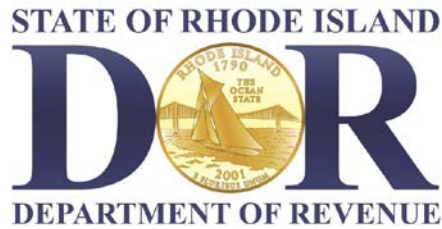


*STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS*  
**GOVERNOR GINA M. RAIMONDO**



**Office of Revenue Analysis**

**FY 2019 Cash Collections Report as of January 2019 Summary**

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

FY 2019 total general revenue cash collections through January were \$2.4 billion, up \$160.5 million, or 7.3 percent, over the same period in FY 2018. The breakdown by major revenue components is as follows:

<b>Component</b>	<b>FY 2019</b>	<b>FY 2018 *</b>	<b>Difference</b>	<b>% Change</b>
Personal Income Tax	\$ 822,090,467	\$ 837,512,579	\$ (15,422,112)	-1.8 %
Sales and Use Taxes	676,965,723	633,431,380	43,534,343	6.9 %
Departmental Receipts	299,161,395	269,985,248	29,176,147	10.8 %
Lottery Transfer	222,961,859	179,993,231	42,968,628	23.9 %
All Other Revenues	340,540,960	280,256,911	60,284,049	21.5 %
<b>Total General Revenues</b>	<b>\$ 2,361,720,404</b>	<b>\$ 2,201,179,349</b>	<b>\$ 160,541,055</b>	<b>7.3 %</b>

\* FY 2018 YTD figures include \$9.1 million received under the 2017 Tax Amnesty program. Net of FY 2018 YTD tax amnesty receipts, the growth rate is 7.7 percent.

***Month of January:***

January 2019 total general revenue cash collections were \$350.4 million, up \$6.6 million, or 1.9 percent, over January 2018. The breakdown by major revenue components is as follows:

<b>Component</b>	<b>January 2019</b>	<b>January 2018 *</b>	<b>Difference</b>	<b>% Change</b>
Personal Income Tax	\$ 156,579,653	\$ 161,225,854	\$ (4,646,201)	-2.9 %
Sales and Use Taxes	104,656,450	94,112,405	10,544,045	11.2 %
Departmental Receipts	26,412,726	30,817,986	(4,405,260)	-14.3 %
Lottery Transfer	33,652,084	28,188,850	5,463,234	19.4 %
All Other Revenues	29,130,991	29,534,430	(403,439)	-1.4 %
<b>Total General Revenues</b>	<b>\$ 350,431,904</b>	<b>\$ 343,879,525</b>	<b>\$ 6,552,379</b>	<b>1.9 %</b>

\* January 2018 figures include \$4.7 million received under the 2017 Tax Amnesty program. Net of January tax amnesty receipts, the growth rate is 3.3 percent.

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

2

	FY 2019 YTD January	FY 2018 YTD January	Nominal Difference	Change
<b><u>Personal Income Tax</u></b>	\$ 822,090,467	\$ 837,512,579	\$ (15,422,112)	-1.8%
<b><u>General Business Taxes</u></b>				
Business Corporation	80,055,589	41,230,806	38,824,783	94.2%
Public Utilities Gross Earnings	45,069,002	3,914,249	41,154,753	1,051.4%
Financial Institutions	6,271,000	3,821,605	2,449,395	64.1%
Insurance Companies	44,459,830	5,153,162	39,306,668	762.8%
Bank Deposits	1,372,393	6,730	1,365,663	20,292.2%
Health Care Provider Assessment	25,948,218	26,069,079	(120,861)	-0.5%
<b><u>Excise Taxes</u></b>				
Sales and Use	676,965,723	633,431,380	43,534,343	6.9%
Motor Vehicle	619,079	4,447,335	(3,828,256)	-86.1%
Cigarettes	85,608,057	87,619,277	(2,011,220)	-2.3%
Alcohol	12,534,107	12,026,073	508,034	4.2%
Controlled Substances	3,000	8,000	(5,000)	-62.5%
<b><u>Other Taxes</u></b>				
Estate and Transfer	27,169,970	85,188,628	(58,018,658)	-68.1%
Racing and Athletics	619,478	590,362	29,116	4.9%
Realty Transfer	9,961,473	8,353,640	1,607,833	19.2%
<b>Total Taxes</b>	<b>\$ 1,838,747,386</b>	<b>\$ 1,749,372,905</b>	<b>\$ 89,374,481</b>	<b>5.1%</b>
<b><u>Departmental Receipts</u></b>				
Licenses and Fees	\$ 255,666,092	\$ 230,707,284	\$ 24,958,808	10.8%
Fines and Penalties	22,910,908	20,914,011	1,996,897	9.5%
Sales and Services	6,112,752	5,538,882	573,870	10.4%
Miscellaneous	14,471,643	12,825,071	1,646,572	12.8%
<b>Total Departmental Receipts</b>	<b>\$ 299,161,395</b>	<b>\$ 269,985,248</b>	<b>\$ 29,176,147</b>	<b>10.8%</b>
<b>Taxes and Departmentals</b>	<b>\$ 2,137,908,781</b>	<b>\$ 2,019,358,153</b>	<b>\$ 118,550,628</b>	<b>5.9%</b>
<b><u>Other General Revenue Sources</u></b>				
Other Miscellaneous Revenues	\$ 849,764	\$ 1,827,965	\$ (978,201)	-53.5%
Lottery Transfer	222,961,859	179,993,231	42,968,628	23.9%
Unclaimed Property	-	-	-	-
<b>Total Other Sources</b>	<b>\$ 223,811,623</b>	<b>\$ 181,821,196</b>	<b>\$ 41,990,427</b>	<b>23.1%</b>
<b>Total General Revenues</b>	<b>\$ 2,361,720,404</b>	<b>\$ 2,201,179,349</b>	<b>\$ 160,541,055</b>	<b>7.3%</b>

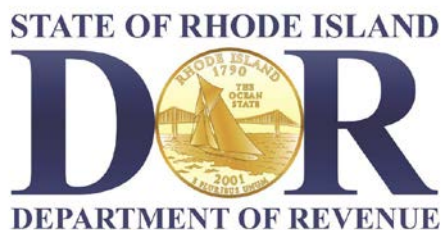
## STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS

3

## Month of January

	FY 2019 Month of January	FY 2018 Month of January	Nominal Difference	% Change
<b><u>Personal Income Tax</u></b>	\$ 156,579,653	\$ 161,225,854	\$ (4,646,201)	-2.9%
<b><u>General Business Taxes</u></b>				
Business Corporation	6,958,826	5,062,805	1,896,021	37.5%
Public Utilities Gross Earnings	422,397	1,023,241	(600,844)	-58.7%
Financial Institutions	215,320	(45,357)	260,677	-574.7%
Insurance Companies	209,209	539,491	(330,282)	-61.2%
Bank Deposits	598	6,730	(6,132)	-91.1%
Health Care Provider Assessment	3,864,591	4,303,127	(438,536)	-10.2%
<b><u>Excise Taxes</u></b>				
Sales and Use	104,656,450	94,112,405	10,544,045	11.2%
Motor Vehicle	78,375	668,401	(590,026)	-88.3%
Cigarettes	12,053,082	12,840,273	(787,191)	-6.1%
Alcohol	2,080,584	1,574,532	506,052	32.1%
Controlled Substances	-	8,000	(8,000)	-
<b><u>Other Taxes</u></b>				
Estate and Transfer	2,079,864	1,972,160	107,704	5.5%
Racing and Athletics	107,754	83,618	24,136	28.9%
Realty Transfer	978,241	1,483,427	(505,186)	-34.1%
<b>Total Taxes</b>	<b>\$ 290,284,944</b>	<b>\$ 284,858,707</b>	<b>\$ 5,426,237</b>	<b>1.9%</b>
<b><u>Departmental Receipts</u></b>				
Licenses and Fees	\$ 12,335,730	\$ 19,121,503	\$ (6,785,773)	-35.5%
Fines and Penalties	10,977,867	9,374,468	1,603,399	17.1%
Sales and Services	1,271,664	702,365	569,299	81.1%
Miscellaneous	1,827,465	1,619,650	207,815	12.8%
<b>Total Departmental Receipts</b>	<b>\$ 26,412,726</b>	<b>\$ 30,817,986</b>	<b>\$ (4,405,260)</b>	<b>-14.3%</b>
<b>Taxes and Departmentals</b>	<b>\$ 316,697,670</b>	<b>\$ 315,676,693</b>	<b>\$ 1,020,977</b>	<b>0.3%</b>
<b><u>Other General Revenue Sources</u></b>				
Other Miscellaneous Revenues	\$ 82,150	\$ 13,982	\$ 68,168	487.5%
Lottery Transfer	33,652,084	28,188,850	5,463,234	19.4%
Unclaimed Property	-	-	-	-
<b>Total Other Sources</b>	<b>\$ 33,734,234</b>	<b>\$ 28,202,832</b>	<b>\$ 5,531,402</b>	<b>19.6%</b>
<b>Total General Revenues</b>	<b>\$ 350,431,904</b>	<b>\$ 343,879,525</b>	<b>\$ 6,552,379</b>	<b>1.9%</b>

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



Office of Revenue Analysis

FY 2019 State of Rhode Island Cash Collections Report  
January 2019 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 (ORA) has modified the Cash Collections Report to shorten it without sacrificing any detailed information that might be of interest to users of the report. Specifically, ORA has moved the written portion of the cash flow differences section into the individual revenue item sections. For example, cash flow differences for personal income tax are listed under the personal income tax by component table. ORA has provided a linked page number in the cash flow differences table to assist readers in finding these disaggregated cash flow differences sections within the body of the report. Additionally, ORA was able to determine the amount of sales and use tax generated by meals and beverages prepared away from home and sold for immediate consumption. This information is now included in the sales and use tax cash collections by component table, along with total non-motor vehicle sales and use taxes less the sales and use tax collections from meals and beverages. Finally, ORA has decided to provide figures for the general business taxes less business corporation tax. Data on business corporation tax cash collections by component immediately follows the sales and use tax cash collections by component section.

## Cash Flow Differences

In the following *Fiscal Year-To-Date through January* and the *Month of January* cash flow differences tables, ORA has only included entries for general revenue items that received greater than \$100,000 from the 2017 Tax Amnesty program in the respective periods. Please see the appendix for more information on all general revenue items that received funds from the 2017 Tax Amnesty program in fiscal year-to-date FY 2018 and January 2018.

### *Fiscal Year-To-Date through January:*

The following table displays the differences in cash flows for FY 2019 through January and FY 2018 through January:

<b>Page Number</b>	<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>YTD FY 2019</b>	<b>YTD FY 2018</b>
<a href="#">9 / 9</a>	Personal Income Tax	FY 2019 correction for prior period payments transferred from bus corp tax	\$3,486,675	\$(2,430,470)
<a href="#">9</a>	Personal Income Tax	Large withholding payment(s) in Jan 2019	\$5,772,127	\$0
<a href="#">9</a>	Personal Income Tax	Large estimated payment(s) in Sept 2017	\$0	\$2,511,323
<a href="#">9</a>	Personal Income Tax	FY 2018 correction for prior period payments transferred from bus corp tax	\$0	\$3,268,041
<a href="#">28</a>	Personal Income Tax	2017 Tax Amnesty	\$0	\$3,999,477
<a href="#">12 / 13</a>	Business Corp Tax	FY 2019 correction for prior period payments transferred to pers inc tax	\$(3,486,675)	\$2,430,470
<a href="#">13 / 13</a>	Business Corp Tax	FY 2019 correction for prior period payments transferred to financial inst tax	\$(2,950,000)	\$1,300,000
<a href="#">13</a>	Business Corp Tax	FY 2019 correction for prior period payment(s) transferred to insurance tax	\$(164,000)	\$0
<a href="#">13</a>	Business Corp Tax	FY 2018 correction for prior period payments transferred to pers inc tax	\$0	\$(3,268,041)
<a href="#">13</a>	Business Corp Tax	FY 2018 correction for prior period payments transferred to financial inst tax	\$0	\$(985,000)
<a href="#">28</a>	Business Corp Tax	2017 Tax Amnesty	\$0	\$752,138
<a href="#">16 / 16</a>	Financial Inst Tax	FY 2019 correction for prior period payments transferred from bus corp tax	\$2,950,000	\$(1,300,000)
<a href="#">16</a>	Financial Inst Tax	FY 2018 correction for prior period payments transferred from bus corp tax	\$0	\$985,000
<a href="#">28</a>	Financial Inst Tax	2017 Tax Amnesty	\$0	\$105,255
<a href="#">16</a>	Ins Gross Premiums Tax	FY 2019 correction for prior period payment(s) transferred from bus corp tax	\$164,000	\$0

<b>Page Number</b>	<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>YTD FY 2019</b>	<b>YTD FY 2018</b>
<a href="#">16</a>	Ins Gross Premiums Tax	Jul 2017 reimbursement of redeemed HSTCs accrued to FY 2017	\$0	\$1,297,387
<a href="#">11</a>	Sales and Use Tax	Oct 2018 transfer from meals and beverage tax due to prior period audits	\$535,423	\$0
<a href="#">11</a>	Sales and Use Tax	Audit payment(s)	\$0	\$500,000
<a href="#">28</a>	Sales and Use Tax	2017 Tax Amnesty	\$0	\$1,112,097
<a href="#">18</a>	MV License & Reg Fees	State's share of June 2018 receivable	\$36,568	\$0
<a href="#">18</a>	MV License & Reg Fees	Change in transfer to RIHMA of MV license and reg fees	\$0	\$3,864,823
<a href="#">19 / 19</a>	Estate and Transfer	Large, infrequent payment(s) received in fiscal year-to-date	\$5,085,000	\$67,221,075
<a href="#">28</a>	Estate and Transfer	2017 Tax Amnesty	\$0	\$1,646,892
<a href="#">19</a>	Realty Transfer Tax	Large, infrequent controlling interest payment(s) received in Aug 2018	\$1,166,958	\$0
<a href="#">22</a>	Departmental Receipts	Hospital licensing fee incr. from 5.652% to 5.856 % and advance base	\$14,432,903	\$0
<a href="#">22</a>	Departmental Receipts	Payment made to Providence in Aug 2018 that accrued to FY 2018	\$(537,270)	\$0
<a href="#">22</a>	Departmental Receipts	Missing payment(s) to child support enforcement collections	\$(290,284)	\$0
<a href="#">22</a>	Departmental Receipts	Late payment(s) to Rhode Island Veterans Home	\$0	\$307,416
<a href="#">26</a>	Lottery Transfer	Overpayment to the general fund	\$27,171,427	\$0
<a href="#">26</a>	Lottery Transfer	Receipt of prior year revenues	\$0	\$1,910,826

**Month of January:**

The following table displays the differences in cash flows for January 2019 and January 2018:

<b>Page Number</b>	<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>January 2019</b>	<b>January 2018</b>
<a href="#">10</a>	Personal Income Tax	Large withholding payment(s)	\$5,772,127	\$0
<a href="#">10</a>	Personal Income Tax	Jan 2018 correction for prior period payments transferred to bus corp tax	\$0	\$(170,000)
<a href="#">29</a>	Personal Income Tax	2017 Tax Amnesty	\$0	\$2,081,225
<a href="#">14</a>	Business Corp Tax	Jan 2018 correction for prior period payments transferred from pers inc tax	\$0	\$170,000
<a href="#">14</a>	Business Corp Tax	Payment(s) posted to business corporation tax instead of fin inst tax	\$0	\$800,000
<a href="#">29</a>	Business Corp Tax	2017 Tax Amnesty	\$0	\$368,372
<a href="#">17</a>	Financial Inst Tax	Payment(s) posted to business corporation tax instead of financial inst tax	\$0	\$(800,000)
<a href="#">29</a>	Sales and Use Tax	2017 Tax Amnesty	\$0	\$529,824
<a href="#">19</a>	MV License & Reg Fees	Change in transfer to RIHMA of MV license and reg fees	\$0	\$590,026
<a href="#">29</a>	Estate and Transfer	2017 Tax Amnesty	\$0	\$1,646,892
<a href="#">23</a>	Departmental Receipts	Hospital licensing fee incr. from 5.652% to 5.856 % and advance base	\$(323,142)	\$0
<a href="#">24</a>	Departmental Receipts	Securities license fees payment(s) posted one month early	\$(9,125,095)	\$0
<a href="#">24</a>	Departmental Receipts	PUC delay in invoices	\$464,938	\$0
<a href="#">24</a>	Departmental Receipts	Missing payment(s) to child support enforcement collections	\$(290,284)	\$0
<a href="#">24</a>	Departmental Receipts	Late payment(s) to the Rhode Island Veterans Home	\$0	\$307,416

### **Historic Structures Tax Credit Reimbursements:**

FY 2019 total Historic Structures Tax Credit (HSTC) redemptions/reimbursements for all taxes through January were \$2.9 million compared to \$6.3 million reimbursed in FY 2018 through January, a decrease of 53.7 percent. January 2019 HSTC redemptions/reimbursements for all taxes were \$182,235, \$42,253 more than the \$139,982 reimbursed in January 2018, which is an increase of 30.2 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 2019	FY 2018	January 2019	January 2018
Personal Income	\$ 2,702,419	\$ 3,613,245	\$ 182,235	\$ 139,982
Business Corporation	16,357	504,080	0	0
Financial Institutions	0	0	0	0
Insurance/Non-HMOs	0	0	0	0
Insurance/HMOs	0	1,297,387	0	0
Non-Profit Refund	203,379	900,000	0	0
<b>Total</b>	<b>\$ 2,922,155</b>	<b>\$ 6,314,712</b>	<b>\$ 182,235</b>	<b>\$ 139,982</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. Please see the cash flow differences table below for information on cash flow anomalies between year-to-date FY 2019 and year-to-date FY 2018.

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

Component	FY 2019	FY 2018	Difference	% Change
Estimated Payments	\$ 136,271,767	\$ 172,653,887	\$ (36,382,120)	-21.1 %
Final Payments *	40,290,269	35,752,570	4,537,699	12.7 %
Refunds/Adjustments	(57,230,630)	(51,136,379)	(6,094,251)	11.9 %
Withholding Tax Payments	702,759,062	680,242,501	22,516,561	3.3 %
* Includes HSTC reimbursements of \$2.7 million in FY 2019 YTD and \$3.6 million in FY 2018 YTD.				



Cash Flow Differences:

FY 2019

- Refunds and adjustments include \$3.5 million for net transfers between personal income tax and business corporation tax to correct for payments received in prior periods as listed below:
  - \$288,275 for September 2018 transfers to correct for payments paid in September 2017 and March 2018 to business corporation tax instead of personal income tax;
  - \$3.3 million for October 2018 transfers to correct for payments paid in FY 2017 – FY 2018 to business corporation tax instead of personal income tax;
  - \$150,000 for a December 2018 transfer to correct for payment(s) paid in June 2015 to personal income tax instead of business corporation tax.
- Withholding tax payments include \$5.8 million in large payment(s) received in January 2018.

FY 2018

- Year-to-date FY 2018 finals and estimated payments do not include \$2.4 million in payments incorrectly paid to business corporation tax. These payments were corrected for in September and October 2018 as follows:
  - \$163,000 in September 2018 to correct for payment(s) received in September 2017;
  - \$2,267,470 in October 2018 to correct for payment(s) received in September and December 2017.
- FY 2018 year-to-date personal income tax cash collections include large, infrequent estimated payment(s) of \$2.5 million.
- Refunds and adjustments include a net \$3.3 million for transfers between personal income tax and business corporation tax to correct for payments received in prior periods as listed below:
  - \$120,564 for a July 2017 transfer to correct for payment(s) received in July 2016 that were made to business corporation tax instead of personal income tax;
  - \$459,309 for an August 2017 transfer to correct for payments received in March and April 2016 that were made to business corporation tax instead of personal income tax;
  - \$2,858,168 for November 2017 transfers to correct for payments received in FY 2015 – FY 2017 that were made to business corporation tax instead of personal income tax;
  - \$170,000 for a January 2018 transfer to correct for payment(s) received in September 2016 that were made to personal income tax instead of business corporation tax.
- Personal income tax includes a net \$4.0 million in funds received from the 2017 Tax Amnesty program in year-to-date FY 2018.
  - \$3.9 million was received in final payments in January 2018, \$725,796 of which was collected in interest on overdue taxes and transferred to departmental receipts fines and penalties in April 2018;

- Included in year-to-date FY 2018 refunds and adjustments is a transfer of \$1.0 million in interest on overdue taxes that was collected in December 2017 and transferred to departmental receipts fines and penalties in January 2018;
- \$128,942 was received in withholding payments in January 2018, \$28,992 of which was collected in interest on overdue taxes and transferred to departmental receipts fines and penalties in April 2018.

***Month of January:***

<b>Component</b>	<b>January 2019</b>	<b>January 2018</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 52,430,260	\$ 64,056,449	\$ (11,626,189)	-18.1 %
Final Payments *	4,279,239	4,442,006	(162,768)	-3.7 %
Refunds/Adjustments	(10,811,708)	(10,507,340)	(304,368)	2.9 %
Withholding Tax Payments	110,681,863	103,234,739	7,447,124	7.2 %
* Includes HSTC reimbursements of \$182,235 in January 2019 and \$139,982 in January 2018.				

***Cash Flow Differences:***

**January 2019**

- Withholding tax payments include \$5.8 million in large payment(s).

**January 2018**

- January 2018 includes a transfer of \$170,000 for payment(s) incorrectly paid to personal income tax instead of business corporation tax in September 2016.
- Personal income tax includes \$2.1 million in funds received from the 2017 Tax Amnesty program in January 2018.
  - \$2.0 million was received in final payments in January 2018, \$725,796 of which was collected in interest on overdue taxes and transferred to departmental receipts fines and penalties in April 2018;
  - Included in refunds and adjustments is a transfer of \$1.0 million in interest on overdue taxes that was collected in December 2017 and transferred to departmental receipts fines and penalties in January 2018;
  - \$85,513 was received in withholding payments in January 2018, \$28,992 of which was collected in interest on overdue taxes and transferred to departmental receipts fines and penalties in April 2018.

**Sales and Use Tax 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 January:***

<b>Component</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>Difference</b>	<b>% Change</b>
Net Taxation	\$ 598,559,701	\$ 561,715,194	\$ 36,844,508	6.6 %
Providence Place Mall	9,586,070	9,047,556	538,513	6.0 %
<b>Total Non-Motor Vehicle (MV)</b>	<b>\$ 608,145,771</b>	<b>\$ 570,762,750</b>	<b>\$ 37,383,021</b>	<b>6.5 %</b>
Meals and Beverage (M&B)	125,029,225	123,426,604	1,602,621	1.3 %
<b>Total Non-MV Less M&amp;B</b>	<b>\$ 483,116,546</b>	<b>\$ 447,336,145</b>	<b>\$ 35,780,400</b>	<b>8.0 %</b>
Motor Vehicle Use Tax Receipts*	\$ 68,845,946	\$ 62,915,577	\$ 5,930,369	9.4 %
* Previously referred to as Registry Receipts.				

***Cash Flow Differences:*****FY 2019**

- FY 2019 year-to-date sales and use tax cash collections include transfer(s) of \$535,423 from meals and beverage tax in October 2018 associated with prior year audit(s).

**FY 2018**

- FY 2018 year-to-date sales and use tax cash collections include payment(s) of \$500,000 associated with the audit of prior year sales and use taxes incurred.
- Net taxation receipts in year-to-date FY 2018 include a net \$1.1 million received from the 2017 Tax Amnesty program.
  - Of that figure, \$182,675 was collected in interest on overdue taxes in January 2018 and transferred to departmental receipts fines and penalties in April 2018.
  - Also included in net taxation receipts is a transfer of \$145,040 in interest on overdue taxes collected in December 2017 and transferred to departmental receipts fines and penalties in January 2018.

***Month of January:***

<b>Component</b>	<b>January 2019</b>	<b>January 2018</b>	<b>Difference</b>	<b>% Change</b>
Net Taxation	\$ 92,071,560	\$ 83,613,321	\$ 8,458,239	10.1 %
Providence Place Mall	2,111,105	1,898,301	212,803	11.2 %
<b>Total Non-Motor Vehicle (MV)</b>	<b>\$ 94,182,664</b>	<b>\$ 85,511,622</b>	<b>\$ 8,671,042</b>	<b>10.1 %</b>
Meals and Beverage (M&B)	17,415,023	15,454,900	1,960,123	12.7 %
<b>Total Non-MV Less M&amp;B</b>	<b>\$ 76,767,642</b>	<b>\$ 70,056,722</b>	<b>\$ 6,710,919</b>	<b>9.6 %</b>
Motor Vehicle Use Tax Receipts*	\$ 10,509,556	\$ 8,836,488	\$ 1,673,068	18.9 %
* Previously referred to as Registry Receipts.				

## January 2018

- Net taxation receipts include a net \$529,824 received from the 2017 Tax Amnesty program.
  - Of that figure, \$182,675 was collected in interest on overdue taxes in January 2018 and transferred to departmental receipts fines and penalties in April 2018.
  - Also included in net taxation receipts is a transfer of \$145,040 in interest on overdue taxes collected in December 2017 and transferred to departmental receipts fines and penalties in January 2018.

### **Business Corporation Tax Cash Collections by Component:**

Effective for tax years beginning on or after January 1, 2018, businesses with Rhode Island tax liabilities will make estimated payments equal to 25 percent of their expected tax year liabilities in April, June, September, and December. This estimated payments schedule is in contrast to the estimated payments schedule of 40 percent of expected total tax liability due in March and 60 percent of expected total tax liability due in June that was in place for tax years ending on or before December 31, 2017.

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 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. Please see the cash flow differences table below for information on cash flow anomalies between year-to-date FY 2019 and year-to-date FY 2018.

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

<b>Component</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 62,765,945	\$ 41,440,577	\$ 21,325,369	51.5 %
Final Payments *	40,735,196	20,516,729	20,218,466	98.5 %
Refunds/Adjustments	(23,573,871)	(20,778,950)	(2,794,921)	13.5 %
* Includes HSTC reimbursements of \$16,357 in FY 2019 YTD and \$504,080 in FY 2018 YTD.				

#### **Cash Flow Differences:**

##### FY 2019

- Refunds and adjustments include net transfers from business corporation tax to personal income tax of \$3.5 million to correct for payments received in prior periods as listed below:
  - \$288,275 for a September 2018 transfer to correct for payments paid in September 2017 and March 2018 to business corporation tax instead of personal income tax;
  - \$3.3 million for an October 2018 transfer to correct for payments paid in FY 2017 – FY 2018 to business corporation tax instead of personal income tax;

- \$150,000 for a December 2018 transfer to correct for payment(s) made in June 2015 to personal income tax instead of business corporation tax.
- Refunds and adjustments include transfers of \$3.0 million to financial institutions tax to correct for payments received in prior periods as listed below:
  - \$800,000 for an August 2018 transfer to correct for payment(s) received in January 2018;
  - \$1,575,000 for a September 2018 transfer to correct for payments received in FY 2016 – FY 2018;
  - \$575,000 for a December 2018 transfer to correct for payment(s) received in March 2017.
- Refunds and adjustments include a transfer of \$164,000 to insurance company gross premiums tax to correct for payment(s) received in March 2017.

#### FY 2018

- Year-to-date FY 2018 finals and estimated payments include \$2.4 million in payments incorrectly paid to business corporation tax instead of personal income tax. These payments were as follows:
  - \$163,000 received in September 2017 and were corrected for in September 2018;
  - \$2,267,470 received in September and December 2017 and were corrected for in October 2018.
- Year-to-date FY 2018 estimated payments include \$1.3 million in payment(s) incorrectly paid to business corporation tax instead of financial institutions tax as follows:
  - \$500,000 in December 2017 that were corrected for in September 2018;
  - \$800,000 in January 2018 that were corrected for in August 2018.
- Refunds and adjustments include net transfers between business corporation tax and personal income tax of \$3.3 million to correct for payments received in prior periods as listed below:
  - \$120,564 for a July 2017 transfer to correct for payment(s) received in July 2016 that were incorrectly paid to business corporation tax instead of personal income tax;
  - \$459,309 for an August 2017 transfer to correct for payments received in March and April 2016 that were incorrectly paid to business corporation tax instead of personal income tax;
  - \$2.9 million for November 2017 transfers to correct for payments received in FY 2015 – FY 2017 that were incorrectly paid to business corporation tax instead of personal income tax;
  - \$170,000 for a January 2018 transfer to correct for payment(s) received in September 2016 that were incorrectly paid to personal income tax instead of business corporation tax.
- Refunds and adjustments include transfers to financial institutions tax of \$985,000 to correct for payments received in prior periods as listed below:
  - \$500,000 for a November 2017 transfer to correct for payment(s) received in January 2017;

- \$485,000 for a December 2017 transfer to correct for payment(s) of \$275,000 received in June 2015 and payment(s) of \$210,000 received in March 2017.
- Included in year-to-date FY 2018 is a net \$752,138 received from the 2017 Tax Amnesty program in January 2018.
  - Of that figure, \$73,495 was collected in interest on overdue taxes in January 2018 and transferred to departmental receipts fines and penalties in April 2018.
  - Also included in refunds and adjustments is a transfer of \$133,797 in interest on overdue taxes collected in December 2017 and transferred to departmental receipts fines and penalties in January 2018.

***Month of January:***

<b>Component</b>	<b>January 2019</b>	<b>January 2018</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 7,613,998	\$ 4,834,808	\$ 2,779,190	57.5 %
Final Payments	5,132,435	2,967,584	2,164,851	72.9 %
Refunds/Adjustments	(5,788,847)	(2,740,191)	(3,048,657)	111.3 %

***Cash Flow Differences:***

**January 2019**

- Refunds and adjustments include a transfer of \$150,000 from personal income tax to correct for estimated payment(s) received in June 2015.
- Refunds and adjustments include a transfer of \$575,000 to financial institutions tax to correct for extension payment(s) received in March 2017.
- Refunds and adjustments include a transfer of \$164,000 to insurance company gross premiums tax to correct for estimated payment(s) received in March 2017.

**January 2018**

- Business corporation tax cash collections include \$800,000 in payment(s) incorrectly paid to business corporation tax instead of financial institutions tax. These payment(s) were corrected for in August 2018.
- Business corporation tax cash collections include a transfer of \$170,000 from personal income tax to business corporation tax in January 2018 to correct for payment(s) received in September 2016.
- Business corporation tax cash collections include a net \$368,372 received from the 2017 Tax Amnesty program in January 2018.
  - Of that figure, \$73,495 was collected in interest on overdue taxes in January 2018 and transferred to departmental receipts fines and penalties in April 2018.
  - Included in refunds and adjustments is a transfer of \$133,797 in interest on overdue taxes that was collected in December 2018 and transferred to departmental receipts fines and penalties in January 2018.

### **General Business Taxes Other than Business Corporation Tax**

<b>January</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 123,120,443	\$ 38,964,825	\$ 84,155,618	216.0 %
Month	\$ 4,712,115	\$ 5,827,232	\$ (1,115,117)	-19.1 %

Effective for tax years beginning on or after January 1, 2018, businesses with Rhode Island tax liabilities will make estimated payments equal to 25 percent of their expected tax year liabilities in April, June, September, and December. The current estimated payments schedule is in contrast to the estimated payments schedule of 40 percent of expected total tax liability due in March and 60 percent of expected total tax liability due in June that was in place for tax years ending on or before December 31, 2017. There is one exception to this payment pattern, namely the health care provider assessment, payments of which are made on a monthly basis. As a result, health care provider assessments flow more evenly into the general fund over the course of a fiscal year. Please see the cash flow differences table below for information on cash flow anomalies between year-to-date FY 2019 and year-to-date FY 2018.

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

General business taxes other than business corporation tax collected through January of FY 2019 increased by 216.0 percent over general business taxes other than business corporation tax collected through January of FY 2018. FY 2019 general business taxes other than business corporation tax collected through January were \$123.1 million compared to \$39.0 million collected for the same period in FY 2018, an increase of \$84.2 million.

The following general business taxes categories showed significant increases in cash collections on a fiscal year-to-date basis. These increases are believed to be due largely to the change in the estimated payments schedule noted above:

- Public utilities gross earnings tax cash collections of \$45.1 million were \$41.2 million more than the \$3.9 million collected in FY 2018 through January;
- Financial institutions tax cash collections were \$2.4 million more than the \$3.8 million collected during the same period last fiscal year;
- Insurance company gross premiums tax cash collections of \$44.5 million were \$39.3 million more than the \$5.2 million received on a year-to-date basis in FY 2018;
- Bank deposits tax cash collections were \$1.4 million more than in FY 2018 through January when \$6,730 was received from bank deposits taxpayers.

The FY 2019 year-to-date through January health care provider assessment cash collections were \$25.9 million, \$120,861 less than the \$26.1 million collected in the same period last fiscal year. This is a decrease of 0.5 percent on a fiscal year-to-date-over-fiscal year-to-date basis.

Cash Flow Differences:

FY 2019

- Financial institutions tax cash collections include transfers of \$3.0 million from business corporation tax to correct for payments received in prior periods as listed below:
  - \$800,000 in August 2018 to correct for payment(s) received in January 2018;
  - \$1,575,000 in September 2018 to correct for payments received in FY 2016 – FY 2018;
  - \$575,000 in December 2018 to correct for payment(s) received in March 2017.
- Insurance company gross premiums tax cash collections include a transfer of \$164,000 from business corporation tax in December 2018 to correct for payment(s) received in March 2017.

FY 2018

- Financial institutions tax cash collections do not include \$1.3 million of funds that were incorrectly paid to business corporation tax in year-to-date FY 2018 as follows:
  - \$500,000 in December 2017 that were corrected for in September 2018;
  - \$800,000 in January 2018 that were corrected for in August 2018.
- Financial institutions tax cash collections include transfers of \$985,000 from business corporation tax to correct for payments received in prior periods as listed below:
  - \$500,000 in November 2017 to correct for payment(s) received in January 2017.
  - \$485,000 in December 2017 to correct for payment(s) of \$275,000 received in June 2015 and payment(s) of \$210,000 received in March 2017.
- Financial institutions tax received \$105,255 from the 2017 Tax Amnesty program in year-to-date FY 2018. Please see the appendix for information on the other general business taxes other than business corporation tax that received payments via the 2017 Tax Amnesty program.
- Insurance company gross premiums tax includes \$1.3 million of reimbursed HSTCs that were received in July 2017 and accrued back to FY 2017.

***Month of January:***

General business taxes other than business corporation tax collected in January 2019 decreased by 19.1 percent from general business taxes other than business corporation tax collected in January 2018. January 2019 general business taxes other than business corporation tax were \$4.7 million compared to \$5.8 million collected for January 2018, a decrease of \$1.1 million.

Public utilities gross earnings tax cash collections were down \$600,844 million on a year-over-year basis, a difference of -58.7 percent. Financial institutions tax cash collections were up \$260,677 in January 2019 compared to January 2018, a difference of -574.7 percent. Insurance company gross premiums tax cash collections were down \$330,282, or 61.2 percent, in January 2019 vs January 2018. Health care provider assessment cash collections were down \$438,536 in January 2019 compared to cash collections of \$4.3 million in January 2018, a difference of -10.2 percent.



There were no significant year-over-year cash flow differences for bank deposits tax cash collections in January 2019.

Cash Flow Differences:

January 2018

- Financial institutions tax cash collections do not include payment(s) of \$800,000 paid to business corporation tax instead of financial institutions tax. This was corrected for in August 2018.

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

<b>January</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 98,764,243	\$ 104,100,685	\$ (5,336,442)	-5.1 %
Month	\$ 14,212,041	\$ 15,091,206	\$ (879,165)	-5.8 %

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

Excise taxes other than sales and use taxes collected in FY 2019 through January decreased by 5.1 percent from excise taxes other than sales and use taxes collected through January of FY 2018. FY 2019 excise taxes other than sales and use taxes collected through January were \$98.8 million compared to the \$104.1 million collected for the same period last fiscal year, a decrease of \$5.3 million.

Motor vehicle license and registration fees were \$619,079 in FY 2019 through January, which is \$3.8 million, or 86.1 percent, less than motor vehicle license and registration fees in FY 2018 through January of \$4.4 million. Except for adjustments, motor vehicle license and registration fees in FY 2019 year-to-date include only duplicate license and license update fees. Additionally, duplicate license and license update fees increased from \$5 to \$25, effective July 1, 2018.

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 January of FY 2019 were \$85.6 million, down \$2.0 million compared to the \$87.6 million collected for the same period last fiscal year, a decrease of 2.3 percent. Included in year-to-date FY 2019 cigarettes excise tax cash collections is \$43,513 in cigarette floor stock receipts and \$5.6 million of other tobacco products taxes. In year-to-date FY 2018, these amounts are \$1.4 million and \$5.1 million, respectively. Also included in year-to-date FY 2018 is \$1,633 of cigarette tax receipts received from the 2017 Tax Amnesty program.

Finally, the change in Rhode Island cigarette sales is determined. Cigarette floor stock tax, other tobacco products tax cash collections, and Tax Amnesty receipts are netted out of the cigarettes tax cash receipts data, yielding only cigarette excise tax cash collections. Through January of

FY 2019, Rhode Island cigarette sales decreased 3.6 percent compared to the same period last fiscal year.

Alcohol excise tax cash collections in FY 2019 through January increased \$508,034, or 4.2 percent, over collections in FY 2018 through January.

Cash Flow Differences:

FY 2019

- Motor vehicle license and registration fees include \$36,568 from a June 2018 receivable. This figure is the portion due to the general fund at the final enacted rate of 60.0 percent of FY 2018 motor vehicle license and registration fees.

FY 2018

- After accounting for the State's portion of the June 2018 receivable, motor vehicle license and registration fees were greater by \$3.9 million in year-to-date FY 2018 compared to year-to-date FY 2019. Effective July 1, 2018, all motor vehicle license and registration fees are transferred to Rhode Island Highway Maintenance Account (RIHMA) except duplicate license and license update fees. In FY 2018 year-to-date, only 80.0 percent of motor vehicle license and registration fees were transferred to RIHMA. In FY 2018 through January, the transfer to RIHMA was \$17.7 million compared to the transfer of \$23.3 million in FY 2019 through January, which is a difference of \$5.6 million. The FY 2019 year-to-date RIHMA transfer includes \$54,852 from the June 2018 receivable noted above. This transfer was done at the final enacted rate of 60.0 percent of FY 2018 motor vehicle license and registration fees.

***Month of January:***

Excise taxes other than sales and use taxes collected in January 2019 decreased by 5.8 percent from excise taxes other than sales and use taxes collected in January 2018. January 2019 excise taxes other than sales and use taxes were \$14.2 million compared to the \$15.1 million collected for the same period last fiscal year, a decrease of \$879,165.

Motor vehicle license and registration fees in January 2019 were \$78,375, which is 88.3 percent less than motor vehicle license and registration fees in January 2018 of \$668,401. January 2019 motor vehicle license and registration fees include only duplicate license and license update fees. Additionally, duplicate license and license update fees increased from \$5 to \$25, effective July 1, 2018.

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 in January 2019 were \$12.1 million, down \$590,026 compared to the \$12.8 million collected for the same period last fiscal year, a decrease of 6.1 percent. Included in January 2019 cigarettes excise tax cash collections is \$6,108 in cigarette floor stock receipts and \$720,295 of other tobacco products taxes. For January 2018, the comparable figures were \$7,052 in cigarette floor stock receipts and

\$678,088 in other tobacco products tax receipts. Additionally, in January 2019 \$569 in cigarettes tax receipts were received from the 2017 Tax Amnesty program.

Finally, the change in Rhode Island cigarette sales is determined. Cigarette floor stock tax, other tobacco products tax cash collections, and Tax Amnesty receipts are netted out of the cigarettes tax cash receipts data, yielding only cigarette excise tax cash collections. In January 2019, Rhode Island cigarette sales decreased 6.8 percent compared to January 2018.

Cash Flow Differences:

January 2018

- Motor vehicle license and registration fees were greater by \$590,026 in January 2018 compared to January 2019. Effective July 1, 2018, all motor vehicle license and registration fees are transferred to RIHMA except duplicate license and license update fees. In January 2018, only 80.0 percent of motor vehicle license and registration fees were transferred to RIHMA. In January 2018, the transfer to RIHMA was \$2.7 million compared to the transfer of \$3.6 million in January 2019, which is a difference of \$878,308.

**Other Taxes**

<b>January</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 37,750,921	\$ 94,132,630	\$ (56,381,709)	-59.9 %
Month	\$ 3,165,859	\$ 3,539,205	\$ (373,346)	-10.5 %

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

Other taxes collected in FY 2019 through January decreased 59.9 percent from other taxes collected through January of FY 2018. FY 2019 other taxes collected through January were \$37.8 million compared to the \$94.1 million collected in the same period last fiscal year, a decrease of \$56.4 million. FY 2019 estate and transfer taxes collected through January were \$27.2 million, down \$58.0 million compared to the same period in FY 2018, a decrease of 68.1 percent. FY 2019 realty transfer taxes collected through January were \$10.0 million, up \$1.6 million, or 19.2 percent, compared to the same period last fiscal year.

Cash Flow Differences:

FY 2019

- Year-to-date FY 2019 estate and transfer tax cash collections include large, infrequently occurring payment(s) of \$5.1 million.
- Year-to-date FY 2019 realty transfer tax cash collections include large, infrequently occurring controlling interest payment(s) of \$1.2 million received in August 2018.

FY 2018

- Year-to-date FY 2018 estate and transfer tax cash collections include large, infrequently occurring payment(s) of \$67.2 million.

- Estate and transfer tax cash collections include a net \$1.6 million of receipts from the 2017 Tax Amnesty program.
  - Of that figure, \$522,606 was collected in interest on overdue taxes in January 2018 and transferred to departmental receipts fines and penalties in April 2018.
  - Also included is a transfer of \$113,323 of interest on overdue taxes collected in December 2017 and transferred to departmental receipts fines and penalties in January 2018.

### ***Month of January:***

Other taxes collected in January 2019 decreased 10.5 percent from other taxes collected in January 2018. January 2019 other taxes cash collections were \$3.2 million compared to the \$3.5 million collected in January 2018, a decrease of \$373,346. Estate and transfer taxes collected in January 2019 were \$2.1 million, up \$107,704 compared to the same period in FY 2018, an increase of 5.5 percent. Realty transfer taxes collected in January 2019 were \$978,241, down \$505,186, or 34.1 percent, compared to January 2018.

### **Cash Flow Differences:**

#### January 2018

- Estate and transfer tax cash collections include a net \$1.6 million of receipts from the 2017 Tax Amnesty program.
  - Of that figure, \$522,606 was collected in interest on overdue taxes in January 2018 and transferred to departmental receipts fines and penalties in April 2018.
  - Also included is a transfer of \$113,323 of interest on overdue taxes collected in December 2017 and transferred to departmental receipts fines and penalties in January 2018.

### **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. *For all accounts noted by an asterisk (\*), please see the departmental receipts fiscal year-to-date cash flow differences section for more information on cash flow anomalies between the two fiscal periods.*

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

As is apparent from the *State of Rhode Island Monthly Cash Collections: Fiscal Year-to-Date* table, total departmental receipts in FY 2019 through January increased by 10.8 percent compared to total departmental receipts in FY 2018 through January. Fiscal year-to-date total departmental receipts collected in FY 2019 were \$299.2 million compared to \$270.0 million collected for the same period last year, an increase of \$29.2 million.

The licenses and fees category of departmental receipts through January of FY 2019 was up \$25.0 million, or 10.8 percent, over the \$230.7 million collected through January of FY 2018.

The accounts with the largest nominal increases / decreases greater than \$100,000 in year-to-date FY 2019 versus year-to-date FY 2018 are listed below:

<b>Licenses and Fees</b>	<b>Nominal Increase / Decrease</b>
Hospital licensing fee *	\$ 14,432,903
Registration fees for securities ^	4,530,300
Insurance claim adjusters license fees †	2,460,465
<hr/>	
Recreation activities fund – Parks and Recreation	(356,871)
Board for Design Professionals license fees	(280,788)
Court fees – Sixth Division Providence	(240,418)
^ The mutual funds registration fee increased from \$1,000 to \$1,750 in FY 2019.	
† The license fee for insurance claim adjusters increased from \$150 to \$250 in FY 2019.	

The *finer and penalties* category of departmental receipts through January of FY 2019 was up \$2.0 million, or 9.5 percent, over the \$20.9 million collected through January of FY 2018. In the fines and penalties category, the accounts with the largest nominal increases / decreases greater than \$100,000 in year-to-date FY 2019 compared to year-to-date FY 2018 are listed below.

<b>Fines and Penalties</b>	<b>Nominal Increase / Decrease</b>
Penalty on overdue taxes	\$ 1,880,437
Insurance administration penalties	187,973
Insurance verification license reinstatement fees	177,350
<hr/>	
Utility fines	(268,700)
Fines and costs – Sixth Division Providence District Court	(107,510)

The *sales and services* category of departmental receipts through January of FY 2019 was up \$573,870 over the \$5.5 million collected through January of FY 2018, an increase of 10.4 percent. The sales and services accounts with nominal increases / decreases greater than \$100,000 for January 2019 versus January 2018 are listed below:

<b>Sales and Services</b>	<b>Nominal Increase</b>
Rhode Island Veterans Home Board and Support *	\$ 374,917
Clinical Testing	117,511

*Miscellaneous departmental receipts* through January of FY 2019 were up \$1.6 million, or 12.8 percent, over the \$12.8 million collected through January of FY 2018. The accounts with the largest nominal increases / decreases greater than \$100,000 for year-to-date FY 2019 versus year-to-date FY 2018 are listed below:

<b>Miscellaneous Departmental Receipts</b>	<b>Nominal Increase / Decrease</b>
Miscellaneous refunds – Treasury Department	\$ 922,266
Miscellaneous revenues – Office of the Attorney General	635,589
Income on investments	629,308
<hr/>	
Income tax refund checks written off	(461,987)
Child support enforcement collections *	(321,092)
Cost recovery account – Department of Labor and Training	(320,010)

Cash Flow Differences:

FY 2019

- In licenses and fees, cash collections from the hospital licensing fee were \$14.4 million more in year-to-date FY 2019 compared to year-to-date FY 2018. In general, the prior fiscal year hospital licensing fee is received in July of the current year. The hospital licensing fee rate for FY 2017 was 5.652 percent compared to 5.856 percent for FY 2018, and the hospital licensing fee base advanced from hospital FY 2015 net patient revenues in FY 2017 to hospital FY 2016 net patient revenues in FY 2018. Not included in FY 2019 YTD or FY 2018 YTD cash collections from the hospital licensing fee is the payment from Eleanor Slater Hospital, which is received in June of the fiscal year for which it is due.
- Licenses and fees include a payment of \$537,270 to the City of Providence for the city's share of the Wexford Innovation Center building permit fees that was made in August 2018 but accrued back to FY 2018.
- Miscellaneous departmental receipts do not include payment(s) of \$290,284 to child support enforcement collections that should have been posted in January 2018 but will not be posted in February 2018.

FY 2018

- Not included in FY 2018 through January sales and services are payment(s) of \$307,416 to the Rhode Island Veterans Home for board and support that should have been posted in January 2018 but were not posted until February 2018.

***Month of January:***

As is apparent from the *State of Rhode Island Monthly Cash Collections: Month of January* table, total departmental receipts in January 2019 decreased by 14.3 percent compared to total departmental receipts in January 2018. Departmental receipts collected in January 2019 were \$26.4 million compared to \$30.8 million collected for the same period last fiscal year, a decrease of \$4.4 million.

The *licenses and fees* category of departmental receipts in January 2019 was down \$6.8 million, or 35.5 percent, from the \$19.1 million collected in January 2018. The accounts with the largest nominal increases / decreases greater than \$100,000 in January 2019 versus January 2018 are listed below:

<b>Licenses and Fees</b>	<b>Nominal Increase / Decrease</b>
Registration fees for securities ^	\$ 716,410
Insurance claim adjusters license fees †	569,090
Wholesale fee on hard-to-dispose items	198,846
<hr/>	
License fees for securities *	(8,850,215)
Insurance agents license fees	(151,919)
Recreation activities fund – Parks and Recreation	(141,503)
^ The mutual funds registration fee increased from \$1,000 to \$1,750 in FY 2019.	
† The license fee for insurance claim adjusters increased from \$150 to \$250 in FY 2019.	

The *finer and penalties* category of departmental receipts in January 2019 was up \$1.6 million, or 17.1 percent, over the \$9.4 million collected in January 2018. The fines and penalties accounts with nominal increases / decreases greater than \$100,000 for January 2019 versus January 2018 are listed below:

<b>Fines and Penalties</b>	<b>Nominal Increase / Decrease</b>
Penalty on overdue taxes	\$ 1,259,767
Interest on overdue taxes	415,285
<hr/>	
Banking enforcement fees	(160,967)

The *sales and services* category of departmental receipts in January 2019 was up \$569,299 over the \$702,365 collected in January 2018, an increase of 81.1 percent. The sales and services category had no accounts with nominal increases or decreases greater than \$100,000 for January 2019 versus January 2018.

<b>Fines and Penalties</b>	<b>Nominal Increase</b>
Rhode Island Veterans Home Board and Support *	\$ 333,712
Clinical Testing	142,215

*Miscellaneous departmental receipts* in January 2019 were up \$207,815, or 12.8 percent, over the \$1.6 million collected in January 2018. The miscellaneous departmental receipts accounts with nominal increases / decreases greater than \$100,000 for January 2019 versus January 2018 are listed below:

<b>Miscellaneous Departmental Receipts</b>	<b>Nominal Increase / Decrease</b>
Cost recovery account – Public Utilities Commission *	\$ 464,938
Income on investments	288,333
<hr/>	
Child support enforcement collections	(273,652)

#### Cash Flow Differences:

##### January 2019

- In licenses and fees, cash collections from the hospital licensing fee were \$323,142 less in January 2019 compared to January 2018. The difference is due to payment plan

receipts being higher in January 2018 than in January 2019. In general, the prior fiscal year hospital licensing fee is received in July of the current year. The hospital licensing fee rate for FY 2017 was 5.652 percent compared to 5.856 percent for FY 2018, and the hospital licensing fee base advanced from hospital FY 2015 net patient revenues in FY 2017 to hospital FY 2016 net patient revenues in FY 2018.

- In licenses and fees, license fees for securities received \$9.1 million in early payment(s) that were posted in December 2018 instead of January 2019.
- In miscellaneous departmental receipts, a Public Utilities Commission cost recovery account is up \$464,938 in January 2019 compared to January 2018 due to a delay in invoices issued and the subsequent advancement of the due date for these invoices from January 1, 2019 to February 1, 2019 in the corresponding restricted receipt account.
- Miscellaneous departmental receipts do not include payment(s) of \$290,284 to child support enforcement collections that should have been posted in January 2019 but will not be posted in February 2019.

#### January 2018

- Not included in January 2018 sales and services are payment(s) of \$307,416 to the Rhode Island Veterans Home for board and support that should have been posted in January 2018 but were not posted until February 2018.

#### **Motor Fuel Tax, Per Penny Yield**

<b>January</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 3,161,573	\$ 2,702,717	\$ 458,856	17.0 %
Month	\$ 413,358	\$ 384,890	\$ 28,468	7.4 %

In FY 2019, 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 2018. 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 January:***

The per penny yield of the state's motor fuel tax collected in FY 2019 through January was \$458,856 more than in FY 2018 through January. This represents an increase of 17.0 percent between the two fiscal year-to-date periods. Much of this increase is attributable to the receipt of large, infrequently occurring payment(s) of \$250,604 in October 2018. For FY 2019 through January, the per-penny yield was \$3.16 million versus \$2.70 million for FY 2018 through January.



***Month of January:***

The per penny yield of the state's motor fuel tax collected in January 2019 was \$28,468 more than in January 2018. This represents an increase of 7.4 percent between the two periods. For January 2019, the per-penny yield was \$413,358 versus \$384,890 for January 2018.

**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 receipts. Data on lottery transfer cash collections reflect the prior month's gaming activity.

***Fiscal Year-to-Date through January (Gaming Activity through December):***

<b>Component</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>Difference</b>	<b>% Change</b>
Traditional Games	\$ 22,284,830	\$ 19,111,650	\$ 3,173,180	16.6 %
Keno	8,577,171	9,162,057	(584,886)	-6.4 %
<b><u>Twin River Casino Hotel</u></b>				
VLTs	132,430,942	128,762,918	3,668,024	2.8 %
Sports Betting *	368,950	0	368,950	n/a
Traditional Table Games	8,574,387	8,630,827	(56,440)	-0.7 %
Poker Tables	553,131	529,662	23,469	4.4 %
<b><u>Newport Grand/Tiverton Casino Hotel ^</u></b>				
VLTs	24,605,913	14,195,179	10,410,734	73.3 %
Sports Betting *	40,928	0	40,928	n/a
Traditional Table Games	467,594	0	467,594	n/a
* Sports betting began on November 26, 2018 at the Twin River Casino Hotel and on December 3, 2018 at the Tiverton Casino Hotel.				
^ Newport Grand ceased operations on August 28, 2018, and Tiverton Casino Hotel commenced operations on August 29, 2018.				

In fiscal year-to-date 2019, Twin River Casino Hotel operated a maximum of 97 traditional table games and 22 poker tables. In the same period in FY 2018, Twin River Casino Hotel operated a maximum of 97 traditional table games and 22 poker tables. In year-to-date FY 2019, Tiverton Casino Hotel operated a maximum of 32 traditional table games. Both Twin River Casino Hotel and Newport Grand/Tiverton Casino Hotel VLT cash collections do not reflect unclaimed prizes, distressed communities relief program receipts, or the State's payment to either Twin River Casino Hotel's or Tiverton Casino Hotel's marketing program.

Cash Flow Differences:

## FY 2019

- In year-to-date FY 2019, Division of Lottery overpaid the general fund \$27.2 million.
  - Total lottery transfers in year-to-date FY 2019 were \$222,961,859. Based on lottery activity, the transfers normally would have been \$195,790,432, which is a difference of \$27,171,427.
  - At the end of FY 2018, the general fund owed the Division of Lottery \$1,480,823. Not included in the overpayment is \$784,726 that the Division of Lottery withheld of the August lottery transfer to offset the general fund's outstanding payable, reducing it to \$696,097.

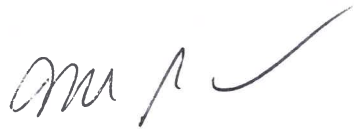
## FY 2018

- The FY 2018 lottery transfer includes receipts of \$1.9 million received in October 2017 that were accrued back to FY 2017.

***Month of January (December Gaming Activity):***

<b>Component</b>	<b>January 2019</b>	<b>January 2018</b>	<b>Difference</b>	<b>% Change</b>
Traditional Games	\$ 3,122,548	\$ 3,423,052	\$ (300,504)	-8.8 %
Keno	1,430,409	1,554,322	(123,913)	-8.0 %
<u>Twin River Casino Hotel</u>				
VLTs	22,630,112	19,840,309	2,789,803	14.1 %
Sports Betting	347,320	0	347,320	n/a
Traditional Table Games	1,529,473	1,501,348	28,125	1.9 %
Poker Tables	103,414	92,671	10,743	11.6 %
<u>Tiverton Casino Hotel</u>				
VLTs	4,575,426	2,151,478	2,423,948	112.7 %
Sports Betting *	40,928	0	40,928	n/a
Traditional Table Games	183,796	0	183,796	n/a
* Sports betting began on December 3, 2018 at the Tiverton Casino Hotel.				

In December 2018 and December 2017, Twin River Casino Hotel operated a maximum of 97 traditional table games and 22 poker tables. In December 2018, Tiverton Casino Hotel operated a maximum of 32 traditional table games. Both Twin River Casino Hotel and Tiverton Casino Hotel VLT cash collections do not reflect unclaimed prizes, distressed communities relief program receipts, or the State's payment to either Twin River Casino Hotel's or Tiverton Casino Hotel's marketing program.

A handwritten signature in black ink, appearing to read 'Mark A. Furcolo', with a long, sweeping flourish extending to the right.

Mark A. Furcolo, Director  
Rhode Island Department of Revenue  
February 26, 2019

## **Appendix: 2017 Tax Amnesty Cash Collections**

### ***Fiscal Year-To-Date through January:***

In FY 2018 through January, the Division of Taxation collected a total of \$9.1 million through the 2017 Tax Amnesty program, which began on December 1, 2017 and ran through February 15, 2018. All payments were due by March 31, 2018, but there were small deposits posted in April 2018. The program allowed taxpayers to pay overdue taxes without penalty and with a 25.0 percent reduction in interest owed.

Interest owed on overdue taxes that is collected for personal income taxes, business corporation taxes, sales and use tax, and estate and transfer tax is transferred to the fines and penalties category of departmental receipts in October, January, April and June of each fiscal year. The interest on overdue taxes collected in December 2017 of \$1.4 million from the taxes listed above was transferred to departmental receipts in January 2018. The interest on overdue taxes collected in January 2018 of \$1.5 million from the taxes listed above was transferred to departmental receipts in April 2018. Interest owed on overdue taxes collected for all other tax types is not transferred to departmental receipts and is reported with the tax type collected.

The following table provides the breakdown of general revenue taxes and interest owed on overdue taxes collected by tax type through January of FY 2018 from the 2017 Tax Amnesty program:

<b>General Revenue Source</b>	<b>FY 2018 YTD Taxes Collected</b>	<b>FY 2018 YTD Interest Collected</b>
Personal Income Tax Final Payments *	\$ 3,144,739	\$ 725,796
Personal Income Tax Withholding Payments *	99,950	28,992
Business Corporation Tax *	678,643	73,495
Public Utilities Gross Earnings Tax	6,975	3,252
Financial Institutions Tax	82,193	23,062
Insurance Companies Gross Premiums Tax	7,718	1,256
Health Care Provider Assessment	6	960
Sales and Use Tax *	929,422	182,675
Cigarette Excise Tax	1,006	626
Estate and Transfer Tax *	1,124,286	522,606
Beverage Container and Litter Control Fees ^	1	79

<b>General Revenue Source</b>	<b>FY 2018 YTD Taxes Collected</b>	<b>FY 2018 YTD Interest Collected</b>
Compassion Center Surcharge ^	29,013	12,667
E-911 Wireline Surcharge ^	192	9
Interest on Overdue Taxes ^, †	n/a	1,393,840
<b>Total General Revenue Taxes and Interest</b>	<b>\$ 6,104,143</b>	<b>\$ 2,969,316</b>
* Interest collected in January 2018 was transferred to departmental receipts in April 2018.		
^ Departmental receipt accounts		
† Includes the interest on overdue taxes collected in December 2017 from the revenue items noted above that was transferred to departmental receipts in January 2018.		

***Month of January:***

In January 2018, the Division of Taxation collected a total of \$4.6 million of general revenues through the 2017 Tax Amnesty program. Interest on overdue taxes collected in January 2018 of \$1.5 million was transferred to departmental receipts in April 2018.

The following table provides the breakdown of general revenue taxes and interest owed on overdue taxes collected by tax type in January from the 2017 Tax Amnesty program:

<b>General Revenue Source</b>	<b>January 2018 Taxes Collected</b>	<b>January 2018 Interest Collected</b>
Personal Income Tax Final Payments *	\$ 1,269,916	\$ 725,796
Personal Income Tax Withholding Payments *	56,521	28,992
Business Corporation Tax *	294,877	73,495
Public Utilities Gross Earnings Tax	6,944	2,146
Financial Institutions Tax	650	0
Insurance Companies Gross Premiums Tax	4,236	115
Health Care Provider Assessment	0	111
Sales and Use Tax *	347,149	182,675
Cigarette Excise Tax	50	519
Estate and Transfer Tax *	1,124,286	522,606
<b>Total General Revenue Taxes and Interest</b>	<b>\$ 3,104,630</b>	<b>\$ 1,536,454</b>
* Interest collected in January 2018 was transferred to departmental receipts in April 2018.		
^ Departmental Receipt account		