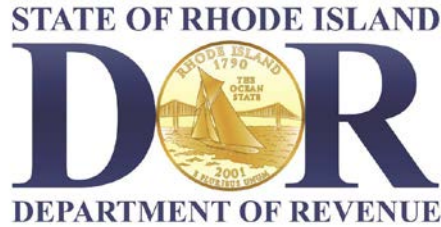


*STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS*  
**GOVERNOR GINA M. RAIMONDO**



**Office of Revenue Analysis**

**Cash Collections Report as of July 2016 Summary**

***Fiscal Year-to-Date through July:***

FY 2017 total general revenue cash collections through July were \$382.1 million, up \$11.9 million or 3.2 percent over the same period in FY 2016. The breakdown by major revenue components is as follows:

<b>Component</b>	<b>FY 2017</b>	<b>FY 2016</b>	<b>Difference</b>	<b>% Change</b>
Personal Income Tax	\$ 77,546,968	\$ 81,378,073	\$ (3,831,105)	-4.7 %
Sales and Use Taxes	90,961,007	91,762,995	(801,988)	-0.9 %
Departmental Receipts	166,343,445	158,312,629	8,030,816	5.1 %
Lottery Transfer *	n/a	n/a	n/a	n/a
All Other Revenues	47,215,614	38,759,315	8,456,299	21.8 %
<b>Total General Revenues</b>	<b>\$ 382,067,034</b>	<b>\$ 370,213,012</b>	<b>11,854,022</b>	<b>3.2 %</b>

\* The Lottery Transfer commences in August of the fiscal year.

***Month of July:***

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

<b>Component</b>	<b>July 2016</b>	<b>July 2015</b>	<b>Difference</b>	<b>% Change</b>
Personal Income Tax	\$ 77,546,968	\$ 81,378,073	\$ (3,831,105)	-4.7 %
Sales and Use Taxes	90,961,007	91,762,995	(801,988)	-0.9 %
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\* The Lottery Transfer commences in August of the fiscal year.

**STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS**  
**Fiscal Year To Date**

2

	FY 2017 YTD July		FY 2016 YTD July	Nominal Difference	Change
<b><u>Personal Income Tax</u></b>	\$ 77,546,968	\$	81,378,073	\$ (3,831,105)	-4.7%
<b><u>General Business Taxes</u></b>					
Business Corporations	8,481,410		8,814,423	(333,013)	-3.8%
Public Utilities Gross Earnings	289,135		242,356	46,779	19.3%
Financial Institutions	(18,498)		75,740	(94,238)	-124.4%
Insurance Companies	17,100,529		5,063,004	12,037,525	237.8%
Bank Deposits	11,602		28,508	(16,906)	-59.3%
Health Care Provider Assessment	3,513,588		3,689,898	(176,310)	-4.8%
<b><u>Excise Taxes</u></b>					
Sales and Use	90,961,007		91,762,995	(801,988)	-0.9%
Motor Vehicle	719,953		2,397,391	(1,677,438)	-70.0%
Motor Carrier Fuel Use	(169,380)		(63,399)	(105,981)	167.2%
Cigarettes	11,048,467		11,884,082	(835,615)	-7.0%
Alcohol	2,016,840		1,824,242	192,598	10.6%
<b><u>Other Taxes</u></b>					
Estate and Transfer	3,281,089		3,721,550	(440,461)	-11.8%
Racing and Athletics	78,139		72,790	5,349	7.3%
Realty Transfer	862,412		1,008,109	(145,697)	-14.5%
<b>Total Taxes</b>	<b>\$ 215,723,261</b>	<b>\$</b>	<b>211,899,762</b>	<b>\$ 3,823,499</b>	<b>1.8%</b>
<b><u>Departmental Receipts</u></b>					
Licenses and Fees	\$ 163,794,646	\$	154,412,778	\$ 9,381,868	6.1%
Fines and Penalties	890,864		96,589	794,275	822.3%
Sales and Services	599,528		724,093	(124,565)	-17.2%
Miscellaneous	1,058,407		3,079,169	(2,020,762)	-65.6%
<b>Total Departmental Receipts</b>	<b>\$ 166,343,445</b>	<b>\$</b>	<b>158,312,629</b>	<b>\$ 8,030,816</b>	<b>5.1%</b>
<b>Taxes and Departmentals</b>	<b>\$ 382,066,706</b>	<b>\$</b>	<b>370,212,391</b>	<b>\$ 11,854,315</b>	<b>3.2%</b>
<b><u>Other General Revenue Sources</u></b>					
Other Miscellaneous Revenues	\$ 328	\$	621	\$ (293)	-47.2%
Lottery Transfer	-		-	-	-
Unclaimed Property	-		-	-	-
<b>Total Other Sources</b>	<b>\$ 328</b>	<b>\$</b>	<b>621</b>	<b>\$ (293)</b>	<b>-47.2%</b>
<b>Total General Revenues</b>	<b>\$ 382,067,034</b>	<b>\$</b>	<b>370,213,012</b>	<b>\$ 11,854,022</b>	<b>3.2%</b>

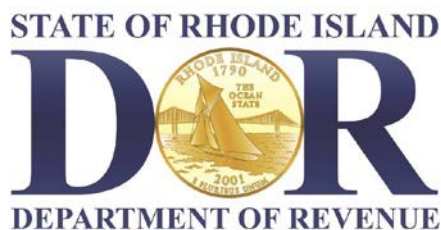
## STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS

3

## Month of July

	FY 2017 Month of July	FY 2016 Month of July	Nominal Difference	% Change
<b><u>Personal Income Tax</u></b>	\$ 77,546,968	\$ 81,378,073	\$ (3,831,105)	-4.7%
<b><u>General Business Taxes</u></b>				
Business Corporations	8,481,410	8,814,423	(333,013)	-3.8%
Public Utilities Gross Earnings	289,135	242,356	46,779	19.3%
Financial Institutions	(18,498)	75,740	(94,238)	-124.4%
Insurance Companies	17,100,529	5,063,004	12,037,525	237.8%
Bank Deposits	11,602	28,508	(16,906)	-59.3%
Health Care Provider Assessment	3,513,588	3,689,898	(176,310)	-4.8%
<b><u>Excise Taxes</u></b>				
Sales and Use	90,961,007	91,762,995	(801,988)	-0.9%
Motor Vehicle	719,953	2,397,391	(1,677,438)	-70.0%
Motor Carrier Fuel Use	(169,380)	(63,399)	(105,981)	167.2%
Cigarettes	11,048,467	11,884,082	(835,615)	-7.0%
Alcohol	2,016,840	1,824,242	192,598	10.6%
<b><u>Other Taxes</u></b>				
Estate and Transfer	3,281,089	3,721,550	(440,461)	-11.8%
Racing and Athletics	78,139	72,790	5,349	7.3%
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<b>Total Taxes</b>	<b>\$ 215,723,261</b>	<b>\$ 211,899,762</b>	<b>\$ 3,823,499</b>	<b>1.8%</b>
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Licenses and Fees	\$ 163,794,646	\$ 154,412,778	\$ 9,381,868	6.1%
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Miscellaneous	1,058,407	3,079,169	(2,020,762)	-65.6%
<b>Total Departmental Receipts</b>	<b>\$ 166,343,445</b>	<b>\$ 158,312,629</b>	<b>\$ 8,030,816</b>	<b>5.1%</b>
<b>Taxes and Departmentals</b>	<b>\$ 382,066,706</b>	<b>\$ 370,212,391</b>	<b>\$ 11,854,315</b>	<b>3.2%</b>
<b><u>Other General Revenue Sources</u></b>				
Other Miscellaneous Revenues	\$ 328	\$ 621	\$ (293)	-47.2%
Lottery Transfer	-	-	-	-
Unclaimed Property	-	-	-	-
<b>Total Other Sources</b>	<b>\$ 328</b>	<b>\$ 621</b>	<b>\$ (293)</b>	<b>-47.2%</b>
<b>Total General Revenues</b>	<b>\$ 382,067,034</b>	<b>\$ 370,213,012</b>	<b>\$ 11,854,022</b>	<b>3.2%</b>

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



**Office of Revenue Analysis**

**State of Rhode Island Cash Collections Report  
 July 2016 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.*

**Cash Flow Differences**

***Fiscal Year-To-Date through July:***

The following cash flow differences between FY 2017 and FY 2016 should be noted:

**FY 2017**

- Fiscal year-to-date personal income tax refunds and adjustments cash collections include \$4.9 million for refunds paid out in July 2016 but accrued back to FY 2016.
- Fiscal year-to-date business corporations tax refunds and adjustments cash collections do not include \$1.5 million in July 2016 refunds that were posted in August 2016.
- Fiscal year-to-date insurance companies gross premiums tax cash collections include \$16.8 million in HMO insurance taxes posted in July 2016 that accrued back to FY 2016.
- Fiscal year-to-date motor carrier fuel use tax cash collections include \$(169,380) in receipts that were incorrectly posted as general revenues. Effective July 1, 2016, revenues generated by the motor carrier fuel use tax are reclassified from general revenues to other funds.
- Fiscal year-to-date realty transfer tax cash collections through July include \$30,335 of net receipts designated for the Housing Resources Commission (HRC). The amount reflects

the difference between the June 2016 transfer that occurred in July 2016 and the July 2016 transfer that will occur in August 2016.

- For the fiscal year-to-date period through July, hospital licensing fee cash collections are \$8.5 million more than the same period in FY 2016. The increase in hospital licensing fee cash collections is due to an increase in the hospital licensing fee rate from 5.745 percent for FY 2015 to 5.862 percent for FY 2016 and the advancement of the hospital licensing fee base from hospital FY 2013 net patient revenues in FY 2015 to hospital FY 2014 net patient revenues in FY 2016. The prior fiscal year hospital licensing fee is received in July of the current year.
- The licenses and fees category of departmental receipts in FY 2017 through July includes a payment of \$276,946 for beach parking fees that was received in July 2016 but accrued to June 2016 of FY 2016.

### FY 2016

- Fiscal year-to-date personal income tax refunds and adjustments cash collections include \$1.4 million of reimbursed Historic Structures Tax Credits (HSTC) which were recorded in July 2015 but accrued back to FY 2015.
- Fiscal year-to-date insurance companies gross premiums tax cash collections include \$4.5 million of reimbursed HSTCs, which were recorded in July 2015 but accrued back to FY 2015.
- Motor vehicle license and registration fees through July of FY 2016 are greater by \$1.7 million compared to motor vehicle license and registration fees through July of FY 2017. Effective July 1, 2016, the percentage of motor vehicle license and registration fees that are transferred to the Rhode Island Highway Maintenance Account (RIHMA) increase from 25 percent to 75 percent. On a fiscal year-to-date basis, the 75 percent transfer to RIHMA has reduced FY 2017 motor vehicle license and registration fees by \$2.2 million, an increase of \$1.4 million compared to the 25 percent transfer in FY 2016 of \$799,130.
- The licenses and fees category of departmental receipts in FY 2016 through July does not include a payment of \$679,646 for beach parking fees in July 2015 that was posted in October 2015.
- Miscellaneous departmental receipts in FY 2016 through July include \$215,960 received in July 2015 from a settlement between the Office of the Attorney General and a credit card provider and \$118,609 in July 2015 from a settlement with a mobile telephone provider for placing third-party service charges on consumers' bills, known as "mobile cramming".
- Year-to-date FY 2016 miscellaneous departmental receipts include \$388,625 in state hotel tax receipts that reflect hotel activity in June 2015. Effective July 1, 2015, the state's share and the statewide tourism district's share of the state 5.0 percent hotel tax were 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 2017 through July and FY 2016 through July:

<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>YTD FY 2017</b>	<b>YTD FY 2016</b>
Personal Income Tax	Refunds paid but accrued to prior year	\$(4,906,957)	\$0
Personal Income Tax	Late reimbursement of HSTCs	\$0	\$1,355,142
Business Corp Tax	Late posting of refunds	\$(1,534,646)	\$0
Ins Gross Premiums Tax	Late HMO payments	\$16,884,511	\$0
Ins Gross Premiums Tax	Late reimbursement of HSTCs	\$0	\$4,450,735
Motor Carrier Fuel Tax	Incorrect posting/transfer to other funds	\$(169,380)	\$(63,399)
MV License & Reg Fees	25% RIHMA transfer increase to 75%	\$0	\$1,677,438
Realty Transfer	Delayed transfer to Housing Resources Comm.	\$30,335	\$0
Departmental Receipts	Hospital licensing fee difference	\$8,504,219	\$0
Departmental Receipts	Late beach parking fee payments	\$276,946	\$(679,646)
Departmental Receipts	AG settlements/recoveries	\$0	\$334,569
Departmental Receipts	State hotel tax transfer to RICC	\$0	\$388,625

***Month of July:***

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

**Historic Structures Tax Credit Reimbursements:**

FY 2017 total Historic Structures Tax Credit redemptions/reimbursements for all taxes through July were \$826,125 compared to \$182,914 reimbursed in FY 2016 through July, an increase of 351.6 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 2017	FY 2016	July 2017	July 2016
Personal Income	\$ 826,125	\$ 182,914	\$ 826,125	\$ 182,914
Business Corporations	0	0	0	0
Financial Institutions	0	0	0	0
Insurance/Non-HMOs	0	0	0	0
Insurance/HMOs	0	0	0	0
Non-Profit Refund	0	0	0	0
<b>Total</b>	<b>\$ 826,125</b>	<b>\$ 182,914</b>	<b>\$ 826,125</b>	<b>\$ 182,914</b>

### **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 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 receipts.

#### ***Fiscal Year-to-Date through July:***

Component	FY 2017	FY 2016	Difference	% Change
Estimated Payments	\$ 5,059,393	\$ 5,877,068	\$ (817,675)	-13.9 %
Final Payments *	3,310,622	3,098,505	212,117	6.8 %
Refunds/Adjustments	(11,017,381) †	(2,165,292) ^	(8,852,088)	408.8 %
Withholding Tax Payments	80,194,333	74,567,792	5,626,541	7.5 %
* Final Payments include Historic Structures Tax Credit (HSTC) reimbursements of \$826,125 in year-to-date FY 2017 and \$182,914 in year-to-date FY 2016.				
† Fiscal 2017 YTD refunds and adjustments include \$4,906,957 in refunds paid out in July 2016 but accrued back to FY 2016.				
^ Fiscal 2016 YTD 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 July:***

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

### **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 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 receipts.

#### ***Fiscal Year-to-Date through July:***

<b>Component</b>	<b>FY 2017</b>	<b>FY 2016</b>	<b>Difference</b>	<b>% Change</b>
Net Taxation	\$ 81,956,982	\$ 82,043,994	\$ (87,013)	-0.1 %
Registry Receipts	7,929,963	8,607,570	(677,606)	-7.9 %
Providence Place Mall	1,072,625	1,106,216	(33,591)	-3.0 %

#### ***Month of July:***

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

### **General Business Taxes**

<b>July</b>	<b>FY 2017</b>	<b>FY 2016</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 29.4 million	\$ 17.9 million	\$ 11.5 million	64.0 %
Month	\$ 29.4 million	\$ 17.9 million	\$ 11.5 million	64.0 %

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 July:***

General business taxes collected through July of FY 2017 increased by 64.0 percent over general business taxes collected through July of FY 2016. FY 2017 general business taxes collected through July were \$29.4 million compared to \$17.9 million collected for the same period in FY 2016, an increase of \$11.5 million.

FY 2017 business corporations tax cash collections through July are \$333,013 below the \$8.8 million of business corporations tax cash collections received in FY 2016 through July.



FY 2017 insurance companies taxes collected through July increased by \$12.0 million or 237.8 percent over the \$5.1 million collected through July of FY 2016. It should be noted that insurance companies gross premiums tax cash collections for FY 2017 through July include \$16.8 million in health insurance (HMO) gross premiums tax payments that were recorded in July 2016 but accrued back to FY 2016. In addition, insurance companies gross premiums tax cash collections for FY 2016 through July include \$4.5 million of reimbursed Historic Structures Tax Credits (HSTCs) that were recorded in July 2015 but accrued back to FY 2015.

***Month of July:***

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

**Business Corporations Tax Cash Collections by Component:**

The tables below are based on data provided by the Division of Taxation and break down business corporations tax cash collections by component on both a fiscal year-to-date and monthly basis. It should be noted that 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 July:***

<b>Component</b>	<b>FY 2017</b>	<b>FY 2016</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 8,105,513	\$ 7,889,829	\$ 215,684	2.7 %
Final Payments	1,365,099	1,613,613	(248,514)	-15.4 %
Refunds/Adjustments	(2,535,370)	(692,328)	(1,843,042)	266.2 %

Business corporations tax refunds and adjustments cash collections were greater by \$(1.8 million) or 266.2 percent in FY 2017 through July compared to the same period last fiscal year. In FY 2017 through July, 293 business corporations tax refunds were paid for a total of \$2.5 million. In FY 2016 through July, 45 refunds were paid for a total of \$570,786. The Division of Taxation's Corporate Tax Section processed more refunds fiscal year-to-date through July compared to the same period last fiscal year in order to reduce the backlog of corporate tax returns.

***Month of July:***

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

### **Excise Taxes Other Than the Sales and Use Tax**

<b>July</b>	<b>FY 2017</b>	<b>FY 2016</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 13.6 million	\$ 16.0 million	\$ (2.4 million)	-15.1 %
Month	\$ 13.6 million	\$ 16.0 million	\$ (2.4 million)	-15.1 %

#### ***Fiscal Year-to-Date through July:***

Excise taxes other than sales and use taxes collected in FY 2017 through July decreased by 15.1 percent from excise taxes other than sales and use taxes collected through July of FY 2016. FY 2017 excise taxes other than sales and use taxes collected through July were \$13.6 million compared to \$16.0 million collected for the same period last fiscal year, a decrease of \$2.4 million. It is important to note that, effective July 1, 2016, the transfer from motor vehicle license and fees general revenues to the Rhode Island Highway Maintenance Account (RIHMA) increased from 25 percent to 75 percent of cash collections. To date in FY 2017, this transfer has totaled \$2.2 million, \$1.4 million more than the transfer of \$799,130 during the same period last fiscal year. In the 2016 session, the General Assembly reclassified revenues generated from the motor carrier fuel use tax from general revenues to other funds effective July 1, 2016. It should be noted that \$(169,380) in motor carrier fuel use tax revenues were incorrectly recorded as general revenues in July 2016.

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. Total cigarettes excise tax cash receipts through July of FY 2017 were \$11.0 million, which is down \$(835,615), or -7.0 percent, compared to the \$11.9 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 July of FY 2017, Rhode Island cigarette sales decreased 14.5 percent compared to the same period last fiscal year.

#### ***Month of July:***

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

### **Other Taxes**

<b>July</b>	<b>FY 2017</b>	<b>FY 2016</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 4.2 million	\$ 4.8 million	\$ (580,809)	-12.1 %
Month	\$ 4.2 million	\$ 4.8 million	\$ (580,809)	-12.1 %

***Fiscal Year-to-Date through July:***

Other taxes collected in FY 2017 through July decreased 12.1 percent from other taxes collected through July of FY 2016. FY 2017 other taxes collected through July were \$4.2 million compared to the \$4.8 million collected in the same period last fiscal year, a decrease of \$580,809. FY 2017 estate and transfer taxes collected through July are down \$440,461, or -11.8 percent, compared to the same period in FY 2016.

FY 2017 realty transfer taxes collected through July were down \$145,697 or -14.5 percent compared to the same period last fiscal year. It should be noted that fiscal year-to-date realty transfer tax cash collections through July include \$30,335 of receipts designated for the Housing Resources Commission (HRC). The amount reflects the difference between the June 2016 transfer that occurred in July 2016 and the July 2016 transfer that will occur in August of 2016.

***Month of July:***

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

**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 July:***

<b>Component</b>	<b>FY 2017</b>	<b>FY 2016</b>	<b>Difference</b>	<b>% Change</b>
Licenses and Fees *	\$ 163,794,646	\$ 154,412,778	\$ 9,381,868	6.1 %
Fines and Penalties	890,864	96,589	794,275	822.3 %
Sales and Services	599,528	724,093	(124,565)	-17.2 %
Miscellaneous	1,058,407	3,079,169	(2,020,762)	-65.6 %
<b>Total</b>	<b>\$ 166,343,445</b>	<b>\$ 158,312,629</b>	<b>\$ 8,030,816</b>	<b>5.1 %</b>
* Licenses and fees cash collections include hospital licensing fees of \$154,710,510 in year-to-date FY 2017 and \$146,206,291 in year-to-date FY 2016.				

Total departmental receipts in FY 2017 through July increased by 5.1 percent compared to total departmental receipts in FY 2016 through July. Fiscal year-to-date total departmental receipts collected in FY 2017 were \$166.3 million compared to \$158.3 million collected for the same period last year, an increase of \$8.0 million.

The licenses and fees category of departmental receipts through July of FY 2017 was up 6.1 percent or \$9.3 million over the \$154.4 million collected through July of FY 2016. Much of the increase in licenses and fees is due to the increase in hospital licensing fee cash collections. For the fiscal year-to-date period through July, hospital licensing fee cash collections are \$8.5

million more than the same period in FY 2016. The increase in hospital licensing fee cash collections is due to an increase in the hospital licensing fee rate from 5.745 percent for FY 2015 to 5.862 percent for FY 2016 and the advancement of the hospital licensing fee base from hospital FY 2013 net patient revenues in FY 2015 to hospital FY 2014 net patient revenues in FY 2016. The prior fiscal year hospital licensing fee is received in July of the current year. Additionally, part of the increase in licenses and fees is due to the expense recovery account for public utilities being up \$1.2 million in FY 2017 through July compared to the same period last fiscal year. In the enacted FY 2017 budget, signed into law by Governor Raimondo on June 15, 2016, parking fees at state beaches were reduced by 50.0 percent. Cash collections for beach parking fees are up \$414,102 in FY 2017 through July compared to FY 2016 through July. It should be noted that FY 2017 through July beach parking fees include a payment of \$276,946 received in July 2016 that accrued back to June 2016. Further, FY 2016 through July beach parking fees cash collections do not include a \$679,646 payment for activity in July 2015 that was posted in October 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.

The fines and penalties category of departmental receipts through July of FY 2017 was up \$794,275 or 822.3 percent over the \$96,589 collected through July of FY 2016. Much of this increase can be accounted for by cash collections from the Rhode Island Traffic Tribunal being up \$591,038 in FY 2017 through July compared to FY 2016 through July as a result of the implementation of a new case management system. Additionally, there is \$93,400 in insurance verification license reinstatement fees that were enacted in August 2015 of FY 2016.

The sales and services category of departmental receipts through July of FY 2017 was down \$124,565 or -17.2 percent from the \$724,093 collected through July of FY 2016. Much of this can be accounted for by clinical testing sales being down \$97,552 in FY 2017 through July compared to the same fiscal period last year.

FY 2017 miscellaneous departmental receipts through July are down \$2.0 million or -65.6 percent compared to cash collections through July of FY 2016. Much of the decrease in miscellaneous departmental receipts can be accounted for by a Department of Health cost recovery account being down \$1.2 million in FY 2017 through July compared to the same period last fiscal year. Miscellaneous departmental receipts in FY 2016 through July include \$215,960 received in July 2015 from a settlement between the Office of the Attorney General and a credit card provider and \$118,609 in July 2015 from a settlement with a mobile telephone provider for placing third-party service charges on consumers' bills, known as "mobile cramming". 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 effective July 1, 2015. As hotel tax receipts, in general, reflect activity for the prior month, the first transfer to the RICC from the legislative change occurred in August 2015. Due to this transfer, state hotel tax revenues are down \$388,625 in FY 2017 through July compared to the same period last fiscal year.

***Month of July:***

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

**Motor Fuel Tax, Per Penny Yield**

<b>July</b>	<b>FY 2017</b>	<b>FY 2016</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 398,311	\$ 373,119	\$ 25,192	6.8 %
Month	\$ 398,311	\$ 373,119	\$ 25,192	6.8 %

In FY 2017, the State's motor fuel tax consists of a \$0.33 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. These tax rates were the same in FY 2016 except for the July 2015 receipts which were based on the FY 2015 motor fuel tax rates of \$0.32 per gallon and \$0.01 per gallon respectively. The revenue change from the one cent increase in the motor fuel excise tax, effective July 1, 2015, was not realized in the motor fuel tax cash collections until August 2015. 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 July:***

The per penny yield of the state's motor fuel tax collected in FY 2017 through July is \$25,192 more than in FY 2016 through July. This represents an increase of 6.8 percent between the two fiscal year-to-date periods. For FY 2017 through July, the per-penny yield was \$398,311 versus \$373,119 for FY 2016 through July.

***Month of July:***

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

**Lottery Transfer Cash Collections by Component**

The lottery transfer to the general fund does not commence until August of each fiscal year when July lottery receipts are transferred.

Robert S. Hull, Director  
Rhode Island Department of Revenue  
September 29, 2016