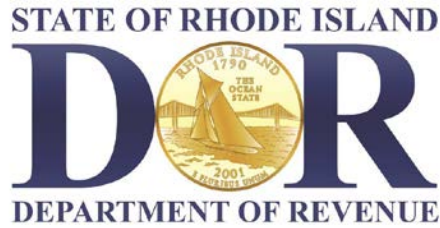


STATE OF RHODE ISLAND
GOVERNOR GINA M. RAIMONDO

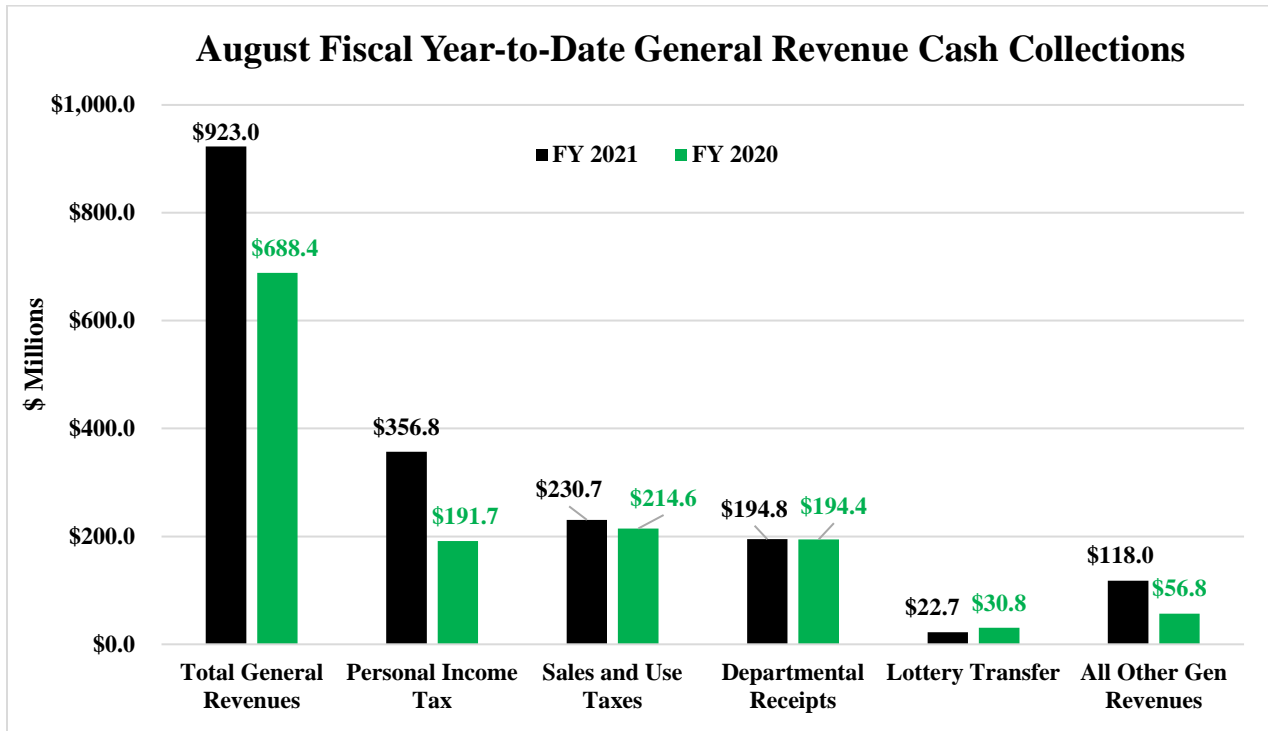


Office of Revenue Analysis

FY 2021 Cash Collections Report as of August 2020 Summary

Fiscal Year-to-Date through August:

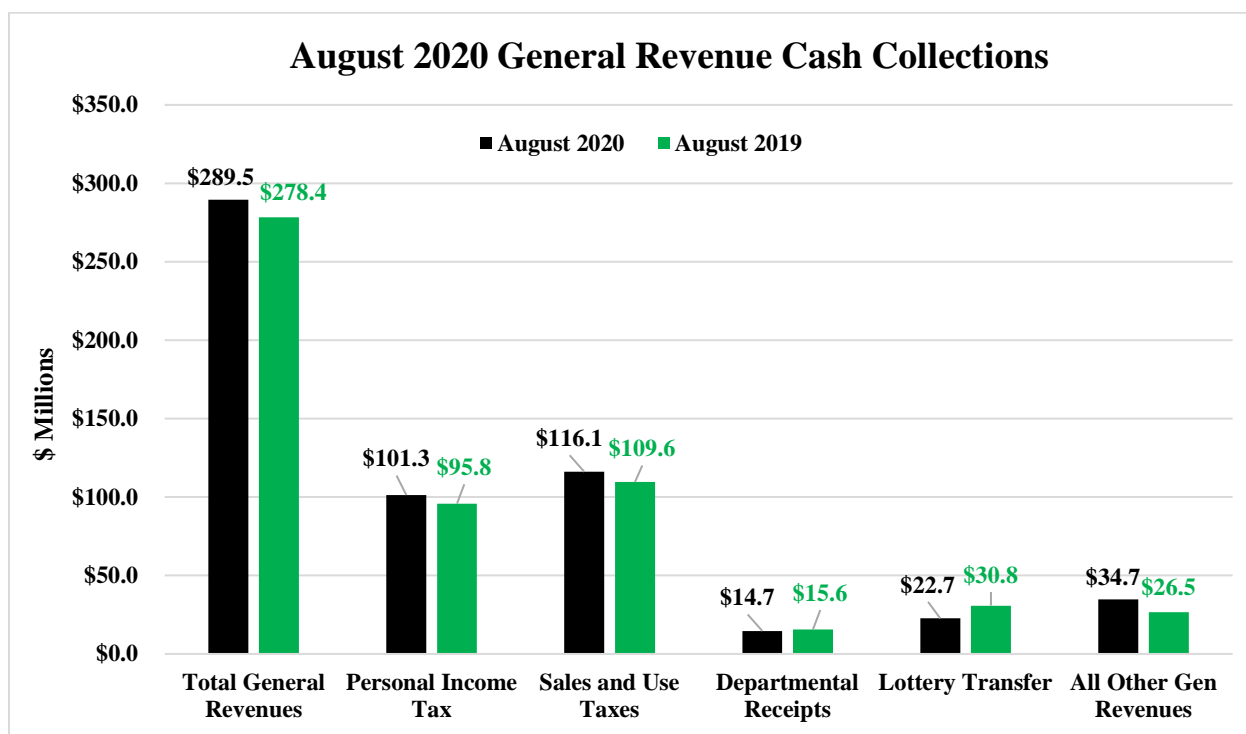
FY 2021 total general revenue cash collections through August were \$923.0 million, up \$234.6 million, or 34.1%, over the same period in FY 2020. The breakdown by major revenue components is as follows:



- Personal income tax cash collections were up \$165.1 million, or 86.1%.
- Sales and use tax collections were \$16.1 million, or 7.5%, more than FY 2020 through August.
- Departmental receipts were greater than the same period in FY 2020 by \$401,351, or 0.2%.
- The lottery transfer was \$8.1 million, or 26.4%, less than the same period in FY 2020.
- All other general revenues were \$61.2 million, or 107.6%, more than FY 2020 through August.

Month of August:

August 2020 total general revenue cash collections were \$289.5 million, up \$11.1 million, or 4.0%, over August 2019. The breakdown by major revenue components is as follows:



- Personal income tax cash collections were up \$5.5 million, or 5.7%.
- Sales and use tax collections were \$6.5 million, or 5.9%, more than August 2019.
- Departmental receipts were less than August 2019 by \$984,970, or 6.3%.
- The lottery transfer was \$8.1 million, or 26.4%, less than the same period in FY 2020.
- All other general revenues were \$8.2 million, or 30.8%, more than August 2019.

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Fiscal Year To Date

	FY 2021 YTD August	FY 2020 YTD August	Nominal Difference	Change
Personal Income Tax ‡	\$ 356,811,119	\$ 191,730,231	\$ 165,080,888	86.1%
General Business Taxes				
Business Corporation ‡	41,522,062	11,842,483	29,679,579	250.6%
Public Utilities Gross Earnings ‡	1,225,130	556,944	668,186	120.0%
Financial Institutions ‡	960,184	163,285	796,899	488.0%
Insurance Companies ‡	20,025,053	316,798	19,708,256	6,221.1%
Bank Deposits ‡	78,402	286,382	(207,980)	-72.6%
Health Care Provider Assessment	7,012,780	7,392,502	(379,722)	-5.1%
Excise Taxes				
Sales and Use ◇	230,706,278	214,643,054	16,063,224	7.5%
Motor Vehicle	201,739	210,625	(8,886)	-4.2%
Cigarettes	29,102,209	25,950,117	3,152,092	12.1%
Alcohol	3,823,698	3,349,382	474,316	14.2%
Controlled Substances	-	500	(500)	-
Other Taxes				
Estate and Transfer	10,740,972	3,345,382	7,395,590	221.1%
Racing and Athletics Δ	34,470	208,446	(173,976)	-83.5%
Realty Transfer	3,268,230	3,186,181	82,049	2.6%
Total Taxes	\$ 705,512,326	\$ 463,182,312	\$ 242,330,014	52.3%
Departmental Receipts				
Licenses and Fees	\$ 187,832,138	\$ 187,021,664	\$ 810,474	0.4%
Fines and Penalties	1,552,229	1,979,777	(427,548)	-21.6%
Sales and Services	1,694,640	1,745,289	(50,649)	-2.9%
Miscellaneous	3,733,628	3,664,554	69,074	1.9%
Total Departmental Receipts	\$ 194,812,635	\$ 194,411,284	\$ 401,351	0.2%
Taxes and Departmentals	\$ 900,324,961	\$ 657,593,596	\$ 242,731,365	36.9%
Other General Revenue Sources				
Other Miscellaneous Revenues	\$ 4,940	\$ 31,447	\$ (26,507)	-84.3%
Lottery Transfer Δ	22,659,181	30,793,748	(8,134,567)	-26.4%
Unclaimed Property	-	-	-	-
Total Other Sources	\$ 22,664,121	\$ 30,825,195	\$ (8,161,074)	-26.5%
Total General Revenues	\$ 922,989,082	\$ 688,418,791	\$ 234,570,291	34.1%

‡ On March 20, 2020, the United States Treasury and Governor Raimondo extended the payment and filing due date for personal income tax and most general business taxes estimated and final payments from June 15, 2020 to August 15, 2020.

◇ Reflects June-July 2020 activity. Please see the body of the report for information on the impact of COVID-19 on sales and use tax receipts.

Δ Reflects July 2020 activity. Please see the body of the report for information on the impact of COVID-19 on the lottery transfer.

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS

4

Month of August

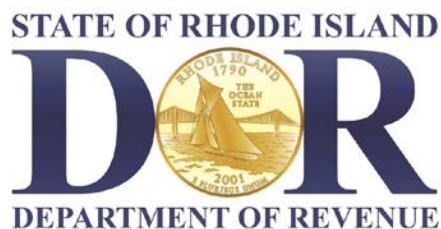
	FY 2021 Month of August	FY 2020 Month of August	Nominal Difference	% Change
Personal Income Tax ‡	\$ 101,332,452	\$ 95,823,781	\$ 5,508,671	5.7%
General Business Taxes				
Business Corporation ‡	2,766,457	4,785,809	(2,019,352)	-42.2%
Public Utilities Gross Earnings ‡	303,972	(30,638)	334,610	-1,092.1%
Financial Institutions ‡	17,000	29,872	(12,872)	-43.1%
Insurance Companies ‡	5,725,000	1,041,646	4,683,355	449.6%
Bank Deposits ‡	(30,751)	24,002	(54,753)	-228.1%
Health Care Provider Assessment	3,360,097	3,655,296	(295,199)	-8.1%
Excise Taxes				
Sales and Use ◇	116,105,465	109,602,531	6,502,934	5.9%
Motor Vehicle	22,004	14,250	7,754	54.4%
Cigarettes	13,293,628	12,828,671	464,957	3.6%
Alcohol	1,848,204	1,492,786	355,418	23.8%
Controlled Substances	-	500	(500)	-
Other Taxes				
Estate and Transfer	6,227,340	1,067,042	5,160,298	483.6%
Racing and Athletics Δ	34,470	114,852	(80,382)	-70.0%
Realty Transfer	1,155,663	1,500,421	(344,758)	-23.0%
Total Taxes	\$ 252,161,001	\$ 231,950,821	\$ 20,210,180	8.7%
Departmental Receipts				
Licenses and Fees	\$ 10,504,682	\$ 10,959,410	\$ (454,728)	-4.1%
Fines and Penalties	763,832	999,226	(235,394)	-23.6%
Sales and Services	822,188	1,091,204	(269,016)	-24.7%
Miscellaneous	2,573,785	2,599,617	(25,832)	-1.0%
Total Departmental Receipts	\$ 14,664,487	\$ 15,649,457	\$ (984,970)	-6.3%
Taxes and Departmentals	\$ 266,825,488	\$ 247,600,278	\$ 19,225,210	7.8%
Other General Revenue Sources				
Other Miscellaneous Revenues	\$ 374	\$ 15,469	\$ (15,095)	-97.6%
Lottery Transfer Δ	22,659,181	30,793,748	(8,134,567)	-26.4%
Unclaimed Property	-	-	-	-
Total Other Sources	\$ 22,659,555	\$ 30,809,217	\$ (8,149,662)	-26.5%
Total General Revenues	\$ 289,485,043	\$ 278,409,495	\$ 11,075,548	4.0%

‡ On March 20, 2020, the United States Treasury and Governor Raimondo extended the payment and filing due date for personal income tax and most general business taxes estimated and final payments from June 15, 2020 to August 15, 2020.

◇ Reflects July 2020 activity. Please see the body of the report for information on the impact of COVID-19 on sales and use tax receipts.

Δ Reflects July 2020 activity. Please see the body of the report for information on the impact of COVID-19 on the lottery transfer.

STATE OF RHODE ISLAND
GOVERNOR GINA M. RAIMONDO



Office of Revenue Analysis

**FY 2021 State of Rhode Island Cash Collections Report
August 2020 Detail**

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

The August 2020 Cash Collections Report includes the impact of the COVID-19 pandemic on State cash flows. For several cash items, such as the sales and use tax, the August cash collections reflect taxable sales activity in July. For others, such as the personal income tax, the FY 2021 cash collections reflect changes in the timing of the receipt of cash payments due to the extension of filing and payment deadlines from April 15, 2020 to July 15, 2020. It is important the reader not interpret all surpluses in cash collections as realized increases in cash receipts; the delayed receipt of cash payments may also be responsible.

Cash Flow Differences

The Office of Revenue Analysis (ORA) has provided a detailed written explanation of each item listed in the following fiscal year-to-date cash flow differences table. These explanations have been placed into the individual revenue item sections. For example, cash flow differences for personal income tax are listed under the personal income tax by component table. ORA has provided a linked page number in the cash flow differences tables to assist readers in finding these disaggregated cash flow differences sections within the body of the report.

Fiscal Year-To-Date through August:

The following table displays the differences in cash flows for FY 2021 through August and FY 2020 through August:

Page Number	Revenue Source	Cash Flow Differences	YTD FY 2021	YTD FY 2020
11	Personal Income Tax	TY 2019 final payments received in Jul 2020 and accrued to FY 2020	\$150,386,810	\$0
11	Personal Income Tax	TY 2020 estimated payments received in Jul 2020 and accrued to FY 2020	\$28,981,628	\$0
11	Personal Income Tax	TY 2019 refunds paid in Jul 2020 and accrued to FY 2020	\$(19,311,346)	\$0
11	Personal Income Tax	FY 2021 adj for prior period payments transferred from/to bus corp tax	\$324,288	\$0
11	Personal Income Tax	FY 2020 adj for prior period payments transferred from/to bus corp tax	\$0	\$(519,000)
13	Business Corp Tax	TY 2019 final payments received in Jul 2020 and accrued to FY 2020	\$15,679,486	\$0
13	Business Corp Tax	TY 2020 estimated payments received in Jul 2020 and accrued to FY 2020	\$12,351,209	\$0
13	Business Corp Tax	TY 2019 refunds paid in Jul 2020 and accrued to FY 2020	\$(821,536)	\$0
13	Business Corp Tax	FY 2021 adj for prior period payments transferred to/from pers inc tax	\$(324,288)	\$0
13	Business Corp Tax	FY 2021 adj for prior period payment(s) transferred from financial inst tax	\$100,000	\$0
13	Business Corp Tax	FY 2021 adj for prior period payment(s) transferred from ins gross prem tax	\$120,000	\$0
14	Business Corp Tax	FY 2020 adj for prior period payments transferred to/from pers inc tax	\$0	\$519,000
13	Business Corp Tax	Pass-through entity income tax payment(s) for shareholders	\$6,181,142	\$0
15	Financial Inst Tax	TY 2019 final payments received in Jul 2020 and accrued to FY 2020	\$347,200	\$0

Page Number	Revenue Source	Cash Flow Differences	YTD FY 2021	YTD FY 2020
15	Financial Inst Tax	FY 2021 adj for prior period payment(s) transferred to business corp tax	\$(100,000)	\$0
15	Ins Gross Premiums Tax	TY 2019 final payments received in Jul 2020 and accrued to FY 2020	\$825,612	\$0
15	Ins Gross Premiums Tax	TY 2020 estimated payments received in Jul 2020 and accrued to FY 2020	\$12,882,593	\$0
15	Ins Gross Premiums Tax	FY 2021 adj for prior period payment(s) transferred to bus corp tax	\$(120,000)	\$0
15 / 15	Bank Deposits Tax	Late payment(s) received in July and accrued to prior fiscal year	\$111,466	\$262,500
17 / 17	MV License & Reg Fees	State's share of prior year receivable	\$118,760	\$94,500
18 / 18	Realty Transfer Tax	Subsequent month's transfer to the Housing Resources Commission	\$467,919	\$490,702
20	Departmental Receipts	Hospital licensing fee	\$3,659,225	\$0
20	Departmental Receipts	Late beach parking fee payment accrued to FY 2019	\$0	\$514,668
20	Departmental Receipts	FY 2020 E911 receipts converted to restricted receipts on Oct 1, 2019	\$0	\$1,270,021

Month of August:

The following table displays the differences in cash flows for August 2020 and August 2019:

Page Number	Revenue Source	Cash Flow Differences	August 2020	August 2019
14	Business Corp Tax	Pass-through entity income tax payment(s) for shareholders	\$386,589	\$0
14	Business Corp Tax	Aug 2020 adj for Dec 2018 payment(s) transferred to ins gross prem tax	\$120,000	\$0
16	Ins Gross Premiums Tax	Aug 2020 adj for Dec 2018 payment(s) transferred to bus corp tax	\$(120,000)	\$0
18	MV License & Reg Fees	Error in the RIHMA transfer	\$0	\$(94,500)
19 / 19	Realty Transfer Tax	Transfer to the Housing Resources Commission	\$76,620	\$66,571

Page Number	Revenue Source	Cash Flow Differences	August 2020	August 2019
21	Departmental Receipts	Hospital licensing fee	\$1,793,148	\$0
22	Departmental Receipts	Transfer of E-911 receipts received in Jul 2020 to restricted receipts	\$(606,781)	\$0
22	Departmental Receipts	Aug 2019 E911 receipts converted to restricted receipts on Oct 1, 2019	\$0	\$575,402

Impact on General Revenue Cash Collections from the COVID-19 Pandemic

Due to the COVID-19 pandemic, on March 20, 2020, the Division of Taxation, in conjunction with announcements made by the United States Treasury and Governor Gina M. Raimondo, postponed the filing-and-payment deadline from April 15, 2020 to July 15, 2020 for income tax filings and income tax payments for individuals and certain businesses. For the affected tax types, the change in the filing date provided taxpayers three additional months to file returns and pay balances due, and no penalties or interest accrued on these balances if paid on or before July 15, 2020. At this time, the Department of Revenue has information on the amount of cash receipts that were received in July 2020 but accrued back to FY 2020. These figures are included in the cash flow differences table by payment and tax type.

Also, in March 2020, major sporting events were canceled, or postponed effective March 11, 2020 and the Twin River Casino Hotel and the Tiverton Casino Hotel were closed on March 14, 2020. Dine-in service at restaurants and bars was halted on March 17, 2020 and Governor Raimondo issued a stay-at-home order on March 28, 2020, which closed all non-essential retail and service businesses on March 30, 2020. These closings and cancellations primarily impacted sales and use taxes and the lottery transfer.

Phase 1 of Reopening RI commenced on May 9, 2020, which lifted the stay-at-home order and allowed for a limited reopening of certain non-critical retail businesses. Restaurants were opened subject to limited patio seating beginning on May 18, 2020. Rhode Island entered Phase 2 of reopening on June 1, 2020, which included the reopening of dine-in service at a 50% capacity. The Twin River Casino Hotel and Tiverton Casino Hotel reopened on June 8, 2020 with limited capacity. Phase 3 commenced on June 30, 2020, which allowed indoor establishments to open at 66% capacity, larger crowd sizes at indoor and outdoor venues. Major League Soccer (MLS), Major League Baseball (MLB), and the National Basketball Association (NBA) started either a shortened season or a tournament during July 2020. At the end of July, Governor Raimondo slowed Phase 3 of Reopening RI and reduced catered events to 50 people indoors and 100 people outdoors on July 29, 2020. The National Hockey League (NHL) resumed play on August 1, 2020. Bars were ordered to close at 11 p.m. starting on August 8, 2020.

Based on these changes, the Department of Revenue estimated the impact on cash flows for FY 2021 year-to-date and the month of August for sales and use tax and the lottery transfer. The impact from the pandemic on COVID-19 for sales and use tax was calculated by the Office of Revenue Analysis.

Revenue Item	FY 2021 Year-to-Date	August 2020
Sales and Use		
Net Taxation Receipts less Meal and Beverage	\$ 25,608,008	\$ 10,486,987
Meal and Beverage	(10,506,259)	(4,093,405)
Motor Vehicle Use	3,071,417	952,942
<i>Sales and Use Total</i>	<i>\$ 18,173,165</i>	<i>\$ 7,346,524</i>
Lottery Transfer (reflects gaming activity through July)		
Combined Games	\$ 346,878	\$ 346,878
Video Lottery Terminals	(6,898,738)	(6,898,738)
Table Games	(831,408)	(831,408)
Sports Betting	(246,791)	(246,791)
<i>Lottery Transfer Total</i>	<i>\$ (7,630,059)</i>	<i>\$ (7,630,059)</i>
Total All Revenue Items	\$ 10,543,106	\$ (283,535)

Historic Structures Tax Credit Reimbursements:

The breakdown of the reimbursement of redeemed Historic Structures Tax Credits (HSTCs) by tax type is shown in the table below:

Tax Type	Year-to-Date			Monthly		
	FY 2021	FY 2020	% Change	August 2020	August 2019	% Change
Personal Income	\$1,697,431	\$8,652	19,518.2 %	\$ 921,655	\$ 0	n/a
Business Corporation	0	0	–	0	0	–
Financial Institutions	0	0	–	0	0	–
Insurance/Non-HMOs	0	0	–	0	0	–
Insurance/HMOs	2,228,366	0	n/a	2,228,366	0	n/a
Non-Profit Refund	0	0	–	0	0	–
Total	\$3,925,797	\$8,652	45,272.7 %	\$3,150,022	\$ 0	n/a

Personal Income Tax Cash Collections by Component

The table below is based on data provided by the Division of Taxation and breaks down personal income tax cash collections by component on a fiscal year-to-date basis. It should be noted that differences may exist between the figures reported by the Division of Taxation and those reported by the Controller due to timing differences in the posting of receipts. Please see the cash flow differences section below for information on cash flow anomalies between year-to-date FY 2021 and year-to-date FY 2020.

Fiscal Year-to-Date through August:

Component	FY 2021	FY 2020	Difference	% Change
Estimated Payments ^	\$ 39,587,794	\$ 10,418,771	\$ 29,169,023	280.0 %
Final Payments *^	155,878,614	9,767,631	146,110,982	1,495.9 %
Refunds/Adjustments ^	(37,216,298)	(18,831,892)	(18,384,406)	97.6 %
Withholding Tax Payments	198,561,010	190,375,720	8,185,289	4.3 %
* Includes Historic Structure Tax Credit (HSTC) reimbursements of \$1.7 million in FY 2021 YTD and 8,652 in FY 2020 YTD.				
^ The filing-and-payment deadline for income tax for individuals and most businesses was postponed from April 15, 2020/June 15, 2020 to July 15, 2020.				

For the FY 2021 through August 2020 period 56,493 income tax refunds were paid for TY 2019 at an average of \$662.91. For the same period in the prior year, 18,607 income tax refunds were paid for TY 2018 at an average of \$956.24.

Cash Flow Differences:**FY 2021**

- Personal income tax final payments include \$150,386,810 of TY 2019 final payments received in July 2020 and accrued back to FY 2020.
- Personal income tax estimated payments include \$28,981,628 of TY 2020 estimated payments received in July 2020 and accrued back to FY 2020.
- Personal income tax refunds and adjustments include \$(19,311,346) of TY 2019 refunds paid in July 2020 and accrued back to FY 2020.
- Personal income tax cash collections include \$324,288 for net transfer(s) between personal income tax and business corporation tax for payment(s) received in August 2012.

FY 2020

- Personal income tax cash collections include \$(519,000) for net transfer(s) between personal income tax and business corporation tax for payment(s) received in March 2017.

Month of August:

Component	August 2020	August 2019	Difference	% Change
Estimated Payments	\$ 5,316,112	\$ 4,902,870	\$ 413,242	8.4 %
Final Payments *	6,027,004	4,256,774	1,770,230	41.6 %
Refunds/Adjustments	(9,975,773)	(5,986,790)	(3,988,983)	66.6 %
Withholding Tax Payments	99,965,109	92,650,926	7,314,183	7.9 %
* Includes HSTC reimbursements of \$921,655 in August 2020.				

For the August 2020 period, 11,725 income tax refunds were paid for TY 2019 at an average of \$825.55. For the same period in the prior year, 6,447 income tax refunds were paid for TY 2018

at an average of \$897.60. It should be noted that refunds are issued on Mondays and there were five Mondays in August 2020 compared to four Mondays in August 2019.

Sales and Use Tax Cash Collections by Component

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

Fiscal Year-to-Date through August:

Component	FY 2021	FY 2020	Difference	% Change
Net Taxation *	\$ 206,902,157	\$ 191,800,408	\$ 15,101,749	7.9 %
Providence Place Mall (PPM) *	0	2,048,314	(2,048,314)	-100.0 %
Total Non-Motor Vehicle (MV)	\$ 206,902,157	\$ 193,848,722	\$ 13,053,435	6.7 %
Meals and Beverage (M&B)	31,332,410	41,838,669	(10,506,259)	-25.1 %
Total Non-MV Less M&B	\$ 175,569,747	\$ 152,010,053	\$ 23,559,694	15.5 %
Motor Vehicle Use Tax Receipts	\$ 23,840,572	\$ 20,769,156	\$ 3,071,417	14.8 %
* PPM receipts were recorded separately in FY 2020 through August. In September 2019 and thereafter, the PPM receipts were included Net Taxation receipts.				

Month of August:

Component	August 2020	August 2019	Difference	% Change
Net Taxation * ^	\$ 103,428,699	\$ 97,035,117	\$ 6,393,582	6.6 %
Providence Place Mall (PPM) * ^	0	974,267	(974,267)	-100.0 %
Total Non-Motor Vehicle (MV)	\$ 103,428,699	\$ 98,009,385	\$ 5,419,315	5.5 %
Meals and Beverage (M&B)	16,931,782	21,025,187	(4,093,405)	-19.5 %
Total Non-MV Less M&B	\$ 86,496,917	\$ 76,984,198	\$ 9,512,720	12.4 %
Motor Vehicle Use Tax Receipts	\$ 12,539,634	\$ 11,586,692	\$ 952,942	8.2 %
* For August 2020, Providence Place Mall (PPM) receipts are included in Net Taxation receipts.				

Business Corporation Tax Cash Collections by Component:

Businesses with Rhode Island tax liabilities make estimated payments equal to 25% of their expected tax year liabilities by the 15th day of the fourth, sixth, ninth, and twelfth months of their tax year. For calendar tax year corporations, this equates to April, June, September, and December.

The table below is based on data provided by the Division of Taxation and breaks down business corporation tax cash collections by component on a fiscal year-to-date basis. It should be noted that differences may exist between the figures reported by the Division of Taxation and those reported by the Controller due to timing differences in the posting of receipts. Please see the cash flow differences section below for information on cash flow anomalies between year-to-date FY 2021 and year-to-date FY 2020.

Fiscal Year-to-Date through August:

Component	FY 2021	FY 2020	Difference	% Change
Estimated Payments §	\$ 24,193,472	\$ 10,683,901	\$ 13,509,571	126.4 %
Final Payments §	20,727,123	5,572,539	15,154,584	272.0 %
Refunds/Adjustments §	(3,426,025)	(4,420,536)	994,512	-22.5 %
§ The filing-and-payment deadline for income tax for individuals and most businesses was postponed from April 15, 2020/June 15, 2020 to July 15, 2020.				

Cash Flow Differences:

FY 2021

- Business corporation tax final payments include \$15,679,486 of TY 2019 final payments received in July 2020 and accrued back to FY 2020.
- Business corporation tax estimated payments include \$12,351,209 of TY 2020 estimated payments received in July 2020 and accrued back to FY 2020.
- Business corporation tax refunds and adjustments include \$(821,536) of TY 2019 refunds paid in July 2020 and accrued back to FY 2020.
- Refunds and adjustments include \$(324,288) for net transfer(s) between personal income tax and business corporation tax for payment(s) received in August 2012.
- Refunds and adjustments include a transfer of \$100,000 from financial institution tax for payment(s) received in March 2018.
- Refunds and adjustments include a transfer of \$120,000 from insurance company gross premiums tax for payment(s) received in December 2018.
- FY 2021 year-to-date business corporation tax cash collections include elective pass-through entity tax payments of \$5.5 million in estimated payments and \$676,924 in final payments from a change in law, which allowed pass-through entities to pay the state income tax of shareholders, at a rate of 5.99%, and provide shareholders with a credit on their personal income tax returns for the income taxes paid on their behalf by the pass-through entities. Pass-through entities who elect to pay this tax are not required to withhold Rhode Island personal income tax for non-resident owners. Adjusting for these payments, the growth in estimated payments is 74.9% and the growth in final payments is 259.8%. This includes \$5.1 million of business corporation pass-through entity estimated payments and \$629,567 of business corporation pass-through entity final payments that were received in July 2020 but accrued back to FY 2020 as personal income tax final payments.

FY 2020

- Refunds and adjustments include \$519,000 for net transfers between personal income tax and business corporation tax for payment(s) received in March 2017.

Month of August:

Component	August 2020	August 2019	Difference	% Change
Estimated Payments	\$ 2,246,623	\$ 2,828,083	\$ (581,460)	-20.6 %
Final Payments	1,716,701	2,325,706	(609,006)	-26.2 %
Refunds/Adjustments	(1,220,897)	(367,999)	(852,897)	231.8 %

Cash Flow Differences:

August 2020

- August 2020 business corporation tax cash collections include elective pass-through entity tax payments of \$339,232 in estimated payments and \$47,357 in final tax payments from a change in law, which allowed pass-through entities to pay the state income tax of shareholders, at a rate of 5.99%, and provide shareholders with a credit on their personal income tax returns for the income taxes paid on their behalf by the pass-through entities. Pass-through entities who elect to pay this tax are not required to withhold Rhode Island personal income tax for non-resident owners. Adjusting for these payments, the growth rate in estimated payments is -32.6% and the growth rate in final payments is -28.2%.
- Business corporation tax cash collections include a transfer of \$120,000 to insurance gross premiums tax for payment(s) received in December 2018.

General Business Taxes Other than Business Corporation Tax

August	FY 2021	FY 2020	Difference	% Change
Fiscal YTD	\$ 29,301,549	\$ 8,715,911	\$ 20,585,638	236.2 %
Month	\$ 9,375,318	\$ 4,720,178	\$ 4,655,140	98.6 %

Businesses with Rhode Island tax liabilities make estimated payments equal to 25% of their expected tax year liabilities by the 15th day of the fourth, sixth, ninth, and twelfth months of their tax year. For calendar tax year corporations, this equates to April, June, September, and December. There is one exception to this payment pattern, namely the health care provider assessment, payments of which are made on a monthly basis. As a result, health care provider assessments flow more evenly into the general fund over the course of a fiscal year. Please see the cash flow differences section below for information on cash flow anomalies between year-to-date FY 2021 and year-to-date FY 2020. For all general business taxes other than the health care provider assessment, the return filing and payment due date was delayed from April 15, 2020 to July 15, 2020.

Fiscal Year-to-Date through August:

General business taxes other than business corporation tax collected through August of FY 2021 increased by 236.2% over general business taxes other than business corporation tax collected through August of FY 2020. FY 2021 general business taxes other than business corporation tax collected through August were \$29.3 million compared to \$8.7 million collected for the same period in FY 2020, an increase of \$20.6 million.

Public utilities gross earnings tax cash collections of \$1.2 million were \$668,186, or 120.0%, more than the \$556,944 collected in FY 2020 through August. Financial institutions tax cash collections of \$960,184 in year-to-date FY 2021 were up \$796,899, or 488.0%, compared to the \$163,285 collected in year-to-date FY 2020. Insurance company gross premiums tax cash collections of \$20.0 million were \$19.7 million more than the \$316,798 received on a year-to-date basis in FY 2020, a difference of 6,221.1%. Included in FY 2021 year-to-date insurance company gross premiums tax cash collections is \$2.2 million in reimbursed HSTCs. Bank deposits tax cash collections of \$78,402 in year-to-date FY 2021 were down \$207,980 compared to \$286,382 collected in year-to-date FY 2020.

FY 2021 year-to-date through August health care provider assessment cash collections of \$7.0 million were down \$379,722, or 5.1%, from the \$7.4 million received on a year-to-date basis in FY 2020.

Cash Flow Differences:

FY 2021

- Financial institutions tax cash collections include \$347,200 of TY 2019 final payments received in July 2020 and accrued back to FY 2020.
- Financial institutions tax cash collections include a transfer of \$(100,000) to business corporation tax for payment(s) received in March 2018.
- Insurance company gross premiums tax cash collections include \$825,612 of TY 2019 final payments received in July 2020 and accrued back to FY 2020.
- Insurance company gross premiums tax cash collections include \$12,882,593 of TY 2020 estimated payments received in July 2020 and accrued back to FY 2020.
- Insurance gross premiums tax cash collections include a transfer of \$(120,000) to business corporation tax for payment(s) received in December 2018.
- Bank deposits tax cash collections include \$111,466 in late payment(s) received in July 2020 but accrued back to FY 2020.

FY 2020

- Bank deposits tax cash collections include \$262,500 in late payment(s) received in July 2019 but accrued back to FY 2019.

Month of August:

General business taxes other than the business corporation tax collected in August 2020 increased by 98.6% over general business taxes other than business corporation tax collected in August 2019.

August 2020 general business taxes other than business corporation tax collected were \$9.4 million compared to \$4.7 million collected for the same period in FY 2019, an increase of \$4.7 million.

Public utilities gross earnings tax cash collections of \$303,972 were \$334,610 more than the net \$(30,638) collected in August 2019, a difference of -1,092.1%. Financial institutions tax cash collections were \$17,000 in August 2020 compared to cash collections of \$29,872 in August 2019. Insurance company gross premiums tax cash collections of \$5.7 million were \$4.7 million more than the \$1.0 million received in August 2019, a difference of 449.6%. Included in August 2020 insurance company gross premiums tax cash collections is \$2.2 million in reimbursed HSTCs. Bank deposits tax cash collections were a net \$(30,751) in August 2020 compared to cash collections of \$24,002 in August 2019.

August 2020 health care provider assessment cash collections decreased \$295,199, or 8.1%, on a year-over-year basis.

Cash Flow Differences:

August 2020

- Insurance company gross premiums tax cash collections include a transfer of \$(120,000) to business corporation tax for payment(s) received in December 2018.

Excise Taxes Other than the Sales and Use Tax

August	FY 2021	FY 2020	Difference	% Change
Fiscal YTD	\$ 33,127,646	\$ 29,510,624	\$ 3,617,022	12.3 %
Month	\$ 15,163,836	\$ 14,336,207	\$ 827,629	5.8 %

Fiscal Year-to-Date through August:

Excise taxes other than sales and use taxes collected in FY 2021 through August increased 12.3% over excise taxes other than sales and use taxes collected through August of FY 2020. FY 2021 excise taxes other than sales and use taxes collected through August were \$33.1 million compared to the \$29.5 million collected for the same period last fiscal year, an increase of \$3.6 million.

Motor vehicle license and registration fees were \$201,739 in FY 2021 through August, which is \$8,886, or 4.2%, less than motor vehicle license and registration fees in FY 2020 through August of \$210,625. Except for adjustments, motor vehicle license and registration fees include only duplicate license and license update fees.

Rhode Island cigarettes tax receipts are comprised of excise taxes collected on the sale of cigarettes and smokeless tobacco (which also includes cigars and pipe tobacco), and a one-time cigarette floor stock tax. The cigarette floor stock tax is imposed only when there is an increase in the excise tax rate on cigarettes. Total cigarette and other tobacco products (OTP) excise tax cash receipts through August of FY 2021 were \$29.1 million, up \$3.2 million compared to the \$26.0 million collected for the same period last fiscal year, an increase of 12.1%. Included in year-to-date FY 2021 cigarette and OTP excise tax cash collections is \$46 in cigarette floor stock receipts and \$2.1

million of OTP taxes. Year-to-date FY 2020 includes \$6,855 in cigarette floor stock receipts and \$1.8 million of OTP taxes.

Finally, the change in Rhode Island cigarette sales is determined. Cigarette floor stock tax and OTP tax cash collections are netted out of the cigarettes tax cash receipts data, yielding only cigarette excise tax cash collections. Through August of FY 2020, Rhode Island cigarette sales increased 11.8% compared to the same period last fiscal year.

Alcohol excise tax cash collections in FY 2021 through August increased \$474,316, or 14.2%, over collections in FY 2020 through August.

Cash Flow Differences:

FY 2021

- Motor vehicle license and registration fees include \$118,760 from a June 2020 receivable.

FY 2020

- Motor vehicle license and registration fees include \$94,500 from a June 2019 receivable.

Month of August:

Excise taxes other than sales and use taxes collected in August 2020 increased 5.8% over excise taxes other than sales and use taxes collected in August 2019. August 2020 excise taxes other than sales and use taxes collected were \$15.2 million compared to the \$14.3 million collected for the same period last fiscal year, an increase of \$827,629.

Motor vehicle license and registration fees were \$22,004 in August 2020, which is \$7,754, or 54.4%, more than motor vehicle license and registration fees of \$14,250 in August 2019. Except for adjustments, motor vehicle license and registration fees include only duplicate license and license update fees.

Rhode Island cigarettes tax receipts are comprised of excise taxes collected on the sale of cigarettes and smokeless tobacco (which also includes cigars and pipe tobacco), and a one-time cigarette floor stock tax. The cigarette floor stock tax is imposed only when there is an increase in the excise tax rate on cigarettes. Total cigarette and other tobacco products (OTP) excise tax cash receipts in August 2020 were \$13.3 million, up \$464,957 compared to the \$12.8 million collected for the same period last fiscal year, an increase of 3.6%. Included in August 2020 cigarette and OTP excise tax cash collections were \$46 in cigarette floor stock receipts and \$1.1 million of OTP taxes. In August 2019, these amounts were \$3,171 and \$900,006, respectively.

Finally, the change in Rhode Island cigarette sales is determined. Cigarette floor stock tax and OTP tax cash collections are netted out of the cigarettes tax cash receipts data, yielding only cigarette excise tax cash collections. In August 2020, Rhode Island cigarette sales increased 2.2% compared to the same period last fiscal year.

Alcohol excise tax cash collections in August 2020 increased \$355,418, or 23.8%, compared to collections in August 2019.

Cash Flow Differences:

August 2019

- Included in motor vehicle license and registration fees is a transfer of \$94,500 of funds designated for RIHMA that were accrued back to FY 2019.

Other Taxes

August	FY 2021	FY 2020	Difference	% Change
Fiscal YTD	\$ 14,043,672	\$ 6,740,010	\$ 7,303,662	108.4 %
Month	\$ 7,417,473	\$ 2,682,316	\$ 4,735,157	176.5 %

Fiscal Year-to-Date through August:

Other taxes collected in FY 2021 through August increased 108.4% over other taxes collected through August of FY 2020. FY 2021 other taxes collected through August were \$14.0 million compared to the \$6.7 million collected in the same period last fiscal year, an increase of \$7.3 million. FY 2021 estate and transfer taxes collected through August were \$10.7 million, up \$7.4 million compared to the same period in FY 2020, a variance of 221.1%. It is possible that an unknown amount of estate and transfer tax cash receipts received in July were due to the deferral of the filing date for such payments to July 15, 2020. FY 2021 realty transfer taxes collected through August were \$3.3 million, up \$82,049 compared to the same period last fiscal year.

Cash Flow Differences:

FY 2021

- Included in realty transfer tax cash collections is the transfer to the Housing Resources Commission (HRC) of \$467,919 based on activity in August 2020 that will be completed in September 2020.

FY 2020

- Included in realty transfer tax cash collections is \$490,702 of funds designated for HRC. This figure is the amount that was transferred to HRC in September 2019 for realty transfer tax activity that occurred in August 2019.

Month of August:

Other taxes collected in August 2020 increased 176.5% over other taxes collected in August 2019. August 2020 other taxes collected were \$7.4 million compared to the \$2.7 million collected in the same period last fiscal year, an increase of \$4.7 million. August 2020 estate and transfer tax cash collections were \$6.2 million, up \$5.2 million compared to August 2019, an increase of 483.6%. Realty transfer taxes collected in August 2020 were \$1.2 million, down \$344,758, or 23.0%, compared to August 2019.

Cash Flow Differences:

August 2020

- Included in realty transfer tax cash collections is \$76,620 of funds designated for the Housing Resources Commission (HRC). This figure is the difference of the following items:
 - \$391,299 that was transferred to HRC in August 2020 for realty transfer tax activity that occurred in July 2020;
 - \$467,919 that will be transferred to HRC in September 2020 for realty transfer tax activity that occurred in August 2020.

August 2019

- Included in realty transfer tax cash collections is \$66,571 of funds designated for HRC. This figure is the difference of the following items:
 - \$424,131 that was transferred to HRC in August 2019 for realty transfer tax activity that occurred in July 2019;
 - \$490,702 that will be transferred to HRC in September 2019 for realty transfer tax activity that occurred in August 2019.

Departmental Receipts

August	FY 2021	FY 2020	Difference	% Change
Fiscal YTD	\$ 194,812,635	\$ 194,411,284	\$ 401,351	0.2 %
Month	\$ 14,664,487	\$ 15,649,457	\$ (984,970)	-6.3 %

Fiscal Year-to-Date through August:

Total departmental receipts in FY 2021 through August increased by 0.2% compared to total departmental receipts in FY 2020 through August. Fiscal year-to-date total departmental receipts collected in FY 2021 were \$194.8 million compared to \$194.4 million collected for the same period last year, an increase of \$401,351.

The tables below are based on data provided by the Controller and break down departmental receipts cash collections by component on a fiscal year-to-date basis. *For all accounts noted by an asterisk (*), please see the departmental receipts fiscal year-to-date cash flow differences sections for more information on cash flow anomalies between the two fiscal periods.*

The licenses and fees category of departmental receipts through August of FY 2021 was up \$810,474, or 0.4%, over the \$187.0 million collected through August of FY 2020. The three accounts with the largest nominal increases / decreases greater than \$100,000 in year-to-date FY 2021 versus year-to-date FY 2020 are listed below:

Licenses and Fees	Nominal Increase / Decrease
Hospital Licensing Fee *	\$ 3,659,225
Expense recovery account – Public Utilities	248,651
Annual statements and certificates of compliance	219,944
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E911 and first response surcharge *	(1,396,920)
Recreation activities fund – Parks and Recreation	(754,771)
Building permits – State properties	(342,328)

Cash Flow Differences:

FY 2021

- In licenses and fees, cash collections from the hospital licensing fee were \$3.7 million more in year-to-date FY 2021 compared to year-to-date FY 2020. In general, the prior fiscal year hospital licensing fee is received in July of the current year. FY 2019 hospital license fee, received in July 2019, was assessed at the rate of 6.000% on hospital fiscal year 2017 net patient revenues. The FY 2020 hospital licensing fee, received in July 2020, was assessed at 6.000% on hospital fiscal year 2018 net patient revenues.

FY 2020

- FY 2020 license and fees cash collections include \$1.3 million in E911 fees that due to changes enacted in the FY 2020 budget are now restricted receipts but were general revenues until October 1, 2019.
- FY 2020 license and fees cash collections include \$514,668 in late beach parking fee payments that were paid in July 2019 but accrued back to FY 2019.

The finer and penalties category of departmental receipts through August of FY 2021 was down \$427,548, or 21.6%, compared to the \$2.0 million collected through August of FY 2020. No fines and penalties accounts had a nominal increase greater than \$100,000 in year-to-date FY 2021 compared to the prior fiscal year. The Rhode Island Traffic Tribunal (RITT) was the only account with a nominal decrease greater than \$100,000 in year-to-date FY 2021 versus year-to-date FY 2020, with a decrease of \$292,279. The decrease in RITT fines and penalties is partially due to the COVID-19 pandemic. RITT continues to operate a limited calendar and on an emergency basis.

The sales and services category of departmental receipts through August of FY 2021 was down \$50,649 from the \$1.7 million collected through August of FY 2020, a decrease of 2.9%. The one account each with a nominal increase / decrease greater than \$100,000 are listed below:

Sales and Services	Nominal Increase / Decrease
Board and support for the Rhode Island Veterans Home	\$ 169,570
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Clinical Testing	(233,339)

Miscellaneous departmental receipts through August of FY 2021 were up \$69,074, or 1.9%, over the \$3.7 million collected through August of FY 2020. The three accounts with the largest nominal

increases greater than \$100,000 and the one account with a nominal decrease greater than \$100,000 in year-to-date FY 2021 versus year-to-date FY 2020 are listed below:

Miscellaneous Departmental Receipts	Nominal Increase
Cost recovery account – Department of Labor and Training	\$ 311,558
Miscellaneous refunds – Treasury Department	211,034
Insurance examination fees	121,399
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Cost recovery account – Judiciary	(328,625)

Month of August:

Total departmental receipts in August 2020 decreased by 6.3% compared to total departmental receipts in August 2019. Total departmental receipts collected in August 2020 were \$14.7 million compared to \$15.6 million collected for the same period last year, a decrease of \$984,970.

The tables below are based on data provided by the Controller and break down departmental receipts cash collections by component on a monthly basis. *For all accounts noted by an asterisk (*), please see the departmental receipts monthly cash flow differences sections for more information on cash flow anomalies between the two fiscal periods.*

The licenses and fees category of departmental receipts in August 2020 was down \$454,728, or 4.1%, from the \$11.0 million collected in August 2019. The three accounts with the largest nominal increases / decreases greater than \$100,000 on a year-over-year basis are listed below:

Licenses and Fees	Nominal Increase / Decrease
Hospital license fee *	\$ 1,793,148
Expense recovery account – Public Utilities	229,754
Insurance agents license fees	185,120
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E911 and first response surcharge	(1,573,107)
Recreation activities fund – Parks and Recreation	(416,440)
Building permits – State properties	(311,564)

Cash Flow Differences:

August 2020

- In licenses and fees, cash collections from the hospital licensing fee include \$1,793,148 in August 2020 that were accrued back to FY 2020. The FY 2020 hospital license fee

collections in August 2020 were assessed at the rate of 6.000% on hospital fiscal year 2018 net patient revenues.

- Licenses and fees cash collections for August 2020 include a transfer of \$(606,781) to restricted receipt accounts from the first response surcharge accounts for payment(s) received in July 2020.

August 2019

- August 2019 license and fees cash collections include \$575,402 in E911 fees that due to changes enacted in the FY 2020 budget are now restricted receipts but were general revenues until October 1, 2019.

The *finer and penalties* category of departmental receipts in August 2020 was down \$235,394, or 23.6%, from the \$999,226 collected in August 2019. No accounts had a nominal increase greater than \$100,000. The Rhode Island Traffic Tribunal was the only account with a nominal decrease greater than \$100,000, with a decrease of \$139,385. The decrease in Rhode Island Traffic Tribunal (RITT) fines and penalties is partially due to the COVID-19 pandemic. RITT continues to operate a limited calendar and on an emergency basis.

The *sales and services* category of departmental receipts in August 2020 was down \$269,016 from the \$1.1 million collected in August 2019, a decrease of 24.7%. The one account with a nominal increase greater than \$100,000 and the two accounts with decreases greater than \$100,000 on a year-over-year basis are listed below:

Sales and Services	Nominal Decrease
Rentals and other receipts – Port of Galilee state facilities	\$ 118,441
Clinical Testing	(213,937)
Board and support for the Rhode Island Veterans Home	(141,332)

Miscellaneous departmental receipts in August 2020 were down \$25,832, or 1.0%, from the \$2.6 million collected in August 2019. The two accounts with nominal increases / decreases greater than \$100,000 on a year-over-year basis are listed below:

Miscellaneous Departmental Receipts	Nominal Decrease
Cost recovery account – Department of Labor and Training	\$ 304,152
Miscellaneous refunds – Treasury Department	225,829
Cost recovery account – Judiciary	(332,389)
Cost recovery account – Public Utilities Commission	(285,805)

Motor Fuel Tax, Per Penny Yield

August	FY 2021	FY 2020	Difference	% Change
Fiscal YTD	\$ 707,607	\$ 775,165	\$ (67,558)	-8.7 %
Month	\$ 372,232	\$ 408,689	\$ (36,457)	-8.9 %

In FY 2021 and FY 2020 from August 2019 through June 2020, the State's motor fuel tax consisted of a \$0.34 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. The State's motor fuel excise tax rate increased by \$0.01 per gallon on July 1, 2019. The increased revenues from this tax rate increase was realized in August 2019 and thereafter. This change in the tax rate is accounted for in the use of the per penny yield. No portion of the motor fuel tax is designated as general revenues. The data provided in this section of the report is for informational purposes only.

Fiscal Year-to-Date through August:

The per penny yield of the state's motor fuel tax collected in FY 2021 through August was \$67,558 less than in FY 2020 through August. This represents a decrease of 8.7% between the two fiscal year-to-date periods. For FY 2021 through August, the per-penny yield was \$707,607 versus \$775,165 for FY 2020 through August.

Month of August:

The per penny yield of the state's motor fuel tax collected in August 2020 was \$36,457 less than in August 2019. This represents a decrease of 8.9% between the two monthly periods. For August 2020, the per-penny yield was \$372,232 versus \$408,689 for August 2019.

Other General Revenue Sources Other Than Lottery Transfer

August	FY 2021	FY 2020	Difference	% Change
Fiscal YTD	\$ 4,940	\$ 31,447	\$ (26,507)	-84.3 %
Month	\$ 374	\$ 15,469	\$ (15,095)	-97.6 %

Lottery Transfer Cash Collections by Component

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

Fiscal Year-to-Date through August (Gaming Activity through July):

Component	FY 2021 †	FY 2020	Difference	% Change
Traditional Games	\$ 3,658,389	\$ 3,109,341	\$ 549,048	17.7 %
Keno	1,202,134	1,404,304	(202,170)	-14.4 %
Remote Sports Betting *	205,676	0	205,676	n/a

Component	FY 2021 †	FY 2020	Difference	% Change
<u>Twin River Casino Hotel</u>				
VLTs	13,571,852	19,557,951	(5,986,099)	-30.6 %
On-site Sports Betting	(53,885)	313,318	(367,203)	-117.2 %
Traditional Table Games	227,077	845,877	(618,800)	-73.2 %
Poker Tables	0	54,248	(54,248)	-100.0 %
<u>Tiverton Casino Hotel</u>				
VLTs	4,208,857	5,121,496	(912,639)	-17.8 %
On-site Sports Betting	15,637	100,901	(85,264)	-84.5 %
Traditional Table Games	(53,866)	104,494	(158,360)	-151.5 %
† Due to the COVID-19 pandemic, all major sporting events were canceled or postponed on March 11, 2020 and started either a shortened season or a tournament during July and August 2020. Additionally, the Twin River Casino Hotel and the Tiverton Casino Hotel closed at 12:00am on March 14, 2020 and remained closed until June 8, 2020 when they reopened with limited capacity.				
* Remote sports betting began in the state on September 4, 2019.				

In fiscal year-to-date 2021, Twin River operated a maximum of 41 traditional table games and no poker tables. In the same period in FY 2020, Twin River operated a maximum of 102 traditional table games and 23 poker tables. In fiscal year-to-date 2021 and 2020, Tiverton Casino Hotel operated a maximum of 32 traditional table games. Twin River Casino Hotel operated 1,819 VLTs in fiscal year-to-date 2021 compared to 4,108 in fiscal year-to-date 2020. Tiverton Casino Hotel operated 495 VLTs in FY 2021 through July compared to 1,000 in the same period in FY 2020. Both Twin River Casino Hotel and Tiverton Casino Hotel VLT cash collections do not reflect unclaimed prizes, distressed communities relief program receipts, or the State's payment to either Tiverton Casino Hotel's or Twin River Casino Hotel's marketing program.

Month of August (July Gaming Activity):

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

Mark A. Furcolo, Director
Rhode Island Department of Revenue
October 5, 2020