

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF REVENUE



State of Rhode Island Cash Collections Report
November 2011 Summary

Fiscal Year-to-Date through November:

FY 2012 year-to-date total general revenue cash collections through November were \$1.270 billion, up \$57.1 million or 4.7 percent, from the same period last fiscal year. The breakdown by major revenue components is as follows:

Component	FY 2011	FY 2012	Difference	% Change
Personal Income Tax	\$391,555,321	\$423,079,146	\$ 31,523,825	8.1 %
Sales and Use Taxes	356,339,453	370,615,588	14,276,135	4.0 %
Departmental Receipts	197,494,766	203,533,392	6,038,626	3.1 %
Lottery Transfer	118,455,856	125,080,994	6,625,138	5.6 %
All Other Revenues	148,971,409	147,656,568	(1,314,841)	-0.9 %
Total General Revenues	\$1,212,816,805	\$1,269,965,688	\$57,148,883	4.7 %

Month of November:

Total general revenue cash collections for November 2011 were \$217.4 million, up \$16.5 million or 8.2 percent, compared to November 2010. The breakdown by major revenue components is as follows:

Component	FY 2011	FY 2012	Difference	% Change
Personal Income Tax	\$ 68,958,225	\$ 75,504,889	\$ 6,546,664	9.5 %
Sales and Use Taxes	67,386,741	70,660,040	3,273,299	4.9 %
Departmental Receipts	13,375,303	15,029,348	1,654,045	12.4 %
Lottery Transfer	29,225,178	30,029,966	804,788	2.8 %
All Other Revenues	21,981,397	26,198,437	4,217,040	19.2 %
Total General Revenues	\$ 200,926,844	\$ 217,422,680	\$16,495,836	8.2 %

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF REVENUE



State of Rhode Island Cash Collections Report
 November 2011 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 RI General Law § 35-16-1). *Users of the 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.*

Total General Revenues

November	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$ 1.213 Billion	\$ 1.270 Billion	\$57.1 Million	4.7 %
Month	\$200.9 Million	\$217.4 Million	\$16.5 Million	8.2 %

Fiscal Year-to-Date through November:

Fiscal Year 2012 total general revenues collected through November 2011 have increased by 4.7 percent as compared to Fiscal Year 2011 total general revenues collected through November 2010. For the fiscal year-to-date period through November 2011, total general revenues were \$1.270 billion as compared to \$1.123 billion for the same period last year, an increase of \$57.1 million.

The following cash flow differences between FY 2011 and FY 2012 should be noted:

- In FY 2011, business corporation taxes include cash receipts of \$7.2 million that were classified as FY 2010 cash receipts. Public utilities gross earnings tax collections include \$3.3 million in receipts derived from an audit completed in FY 2010. This audit recovery is considered to be non-recurring revenue. Financial institution taxes include \$1.8 million for a prior year refund. Additionally, motor vehicle licenses and fees cash receipts were higher while sales and use taxes cash receipts were lower by \$1.8 million for the misposting of registry receipts. Additionally, motor vehicle licenses and fees cash receipts were higher by \$662,192 as a result of the misposting of driving record abstracts

receipts by the Division of Motor Vehicles. These receipts belong within the licenses and fees category of departmental receipts. The licenses and fees component of departmental receipts was \$465,220 more through November 2010 for teacher certification fees and physician licenses due to fee restructuring or the biennial periodicity of collections. Furthermore, \$7.1 million in departmental sales and services revenues were received in July 2010 due to the late posting of Eleanor Slater Hospital's disproportionate share ("dish") receipts. These receipts were supposed to be posted in June of the prior fiscal year. Further, other miscellaneous revenues through October 2010 include \$1.8 million for the proceeds from the sale of state property, specifically the Smithfield Salt Barn and a pharmaceutical manufacturer settlement. Finally, the lottery transfer includes \$1.6 million of cash receipts that were accrued to FY 2010.

- In FY 2012, sales and use tax receipts include \$2.1 million from an audit of prior year sales activity and \$1.1 million in revenue from the posting of a separate top 100 list of business tax delinquents. Of the \$2.1 million received from the audit, \$1.3 million is unpaid sales and use tax and \$778,203 is interest on the late payments. Similarly, of the \$1.1 million generated by the top 100 business delinquents list, \$424,642 is unpaid sales tax, \$649,530 is interest charges and \$33,672 is a penalty on the late payment. The interest and penalty on the late payments will be transferred to departmental receipts in December 2011. In FY 2012, sales and use taxes include an unknown amount of additional revenue from the sales and use tax base expansion signed into law by Governor Chafee on June 30, 2011. The sales and use tax base expansion took effect on October 1, 2011 and receipts were remitted to the Division of Taxation for the first time in November 2011. In FY 2012, inheritance taxes include \$4.8 million in cash receipts from a one time large payment. In FY 2012, the hospital licensing fee generated \$10.4 million more through November 2011 than through November 2010. This increase was due to the fact that the hospital licensing fee rate was increased from 5.314 percent of hospital FY 2008 net patient revenues to 5.465 percent of hospital FY 2009 net patient revenues. Additionally, \$923,651 more in departmental licenses and fees were received in August and October 2011 from imaging service surcharge fees. This increase is due to an audit recovery for the payment of bills for prior fiscal years. FY 2012 departmental receipts also include \$58,886 of cash receipts from the establishment of the Division of Motor Vehicles road test fee. This fee was implemented on October 12, 2010. The FY 2012 cash flow difference also includes, \$508,053 in departmental miscellaneous revenues deposited in July 2011 as a result of a settlement agreement between the Office of the Attorney General and a major pharmaceutical manufacturer and the receipt of a \$2.0 million settlement from UBS. This payment is the result of a court ordered settlement associated with the investment of the escrow fund for the 2002 refunding of the State's debt when the State received the bond proceeds from the Tobacco Settlement Financing Corporation (TSFC). FY 2012 other miscellaneous revenues also include a cash flow difference of \$138,387 from a settlement associated with the State's Medicaid program. Finally, the October 2011 lottery transfer includes \$2.7 million of cash receipts that were accrued to FY 2011.

The table below displays fiscal year-to-date the differences in cash flows for FY 2011 and FY 2012 through November:

Revenue Source	Cash Flow Differences	YTD FY 2011	YTD FY 2012
Business Corporations	One time receipts from taxpayers	\$7,159,758	\$0
Public Utilities	FY 2010 audit recovery	\$3,301,780	\$0
Financial Institutions	Financial institutions prior FY refund	\$(1,751,207)	\$0
MV License and Fees	DMV mispostings of registry rcpts.	\$1,834,281	\$0
MV License and Fees	Driving record abstracts misposting	\$662,192	\$0
Sales and Use Taxes	Registry receipts misposting	\$(1,834,281)	\$0
Sales and Use Taxes	One time audit payment	\$0	\$2,092,342
Sales and Use Taxes	Payment from tax delinquent	\$0	\$1,110,743
Departmental Receipts	Biennial and one-time collections	\$465,220	\$0
Departmental Receipts	FY 2010 "dish" payment	\$7,082,983	\$0
Departmental Receipts	Hospital licensing fee difference	\$0	\$10,388,300
Departmental Receipts	Attorney General settlement	\$0	\$508,053
Departmental Receipts	Imaging services surcharge receipts	\$0	\$923,651
Departmental Receipts	Driving record abstracts misposting	\$(662,192)	\$0
Departmental Receipts	DMV road test fee	\$0	\$58,886
Other Misc. Revenues	Medicaid program settlement	\$0	\$138,387
Other Misc. Revenues	UBS settlement payment	\$0	\$1,951,166
Other Misc. Revenues	Pharmaceutical manufacturer sttlmnt	\$839,235	\$0
Other Misc. Revenues	Smithfield Salt Barn sale	\$985,560	
Lottery Transfer	Cash accrued to prior fiscal year	\$1,646,003	\$2,731,761

Month of November:

Total general revenues collected in November 2011 have increased by 8.2 percent as compared to November 2010 total general revenue collections. November 2011 total general revenues were \$217.4 million as compared to November 2010 cash collections of \$200.9 million, an increase of \$16.5 million.

The following cash flow differences between FY 2011 and FY 2012 should be noted:

- In November 2010, motor vehicle licenses and fees include an additional \$522,142 for cash receipts that should have been posted to registry receipts within sales and use taxes.

- In November 2011, sales and use taxes include an unknown amount of additional revenue from the sales and use tax base expansion signed into law by Governor Chafee on June 30, 2011. The sales and use tax base expansion took effect on October 1, 2011 and receipts were remitted to the Division of Taxation for the first time in November 2011. November 2011 inheritance taxes include \$4.8 million in cash receipts from a one time large payment. Furthermore, November 2011 departmental receipts include an additional \$705,864 of cash receipts from beach parking fees and \$952,297 of cash receipts from interim Medicaid hospital rate settlements as a result of a timing difference in the posting of revenues between FY 2012 and FY 2011. Finally, November 2011 cash collections include an additional \$212,104 in receipts from the hospital licensing fee that should have been collected in October 2011.

The table below displays the monthly differences in cash flows for FY 2011 and FY 2012 for November:

Revenue Source	Cash Flow Differences	November FY 2011	November FY 2012
MV license and fees	DMV mispostings of registry rcpts.	\$522,142	\$0
Sales and Use Taxes	Registry receipts misposting	\$(522,142)	\$0
Inheritance and Gift	Large payment	\$0	\$4,750,597
Departmental Receipts	Beach parking fees	\$0	\$705,864
Departmental Receipts	Interim Medicaid hospital rate sttlmnt	\$0	\$952,297
Departmental Receipts	Hospital Licensing Fee difference	\$0	\$212,104

Taxes and Departmental Receipts

November	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$1.092 Billion	\$1.143 Billion	\$50.4 Million	4.6 %
Month	\$171.5 Million	\$187.4 Million	\$15.8 Million	9.2 %

Fiscal Year-to-Date through November:

The Rhode Island Department of Revenue reports that FY 2012 taxes and departmental receipts collected through the fifth month of the fiscal year have increased by 4.6 percent as compared to FY 2011 cash collections for the comparable period a year ago. For the fiscal year-to-date period ending November, total taxes and departmental receipts were \$1.143 billion in FY 2012 as compared to \$1.092 billion for the same period last fiscal year, an increase of \$50.4 million.

Month of November:

November 2011 taxes and departmental receipts increased by \$15.8 million, or 9.2 percent compared to cash collections in November 2010. November 2011 taxes and departmental receipts totaled \$187.4 million compared to \$171.5 million in November 2010.

Other General Revenue Sources

November	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$120.6 Million	\$127.4 Million	\$6.8 Million	5.6 %
Month	\$ 29.4 Million	\$ 30.1 Million	\$ 682,012	2.3 %

Fiscal Year-to-Date through November:

FY 2012 other general revenue sources collected through November have increased by 5.6 percent as compared to cash collections through November of FY 2011. Other general revenue sources include other miscellaneous revenues, the lottery transfer to the general fund, and unclaimed property that is transferred to the State in June of each fiscal year. For the fiscal year-to-date period ending November, total other general revenue sources were \$127.4 million in FY 2012 as compared to \$120.6million for the same period last year, an increase of \$6.8 million.

Month of November:

Other general revenue sources cash collections totaled \$30.1 million in November 2011 compared to \$29.4 million in November 2010, an increase of \$682,012. This increase translates into a growth rate of 2.3 percent.

Total Taxes

November	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$894.7 Million	\$939.1 Million	\$44.4 Million	5.0 %
Month	\$158.2 Million	\$172.3 Million	\$14.2 Million	9.0 %

Fiscal Year-to-Date through November:

Total tax revenues for the fiscal year-to-date period through November 2011 were \$939.1 million, or 5.0 percent more than the \$894.7 million in total tax cash collections through November 2010.

Month of November:

November 2011 total tax revenues of \$172.3 million increased by \$14.2 million or 9.0 percent compared to November 2010 cash collections of \$158.2 million.

Historic Structure Tax Credit Reimbursements:

It is important to note that any historic structures tax credits redeemed from FY 2009 onward are reimbursed from the Historic Tax Credit Fund's bond proceeds upon receipt of the tax credit certificate. Prior to FY 2009, the redemption of historic structures tax credit (HSTC) certificates were deducted directly from realized tax receipts. Thus, the actual revenues for the tax types that

had HSTCs redeemed to offset an actual tax liability were net revenues (i.e., total collection *less* HSTC redemptions). Since FY 2009, the actual revenues for the tax types that have HSTCs redeemed to offset an actual tax liability are gross revenues (i.e., total collections *plus* HSTC reimbursements).

In FY 2012, total historic structure tax credit redemptions/reimbursements for all taxes through November totaled \$1.2 million vs. \$3.3 million in FY 2011, a decrease of 62.3 percent. November 2011 total historic structure tax credit redemptions/reimbursements for all taxes totaled \$640,046 vs. the \$1.8 million in November 2010, a decrease of 65.0 percent.

The breakdown of the reimbursement of redeemed historic structures tax credits (HSTCs) by tax type is shown below:

Historic Structure Tax Credits	Year-to-Date		Monthly	
	FY 2011	FY 2012	November 2010	November 2011
Personal Income	\$2,509,051	\$ 878,917	\$1,516,768	\$ 640,046
Business Corporations	798,010	369,855	313,648	0
Financial Institutions	0	0	0	0
Insurance/Non-HMOs	974	0	0	0
Insurance/HMOs	0	0	0	0
Total	\$3,308,035	\$1,248,772	\$1,830,416	\$ 640,046

Personal Income Taxes

November	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$391.6 Million	\$423.1 Million	\$31.5 Million	8.1 %
Month	\$ 69.0 Million	\$ 75.5 Million	\$ 6.5 Million	9.5 %

Fiscal Year-to-Date through November:

Actual personal income tax cash collections for FY 2012 through the fifth month of the fiscal year were up \$31.5 million, or 8.1 percent, compared to the same period last fiscal year. Total personal income tax cash collections for FY 2012 through November were \$423.1 million vs. FY 2011 cash collections of \$391.6 million through November.

The FY 2012 year-to-date personal income tax cash collections include historic structures tax credit reimbursements through November of \$878,917 vs. the \$2.5 million through November of FY 2011. FY 2012 year-to-date HSTC reimbursements for personal income taxes are \$1.6 million less than the same period in FY 2011, a decrease of 65.0 percent.

Month of November:

Personal income tax collections for November 2011 totaled \$75.5 million compared to November 2010 cash collections of \$69.0 million, a difference of \$6.5 million or 9.5 percent.

November 2011 cash collections include historic structures tax credit reimbursement of \$640,046 vs. the \$1.5 million for November 2010. November 2011 HSTC reimbursements for personal income taxes are 57.8 percent less than November 2010, a decrease of \$876,722.

Personal Income Tax Cash Collections by Component:

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

Fiscal Year-to-Date through November:

Component	FY 2011	FY 2012	Difference	% Change
Estimated Payments	\$ 41,594,220	\$ 58,173,373	\$ 16,579,153	39.9 %
Final Payments*	24,290,397	21,843,804	(2,446,592)	-10.1 %
Refunds/Adjustments	(37,272,790)	(27,481,635)	9,791,156	-26.3 %
Withholding	362,943,495	370,543,604	7,600,108	2.1 %
* Final Payments include historic structures tax credit reimbursements of \$2.5 million in fiscal year-to-date 2011 and \$878,917 in fiscal year-to-date 2012.				

Within the components of personal income tax, FY 2012 estimated payments are up \$16.6 million or 39.9 percent on a fiscal year-to-date basis through November vs. the same period last fiscal year. Final payments are down \$2.4 million or -10.1 percent through the fifth month of FY 2012 relative to FY 2011 through the fifth month. Fiscal year-to-date FY 2012 final payments cash collections include \$878,917 in reimbursed historic structures tax credits vs. \$2.5 million in fiscal year-to-date FY 2011. Refunds and adjustments are fewer by \$9.8 million in FY 2012 through November vs. FY 2011 through November. Finally, FY 2012 withholding tax cash collections through the fifth month of the fiscal year are more by \$7.6 million or 2.1 percent relative to FY 2011 withholding tax cash collections through the fifth month of the fiscal year.

Month of November:

Component	FY 2011	FY 2012	Difference	% Change
Estimated Payments	\$ 2,398,269	\$ 2,595,628	\$ 197,358	8.2 %
Final Payments*	4,152,068	4,653,395	501,327	12.1 %
Refunds/Adjustments	(16,080,730)	(11,763,525)	4,317,205	-26.8 %
Withholding	78,493,442	80,019,391	1,525,949	1.9 %
* Final Payments include historic structures tax credit reimbursements of \$1.5 million in November 2010 and \$640,046 in November 2011.				

Within the components of personal income tax, estimated payments received in November 2011 are up \$197,358 or 8.2 percent compared to November 2010. Final payments are up \$501,327 or 12.1 percent in the fifth month of FY 2012 relative to the fifth month of FY 2011. November 2011 final payments cash collections include \$640,046 in reimbursed historic structures tax credits vs. \$1.5 million in November 2010. Refunds and adjustments are fewer by \$4.3 million in November 2011 vs. November 2010. Finally, November 2011 withholding tax cash collections are \$1.5 million, or 1.9 percent, more than November 2010 withholding tax cash collections.

Sales and Use Taxes

November	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$356.3 Million	\$370.6 Million	\$ 14.3 Million	4.0 %
Month	\$ 67.4 Million	\$ 70.7 Million	\$ 3.3 Million	4.9 %

Fiscal Year-to-Date through November:

Actual sales and use tax cash collections for FY 2012 through November of the fiscal year were up \$14.3 million, or 4.0 percent, compared to the same period last fiscal year. Total sales and use tax cash collections for FY 2012 through November were \$370.6 million vs. FY 2011 cash collections of \$356.3 million through November.

In FY 2012, sales and use taxes include an unknown amount of additional revenue from the sales and use tax base expansion signed into law by Governor Chafee on June 30, 2011. The sales and use tax base expansion took effect on October 1, 2011 and receipts were remitted to the Division of Taxation for the first time in November 2011.

Month of November:

Sales and use tax cash collections in November 2011 were \$3.3 million, or 4.9 percent, greater than November 2010 cash collections. Sales and use tax cash collections totaled \$70.7 million in November 2011 vs. cash collections of \$67.4 million in November 2010.

In November 2011, sales and use taxes include an unknown amount of additional revenue from the sales and use tax base expansion signed into law by Governor Chafee on June 30, 2011. The sales and use tax base expansion took effect on October 1, 2011 and receipts were remitted to the Division of Taxation for the first time in November 2011.

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 slight differences may exist between the figures reported by the Division of Taxation and those reported by the Controller due to timing differences in the posting of revenues.

Fiscal Year-to-Date through November:

Component	FY 2011	FY 2012	Difference	% Change
Net Taxation	\$316,514,317	\$330,284,194	\$13,769,878	4.4 %
Registry Receipts	33,936,995	35,316,866	1,379,872	4.1 %
Providence Place Mall	5,657,496	5,418,471	(239,024)	-4.2 %

Within the sales tax components, registry receipts were up 4.1 percent or \$1.4 million through November of FY 2012 when compared to same period last fiscal year. Net sales tax receipts remitted directly to the Division of Taxation posted an increase of \$13.8 million or 4.4 percent during FY 2012's first five months versus the first five months of FY 2011. Providence Place Mall (PPM) sales tax receipts were 4.2 percent lower or -\$239,024 through November of FY 2012 versus the same period in FY 2011.

Month of November:

Component	FY 2011	FY 2012	Difference	% Change
Net Taxation	\$ 60,227,702	\$ 62,101,868	\$ 1,874,166	3.1 %
Registry Receipts	6,045,115	7,358,260	1,313,145	21.7 %
Providence Place Mall	1,053,442	1,095,115	41,673	4.0 %

Within the sales tax components, registry receipts were up 21.7 percent or \$1.3 million in November 2011 when compared to November 2010. Net sales tax receipts remitted directly to the Division of Taxation posted an increase of \$1.9 million or 3.1 percent in November 2011 vs. November 2010. Providence Place Mall (PPM) sales tax receipts were 4.0 percent higher or \$41,673 in November 2011 versus November 2010.

General Business Taxes

November	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$47.8 Million	\$40.7 Million	\$ (7.1 Million)	-14.8 %
Month	\$ 4.0 Million	\$ 2.4 Million	\$ (1.6 Million)	-39.8 %

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 health care provider assessments, 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 number of filers that are on extension at any given point in time and the varying fiscal years of corporations. As a result, both business corporations 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 November:

FY 2012 total general business taxes collected through November 2011 of the fiscal year-to-date were \$40.7 million or \$7.1 million less than the \$47.8 million collected for the same period in FY 2011. Year-to-date growth in FY 2012 is -14.8 percent.

Health care provider assessment taxes through November 2011 were \$17.4 million, an increase of 4.5 percent over the same period in FY 2011. Bank deposit taxes tend to post irregularly until March, when the first 40.0 percent of estimated total tax liability is due. Through five months of FY 2012, bank deposit taxes totaled \$32,344 compared to receipts of \$4,241 for the first five months of FY 2011. The insurance companies gross premiums tax is down \$708,637 year-to-date. FY 2012 insurance companies gross premiums tax cash collections through November 2011 total \$115,823 compared to collections of \$824,460 in FY 2011 through November 2010. In general, insurance companies gross premiums taxes tend to post irregularly until March, when the first 40.0 percent of total tax liability is due. The financial institutions tax is up \$2.6 million on a fiscal year-to-date cash basis in FY 2012 vs. FY 2011 through November. Financial institutions tax collections totaled \$939,902 through November 2011 vs. -\$1.6 million through November 2010. Public utilities gross earnings taxes were \$1.8 million through November 2011, a decrease of 57.5 percent from collections of \$4.3 million through November 2010. The FY 2011 collections include \$3.3 million in receipts from a FY 2010 audit recovery.

Month of November:

Total general business taxes collected in November 2011 were \$2.4 million or \$1.6 million less than the \$4.0 million collected in November 2010. This translates into a decrease of 39.8 percent in total general business taxes.

Health care provider assessment taxes for November 2011 were \$3.3 million, an increase of 1.6 percent over November 2010 cash collections. November 2011 bank deposit taxes totaled

\$(14,113) compared to no cash collections of bank deposit taxes in November 2010. The insurance companies gross premiums tax is \$75,110 less in November 2011 vs. November 2010. November 2011 insurance companies gross premiums tax cash collections totaled \$113,747 compared to collections of \$188,857 in November 2010. There were no financial institutions taxes received in either November of 2011 or November of 2010. Public utilities gross earnings taxes were \$(501,141) in November 2011, a decrease of \$585,179 from collections of \$84,038 in November 2010.

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 slight differences may exist between the figures reported by the Division of Taxation and those reported by the Controller due to timing differences in the posting of revenues.

Fiscal Year-to-Date through November:

Component	FY 2011	FY 2012	Difference	% Change
Estimated Payments	\$17,151,288	\$15,736,386	\$ (1,414,901)	-8.2 %
Final Payments*	21,377,861	13,727,310	(7,650,551)	-35.8 %
Refunds/Adjustments	(10,203,099)	(8,872,756)	1,330,344	-13.0 %
* Final Payments include historic structures tax credit reimbursements of \$798,010 in fiscal year-to-date 2011 and \$369,855 in fiscal year-to-date 2012.				

Within the business corporations tax components, estimated payments were down by \$1.4 million or 8.2 percent through November of FY 2012 when compared to same period last fiscal year. Final payments posted a decrease of \$7.7 million or 35.8 percent during FY 2012's first five months versus the first five months of FY 2011. It should be noted that FY 2011 final payments cash receipts for business include \$7.2 million that was accrued back to FY 2010. Refunds and adjustments were less by \$1.3 million through November of FY 2012 versus the same period in FY 2011, a decrease of 13.0 percent.

Month of November:

Component	FY 2011	FY 2012	Difference	% Change
Estimated Payments	\$ 1,724,615	\$ 1,428,956	\$ (295,659)	-17.1 %
Final Payments	2,222,658	1,479,958	(429,052)	-33.4%
Refunds/Adjustments	(3,097,946)	(3,378,932)	(280,985)	9.1 %
* Final Payments include historic structures tax credit reimbursements of \$313,648 in November 2010 and no historic structures tax credit reimbursements in November 2011				

Within the business corporations tax components, estimated payments were down \$295,659 or 17.1 percent in November 2011 vs. November 2010. Final payments posted a decrease of \$429,052 or 33.4 percent in November 2011 when compared to November 2010. Refunds and adjustments were greater by \$280,985 in November 2011 versus November 2010, an increase of 9.1 percent.

Excise Taxes Other Than the Sales and Use Tax

November	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$85.0 Million	\$80.1 Million	\$ (4.9 Million)	-5.8 %
Month	\$15.9 Million	\$14.6 Million	\$ (1.3 Million)	-8.2 %

Fiscal Year-to-Date through November:

Excise taxes other than sales and use taxes collected in the fiscal year-to-date November 2011 period totaled \$80.1 million or \$4.9 million less than the \$85.0 million collected for the same period in FY 2011. The actual year-to-date growth rate in excise taxes other than the sales and use tax is -5.8 percent.

Motor vehicle licenses and fees cash collections are \$2.4 million less in FY 2012 through November than in FY 2011 through November. This difference yields a fiscal year-to-date growth rate for motor vehicle licenses and fees cash collections of -12.3 percent. Motor carrier fuel use tax cash collections total \$386,623 in FY 2012 through November. This is a decrease of 11.8 percent over FY 2011 cash collections through November of \$438,100. FY 2012 alcohol excise taxes through November 2011 are up 1.1 percent, or \$57,224, from the \$5.0 million collected in FY 2011 through November 2010.

Rhode Island cigarettes tax receipts are comprised of excise taxes collected on the sale of cigarettes, 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 on cigarettes. Total cigarette tax receipts through the first five months of FY 2012 were down \$2.5 million, or 4.2 percent compared to the first five months of FY 2011.

Finally, the change in cigarette sales is determined. First, cigarette floor stock tax and smokeless tobacco products tax collections are netted out of the data yielding only cigarette tax collections. The result is a decrease in Rhode Island cigarette sales of 4.2 percent through the fifth month of FY 2012 versus the first five months of FY 2011.

Month of November:

Excise taxes other than sales and use taxes collected in November 2011 period totaled \$14.6 million or \$1.3 million less than the \$15.9 million collected in November 2010. This translates into a growth rate in excise taxes other than the sales and use tax -8.2 percent.

Motor vehicle licenses and fees cash collections are \$2.8 million, or 12.5 percent, less in November 2011 than in November 2010. Motor carrier fuel use tax cash collections total \$97,265 in November 2011. This is a decrease of 41.9 percent over November 2010 cash collections of \$167,347. Alcohol excise taxes in November 2011 are up 14.0 percent, or \$132,506, from the \$944,338 collected in November 2010.

Total cigarette tax receipts in November 2011 were down \$972,199, or 8.3 percent compared to November 2010. This translates into an increase in Rhode Island cigarette sales of 8.5 percent in November 2011 versus November 2010.

Other Taxes

November	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$14.0 Million	\$24.5 Million	\$10.5 Million	75.4 %
Month	\$ 1.9 Million	\$ 9.1 Million	\$ 7.2 Million	390.8 %

Fiscal Year-to-Date through November:

Other taxes collected through November of FY 2012 totaled \$24.5 million versus \$14.0 million in other taxes collected during the same period last fiscal year, an increase of \$10.5 million, or 75.4 percent. Inheritance tax collections totaled \$21.2 million through November of FY 2012, an increase of \$10.7 million from the \$10.5 million collected through the fifth month of FY 2011. In FY 2012, inheritance taxes include \$4.8 million in cash receipts from a November 2011 large one time payment. Racing and athletics tax collections through November of FY 2012 were down 3.8 percent, or \$20,458, relative to the same period in FY 2011. Realty transfer taxes were down by 3.3 percent through November of FY 2012 versus through November of FY 2011, a decrease of \$97,564.

Month of November:

Other taxes collected in November 2011 totaled \$9.1 million versus \$1.9 million in other taxes collected in November 2010, an increase of \$7.2 million. Inheritance tax collections totaled \$8.5 million in November 2011, an increase of \$7.2 million collected in November 2010. In November 2011, inheritance taxes include \$4.8 million in cash receipts from a large one time payment. Racing and athletics tax collections in November 2011 were up 4.4 percent, or \$4,863, relative to November 2010. Realty transfer taxes were up by 5.3 percent in November 2011 versus the \$472,064 collected in November 2010.

Total Departmental Receipts

November	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$197.5 Million	\$203.5 Million	\$6.0 Million	3.1 %
Month	\$ 13.4 Million	\$ 15.0 Million	\$1.7 Million	12.4 %

Fiscal Year-to-Date through November:

FY 2012 year-to-date departmental receipts total \$203.5 million, an increase of \$6.0 million from the amount that was collected last fiscal year at this time. Actual departmental cash receipts for FY 2012 were up 3.1 percent when compared to cash receipts collected during the same period a year ago. FY 2012 year-to-date growth in the licenses and fees category of departmental receipts is 6.3 percent or \$10.6 million more than FY 2011 through November 2010. The FY 2011 Hospital Licensing Fee which was received in July of FY 2012 has totaled \$131.8 million or \$10.4 million more than was received in FY 2011 for the FY 2010 hospital licensing fee. Fines and penalties are up 2.3 percent through the fifth month of FY 2012 versus the fifth month of FY 2011, or \$234,817 more than fiscal year-to-date cash collections through November 2010. In the sales and services category of departmental receipts, FY 2012 year-to-date growth is -66.6 percent from FY 2011 cash collections of \$11.0 million through November 2010. The \$7.3 million decrease in sales and services departmental receipts is partially attributable to the delayed posting of the \$7.1 million disproportionate share (“dish”) payment made by the Eleanor Slater Hospital in FY 2011. Finally, miscellaneous departmental revenues were up \$2.6 million, or 27.7 percent, through November of FY 2012 versus the comparable period of FY 2011. Of this total difference, \$908,159 is attributable to increased indirect cost recoveries from restricted receipt accounts managed by the General Treasurer’s office.

In the enacted FY 2012 budget signed into law by Governor Chafee on June 30, 2011 several departmental receipt fees were either increased or newly established. The increased fees through November include the estate filing fee; up \$41,800, the letter of good standing fee; up \$34,825, and the license fee for securities brokers and advisors; up \$73,255. New fees implemented this fiscal year include background checks completed by the Department of Children, Youth and Families which has collected \$7,750 through November, and a non-sufficient funds check fee implemented at the Division of Motor Vehicles which has collected \$5,980 through the first five months. A new grant of \$125,000 from the Urban Institute for work support strategies also increased departmental receipts in FY 2012.

Month of November:

Departmental receipts total \$15.0 million, an increase of \$1.7 million from the amount that was collected in November 2010. Actual departmental receipts for November 2011 were up 12.4 percent when compared to November 2010. November 2011 growth in the licenses and fees category of departmental receipts is 14.1 percent or \$1.4 million more than cash receipts in November 2010. Fines and penalties were down 5.4 percent, or \$72,119, in November 2011 versus November 2010. In the sales and services category of departmental receipts, November 2011 cash collections were \$723,835 or 25.7 percent less than November 2010 cash collections of \$974,397. Finally, miscellaneous departmental receipts were up \$624,902, or 43.3 percent in November 2011 vs. November 2010.

The fees affected by the enacted FY 2012 budget include the estate filing fee for which collections increased by \$9,700 in November 2011, the letter of good standing fee for which collections increased by \$4,450 in November 2011 versus November 2010, and the license fee for securities brokers and advisors which was down \$9,795 from November 2010 cash receipts

of \$151,320. Similarly the new fees implemented by the enacted FY 2012 budget had revenues of \$1,430 in background checks completed by the Department of Children, Youth and Families and \$1,425 for the returned check fee implemented at the Division of Motor Vehicles for the month of November 2011.

Motor Fuel Tax, Per Penny Yield

November	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$1,822,976	\$1,843,313	\$ 20,337	1.1 %
Month	\$ 350,053	\$ 365,053	\$ 15,000	4.2 %

The State's motor fuel tax consists of a \$0.32 per gallon excise tax on the distribution of motor fuel in the State and an additional \$0.01 per gallon surcharge for motor fuel that is delivered to an underground storage tank. 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 November:

The per penny yield of the state's motor fuel tax is \$20,337 more in FY 2012 through November than in FY 2011 through November. This represents an increase of 1.1 percent between the two fiscal year-to-date periods.

Month of November:

The per penny yield of the state's motor fuel tax totaled \$365,053 in November 2011, an increase of \$15,000, or 4.2 percent from November 2010 monthly cash collections of \$350,053.

Other Miscellaneous Revenues

November	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$2.2 Million	\$2.3 Million	\$ 128,895	6.0 %
Month	\$ 151,966	\$ 29,190	\$ (122,776)	-80.8 %

Fiscal Year-to-Date through November:

Other miscellaneous revenues were up 6.0 percent in FY 2012 through November when compared to the same period one year ago. FY 2012 year-to-date collections total \$2.3 million compared to \$2.2 million collected at this time last fiscal year. In FY 2011, \$985,560 was deposited as a result of the sale of the Smithfield Salt Barn that was posted in July 2010 as well as \$839,235 which was received from a pharmaceutical manufacturer settlement in October 2010. In FY 2012, \$2.0 million was deposited as a result of a transfer from the Tobacco Settlement Financing Corporation in August 2011 and \$138,387 was received in a settlement associated with the State's Medicaid program in September 2011.

Month of November:

November 2011 cash collections for other miscellaneous revenues were down \$122,776 compared to November 2010 cash collections of \$151,966.

Lottery Transfer

November	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$118.5 Million	\$125.1 Million	\$ 6.6 Million	5.6 %
Month	\$ 29.2 Million	\$ 30.0 Million	\$ 804,788	2.8 %

Fiscal Year-to-Date through November:

The lottery transfer to the general fund does not commence until August of each fiscal year when July lottery receipts are transferred. The lottery transfer was up 5.6 percent in FY 2012 through November when compared to FY 2011 through November. FY 2012 year-to-date collections totaled \$125.1 million or \$6.6 million more than cash collections through the fifth month of FY 2011.

Month of November:

November 2011 cash collections for the lottery transfer were up \$804,788 compared to November 2010 cash collections of \$29.2 million. The lottery transfer was up 2.8 percent in November of FY 2012 when compared to the same period one year ago.

Lottery Transfer Cash Collections by Component:

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

Fiscal Year-to-Date through November:

Component	FY 2011	FY 2012	Difference	% Change
Traditional Games	\$ 12,200,577	\$ 11,568,921	\$ (631,656)	-5.2%
Keno	5,543,732	5,858,744	315,012	5.7 %
Twin River VLTs	87,207,125	94,717,355	7,510,230	8.6 %
Newport Grand VLTs	11,226,670	10,886,669	(340,001)	-3.0 %

Within the lottery transfer components, traditional games were down by \$631,656 or 5.2 percent through the fifth month of FY 2012 when compared to same period last fiscal year. Keno cash collections posted an increase of \$315,012 or 5.7 percent during FY 2012's period through November versus the comparable period of FY 2011. The transfer from Twin River's video lottery terminals (VLTs) totaled \$94.7 million through November of FY 2012 an increase of \$7.5

million, or 8.6 percent, from FY 2011 cash collections for the comparable period a year ago. The FY 2012 year-to-date transfer from Newport Grand's VLTs totaled \$10.9 million versus the \$11.2 million collected through November of FY 2011. This translates into a decrease of \$340,001, or -3.0 percent. It should be noted that both Twin River and Newport Grand VLT cash collections do not reflect unclaimed prizes, distressed receipts and the state's payment to either Newport Grand's or Twin River's marketing program.

Month of November:

Component	FY 2011	FY 2012	Difference	% Change
Traditional Games	\$ 3,113,787	\$ 2,906,674	\$ (207,113)	-6.7 %
Keno	1,418,777	1,499,844	81,067	5.7 %
Twin River VLTs	21,853,579	23,089,516	1,235,938	5.7 %
Newport Grand VLTs	2,681,194	2,706,435	25,241	0.9 %

Within the lottery transfer components, traditional games were down by \$207,113 or -6.7 percent in November of FY 2012 when compared to same month last fiscal year. Keno cash collections posted an increase of \$81,067 or 5.7 percent in November 2011 versus November 2010. The transfer from Twin River's video lottery terminals (VLTs) totaled \$23.1 million in November of FY 2012, an increase of \$1.2 million, or 5.7 percent, for the comparable month a year ago. The FY 2012 November monthly transfer from Newport Grand's VLTs totaled \$2.7 million versus a similar amount collected in November of FY 2011, an increase of \$25,241, or 0.9 percent.

Unclaimed Property Transfer

The unclaimed property transfer to the general fund occurs in June of every fiscal year.

Rosemary Booth Gallogly, Director
Rhode Island Department of Revenue

December 15, 2011

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Month of November

	FY 2011 November	FY 2012 November	Nominal Difference	% Change
<u>Personal Income Tax</u>	68,958,225	75,504,889	6,546,664	9.5%
<u>General Business Taxes</u>				
Business Corporations	536,370	(443,896)	(980,266)	-182.8%
Public Utilities Gross Earnings	84,038	(501,141)	(585,179)	-696.3%
Financial Institutions	-	-	-	-
Insurance Companies	188,857	113,747	(75,110)	-39.8%
Bank Deposits	-	(14,113)	(14,113)	-
Health Care Provider Assessment	3,216,171	3,267,605	51,434	1.6%
<u>Excise Taxes</u>				
Sales and Use	67,386,741	70,660,040	3,273,299	4.9%
Motor Vehicle	3,155,374	2,760,666	(394,708)	-12.5%
Motor Carrier Fuel Use	167,347	97,265	(70,082)	-41.9%
Cigarettes	11,682,175	10,709,976	(972,199)	-8.3%
Alcohol	944,338	1,076,844	132,506	14.0%
Controlled Substances	-	-	-	-
<u>Other Taxes</u>				
Inheritance and Gift	1,273,174	8,490,621	7,217,447	566.9%
Racing and Athletics	109,523	114,386	4,863	4.4%
Realty Transfer	472,064	497,287	25,223	5.3%
Total Taxes	\$ 158,174,397	\$ 172,334,176	\$ 14,159,779	9.0%
<u>Departmental Receipts</u>				
Licenses and Fees	9,617,007	10,968,831	1,351,824	14.1%
Fines and Penalties	1,339,807	1,267,688	(72,119)	-5.4%
Sales and Services	974,397	723,835	(250,562)	-25.7%
Miscellaneous	1,444,092	2,068,994	624,902	43.3%
Total Departmental Receipts	\$ 13,375,303	\$ 15,029,348	\$ 1,654,045	12.4%
Taxes and Departmentals	\$ 171,549,700	\$ 187,363,524	\$ 15,813,824	9.2%
<u>Other General Revenue Sources</u>				
Other Miscellaneous Revenues	151,966	29,190	(122,776)	-80.8%
Lottery Transfer	29,225,178	30,029,966	804,788	2.8%
Unclaimed Property	-	-	-	-
Total Other Sources	\$ 29,377,144	\$ 30,059,156	\$ 682,012	2.3%
Total General Revenues	\$ 200,926,844	\$ 217,422,680	\$ 16,495,836	8.2%

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Fiscal Year To Date

	FY 2011 YTD November	FY 2012 YTD November	Nominal Difference	Change
<u>Personal Income Tax</u>	391,555,321	423,079,146	31,523,825	8.1%
<u>General Business Taxes</u>				
Business Corporations	27,664,733	20,371,265	(7,293,468)	-26.4%
Public Utilities Gross Earnings	4,253,676	1,806,377	(2,447,299)	-57.5%
Financial Institutions	(1,642,637)	939,902	2,582,539	-157.2%
Insurance Companies	824,460	115,823	(708,637)	-86.0%
Bank Deposits	4,241	32,344	28,103	662.7%
Health Care Provider Assessment	16,671,789	17,418,556	746,767	4.5%
<u>Excise Taxes</u>				
Sales and Use	356,339,453	370,615,588	14,276,135	4.0%
Motor Vehicle	19,311,796	16,938,905	(2,372,891)	-12.3%
Motor Carrier Fuel Use	438,100	386,623	(51,477)	-11.8%
Cigarettes	60,281,265	57,747,474	(2,533,791)	-4.2%
Alcohol	5,012,542	5,069,766	57,224	1.1%
Controlled Substances	-	-	-	-
<u>Other Taxes</u>				
Inheritance and Gift	10,491,952	21,159,168	10,667,216	101.7%
Racing and Athletics	544,292	523,834	(20,458)	-3.8%
Realty Transfer	2,954,763	2,857,199	(97,564)	-3.3%
Total Taxes	\$ 894,705,746	\$ 939,061,970	\$ 44,356,224	5.0%
<u>Departmental Receipts</u>				
Licenses and Fees	167,162,884	177,716,195	10,553,311	6.3%
Fines and Penalties	10,112,168	10,346,985	234,817	2.3%
Sales and Services	10,976,597	3,665,696	(7,310,901)	-66.6%
Miscellaneous	9,243,117	11,804,516	2,561,399	27.7%
Total Departmental Receipts	\$ 197,494,766	\$ 203,533,392	\$ 6,038,626	3.1%
Taxes and Departmentals	\$ 1,092,200,512	\$ 1,142,595,362	\$ 50,394,850	4.6%
<u>Other General Revenue Sources</u>				
Other Miscellaneous Revenues	2,160,437	2,289,332	128,895	6.0%
Lottery Transfer	118,455,856	125,080,994	6,625,138	5.6%
Unclaimed Property	-	-	-	-
Total Other Sources	\$ 120,616,293	\$ 127,370,326	\$ 6,754,033	5.6%
Total General Revenues	\$ 1,212,816,805	\$ 1,269,965,688	\$ 57,148,883	4.7%