

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
GOVERNOR LINCOLN D. CHAFEE



DEPARTMENT OF REVENUE
Office of Revenue Analysis

Cash Collections Report October 2012 Summary

Fiscal Year-to-Date through October:

FY 2013 year-to-date total general revenue cash collections through October were \$1.067 billion, up \$14.8 million, or 1.4 percent, from the same period last fiscal year. The breakdown by major revenue components is as follows:

Component	FY 2012	FY 2013	Difference	% Change
Personal Income Tax	\$ 347,574,257	\$ 345,456,807	\$ (2,117,450)	-0.6 %
Sales and Use Taxes	299,955,548	306,671,452	6,715,904	2.2 %
Departmental Receipts	188,504,044	184,534,160	(3,969,884)	-2.1 %
Lottery Transfer	95,051,028	95,907,908	856,880	0.9 %
All Other Revenues	121,458,131	134,755,071	13,296,940	10.9 %
Total General Revenues	\$ 1,052,543,008	\$ 1,067,325,398	\$ 14,782,390	1.4 %

Month of October:

Total general revenue cash collections for October 2012 were \$242.2 million, up \$8.3 million, or 3.5 percent, compared to October 2011. The breakdown by major revenue components is as follows:

Component	FY 2012	FY 2013	Difference	% Change
Personal Income Tax	\$ 78,057,689	\$ 78,941,376	\$ 883,687	1.1 %
Sales and Use Taxes	75,357,111	73,454,280	(1,902,831)	-2.5 %
Departmental Receipts	20,787,724	21,697,672	909,948	4.4 %
Lottery Transfer	32,931,252	31,388,043	(1,543,209)	-4.7 %
All Other Revenues	26,773,112	36,722,166	9,949,054	37.2 %
Total General Revenues	\$ 233,906,888	\$ 242,203,537	\$ 8,296,649	3.5 %

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State of Rhode Island Cash Collections Report
 October 2012 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

October	FY 2012	FY 2013	Difference	% Change
Fiscal YTD	\$1.053 Billion	\$1.067 Billion	\$14.8 Million	1.4 %
Month	\$233.9 Million	\$242.2 Million	\$8.3 Million	3.5 %

Fiscal Year-to-Date through October:

Fiscal Year 2013 total general revenues collected through October have increased by 1.4 percent compared to Fiscal Year 2012 total general revenues collected through October. For the fiscal year-to-date period through October 2012, total general revenues were \$1.067 billion compared to \$1.053 billion for the same period last year, an increase of \$14.8 million.

The following cash flow differences between FY 2012 and FY 2013 should be noted:

FY 2012

- Sales and use tax cash collections in October 2011 include \$2.1 million received as the result of an audit of prior year sales activity and \$1.1 million in revenue was received in consequence of posting 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 are transferred to departmental receipts in January 2012.

- The October 2011 lottery transfer includes \$2.7 million of cash receipts that were accrued back to FY 2011.
- The licenses and fees component of departmental receipts includes \$923,651 from imaging service surcharge fees collected in August 2011 and October 2011. This increase was due to an audit recovery for the payment of bills for prior fiscal years.
- Miscellaneous revenues within departmental receipts include \$508,053 that was received in July 2011 as a result of a settlement agreement between the Office of the Attorney General and a major pharmaceutical manufacturer.
- Other miscellaneous revenues include a \$2.0 million transfer from the Tobacco Settlement Financing Corporation (TSFC) received in August 2011. 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 TSFC.
- Other miscellaneous revenues include \$138,387 from a settlement received in September 2011 associated with the State's Medicaid program.

FY 2013

- In FY 2013, the Division of Taxation collected a total of \$7.8 million in overdue taxes and interest owed on overdue taxes from the 2012 tax amnesty program, which runs from September 2, 2012 through November 15, 2012. The program allows taxpayers to pay overdue taxes without penalty and with a 25.0 percent reduction in interest owed. Interest owed on overdue taxes collected in September for personal income taxes, business corporations taxes, inheritance taxes, and sales and use taxes was transferred to the fines and penalties component of departmental receipts in October.

The total allocation by tax type is as follows: public utilities gross earnings taxes, \$2.2 million in taxes and \$1.0 million in interest owed received in October; personal income taxes, \$1.6 million in taxes and \$392,217 in interest owed received in October; business corporations taxes, \$978,166 in taxes and \$184,051 in interest owed received in October; sales and use taxes, \$418,352 in taxes and \$110,730 in interest owed received in October; inheritance taxes, \$85,072 in taxes and \$17,922 in interest owed received in October; cigarette excise taxes, \$28,789 in taxes and \$19,003 in interest owed received in October; health care provider assessment, \$17,871 in taxes and \$2,002 in interest owed received in October; motor carrier fuel use taxes, \$806 in taxes and \$416 in interest owed received in October; insurance companies gross premiums taxes, \$521 in taxes and \$82 in interest owed received in October; hotel taxes, \$68 in taxes and \$3 in interest owed received in October; and interest on overdue taxes received in September transferred to departmental receipts in October, \$749,312. The revenues from the interest owed on overdue taxes for personal income taxes, business corporations taxes, sales and use taxes and inheritance

taxes collected in October through December will be transferred to the fines and penalties component of departmental receipts in January 2013.

- Insurance companies gross premiums tax cash collections are \$1.7 million greater due to the transfer of cash from escrow to the State of Rhode Island for the settlement of an outstanding tax liability in July 2012.
- On July 1, 2012, the cigarette excise tax rate increased by \$0.04 per pack of 20 cigarettes. As a result, fiscal year-to-date cigarette excise tax cash collections through October include \$140,370, due to the imposition of the higher rate of tax on the stock of cigarettes held by wholesalers and dealers at midnight on July 1, 2012.
- In the fiscal year-to-date through October, the hospital licensing fee has generated \$7.7 million less than FY 2012 through October. This decrease is partially attributable to two taxpayers, currently in receivership, not paying the fee as prescribed by law. In addition, the hospital licensing fee rate decreased from 5.465 percent of hospital FY 2009 net patient revenues to 5.430 percent of hospital FY 2010 net patient revenues.
- The licenses and fees component of departmental receipts is \$783,075 greater for teacher certification fees collected as a result of the implementation of a restructured fee schedule. This fee schedule was implemented in January 2012, with receipts being remitted to the State for the first time in February 2012.
- The licenses and fees component of departmental receipts is less by \$474,540 in October 2012 for securities registration fees collected but not posted by the Department of Business Regulation. The receipts will be posted in November 2012.
- The fines and penalties component of departmental receipts include a life insurance settlement of \$246,136 received in August 2012.
- The miscellaneous revenues component of departmental receipts was greater by \$1.0 million in July 2012 as a result of a settlement agreement between the Office of the Attorney General and a major pharmaceutical manufacturer.
- Other miscellaneous revenues include a cash flow difference of \$2.2 million from settlements entered into by the State's Medicaid program and a pharmaceutical manufacturer that were received in August 2012. Other miscellaneous revenues also include \$1.3 million received in October 2012 from a settlement reached in FY 2012 from a large pharmaceutical manufacturer.
- The lottery transfer is greater by \$100,000 due to an overpayment in October 2012, which will be corrected for in November 2012.

The following table displays the differences in cash flows for FY 2012 through October and FY 2013 through October.

Revenue Source	Cash Flow Differences	YTD FY 2012	YTD FY 2013
Personal Income Taxes	2012 Tax Amnesty Program	\$0	\$1,960,484
Business Corp. Taxes	2012 Tax Amnesty Program	\$0	\$1,162,217
Public Utilities	2012 Tax Amnesty Program	\$0	\$3,249,910

Revenue Source	Cash Flow Differences	YTD FY 2012	YTD FY 2013
Insurance Companies	Insurance Settlements	\$0	\$1,722,000
Insurance Companies	2012 Tax Amnesty Program	\$0	\$603
Health Care Provider	2012 Tax Amnesty Program	\$0	\$19,873
Sales and Use Taxes	One time audit payment	\$2,092,342	\$0
Sales and Use Taxes	Payment of delinquent taxes	\$1,110,743	\$0
Sale and Use Taxes	2012 Tax Amnesty Program	\$0	\$529,082
Motor Fuel Taxes	2012 Tax Amnesty Program	\$0	\$1,223
Cigarette Excise Taxes	Cigarette Floor Stock	\$0	\$140,206
Cigarette Excise Taxes	2012 Tax Amnesty Program	\$0	\$47,792
Inheritance and Gift	2012 Tax Amnesty Program	\$0	\$102,994
Departmental Receipts	Imaging service surcharge receipts	\$923,651	\$0
Departmental Receipts	Hospital licensing fee difference	\$0	\$(7,685,102)
Departmental Receipts	Teacher certification fee restructuring	\$0	\$783,075
Departmental Receipts	DBR fees collected but not posted	\$0	\$(474,540)
Departmental Receipts	DBR Insurance settlement	\$0	\$246,136
Departmental Receipts	2012 Tax Amnesty - Hotel Taxes	\$0	\$71
Departmental Receipts	2012 Tax Amnesty – Sept. interest owed	\$0	\$749,312
Departmental Receipts	AG pharmaceutical settlements	\$508,053	\$1,026,551
Other Misc. Revenues	TSFC general fund transfer	\$1,951,166	\$0
Other Misc. Revenues	Medicaid program settlement	\$138,387	\$0
Other Misc. Revenues	Medicaid pharmaceutical settlements	\$0	\$2,218,208
Other Misc. Revenues	Pharmaceutical settlements	\$0	\$1,258,630
Lottery Transfer	Cash accrued to prior fiscal year	\$2,731,761	\$0
Lottery Transfer	Overpayment of October transfer	\$0	\$100,000

Month of October:

Total general revenues collected in October 2012 have increased by 3.5 percent compared to October 2011 total general revenue collections. October 2012 total general revenues were \$242.2 million compared to \$233.9 million collected in October 2011, an increase of \$8.3 million.

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

- In October 2011, \$3.2 million was received from an audit of prior year sales activity and the posting of a separate top 100 list of business tax delinquents.

- The October 2011 lottery transfer to the state includes \$2.7 million that was accrued back to FY 2011.
- In October 2012, the Division of Taxation collected a total of \$4.5 million in taxes and interest owed on overdue taxes from the 2012 tax amnesty program, which runs from September 2, 2012 through November 15, 2012. The program allows taxpayers to pay overdue taxes without penalty and with a 25.0 percent reduction in interest owed. The total cash collected in October 2012 by tax type is as follows: public utilities gross earnings taxes, \$1.6 million in taxes and \$714,940 in interest owed; personal income taxes, \$985,806 in taxes and \$392,217 in interest owed; sales and use taxes, \$225,320 in taxes and \$110,730 in interest owed; business corporations taxes, \$79,371 in taxes and \$184,051 in interest owed; inheritance taxes, \$85,072 in taxes and \$17,922 in interest owed; cigarette excise taxes, \$21,584 in taxes and \$13,890 in interest owed; health care provider assessment, \$17,871 in taxes and \$2,002 in interest owed; motor carrier fuel use tax, \$806 in taxes and \$416 in interest owed; insurance companies gross premiums tax, \$521 in taxes and \$82 in interest owed; and hotel taxes, \$1 in interest owed. Interest owed on overdue taxes collected in September for personal income taxes, business corporations taxes, sales and use taxes and inheritance taxes of \$749,312 was transferred to departmental receipts in October. Revenues for interest owed on overdue taxes collected in October 2012 will be transferred to departmental receipts in January 2013.
- The licenses and fees component of departmental receipts does not include \$474,540 of securities registration fees collected in October 2012 because the Department of Business Regulation experienced a processing delay. The receipts will be posted in November 2012.
- Departmental miscellaneous revenues include \$1.3 million received in October 2012 from a settlement reached in FY 2012 from a large pharmaceutical manufacturer.
- The October 2012 lottery transfer is overstated by \$100,000 due to an overpayment which will be corrected in November 2012.

The following table displays the differences in cash flows for October 2011 and October 2012.

Revenue Source	Cash Flow Differences	October FY 2012	October FY 2013
Personal Income Taxes	2012 Tax Amnesty Program	\$0	\$1,378,023
Business Corp. Taxes	2012 Tax Amnesty Program	\$0	\$263,421
Public Utilities	2012 Tax Amnesty Program	\$0	\$2,353,276
Insurance Companies	2012 Tax Amnesty Program	\$0	\$603
Health Care Provider	2012 Tax Amnesty Program	\$0	\$19,873
Sales and Use Taxes	One time audit payment	\$2,092,342	\$0
Sales and Use Taxes	Payment of delinquent taxes	\$1,110,743	\$0
Sales and Use Taxes	2012 Tax Amnesty Program	\$0	\$336,050
Motor Fuel Taxes	2012 Tax Amnesty Program	\$0	\$1,223
Cigarette Excise Taxes	2012 Tax Amnesty Program	\$0	\$35,474

Revenue Source	Cash Flow Differences	October FY 2012	October FY 2013
Inheritance and Gift	2012 Tax Amnesty Program	\$0	\$102,994
Departmental Receipts	2012 Tax Amnesty - Hotel Taxes	\$0	\$1
Departmental Receipts	2012 Tax Amnesty – Sept. Interest owed	\$0	\$749,312
Departmental Receipts	DBR fees collected but not posted	\$0	\$(474,540)
Other Misc. Revenues	Medicaid program settlement	\$138,387	\$0
Other Misc. Revenues	Pharmaceutical settlements	\$0	\$1,258,630
Lottery Transfer	Overpayment of October transfer	\$0	\$100,000

Taxes and Departmental Receipts

October	FY 2012	FY 2013	Difference	% Change
Fiscal YTD	\$955.2 Million	\$967.7 Million	\$12.4 Million	1.3 %
Month	\$200.9 Million	\$209.4 Million	\$ 8.4 Million	4.2 %

Fiscal Year-to-Date through October:

The Rhode Island Department of Revenue reports that FY 2013 taxes and departmental receipts collected through October have increased by 1.3 percent compared to cash collections for the comparable period in FY 2012. For the fiscal year-to-date period through October 2012, total taxes and departmental receipts were \$967.7 million in FY 2013 compared to \$955.2 million for the same period last fiscal year, an increase of \$12.4 million.

Month of October:

October 2012 taxes and departmental receipts increased by \$8.4 million, or 4.2 percent, compared to cash collections in October 2011. October 2012 taxes and departmental receipts totaled \$209.4 million compared to \$200.9 million in October 2011.

Other General Revenue Sources

October	FY 2012	FY 2013	Difference	% Change
Fiscal YTD	\$97.3 Million	\$99.7 Million	\$ 2.4 Million	2.4 %
Month	\$33.0 Million	\$32.8 Million	\$ (134,871)	-0.4 %

Fiscal Year-to-Date through October:

FY 2013 other general revenue sources cash collections through October have increased by 2.4 percent compared to cash collections through October of FY 2012. 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 in October 2012, total other general revenue sources were \$97.3 million in FY 2013 compared to \$99.7 million for the same period last year, an increase of \$2.4 million.

Month of October:

Other general revenue sources cash collections totaled \$32.8 million in October 2012 compared to \$33.0 million in October 2011, a decrease of \$134,871. This decrease translates into a growth rate of -0.4 percent.

Total Taxes

October	FY 2012	FY 2013	Difference	% Change
Fiscal YTD	\$766.7 Million	\$783.1 Million	\$16.4 Million	2.1 %
Month	\$180.1 Million	\$187.7 Million	\$ 7.5 Million	4.2 %

Fiscal Year-to-Date through October:

Total tax cash collections for the fiscal year-to-date period through October 2012 were \$783.1 million, or 2.1 percent more than the \$766.7 million in total tax cash collections in FY 2012 through October.

Month of October:

October 2012 total tax cash collections of \$187.7 million increased by \$7.5 million, or 4.2 percent, compared to October 2011 cash collections of \$180.1 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 2013, total historic structure tax credit redemptions/reimbursements for all taxes through October totaled \$5.5 million versus \$608,725 in FY 2012, an increase of 808.9 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 2012	FY 2013	October 2011	October 2012
Personal Income	\$ 238,870	\$ 437,785	\$ 67,173	\$ 367,516
Business Corporations	369,855	0	369,855	0
Financial Institutions	0	5,094,709	0	5,094,709
Insurance/Non-HMOs	0	0	0	0
Insurance/HMOs	0	0	0	0
Total	\$ 608,725	\$ 5,532,493	\$ 437,028	\$ 5,462,224

Personal Income Taxes

October	FY 2012	FY 2013	Difference	% Change
Fiscal YTD	\$347.6 Million	\$345.5 Million	\$ (2.1 Million)	-0.6 %
Month	\$ 78.1 Million	\$ 78.9 Million	\$ 883,687	1.1 %

Fiscal Year-to-Date through October:

Personal income tax cash collections for FY 2013 through October decreased \$2.1 million, or -0.6 percent, compared to the same period last fiscal year. Total personal income tax cash collections for FY 2013 through October were \$345.5 million compared to FY 2012 cash collections through October of \$347.6 million.

The 2012 tax amnesty program allows taxpayers to pay the full amount of overdue personal income taxes without penalty and with a 25.0 percent reduction in interest owed. Personal income tax receipts attributable to the tax amnesty program in FY 2013 through October are \$2.0 million, which includes tax payments of \$1.6 million and interest owed on overdue taxes of \$392,216. The interest owed on overdue taxes collected in October through December will be transferred to departmental receipts in January 2013.

The FY 2013 year-to-date personal income tax cash collections through October include historic structures tax credit reimbursements of \$437,785 compared to the \$238,870 in HSTC reimbursements through October of FY 2012. FY 2013 year-to-date HSTC reimbursements for personal income taxes are \$198,915 more than the same period in FY 2012, an increase of 83.3 percent.

Month of October:

Personal income tax cash collections in October 2012 totaled \$78.9 million compared to October 2011 cash collections of \$78.1 million, an increase of \$883,687 or 1.1 percent.

October 2012 personal income tax receipts attributable to the tax amnesty program are \$1.4 million, which includes tax payments of \$985,806 and interest owed on overdue taxes of \$392,217. Personal income tax cash collections are reduced by \$293,443 for interest owed on overdue taxes received in September 2012 that were transferred to departmental receipts in October. The interest owed on overdue taxes received in October will be transferred to departmental receipts in January 2013.

October 2012 cash collections include historic structures tax credit reimbursement of \$367,516 versus \$67,173 for October 2011. October 2012 HSTC reimbursements for personal income taxes are 447.1 percent more than October 2011, an increase of \$300,343.

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 October:

Component	FY 2012	FY 2013	Difference	% Change
Estimated Payments	\$ 55,577,745	\$ 51,123,182	\$ (4,454,563)	-8.0 %
Final Payments*	17,190,409	18,086,001 [^]	895,592	5.2 %
Refunds/Adjustments	(15,718,110)	(21,513,826)	(5,795,716)	36.9 %
Withholding	290,524,212	297,761,450 [^]	7,237,238	2.5 %
* Final Payments include historic structures tax credit reimbursements of \$238,870 in year-to-date FY 2012 and \$437,785 in year-to-date FY 2013.				
[^] Tax amnesty receipts of \$1.9 million in final payments and \$59,848 in withholding taxes are included in the FY 2013 figures. Interest owed on overdue taxes of \$392,217 collected in October through December will be transferred to departmental receipts in January 2013.				

Within the components of personal income tax, FY 2013 estimated payments are down \$4.5 million, or -8.0 percent, on a fiscal year-to-date basis through October versus the same period last fiscal year. Final payments are up \$895,592, or 5.2 percent, through October of FY 2013 relative to FY 2012 through October. Year-to-date FY 2013 final payments include tax amnesty receipts of \$1.5 million in overdue taxes and \$374,772 in interest owed on overdue taxes. The FY 2013 final payments cash collections through October also include \$437,785 in reimbursed historic structures tax credits versus \$238,870 in FY 2012 through October. Refunds and adjustments are up \$5.8 million, or 36.9 percent, in FY 2013 through October versus FY 2012 through October. Finally, FY 2013 withholding tax cash collections through October are up \$7.2 million, or 2.5 percent, relative to withholding tax cash collections in FY 2012 through October. Year-to-date FY 2013 withholding tax payments include tax amnesty receipts of \$42,403 in overdue taxes and \$17,445 in interest owed on overdue taxes.

Month of October:

Component	FY 2012	FY 2013	Difference	% Change
Estimated Payments	\$ 4,513,626	\$ 4,258,349	\$ (255,278)	-5.7 %
Final Payments*	7,412,224	7,910,012 [^]	497,788	6.7 %
Refunds/Adjustments	(5,433,091)	(8,445,713)	(3,012,622)	55.4 %
Withholding	71,568,067	75,218,729 [^]	3,650,662	5.1 %
* Final Payments include historic structures tax credit reimbursements of \$67,173 in October 2011 and \$367,516 in October 2012.				
[^] Tax amnesty receipts of \$1.3 million in final payments and \$43,326 in withholding taxes are included in the FY 2013 figures. Interest owed on overdue taxes collected in September of \$293,443 was transferred to departmental receipts in October. Interest owed on overdue taxes of \$392,217 collected in October will be transferred to departmental receipts in January 2013.				

Within the components of personal income tax, estimated payments received in October 2012 decreased \$255,278, or -5.7 percent, compared to October 2011. Final payments are greater by \$497,788, or 6.7 percent, in FY 2013 through October relative to FY 2012 through October. Tax amnesty receipts included in the October 2012 final payments are \$959,925 in overdue taxes and \$374,772 in interest owed on overdue taxes. Interest owed on overdue taxes collected in September through the tax amnesty of \$282,341 was transferred to departmental receipts in October. October 2012 final payments cash collections also include \$367,516 in reimbursed historic structures tax credits versus \$67,173 in October 2011. Refunds and adjustments are greater by \$3.0 million in October 2012 versus October 2011. Finally, October 2012 withholding tax cash collections are \$3.7 million, or 5.1 percent, greater than October 2011 withholding tax cash collections. October 2012 withholding tax payments include tax amnesty receipts of \$25,881 in overdue taxes and \$17,445 in interest owed on overdue taxes. Interest owed on overdue taxes collected in September through the tax amnesty of \$11,102 was transferred to departmental receipts in October.

Sales and Use Taxes

October	FY 2012	FY 2013	Difference	% Change
Fiscal YTD	\$300.0 Million	\$306.7 Million	\$ 6.7 Million	2.2 %
Month	\$ 75.4 Million	\$ 73.5 Million	\$ (1.9 Million)	-2.5 %

Fiscal Year-to-Date through October:

Sales and use tax cash collections for FY 2013 through the first four months of the fiscal year were up \$6.7 million, or 2.2 percent, compared to the same period last fiscal year. Total sales and use tax cash collections for FY 2013 through October were \$306.7 million versus FY 2012 cash collections of \$300.0 million through October. It should be noted that FY 2013 sales and use tax cash collections through October 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 2012 tax amnesty program allows taxpayers to pay the full amount of overdue sales and use taxes without penalty and with a 25.0 percent reduction in interest owed. In FY 2013 through October, sales and use tax cash collections include tax amnesty payments of \$418,352 in overdue taxes and \$110,730 in interest owed on overdue taxes. The interest owed on overdue taxes collected in October through December will be transferred to departmental receipts in January 2013.

Month of October:

Sales and use tax cash collections in October 2012 were \$1.9 million, or 2.5 percent, less than October 2011 cash collections. Sales and use tax cash collections totaled \$73.5 million in October 2012 versus cash collections of \$75.4 million in October 2011. It should be noted that October 2012 sales and use tax cash collections include an unknown amount of added revenue from the sales and use tax base expansion signed into law by Governor Chafee on June 30, 2011.

In October 2012, total sales and use tax receipts attributable to the tax amnesty program include overdue taxes of \$225,320 and interest owed on overdue taxes of \$110,730. October 2012 sales and use tax receipts are reduced by \$290,568 for interest owed on overdue taxes collected in September and transferred to departmental receipts in October. The interest owed on overdue taxes collected in October will be transferred to departmental receipts in January 2013.

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 October:

Component	FY 2012	FY 2013	Difference	% Change
Net Taxation	\$ 268,182,327	\$ 272,704,910 [^]	\$ 4,522,584	1.7 %
Registry Receipts	27,958,606	29,865,196	1,906,590	6.8 %
Providence Place Mall	4,323,356	4,297,236	(26,120)	-0.6 %
[^] Tax amnesty receipts of \$529,082 are included in the FY 2013 net taxation figures. Interest owed on overdue taxes of \$110,730 collected in October through December will be transferred to departmental receipts in January 2013.				

Within the sales tax components, registry receipts were up 6.8 percent, or \$1.9 million, through the first four months of FY 2013 when compared to same period last fiscal year. Net sales tax receipts remitted directly to the Division of Taxation posted an increase of \$4.5 million, or 1.7 percent, during the first four months of FY 2013 versus the first four months of FY 2012. FY 2013 net sales tax receipts include tax amnesty collections of \$418,352 in overdue taxes and

\$110,730 in interest owed on overdue taxes. Providence Place Mall (PPM) sales tax receipts were lower by \$26,120, or -0.6 percent, through October of FY 2013 versus the same period in FY 2012.

Month of October:

Component	FY 2012	FY 2013	Difference	% Change
Net Taxation	\$ 66,554,767	\$ 64,529,362 [^]	\$(2,025,406)	-3.0 %
Registry Receipts	7,657,721	7,775,285	117,563	1.5 %
Providence Place Mall	1,114,317	1,110,650	(3,667)	-0.3 %
[^] Tax amnesty receipts of \$336,050 is included in the FY 2013 net taxation figures. Interest owed on overdue taxes of \$290,568 collected in September was transferred to departmental receipts in October. Interest owed on overdue taxes of \$110,730 collected in October will be transferred to departmental receipts in January 2013.				

Within the sales tax components, registry receipts were up 1.5 percent, or \$117,563, in October 2012 when compared to October 2011. Net sales tax receipts remitted directly to the Division of Taxation posted a decrease of \$2.0 million, or -3.0 percent, in October 2012 versus October 2011. October 2012 net sales tax receipts include tax amnesty of \$225,320 in overdue taxes and \$110,730 in interest owed on overdue taxes. Interest owed on overdue taxes collected in September through the tax amnesty of \$290,568 was transferred to departmental receipts in October. Providence Place Mall (PPM) sales tax receipts were lower by \$3,667, or -0.3 percent, in October 2012 versus October 2011.

General Business Taxes

October	FY 2012	FY 2013	Difference	% Change
Fiscal YTD	\$38.3 Million	\$51.1 Million	\$12.9 Million	33.6 %
Month	\$6.8 Million	\$15.3 Million	\$ 8.5 Million	125.7 %

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 varying fiscal years of corporations and the number of filers that are on extension at any given point in time. As a result, both business corporation taxes and health care provider assessments flow more evenly into the general fund over the course of a fiscal year.

Fiscal Year-to-Date through October:

FY 2013 total general business taxes collected through October were \$51.1 million, or \$12.9 million more than the \$38.3 million collected for the same period in FY 2012. Year-to-date growth in FY 2013 is 33.6 percent.

The 2012 tax amnesty program allows taxpayers to pay the full amount of overdue general business taxes without penalty and with a 25.0 percent reduction in interest owed. Total general business tax receipts attributable to the tax amnesty in FY 2013 through October are \$3.2 million in overdue taxes and \$1.2 million of interest owed on overdue taxes. The interest owed on overdue taxes collected in October through December for business corporations taxes will be transferred to departmental receipts in January 2013.

Health care provider assessment taxes collected in FY 2013 through October are \$13.8 million, a decrease of 2.6 percent over the same period in FY 2012. Health care provider assessment tax receipts attributable to the tax amnesty in FY 2013 through October include \$17,871 in overdue taxes and \$2,002 in interest owed on overdue taxes. Bank deposit taxes tend to post irregularly until March, when the first 40.0 percent of estimated total tax liability is due. No bank deposit taxes were received through October of FY 2013 as compared to receipts of \$46,457 through October of FY 2012. The insurance companies gross premiums tax is up 132,239.7 percent year-to-date, with cash collections through October of \$2.7 million compared to collections of \$2,076 through October of FY 2012. This increase is partially due a \$1.7 million settlement received in July 2012 of a prior year outstanding tax liability. Insurance companies gross premiums tax receipts attributable to the tax amnesty in FY 2013 through October include \$521 in overdue taxes and \$82 of interest owed on overdue taxes. 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 receipts were up by \$4.4 million, or 469.8 percent, on a fiscal year-to-date cash basis in FY 2013 through October versus FY 2012 through October. Financial institutions tax collections in FY 2013 through October totaled \$5.4 million versus \$939,902 collected in FY 2012 through October. Financial institutions tax cash collections include historic structures tax credit reimbursements of \$5.1 million in FY 2013 through October, while no HSTC reimbursements were received in FY 2012 through October. Public utilities gross earnings taxes collected in FY 2013 through October is \$5.1 million, an increase of 118.9 percent over the \$2.3 million collected in FY 2012 through October. Public utilities gross earnings taxes in FY 2013 through October include tax amnesty receipts of \$2.2 million in overdue taxes and \$1.0 million in interest owed on overdue taxes.

Month of October:

Total general business taxes collected in October 2012 were \$15.3 million or \$8.5 million more than the \$6.8 million collected in October 2011. This translates into an increase of 125.7 percent in total general business taxes.

In October 2012, total general business tax receipts attributable to the tax amnesty are \$1.7 million in overdue taxes and \$901,083 of interest owed on overdue taxes. October cash collections are reduced by \$165,301 for interest owed on overdue taxes received in September

for business corporations taxes that were transferred to departmental receipts in October. Interest owed on overdue taxes received for business corporations taxes in October will be transferred to departmental receipts in January 2013.

Health care provider assessment taxes collected in October 2012 were \$3.3 million, a decrease of 4.8 percent over October 2011 cash collections. In October 2012, health care provider assessment receipts due to the tax amnesty include tax payments of \$17,871 and interest owed on overdue taxes of \$2,002. The state did not receive any bank deposit taxes in October 2012 or October 2011. The insurance companies gross premiums tax cash collections totaled \$901,146 in October 2012 compared to \$(328,159) in October 2011, an increase of \$1.2 million. Insurance companies gross premiums tax receipts attributable to the tax amnesty in October 2012 include \$521 in overdue taxes and \$82 of interest owed on overdue taxes. The financial institutions tax increased \$5.1 million, or 19,336.5 percent, in October 2012 compared to October 2011. Financial institutions tax collections in October 2012 was \$5.1 million versus \$26,479 collected in October 2011. October 2012 financial institutions tax collections include historic structures tax credit reimbursements of \$5.1 million, while no HSTC reimbursements were collected in October 2011. Public utilities gross earnings tax receipts in October 2012 are \$2.6 million, an increase of \$2.4 million over the \$167,564 collected in October 2011. Public utilities gross earnings tax collections include tax amnesty receipts of \$1.6 million in overdue taxes and \$714,940 in interest owed on overdue taxes.

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 October:

Component	FY 2012	FY 2013	Difference	% Change
Estimated Payments	\$ 14,307,430	\$ 14,691,415	\$ 383,984	2.7 %
Final Payments	11,877,497	9,910,544 [^]	(1,966,953)	-16.6 %
Refunds/Adjustments	(5,493,824)	(469,525)	5,024,299	-91.5 %
[^] Tax amnesty receipts of \$1.2 million are included in FY 2013 final payments figures. Interest owed on overdue taxes of \$184,051 collected in October through December will be transferred to departmental receipts in January 2013.				

Within the business corporations tax components, estimated payments were up by \$383,984, or 2.7 percent, through October of FY 2013 when compared to same period last fiscal year. Final payments posted a decrease of \$2.0 million, or -16.6 percent, during FY 2013's first four months versus the first four months of FY 2012. Tax amnesty receipts included in the FY 2013 final payments are \$978,166 in overdue taxes and \$184,051 in interest owed on overdue taxes. Interest owed on overdue taxes collected in October through December will be transferred to

departmental receipts in January 2013. Refunds and adjustments were down by \$5.0 million through October of FY 2013 versus the same period in FY 2012.

Month of October:

Component	FY 2012	FY 2013	Difference	% Change
Estimated Payments	\$ 2,806,658	\$ 982,627	\$ (1,824,031)	-65.0 %
Final Payments	4,138,114	3,060,344 [^]	(1,077,770)	-26.0 %
Refunds/Adjustments	(3,615,101)	(749,835)	2,865,266	-79.3 %

[^] Tax amnesty receipts of \$263,421 are included in FY 2013 final payments figures. Interest owed on overdue taxes collected in September of \$165,301 was transferred to departmental receipts in October. Interest owed on overdue taxes of \$184,051 collected in October will be transferred to departmental receipts in January 2013.

Within the business corporations tax components, estimated payments were down \$1.8 million in October 2012 versus October 2011, a decrease of 65.0 percent. Final payments posted a decrease of \$1.1 million, or -26.0 percent, in October 2012 when compared to October 2011. Tax amnesty receipts included in October 2012 final payments are \$79,371 in overdue tax payments and \$184,051 in interest owed on overdue taxes. October 2012 business corporations tax receipts are reduced by \$165,301 for interest owed on overdue taxes collected in September and transferred to departmental receipts in October. The interest owed on overdue taxes collected in October will be transferred to departmental receipts in January 2013. Refunds and adjustments were fewer by \$2.9 million, or -79.3 percent, in October 2012 versus October 2011.

Excise Taxes Other Than the Sales and Use Tax

October	FY 2012	FY 2013	Difference	% Change
Fiscal YTD	\$65.5 Million	\$67.8 Million	\$ 2.3 Million	3.6 %
Month	\$16.3 Million	\$17.1 Million	\$ 848,527	5.2 %

Fiscal Year-to-Date through October:

Excise taxes other than sales and use taxes collected in the fiscal year-to-date through October 2012 period totaled \$67.8 million or \$2.3 million more than the \$65.5 million collected for the same period in FY 2012. The year-to-date growth rate in excise taxes other than the sales and use tax is 3.6 percent.

Motor vehicle licenses and fees cash collections are \$111,777 more in FY 2013 through October than in FY 2012 through October. This difference yields a fiscal year-to-date growth rate for motor vehicle licenses and fees cash collections of 0.8 percent. Motor carrier fuel use tax cash collections total \$261,217 in FY 2013 through October of the fiscal year. This is a decrease of 9.7 percent from FY 2012 cash collections through October of \$289,358. In FY 2013 through October, total motor carrier fuel use tax receipts attributable to the tax amnesty program are \$1,223, which includes tax payments of \$806 and interest owed on overdue taxes of \$416. FY

2013 alcohol excise taxes collected through October 2012 are down 0.8 percent, or \$(31,585), from the \$4.0 million collected in FY 2012 through October.

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 on cigarettes. On July 1, 2012, the cigarette excise tax was increased from \$3.46 per pack of 20 cigarettes to \$3.50 per pack of 20 cigarettes. This yielded cigarette floor stock tax revenues of \$140,370 through October of FY 2013. Total cigarette tax receipts through the first four months of FY 2013 were up \$2.3 million, or 4.8 percent, compared to the first four months of FY 2012.

The 2012 tax amnesty program allows taxpayers to pay the full amount of overdue cigarette excise taxes and motor carrier fuel use taxes without penalty and with a 25.0 percent reduction in interest owed. In FY 2013 through October, total cigarette excise tax receipts attributable to the tax amnesty program are \$47,792, which includes tax payments of \$28,789 and interest owed on overdue taxes of \$19,003.

Finally, the change in cigarette sales is determined. Cigarette floor stock tax and smokeless tobacco products tax collections, as well as tax amnesty receipts, are netted out of the data, yielding only cigarette tax collections. Through October of FY 2013, Rhode Island cigarette sales have increased by 3.1 percent versus the same period last fiscal year.

Month of October:

Excise taxes other than sales and use taxes collected in October 2012 period totaled \$17.1 million or \$848,527 more than the \$16.3 million collected in October 2011. This translates into a growth rate in excise taxes other than the sales and use tax of 5.2 percent.

Motor vehicle operator license and registration fees cash collections totaled \$4.3 million or \$743,845 more in October 2012 than in October 2011. Alcohol excise taxes decreased in October 2012 by \$36,769 or -4.1 percent from the \$896,540 collected in October 2011. Motor carrier fuel use tax cash collections totaled \$88,138 in October 2012. This is an increase of \$24,503 or 38.5 percent over October 2011 cash collections of \$63,635. In October, total motor carrier fuel use tax receipts attributable to the tax amnesty program are \$1,223, which includes tax payments of \$806 and interest owed on overdue taxes of \$416.

Total cigarette tax receipts in October 2012 were up \$116,948, or 1.0 percent, compared to October 2011. Total cigarette excise tax receipts attributable to the tax amnesty program in October 2012 are \$35,474, which includes tax payments of \$21,584 and interest owed on overdue taxes of \$13,890. After accounting for cigarette floor stock receipts, other tobacco products tax collections, and tax amnesty payments, the percentage change in Rhode Island cigarette sales is determined. For October 2012, Rhode Island cigarette sales decreased by 0.5 percent compared to October 2011.

Other Taxes

October	FY 2012	FY 2013	Difference	% Change
Fiscal YTD	\$15.4 Million	\$12.1 Million	\$ (3.4 Million)	-21.9 %
Month	\$3.7 Million	\$2.9 Million	\$ (802,067)	-21.7 %

Fiscal Year-to-Date through October:

Other taxes collected through October of FY 2013 totaled \$12.1 million versus \$15.4 million in other taxes collected during the same period last fiscal year, a decrease of \$3.4 million or -21.9 percent. Racing and athletics tax collections through October of FY 2013 were up 1.1 percent, or \$4,563, relative to the same period in FY 2012. Realty transfer taxes were up by 4.5 percent through October of FY 2013 versus October of FY 2012, totaling \$2.5 million in FY 2013 versus \$2.4 million in FY 2012.

Inheritance tax collections totaled \$9.2 million through October of FY 2013, a decrease of 27.6 percent from the \$12.7 million collected through the first four months of FY 2012. The 2012 tax amnesty program allows taxpayers to pay the full amount of overdue inheritance taxes without penalty and with a 25.0 percent reduction in interest owed. Inheritance tax receipts attributable to the tax amnesty in FY 2013 through October are \$85,072 in overdue taxes and \$17,922 of interest owed on overdue taxes. Interest owed on overdue taxes received in October through December for inheritance taxes will be transferred to departmental receipts in January 2013.

Month of October:

Other taxes collected in October 2012 totaled \$2.9 million versus \$3.7 million in other taxes collected in October 2011, a decrease of \$802,067. Racing and athletics tax cash collections in October 2012 were up \$9,627 or 10.5 percent, relative to October 2011. Realty transfer taxes were down \$46,618, or -7.7 percent, in October 2012 from the \$603,305 collected in October 2011.

Inheritance tax collections totaled \$2.2 million in October 2012, a decrease of \$765,076 from October 2011 cash collections. October inheritance tax receipts attributable to the tax amnesty are \$85,072 in overdue taxes and \$17,922 of interest owed on overdue taxes. Interest owed on overdue taxes received in October for inheritance taxes will be transferred to departmental receipts in January 2013. Since no tax amnesty receipts were collected for inheritance taxes in September, no transfer of interest owed on overdue taxes to departmental receipts was made in October.

Total Departmental Receipts

October	FY 2012	FY 2013	Difference	% Change
Fiscal YTD	\$188.5 Million	\$184.5 Million	\$ (4.0 Million)	-2.1 %
Month	\$20.8 Million	\$21.7 Million	\$ 909,948	4.4 %

Fiscal Year-to-Date through October:

FY 2013 year-to-date departmental receipts total \$184.5 million, a decrease of \$4.0 million from the amount that was collected last fiscal year at this time. Departmental receipts for FY 2013 were down 2.1 percent when compared to receipts collected during the same period a year ago.

FY 2013 year-to-date growth in the licenses and fees category of departmental receipts is -4.3 percent or \$7.2 million less than FY 2012 through October. The FY 2012 hospital licensing fee was received in FY 2013 and totaled \$123.0 million, or \$7.9 million less than received in FY 2012 for Fiscal Year 2011. This decrease is attributable to two taxpayers, currently in receivership, not paying the fee as prescribed by law. In addition, the FY 2012 hospital licensing fee rate decreased from 5.465 percent of hospital FY 2009 net patient revenues to 5.430 percent of hospital FY 2010 net patient revenues. It is also important to note that numerous licenses included in the licenses and fees category of departmental receipts are renewed on a biennial or even triennial basis, which skews the fiscal year-to-date comparisons.

The fines and penalties category of departmental receipts increased by \$3,402 over the \$9.1 million collected through the first four months of FY 2013 versus the first four months of FY 2012. In the sales and services category of departmental receipts, FY 2013 year-to-date growth is 9.2 percent, or \$271,810, from FY 2012 cash collections of \$2.9 million through October. Finally, miscellaneous departmental revenues were up \$2.9 million, or 30.2 percent, through the first four months of FY 2013 versus the first four months of FY 2012. A portion of the balance is attributable to an indirect cost recovery of \$1.1 million assessed on a restricted receipts account managed by the Office of the General Treasurer. The cost recovery was based on a large, one-time escheat discovered through an audit.

The 2012 tax amnesty program allows taxpayers to pay the full amount of overdue hotel taxes without penalty and with a 25.0 percent reduction in interest owed. The revenues from interest owed on overdue taxes for personal income taxes, business corporations taxes, sales and use taxes and inheritance taxes are transferred quarterly, in October, January, April and June. Interest on overdue taxes collected in September of \$749,312 was transferred to the fines and penalties component of departmental receipts in October. The next transfer in January 2013 will include interest on overdue taxes of \$704,920 collected in October through December. Hotel tax receipts include \$71 collected as a result of the tax amnesty program. Payments of overdue taxes are \$68 and interest owed on overdue taxes collected is \$3.

In the enacted FY 2013 budget, signed into law by Governor Chafee on June 15, 2012, several departmental receipt fees were newly established, increased or decreased. The changed fees include various Department of Health licenses and renewal fees that were effective July 1, 2012. The fiscal impact of these fee changes, however, is not determinable at this point. Beverage container and litter participation fees were down \$69,425 through October 2012, in spite of the application of the \$0.04 per case fee to all containers holding non-alcoholic beverages, except milk. New fees implemented for this fiscal year include the re-inspection of school buses that previously failed a safety inspection, which has collected \$27,600 for the fiscal year-to-date through October, and a 4.0 percent surcharge on net patient revenues of newly reconstituted

compassion centers, which has seen no cash collections to date in the fiscal year. Finally, the state applied the 10.0 percent indirect cost recovery to the Department of Administration's Regional Greenhouse Gas Initiative restricted receipts account. In FY 2013 through October, indirect cost recovery receipts are \$78,189.

Month of October:

October 2012 departmental receipts total \$21.7 million, an increase of \$909,948 from the amount that was collected in October 2011. Departmental receipts cash collections for October 2012 were up 4.4 percent when compared to October 2011.

October 2012 growth in the licenses and fees category of departmental receipts is 13.7 percent or \$1.3 million more than cash receipts in October 2011. The fines and penalties category was down 8.8 percent, or \$(564,530), in October 2012 versus October 2011. In October, the interest owed on overdue taxes for personal income taxes, business corporations taxes, sales and use taxes and inheritance taxes collected in September of \$749,312 was transferred to the fines and penalties component of departmental receipts. In the sales and services category of departmental receipts, October 2012 cash collections were \$16,961 or 1.6 percent more than October 2011 cash collections of \$1.0 million. Finally, miscellaneous departmental revenues were up \$184,913, or 4.6 percent, in October 2012 versus October 2011.

Motor Fuel Tax, Per Penny Yield

October	FY 2012	FY 2013	Difference	% Change
Fiscal YTD	\$1.48 Million	\$1.45 Million	\$ (31,615)	-2.1 %
Month	\$ 355,578	\$ 336,084	\$ (19,494)	-5.5 %

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 October:

The per penny yield of the state's motor fuel tax is \$31,615 less in FY 2013 through October than in FY 2012 through October. This represents a decrease of 2.1 percent between the two fiscal year-to-date periods. For FY 2013, the per penny yield through October was \$1.45 million versus \$1.48 million for FY 2012 through October.

Month of October:

The per penny yield of the state's motor fuel tax totaled \$336,084 in October 2012, a decrease of \$19,494, or -5.5 percent, from October 2011 monthly cash collections of \$355,578.

Other Miscellaneous Revenues

October	FY 2012	FY 2013	Difference	% Change
Fiscal YTD	\$2.3 Million	\$3.8 Million	\$ 1.5 Million	66.5 %
Month	\$44,992	\$1.5 Million	\$ 1.4 Million	3,130.2 %

Fiscal Year-to-Date through October:

Other miscellaneous revenues were up 66.5 percent in FY 2013 through October compared to the same period one year ago. FY 2013 year-to-date collections total \$3.8 million compared to \$2.3 million collected at this time last fiscal year. In FY 2013 through October, other miscellaneous revenues are greater by a net \$1.6 million due to the receipt of sporadic settlement payments identified as cash flow differences in the Total General Revenues section above.

Month of October:

October 2012 cash collections for other miscellaneous revenues were up \$1.4 million compared to October 2011 cash collections of \$44,992. This increase translates into a growth rate of 3,130.2 percent. Other miscellaneous revenues include \$1.3 million received in October 2012 from a settlement reached in FY 2012 from a major pharmaceutical manufacturer.

Lottery Transfer

October	FY 2012	FY 2013	Difference	% Change
Fiscal YTD	\$95.1 Million	\$95.9 Million	\$ 856,880	0.9 %
Month	\$32.9 Million	\$31.4 Million	\$ (1.5 Million)	-4.7 %

Fiscal Year-to-Date through October:

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 0.9 percent in FY 2013 through October when compared to FY 2012 through October. FY 2013 year-to-date collections through October total \$95.9 million or \$856,880 more than cash collections through the first four months of FY 2012. It should be noted that the lottery transfer for FY 2012 through October includes receipts of \$2.7 million that were accrued back to FY 2011.

Month of October:

October 2012 cash collections for the lottery transfer were down \$1.5 million compared to October 2011 cash collections of \$32.9 million. The decrease translates into a growth rate of -4.7 percent. The October 2011 lottery transfer includes \$2.7 million of cash collections that were accrued back to FY 2011.

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 October:

Component	FY 2012	FY 2013	Difference	% Change
Traditional Games	\$ 8,662,247	\$ 10,512,315	\$ 1,850,068	21.4 %
Keno	4,358,900	4,367,308	8,408	0.2 %
Twin River VLTs	71,627,838	73,236,760	1,608,922	2.2 %
Newport Grand VLTs	8,180,234	8,256,516	76,282	0.9 %

Within the lottery transfer components, traditional games were up by \$1.9 million, or 21.4 percent, through the first four months of FY 2013 compared to same period last fiscal year. In FY 2013 through October, the traditional games component includes an overpayment of \$100,000, which will be adjusted in November 2012. Keno cash collections posted an increase of \$8,408, or 0.2 percent, during FY 2013's first four months versus the first four months of FY 2012. The transfer from Twin River's video lottery terminals (VLTs) totaled \$73.2 million through the first four months of FY 2013, an increase of \$1.6 million, or 2.2 percent, from FY 2012 cash collections for the comparable period a year ago. The FY 2013 year-to-date transfer from Newport Grand's VLTs totaled \$8.3 million versus the \$8.2 million collected through the first four months of FY 2012. This translates into an increase of \$76,282, or 0.9 percent. It should be noted that both Twin River and Newport Grand VLT cash collections do not reflect unclaimed prizes, distressed communities relief program receipts or the state's payment to either Newport Grand's or Twin River's marketing program.

Month of October:

Component	FY 2012	FY 2013	Difference	% Change
Traditional Games	\$ 2,849,604	\$ 3,834,177	\$ 984,573	34.6 %
Keno	1,421,662	1,446,038	24,376	1.7 %
Twin River VLTs	23,405,944	23,518,858	112,914	0.5 %
Newport Grand VLTs	2,693,110	2,657,027	(36,083)	-1.3 %

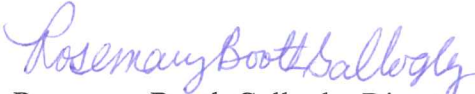
Within the lottery transfer components, traditional games were up by \$984,573, or 34.6 percent, in October of FY 2013 when compared to same month last fiscal year. The October traditional games component includes an overpayment of \$100,000, which will be adjusted in November 2012. Keno cash collections posted an increase of \$24,376, or 1.7 percent, in October 2012 compared to October 2011. The transfer from Twin River's video lottery terminals (VLTs) totaled \$23.5 million in October of FY 2013, an increase of \$112,914, or 0.5 percent, for the

comparable month a year ago. The October 2012 monthly transfer from Newport Grand's VLTs totaled \$2.7 million. This translates into a decrease of 1.3 percent, or \$(36,083), compared to the transfer in October 2011.

Unclaimed Property Transfer

October	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	N/A	N/A	N/A	N/A
Month	N/A	N/A	N/A	N/A

The Unclaimed Property Transfer to the general fund occurs in June of every fiscal year.


 Rosemary Booth Gallogly, Director
 Rhode Island Department of Revenue

November 19, 2012

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Fiscal Year To Date

	FY 2012 YTD October	FY 2013 YTD October	Nominal Difference	Change
<u>Personal Income Tax</u>	347,574,257	345,456,807	(2,117,450)	-0.6%
<u>General Business Taxes</u>				
Business Corporations	20,815,161	24,174,734	3,359,573	16.1%
Public Utilities Gross Earnings	2,307,518	5,050,793	2,743,275	118.9%
Financial Institutions	939,902	5,355,243	4,415,341	469.8%
Insurance Companies	2,076	2,747,372	2,745,296	132239.7%
Bank Deposits	46,457	-	(46,457)	-
Health Care Provider Assessment	14,150,951	13,785,742	(365,209)	-2.6%
<u>Excise Taxes</u>				
Sales and Use	299,955,548	306,671,452	6,715,904	2.2%
Motor Vehicle	14,178,239	14,290,016	111,777	0.8%
Motor Carrier Fuel Use	289,358	261,217	(28,141)	-9.7%
Cigarettes	47,037,498	49,311,464	2,273,966	4.8%
Alcohol	3,992,922	3,961,337	(31,585)	-0.8%
Controlled Substances	-	-	-	-
<u>Other Taxes</u>				
Inheritance and Gift	12,668,547	9,175,444	(3,493,103)	-27.6%
Racing and Athletics	409,448	414,011	4,563	1.1%
Realty Transfer	2,359,912	2,465,525	105,613	4.5%
Total Taxes	\$ 766,727,794	\$ 783,121,157	\$ 16,393,363	2.1%
<u>Departmental Receipts</u>				
Licenses and Fees	166,747,364	159,560,850	(7,186,514)	-4.3%
Fines and Penalties	9,079,297	9,082,699	3,402	0.0%
Sales and Services	2,941,861	3,213,671	271,810	9.2%
Miscellaneous	9,735,522	12,676,940	2,941,418	30.2%
Total Departmental Receipts	\$ 188,504,044	\$ 184,534,160	\$ (3,969,884)	-2.1%
Taxes and Departmentals	\$ 955,231,838	\$ 967,655,317	\$ 12,423,479	1.3%
<u>Other General Revenue Sources</u>				
Other Miscellaneous Revenues	2,260,142	3,762,173	1,502,031	66.5%
Lottery Transfer	95,051,028	95,907,908	856,880	0.9%
Unclaimed Property	-	-	-	-
Total Other Sources	\$ 97,311,170	\$ 99,670,081	\$ 2,358,911	2.4%
Total General Revenues	\$ 1,052,543,008	\$ 1,067,325,398	\$ 14,782,390	1.4%

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Month of October

	FY 2012 October	FY 2013 October	Nominal Difference	% Change
<u>Personal Income Tax</u>	78,057,689	78,941,376	883,687	1.1%
<u>General Business Taxes</u>				
Business Corporations	3,423,969	3,293,468	(130,501)	-3.8%
Public Utilities Gross Earnings	167,564	2,609,796	2,442,232	1457.5%
Financial Institutions	26,479	5,146,590	5,120,111	19336.5%
Insurance Companies	(328,159)	901,146	1,229,305	-374.6%
Bank Deposits	-	-	-	-
Health Care Provider Assessment	3,466,627	3,299,736	(166,891)	-4.8%
<u>Excise Taxes</u>				
Sales and Use	75,357,111	73,454,280	(1,902,831)	-2.5%
Motor Vehicle	3,595,671	4,339,516	743,845	20.7%
Motor Carrier Fuel Use	63,635	88,138	24,503	38.5%
Cigarettes	11,715,672	11,832,620	116,948	1.0%
Alcohol	896,540	859,771	(36,769)	-4.1%
Controlled Substances	-	-	-	-
<u>Other Taxes</u>				
Inheritance and Gift	3,005,480	2,240,404	(765,076)	-25.5%
Racing and Athletics	91,337	100,964	9,627	10.5%
Realty Transfer	603,305	556,687	(46,618)	-7.7%
Total Taxes	\$ 180,142,920	\$ 187,664,492	\$ 7,521,572	4.2%
<u>Departmental Receipts</u>				
Licenses and Fees	9,315,820	10,588,424	1,272,604	13.7%
Fines and Penalties	6,391,729	5,827,199	(564,530)	-8.8%
Sales and Services	1,037,126	1,054,087	16,961	1.6%
Miscellaneous	4,043,049	4,227,962	184,913	4.6%
Total Departmental Receipts	\$ 20,787,724	\$ 21,697,672	\$ 909,948	4.4%
Taxes and Departmentals	\$ 200,930,644	\$ 209,362,164	\$ 8,431,520	4.2%
<u>Other General Revenue Sources</u>				
Other Miscellaneous Revenues	44,992	1,453,330	1,408,338	3130.2%
Lottery Transfer	32,931,252	31,388,043	(1,543,209)	-4.7%
Unclaimed Property	-	-	-	-
Total Other Sources	\$ 32,976,244	\$ 32,841,373	\$ (134,871)	-0.4%
Total General Revenues	\$ 233,906,888	\$ 242,203,537	\$ 8,296,649	3.5%