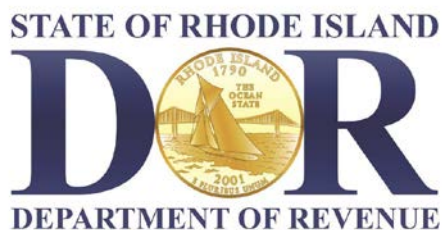
Component	FY 2016	FY 2015	Difference	% Change
Personal Income Tax	\$ 172,592,229	\$ 159,962,998	\$ 12,629,231	7.9 %
Sales and Use Taxes	180,569,837	170,746,966	9,822,871	5.8 %
Departmental Receipts	170,024,594	169,722,281	302,313	0.2 %
Lottery Transfer	30,690,626	31,926,261	(1,235,635)	-3.9 %
All Other Revenues	64,005,546	54,429,500	9,576,046	17.6 %
Total General Revenues	\$ 617,882,832	\$ 586,788,006	\$ 31,094,826	5.3%

Month of August:

August 2015 total general revenue cash collections were \$247.7 million, up \$9.4 million or 3.9 percent from August 2014. The breakdown by major revenue components is as follows:

Component	FY 2016	FY 2015	Difference	% Change
Personal Income Tax	\$ 91,214,156	\$ 86,369,673	\$ 4,844,483	5.6 %
Sales and Use Taxes	88,806,842	83,365,340	5,441,502	6.5 %
Departmental Receipts	11,711,965	13,894,536	(2,182,571)	-15.7 %
Lottery Transfer	30,690,626	31,926,261	(1,235,635)	-3.9 %
All Other Revenues	25,246,231	22,728,641	2,517,590	11.1 %
Total General Revenues	\$ 247,669,820	\$ 238,284,451	\$ 9,385,369	3.9 %

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
GOVERNOR GINA M. RAIMONDO



Office of Revenue Analysis

State of Rhode Island Cash Collections Report
August 2015 Detail

The Rhode Island Department of Revenue cash collections report is a comprehensive analysis of fiscal year-to-date and monthly cash collections on all revenue sources estimated by the principals of the Revenue Estimating Conference (see Rhode Island General Laws § 35-16-1). *Users of this report should be cautious when comparing year-to-date growth rates for Other Miscellaneous Revenues and Unclaimed Property as the receipt of these revenues occurs at discrete points in time over the course of a fiscal year. Further complicating matters is the fact that the discrete pattern of receipts varies so that payments received do not necessarily occur at the same point in time in each fiscal year.*

The Office of Revenue Analysis has modified the Cash Collections Report to shorten its length without sacrificing any detailed information that might be of interest to users of the report. Specifically, the fiscal year-to-date and monthly cash collections tables that used to appear at the end of the report will now immediately follow the front page cash collections summary tables. Following the fiscal year-to-date and monthly cash collections tables will be presentations and discussions of cash collections that are not contained in or easily discerned from these tables. Thus, the year-to-date and monthly cash flow differences between the two fiscal years, the utilization of historic structures tax credits by tax type for both the year-to-date and monthly periods, the year-to-date and monthly break down of personal income tax cash collections by component, etc. will be contained in this section of the report.

Much of the verbiage included in previous editions of this report will be missing as the information that was included is readily available from the tables provided in the report. Comments about this new format of the report are welcome and should be addressed to Paul L. Dion, Ph.D. at paul.dion@revenue.ri.gov.

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Fiscal Year To Date

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	FY 2016 August		FY 2015 August	Nominal Difference	Change
<u>Personal Income Tax</u>	\$ 172,592,229	\$	159,962,998	\$ 12,629,231	7.9%
<u>General Business Taxes</u>					
Business Corporations	12,167,355		1,233,591	10,933,764	886.3%
Public Utilities Gross Earnings	858,202		899,159	(40,957)	-4.6%
Financial Institutions	75,888		11,388	64,500	566.4%
Insurance Companies	3,807,985		587,038	3,220,947	548.7%
Bank Deposits	28,508		-	28,508	-
Health Care Provider Assessment	7,429,269		7,143,851	285,418	4.0%
<u>Excise Taxes</u>					
Sales and Use	180,569,837		170,746,966	9,822,871	5.8%
Motor Vehicle	4,883,239		6,998,449	(2,115,210)	-30.2%
Motor Carrier Fuel Use	(9,934)		29,472	(39,406)	-133.7%
Cigarettes	24,271,514		24,873,411	(601,897)	-2.4%
Alcohol	3,477,098		3,593,050	(115,952)	-3.2%
<u>Other Taxes</u>					
Estate and Transfer	4,828,588		6,853,602	(2,025,014)	-29.5%
Racing and Athletics	174,632		188,747	(14,115)	-7.5%
Realty Transfer	2,007,757		2,016,592	(8,835)	-0.4%
Total Taxes	\$ 417,162,167	\$	385,138,314	\$ 32,023,853	8.3%
<u>Departmental Receipts</u>					
Licenses and Fees	\$ 163,150,086	\$	161,264,482	\$ 1,885,604	1.2%
Fines and Penalties	1,192,078		1,373,381	(181,303)	-13.2%
Sales and Services	1,631,095		1,796,242	(165,147)	-9.2%
Miscellaneous	4,051,335		5,288,176	(1,236,841)	-23.4%
Total Departmental Receipts	\$ 170,024,594	\$	169,722,281	\$ 302,313	0.2%
Taxes and Departmentals	\$ 587,186,761	\$	554,860,595	\$ 32,326,166	5.8%
<u>Other General Revenue Sources</u>					
Other Miscellaneous Revenues	\$ 5,444	\$	1,150	\$ 4,294	373.4%
Lottery Transfer	30,690,626		31,926,261	(1,235,635)	-3.9%
Unclaimed Property	-		-	-	-
Total Other Sources	\$ 30,696,070	\$	31,927,411	\$ (1,231,341)	-3.9%
Total General Revenues	\$ 617,882,831	\$	586,788,006	\$ 31,094,825	5.3%

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Month of July

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	FY 2016 August		FY 2015 August	Nominal Difference	% Change
<u>Personal Income Tax</u>	\$ 91,214,156	\$	86,369,673	\$ 4,844,483	5.6%
<u>General Business Taxes</u>					
Business Corporations	3,352,932		(2,106,312)	5,459,244	-259.2%
Public Utilities Gross Earnings	615,846		273,535	342,311	125.1%
Financial Institutions	148		11,388	(11,240)	-98.7%
Insurance Companies	(1,255,019)		33,272	(1,288,291)	-3872.0%
Bank Deposits	-		-	-	-
Health Care Provider Assessment	3,739,371		3,366,285	373,086	11.1%
<u>Excise Taxes</u>					
Sales and Use	88,806,842		83,365,340	5,441,502	6.5%
Motor Vehicle	2,485,848		3,187,711	(701,863)	-22.0%
Motor Carrier Fuel Use	53,465		8,872	44,593	502.6%
Cigarettes	12,387,432		11,315,963	1,071,469	9.5%
Alcohol	1,652,856		1,505,776	147,080	9.8%
<u>Other Taxes</u>					
Estate and Transfer	1,107,038		3,770,858	(2,663,820)	-70.6%
Racing and Athletics	101,842		92,968	8,874	9.5%
Realty Transfer	999,648		1,268,080	(268,432)	-21.2%
Total Taxes	\$ 205,262,405	\$	192,463,409	\$ 12,798,996	6.7%
<u>Departmental Receipts</u>					
Licenses and Fees	\$ 8,737,308	\$	9,125,345	\$ (388,037)	-4.3%
Fines and Penalties	1,095,489		1,241,897	(146,408)	-11.8%
Sales and Services	907,002		1,065,491	(158,489)	-14.9%
Miscellaneous	972,166		2,461,803	(1,489,637)	-60.5%
Total Departmental Receipts	\$ 11,711,965	\$	13,894,536	\$ (2,182,571)	-15.7%
Taxes and Departmentals	\$ 216,974,370	\$	206,357,945	\$ 10,616,425	5.1%
<u>Other General Revenue Sources</u>					
Other Miscellaneous Revenues	\$ 4,823	\$	245	\$ 4,578	1868.6%
Lottery Transfer	30,690,626		31,926,261	(1,235,635)	-3.9%
Unclaimed Property	-		-	-	-
Total Other Sources	\$ 30,695,449	\$	31,926,506	\$ (1,231,057)	-3.9%
Total General Revenues	\$ 247,669,819	\$	238,284,451	\$ 9,385,368	3.9%

Cash Flow Differences

Fiscal Year-To-Date through August:

The following cash flow differences between FY 2016 and FY 2015 should be noted:

FY 2016

- Fiscal year-to-date personal income tax refund and adjustment cash collections include \$1.4 million of reimbursed historic structure tax credits which were recorded in July 2015 but accrued back to FY 2015.
- Fiscal year-to-date personal income tax final payment cash collections are understated by \$113,214 for historic structure tax credits which were reimbursed in August 2015 but not recorded.
- Fiscal year-to-date insurance company gross premiums tax cash collections include \$4.5 million of reimbursed historic structure tax credits which were recorded in July 2015 but accrued back to FY 2015.
- Fiscal year-to-date insurance company gross premium tax cash collections are understated by \$1.5 million for historic structure tax credits which were reimbursed in August 2015 but not recorded.
- For the fiscal year-to-date period through August, hospital licensing fee cash collections are \$2.7 million more than the same period in FY 2015. The increase in hospital licensing fee cash collections is due to an increase in the hospital licensing fee rate from 5.418 percent for FY 2014 to 5.745 percent for FY 2015 and the advancement of the hospital licensing fee base from hospital FY 2012 net patient revenues in FY 2014 to hospital FY 2013 net patient revenues in FY 2015. The prior fiscal year hospital licensing fee is received in July of the current year.

FY 2015

- Business corporation taxes included \$5.1 million for refunds disbursed in August 2014 that were accrued to the prior fiscal year.
- Motor vehicle license and registration fees through August of FY 2015 were greater by \$2.1 million compared to the current fiscal year. This difference is comprised of two items, operator control license and vehicle registration fees and the rental vehicle surcharge.
 - As of July 1, 2014, rental vehicle surcharge cash receipts were no longer deposited as general revenues but rather were deposited in the Rhode Island Highway Maintenance Account (RIHMA). In FY 2015, \$755,850 of rental vehicle surcharge cash receipts were deposited as general revenues since these payments reflected the rental of vehicles prior to July 1, 2014 and accrued back to FY 2014.
 - As of July 1, 2015, 25.0 percent of cash receipts collected as motor vehicle license and registration fees are transferred to RIHMA. As a result, FY 2015 motor vehicle license and registration fees cash collections are \$1.4 million more than FY 2016 motor vehicle license and registration fees. It should be noted that

the transfer of 25.0 percent of motor vehicle license and registration fees to RIHMA reduced FY 2016 cash receipts by \$1.6 million.

- Effective July, 1 2015 the imaging services surcharge and the outpatient healthcare facility surcharge were repealed. In license and fees departmental receipts, imaging services surcharge receipts through August of FY 2015 were \$175,542 greater than the same period in FY 2016. Outpatient health care facility surcharge receipts through August of FY 2015 were \$18,051 less than receipts received through August of FY 2016. Receipts for the outpatient health care facility surcharge received in FY 2016 are for periods prior to July, 1 2015.
- In miscellaneous departmental receipts, the Treasury Department and the Department of Elementary and Secondary Education indirect cost recovery receipts through August of FY 2015 were \$30,893 more than the same period in FY 2016. Effective July 1, 2015, these accounts became fully exempt from the 10.0 percent indirect cost recovery charge.
- The miscellaneous revenues component of departmental receipts includes \$1.1 million received in July 2014 from a settlement brought by the Office of the Attorney General against a pharmaceutical manufacturer which was accrued back to FY 2014.
- The fiscal year-to-date miscellaneous component of departmental receipts was \$140,054 higher for the Urban Institute Work Strategies grant within the Department of Human Services due to the reclassification of these revenues as restricted receipts in FY 2016.
- In year-to-date FY 2015 miscellaneous departmental receipts, the state hotel tax receipts received were \$335,852 greater than the same period in FY 2016. Effective July 1, 2015 the state's share and the statewide tourism district's share of the state 5.0 percent hotel tax was transferred from general revenues to the Rhode Island Commerce Corporation (RICC) for a state level tourism promotion and business attraction campaign

The following table displays the differences in cash flows for FY 2016 through August and FY 2015 through August.

Revenue Source	Cash Flow Differences	YTD FY 2016	YTD FY 2015
Personal Income Tax	Late reimbursement of HSTCs	\$1,355,142	\$0
Personal Income Tax	Aug. 2015 HSTC reimbursed, not recorded	\$(113,214)	\$0
Business Corp. Taxes	Refunds accrued to prior fiscal year	\$0	\$(5,121,199)
Ins Gross Premiums Tax	Late reimbursement of HSTCs	\$4,450,735	\$0
Ins Gross Premiums Tax	Aug. 2015 HSTC reimbursed, not recorded	\$(1,481,112)	\$0
Rental Vehicle Surcharge	Prior year accrual	\$0	\$755,850
MV License & Reg Fees	25% transfer to RIHMA a/o 7/1/2016	\$0	\$1,359,359
Departmental Receipts	Hospital licensing fee difference	\$2,742,098	\$0
Departmental Receipts	Cost recovery exemption	\$0	\$30,893
Departmental Receipts	AG settlements/recoveries	\$0	\$1,095,031
Departmental Receipts	Urban Institute grant receipts	\$0	\$140,054
Departmental Receipts	FY 2016 state hotel tax transfer to RICC	\$0	\$335,852

Month of August:

The following cash flow differences between August 2015 and August 2014 should be noted:

August 2015

- August 2015 personal income tax final payment cash collections are understated by \$113,214 for historic structure tax credits which were reimbursed in August but not recorded.
- August 2015 insurance company gross premium tax cash collections are understated by \$1.5 million for historic structure tax credits which were reimbursed in August but not recorded.

August 2014

- Business corporation taxes included \$5.1 million for refunds disbursed in August 2014 that were accrued to the prior fiscal year.
- August 2014 motor vehicle license and registration fees cash collections are \$701,863 more than August 2015 motor vehicle license and registration fees cash collections. It should be noted that the transfer of 25.0 percent of FY 2016 motor vehicle license and registration fee to RIHMA reduced August 2015 cash receipts by \$828,616.
- In miscellaneous departmental receipts, the Treasury Department and the Department of Elementary and Secondary Education indirect cost recovery receipts in August 2014 were \$1,774 less than the same period in August 2015. Effective July 1, 2015, these accounts became fully exempt from the 10.0 percent indirect cost recovery charge.

- The miscellaneous component of departmental receipts was \$140,054 higher for the Urban Institute Work Strategies grant within the Department of Human Services due to the reclassification of these revenues as restricted receipts in FY 2016.
- In miscellaneous departmental receipts, the state hotel tax receipts received in August 2014 were \$388,625 greater than the same period in August 2015. Effective July 1, 2015 the state's share and the statewide tourism district's share of the state 5.0 percent hotel tax was transferred from general revenues to the Rhode Island Commerce Corporation (RICC) for a state level tourism promotion and business attraction campaign.

The following table displays the differences in cash flows for August 2015 and August 2014.

Revenue Source	Cash Flow Differences	August 2015	August 2014
Personal Income Tax	Aug. 2015 HSTC reimbursed, not recorded	\$(113,214)	\$0
Business Corp. Taxes	Refunds accrued to prior fiscal year	\$0	\$(5,121,199)
Ins Gross Premiums Tax	Aug. 2015 HSTC reimbursed, not recorded	\$(1,481,112)	\$0
MV License & Reg Fees	25% Transfer to RIHMA a/o 7/1/2016	\$0	\$701,863
Departmental Receipts	Cost recovery exemption	\$0	\$(1,774)
Departmental Receipts	Urban Institute grant receipts	\$0	\$140,054
Departmental Receipts	FY 2016 state hotel tax transfer	\$0	\$388,625

Historic Structure Tax Credit Reimbursements:

FY 2016 total historic structure tax credit redemptions/reimbursements for all taxes through August totaled \$1,777,240 compared to \$112,760 reimbursed in FY 2015 through August, an increase of 1,476.1 percent.

The breakdown of the reimbursement of redeemed HSTCs by tax type is shown in the table below:

Tax Type	Year-to-Date		Monthly	
	FY 2016	FY 2015	August 2015	August 2014
Personal Income	\$ 296,128	\$ 112,760	\$ 113,214	\$ 85,391
Business Corporations	0	0	0	0
Financial Institutions	0	0	0	0
Insurance/Non-HMOs	1,481,112	0	1,481,112	0
Insurance/HMOs	0	0	0	0
Total	\$ 1,777,240	\$ 112,760	\$ 1,594,326	\$ 85,391

Personal Income Tax Cash Collections by Component

The tables below are based on data provided by the Division of Taxation and break down personal income tax cash collections by component on both a fiscal year-to-date and monthly basis. It should be noted that slight differences may exist between the figures reported by the Division of Taxation and those reported by the Controller due to timing differences in the posting of revenues.

Fiscal Year-to-Date through August:

Component	FY 2016	FY 2015	Difference	% Change
Estimated Payments	\$ 9,219,201	\$ 6,264,528	\$ 2,954,673	47.2 %
Final Payments *	5,454,927	5,180,708	274,219	5.3 %
Refunds/Adjustments	(8,404,658) †	(9,962,455)	1,557,797	-15.6 %
Withholding Tax Payments	166,322,759	158,480,216	7,842,542	4.9 %
* Final Payments include historic structures tax credit reimbursements of \$182,914 in year-to-date FY 2016 and \$112,760 in year-to-date FY 2015.				
† Refunds and adjustments include an adjustment of \$1,355,142 for reimbursed FY 2015 HSTCs which were recorded in July 2015 but accrued back to FY 2015.				

Month of August:

Component	August 2016	August 2015	Difference	% Change
Estimated Payments	\$ 3,342,133	\$ 3,369,401	\$ (27,268)	-0.8 %
Final Payments *	2,356,421	2,323,962	32,459	1.4 %
Refunds/Adjustments	(6,239,365)	(5,292,165)	(947,200)	17.9 %
Withholding Tax Payments	91,754,967	85,996,131	5,758,835	6.7 %
* Final Payments include no historic structures tax credit reimbursements in August 2016 versus \$85,391 in August 2015.				

Sales and Use Taxes Cash Collections by Component

The tables below are based on data provided by the Division of Taxation and break down sales and use tax cash collections by component on both a fiscal year-to-date and monthly basis. It should be noted that slight differences may exist between the figures reported by the Division of Taxation and those reported by the Controller due to timing differences in the posting of revenues.

Fiscal Year-to-Date through August:

Component	FY 2016	FY 2015	Difference	% Change
Net Taxation	\$ 160,653,579	\$ 152,431,028	\$ 8,222,551	5.4 %
Registry Receipts	17,561,624	15,665,186	1,896,437	12.1 %
Providence Place Mall	2,258,650	2,288,067	(29,418)	-1.3 %

Month of August:

Component	August 2016	August 2015	Difference	% Change
Net Taxation	\$ 78,609,585	\$ 74,113,908	\$ 4,495,677	6.1 %
Registry Receipts	8,954,054	8,031,717	922,337	11.5 %
Providence Place Mall	1,152,434	1,080,643	71,791	6.6 %

General Business Taxes

August	FY 2016	FY 2015	Difference	% Change
Fiscal YTD	\$ 24.4 Million	\$ 9.9 Million	\$ 14.5 Million	146.8 %
Month	\$ 6.5 Million	\$ 1.6 Million	\$ 4.9 Million	308.9 %

In general, businesses with Rhode Island tax liabilities make estimated payments of their tax year liabilities in March and June of the fiscal year, with 40.0 percent of the estimated total tax liability due in March and 60.0 percent of the estimated total tax liability due in June. There is one exception to this payment pattern, namely the health care provider assessment, payments of which are made on a monthly basis. Business corporations, or corporate income, tax payments are also received more consistently over the course of the fiscal year due to the varying fiscal years of corporations and the number of filers that are on extension at any given point in time. As a result, both business corporation taxes and health care provider assessments flow more evenly into the general fund over the course of a fiscal year.

Fiscal Year-to-Date through August:

General business taxes collected through August of FY 2016 increased by 146.8 percent over general business taxes collected through August of FY 2015. FY 2016 general business taxes collected through August were \$24.4 million compared to \$9.9 million collected for the same period in FY 2015, an increase of \$14.5 million. It should be noted that insurance company gross premiums tax cash collections for July 2015 include \$4.5 million of reimbursed historic structure tax credits which were recorded in July 2015 but accrued back to FY 2015. Further, August 2015 insurance companies gross premium tax cash collections are understated by \$1.5 million due to historic structure tax credits being reimbursed in August but not recorded.

Month of August:

General business taxes collected in August 2015 increased 308.9 percent over general business taxes collected in August 2014. August 2015 general business taxes collected were \$6.5 million compared to \$1.6 million collected during the same period last fiscal year, an increase of \$4.9 million. There were no historic structure tax credit reimbursements in August 2014 and \$1.5 million were reimbursed but not recorded in August 2015. It should be noted that August 2014 general business taxes include a refund of \$5.1 million which was accrued back to the prior fiscal year.

Business Corporations Tax Cash Collections by Component:

The tables below are based on data provided by the Division of Taxation and break down business corporation tax cash collections by component on both a fiscal year-to-date and monthly basis. It should be noted that slight differences may exist between the figures reported by the Division of Taxation and those reported by the Controller due to timing differences in the posting of revenues.

Fiscal Year-to-Date through August:

Component	FY 2016	FY 2015	Difference	% Change
Estimated Payments	\$ 9,769,102	\$ 4,850,950	\$ 4,918,152	101.4 %
Final Payments *	3,625,746	3,983,367	(357,621)	-9.0 %
Refunds/Adjustments	(1,233,003)	(7,600,726) †	6,367,723	-83.8 %
* No historic structures tax credit reimbursements are included in the FY 2016 and FY 2015 final payment cash collections through August of each fiscal year.				
† August 2014 refunds and adjustments cash collections include a refund of \$5,121,199 which was accrued to FY 2014.				

Month of August:

Component	August 2016	August 2015	Difference	% Change
Estimated Payments	\$ 1,879,273	\$ 739,814	\$ 1,139,459	154.0 %
Final Payments *	2,012,133	2,780,876	(768,743)	-27.6 %
Refunds/Adjustments	(540,675)	(5,627,003)	5,086,328	-90.4 %
* No historic structures tax credit reimbursements are included in the August 2015 and August 2014 final payment cash collections of each fiscal year.				
† August 2014 refunds and adjustments cash collections include a refund of \$5,121,199 which was accrued to FY 2014.				

Excise Taxes Other Than the Sales and Use Tax

August	FY 2016	FY 2015	Difference	% Change
Fiscal YTD	\$ 32.6 Million	\$ 35.5 Million	\$ (2.9 Million)	-8.1 %
Month	\$ 16.6 Million	\$ 16.0 Million	\$ 561,279	3.5 %

Fiscal Year-to-Date through August:

Excise taxes other than sales and use taxes collected in FY 2016 through August decreased by 8.1 percent over excise taxes other than sales and use taxes collected through August of FY 2015. FY 2016 excise taxes other than sales and use taxes collected through August were \$32.6 million compared to \$35.5 million collected for the same period last fiscal year, a decrease of \$2.9 million. It is important to note that, during the 2014 session, the General Assembly enacted legislation to transfer 25.0 percent of revenues derived from motor vehicle license and registration fees from general revenues to the Rhode Island Highway Maintenance Account (RIHMA) effective July 1, 2015. To date, this transfer has totaled \$1,627,746.

Rhode Island cigarettes tax receipts are comprised of excise taxes collected on the sale of cigarettes and smokeless tobacco (which also includes cigars and pipe tobacco), and a one-time cigarette floor stock tax. The cigarette floor stock tax is imposed only when there is an increase in the excise tax rate on cigarettes. On August 1, 2015, the cigarette excise tax rate was increased from \$3.50 per pack of 20 cigarettes to \$3.75 per pack of 20 cigarettes. This yielded cigarette floor stock tax revenues of \$733,112 through August of FY 2016. Total cigarette excise tax cash receipts through August of FY 2016 were down \$601,897 or -2.4 percent compared to the \$24.9 million collected for the same period last fiscal year. Finally, the change in cigarette sales is determined. Cigarette floor stock tax and other tobacco products tax cash collections are netted out of the cigarettes tax cash receipts data, yielding only cigarette excise tax cash collections. Through August of FY 2016, Rhode Island cigarette sales decreased by 8.9 percent compared to the same period last fiscal year.

Month of August:

Excise taxes other than sales and use taxes collected in August 2015 increased 3.5 percent from excise taxes other than sales and use taxes collected in August 2014. August 2015 excise taxes other than sales and use taxes collected totaled \$16.6 million compared to \$16.0 million collected in August 2014, an increase of \$561,279.

August 2015 cigarette excise tax receipts were \$12.4 million, an increase of \$1.1 million or 9.5 percent from the \$11.3 million collected in August 2014. On August 1, 2015, the cigarette excise tax rate was increased from \$3.50 per pack of 20 cigarettes to \$3.75 per pack of 20 cigarettes. This yielded cigarette floor stock tax revenues of \$733,112 in August of FY 2016. After accounting for any cigarette floor stock receipts and other tobacco products tax cash collections, the percentage change in Rhode Island cigarette sales is determined. For August 2015, Rhode Island cigarette sales decreased by 3.7 percent compared to August 2014.

Other Taxes

August	FY 2016	FY 2015	Difference	% Change
Fiscal YTD	\$ 7.0 Million	\$ 9.1 Million	\$ (2.0 Million)	-22.6 %
Month	\$ 2.2 Million	\$ 5.1 Million	\$ (2.9 Million)	-57.0 %

Fiscal Year-to-Date through August:

Other taxes collected in FY 2016 through August decreased 22.6 percent over other taxes collected through August of FY 2015. FY 2015 other taxes collected through August were \$7.0 million compared to the \$9.1 million collected in the same period last fiscal year, a decrease of \$2.0 million.

Effective July 1, 2015 the real estate conveyance tax was extended to subject the transfer of a controlling interest in a limited liability company (LLC), corporation, partnership, or other entity that owns real estate in Rhode Island to the real estate conveyance tax. FY 2016 realty transfer taxes collected through August were down \$8,835 or -0.4 percent compared to the same period last fiscal year. To date, no cash receipts have been received from the extension of the real estate conveyance tax to the transfer of a controlling interest in real estate.

Month of August:

Other taxes collected in August 2015 decreased 57.0 percent over other taxes collected in August 2014. August 2015 other taxes collected totaled \$2.2 million compared to \$5.1 million collected in August 2014, a decrease of \$2.9 million. No cash receipts were received in August 2015 from the extension of the real estate conveyance tax to the transfer of a controlling interest in real estate.

Departmental Receipts Cash Collections by Component

The tables below are based on data provided by the Controller and break down departmental receipts cash collections by component on both a fiscal year-to-date and monthly basis.

Fiscal Year-to-Date through August:

Component	FY 2016	FY 2015	Difference	% Change
Licenses and Fees *	\$ 163,150,086	\$161,264,482	\$1,885,604	1.2 %
Fines and Penalties	1,192,078	1,373,381	(181,303)	-13.2 %
Sales and Services	1,631,095	1,796,242	(165,147)	-9.2 %
Miscellaneous	4,051,335	5,288,176	(1,236,841)	-23.4 %
Total	\$ 170,024,594	\$ 169,722,281	\$ 302,313	0.2%

* Licenses and fees cash collections include hospital licensing fees of \$146,206,291 in year-to-date FY 2016 and \$143,464,313 in year-to-date FY 2015.

The licenses and fees category of departmental receipts through August of FY 2016 was up 1.2 percent or \$1.9 million over the \$161.3 million collected through August of FY 2015. In the enacted FY 2016 budget, signed into law by Governor Raimondo on June 25, 2015, numerous license fees were eliminated for select occupations and the outpatient health care facility and imaging services surcharges were repealed. Through August imaging services surcharge fees were down \$175,542. Outpatient health care facility surcharge receipts through August of FY 2016 were \$18,051 greater than the previous fiscal year. Outpatient health care facility surcharge receipts received in FY 2016 are for periods prior to July 1, 2015. It is also important to note that numerous licenses included in the licenses and fees category of departmental receipts are renewed on a biennial or triennial basis, which skews the fiscal year-to-date comparisons.

FY 2016 miscellaneous departmental receipts through August are down \$1,236,841 or -23.4 percent compared to cash collections through August of FY 2015. In the enacted FY 2016 budget, the Treasury Department and the Department of Elementary and Secondary Education cost recovery accounts are exempt from the 10.0 percent indirect cost recovery charge. As a result, these two cost recovery receipts were down \$30,893 compared to the prior fiscal year. Also enacted in the FY 2016 budget, the Urban Institute Work Strategies grant received by the Department of Human Services (DHS) has been transferred from miscellaneous departmental receipts in general revenues to a restricted receipt account. As a result, cash collections for this grant are down \$140,054 compared to the prior fiscal year. During the 2015 session, the General Assembly accepted the Governor's proposal to transfer the state's share and the statewide tourism district's share of the state 5.0 percent hotel tax from general revenues to the Rhode Island Commerce Corporation (RICC) for a state level tourism promotion and business attraction campaign. Due to this transfer, state hotel tax revenues are down \$335,852 through August compared to the same period last fiscal year.

Month of August:

Component	August 2015	August 2014	Difference	% Change
Licenses and Fees *	\$ 8,737,308	\$9,125,345	\$(388,037)	-4.3 %
Fines and Penalties	1,095,489	1,241,897	(146,408)	-11.8 %
Sales and Services	907,002	1,065,491	(158,489)	-14.9 %
Miscellaneous	972,166	2,461,803	(1,489,637)	-60.5 %
Total	\$ 11,711,965	\$ 13,894,536	\$ (2,182,571)	-15.7%
* Licenses and fees include no hospital licensing fees in August 2015 versus \$248,729 in August 2014. This is due to differences in the timing of payments received under payment plan agreements.				

Total departmental receipts in August 2015 decreased 15.7 percent over total departmental receipts in August 2014. August 2015 total departmental receipts collected were \$11.7 million compared to \$13.9 million collected in August 2014, a decrease of \$2.2 million.

The licenses and fees category of departmental receipts for August 2015 was down 4.3 percent or \$388,037 from the \$9.1 million collected in August of 2014. August 2015 imaging services

surcharge fees were down \$152,720. Outpatient health care facility surcharge receipts in August 2015 were \$7,810 less than the previous year.

FY 2016 miscellaneous departmental receipts in August 2015 are down \$1,489,637 or -60.5 percent compared to cash collections in August of 2014. As a result of the transfer of the Urban Institute Work Strategies grant received by DHS to a restricted receipt account, cash collections for this grant are down \$140,054 compared to the previous August. Due to the transfer of the state's share and the statewide tourism district's share of the state 5.0 percent hotel tax from general revenues to the RICC for a state level tourism promotion and business attraction campaign, state hotel tax revenues are down \$385,625 in August compared to the previous August.

Motor Fuel Tax, Per Penny Yield

August	FY 2016	FY 2015	Difference	% Change
Fiscal YTD	\$ 763,604	\$ 763,060	\$ 544	0.1 %
Month	\$ 390,484	\$ 386,414	\$ 4,070	1.1 %

The State's motor fuel tax consists of a \$0.32 per gallon excise tax on the distribution of motor fuel in the State and an additional \$0.01 per gallon surcharge for motor fuel that is delivered to an underground storage tank. It should be noted that the State's motor fuel excise tax rate increased to \$0.33 per gallon on July 1, 2015. The increased revenues from this tax rate increase will be realized in August 2015 and thereafter. No portion of the motor fuel tax is designated as general revenues. The data provided in this section of the report is for informational purposes only.

Fiscal Year-to-Date through August:

The per penny yield of the state's motor fuel tax collected in FY 2016 through August is \$544 more than in FY 2015 through August. This represents an increase of 0.1 percent between the two fiscal year-to-date periods. For FY 2016 through August, the per penny yield was \$763,604 versus \$763,060 for FY 2015 through August.

Month of August:

The per penny yield of the State's motor fuel tax collected in August 2015 totaled \$390,484, an increase of \$4,070 or 1.1 percent over the \$386,414 collected in August 2014.

Lottery Transfer Cash Collections by Component

The tables below are based on data provided by the Division of Lottery and break down the lottery transfer cash collections by component on both a fiscal year-to-date and monthly basis. It should be noted that slight differences may exist between the figures reported by the Division of Lottery and those reported by the Controller due to timing differences in the posting of revenues.

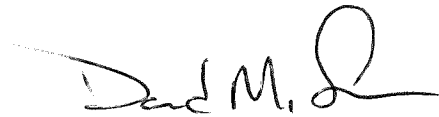
Fiscal Year-to-Date through August:

Component	FY 2016	FY 2015	Difference	% Change
Traditional Games	\$ 3,006,889	\$ 2,791,541	\$ 215,348	7.7 %
Keno	1,515,682	1,400,655	115,027	8.2 %
Twin River VLTs	23,091,191	24,643,558	(1,552,367)	-6.3 %
Twin River Table Games	1,140,349	975,794	164,555	16.9 %
Newport Grand VLTs	2,353,092	2,459,071	(105,979)	-4.3 %

In both fiscal year-to-date periods, Twin River operated a maximum of 80 table games. It should be noted that in order to make space for additional table games and a poker room, Twin River had 201 fewer VLTs operating in fiscal year-to-date 2016 compared to the same period last fiscal year. Both Twin River and Newport Grand VLT cash collections do not reflect unclaimed prizes, distressed communities relief program receipts, or the State's payment to either Newport Grand's or Twin River's marketing program.

Month of August:

Given that August is the first month that lottery revenues are transferred to the general fund there are no differences between fiscal year-to-date and monthly cash collections.



David M. Sullivan, Acting Director
Rhode Island Department of Revenue

September 17, 2015