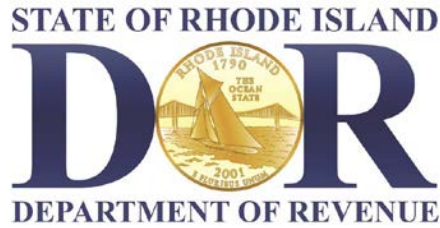


*STATE OF RHODE ISLAND*  
GOVERNOR DANIEL J. MCKEE

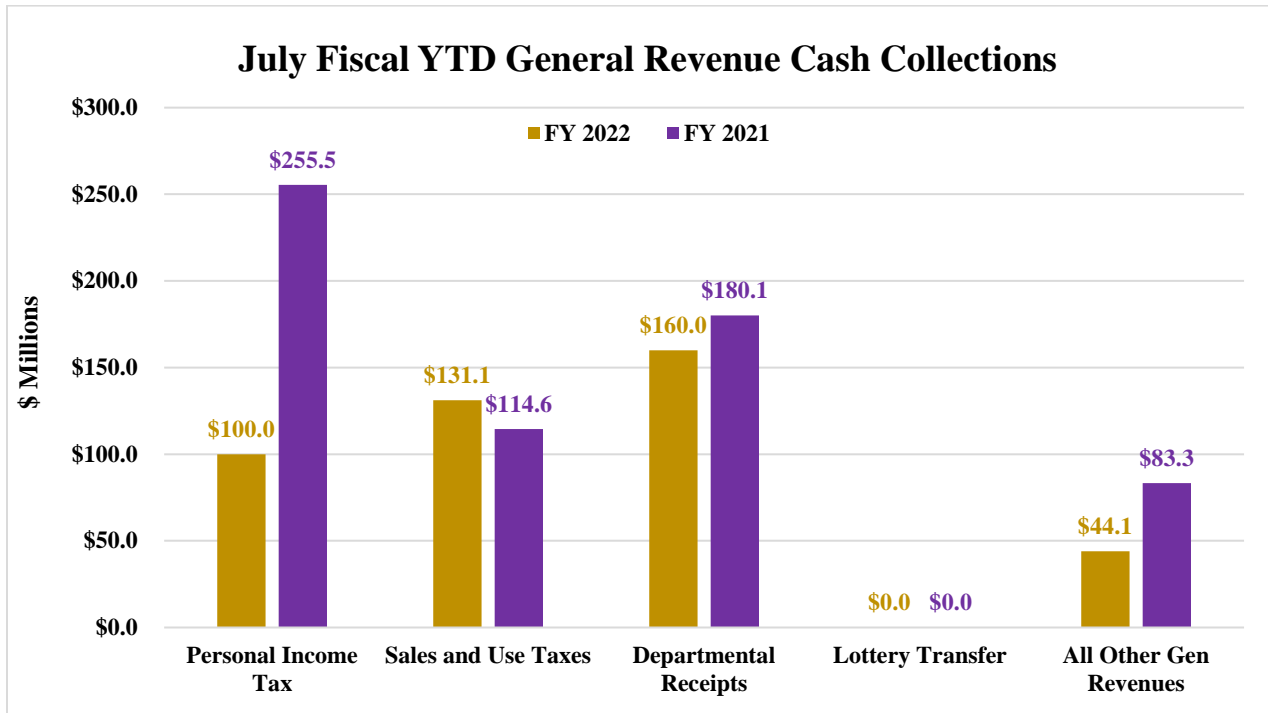


**Office of Revenue Analysis**

**FY 2022 Cash Collections Report as of July 2021 Summary**

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

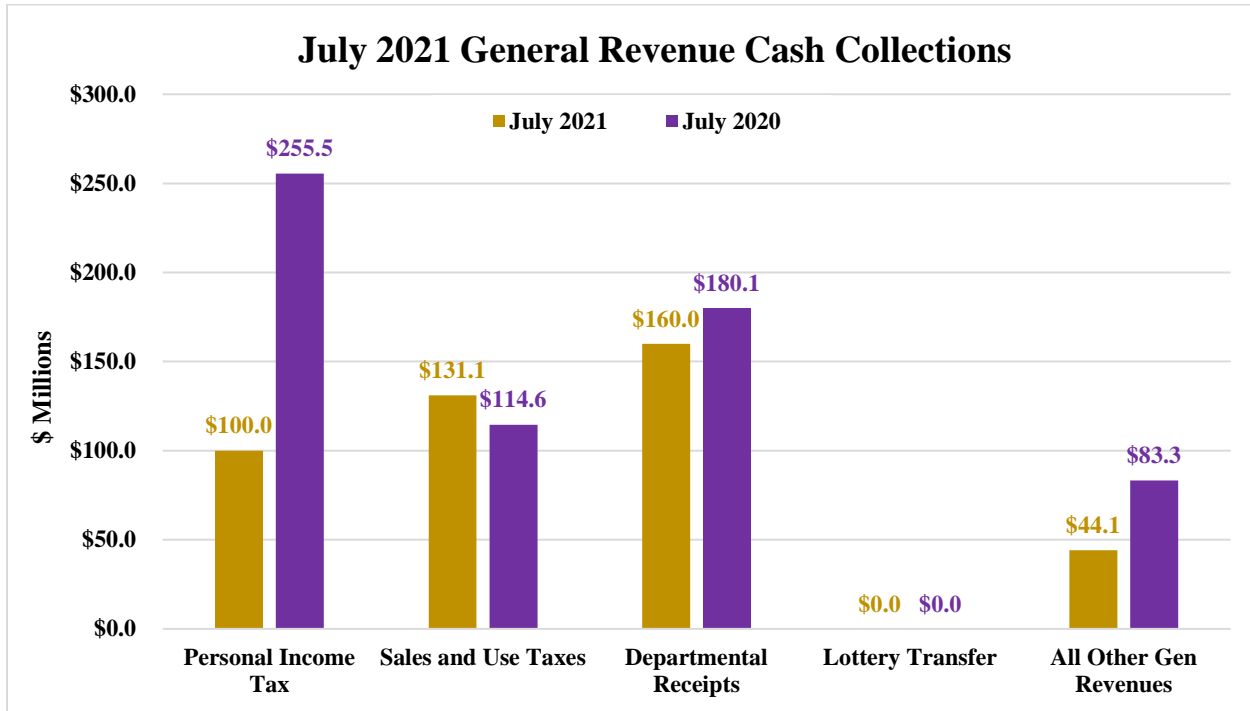
FY 2022 total general revenue cash collections through July were \$435.2 million, down \$198.3 million, or 31.3%, from the \$633.5 million collected in the same period in FY 2021. The breakdown by major general revenue components is as follows:



- Personal income tax cash collections were down \$155.5 million, or 60.9%.
- Sales and use tax collections were \$16.5 million, or 14.4%, more than year-to-date FY 2021.
- Departmental receipts were less than the same period in FY 2021 by \$20.1 million.
- The lottery transfer, in general, does not commence until August of the fiscal year.
- All other general revenues were \$39.2 million, or 47.1%, less than FY 2021 through July.

**Month of July:**

July 2021 total general revenue cash collections were \$435.2 million, down \$198.3 million, or 31.3%, from the \$633.5 million collected in July 2020. The breakdown by major general revenue components is as follows:



- Personal income tax cash collections were down \$155.5 million, or 60.9%.
- Sales and use tax collections were \$16.5 million, or 14.4%, more than July 2020.
- Departmental receipts were less than July 2020 by \$20.1 million, or 11.2%.
- The lottery transfer, in general, does not commence until August of the fiscal year.
- All other general revenues were \$39.2 million, or 47.1%, less than July 2020.

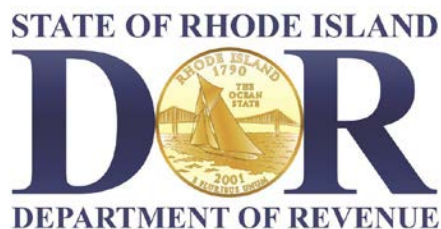
**STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS**  
**July 2021 and Fiscal Year To Date**

	FY 2022 Month of and YTD July	FY 2021 Month of and YTD July	Nominal Difference	Change
<b>Personal Income Tax ‡</b>	\$ 100,018,387	\$ 255,478,667	\$ (155,460,280)	-60.9%
<b>General Business Taxes</b>				
Business Corporation ‡	17,032,837	38,755,605	(21,722,768)	-56.1%
Public Utilities Gross Earnings ‡	76,833	921,158	(844,325)	-91.7%
Financial Institutions ‡	212,133	943,184	(731,051)	-77.5%
Insurance Companies ‡	409,299	14,300,053	(13,890,754)	-97.1%
Bank Deposits ‡	66,387	109,153	(42,766)	-39.2%
Health Care Provider Assessment	2,819,267	3,652,683	(833,416)	-22.8%
<b>Excise Taxes</b>				
Sales and Use	131,071,256	114,600,813	16,470,443	14.4%
Motor Vehicle License and Reg Fees	171,365	179,735	(8,370)	-4.7%
Cigarettes	14,828,962	15,808,581	(979,619)	-6.2%
Alcohol	2,064,838	1,975,494	89,344	4.5%
Controlled Substances	-	-	-	-
<b>Other Taxes</b>				
Estate and Transfer	4,076,153	4,513,632	(437,479)	-9.7%
Racing and Athletics	48,172	-	48,172	-
Realty Transfer	2,239,163	2,112,567	126,596	6.0%
<b>Total Taxes</b>	<b>\$ 275,135,053</b>	<b>\$ 453,351,325</b>	<b>\$ (178,216,272)</b>	<b>-39.3%</b>
<b>Departmental Receipts</b>				
Licenses and Fees	\$ 157,528,106	\$ 177,327,456	\$ (19,799,350)	-11.2%
Fines and Penalties	975,540	788,397	187,143	23.7%
Sales and Services	862,583	872,452	(9,869)	-1.1%
Miscellaneous	659,546	1,159,843	(500,297)	-43.1%
<b>Total Departmental Receipts</b>	<b>\$ 160,025,775</b>	<b>\$ 180,148,148</b>	<b>\$ (20,122,373)</b>	<b>-11.2%</b>
<b>Taxes and Departmentals</b>	<b>\$ 435,160,828</b>	<b>\$ 633,499,473</b>	<b>\$ (198,338,645)</b>	<b>-31.3%</b>
<b>Other General Revenue Sources</b>				
Other Miscellaneous Revenues	\$ 12,984	\$ 4,566	\$ 8,418	184.4%
Lottery Transfer Δ	-	-	-	-
Unclaimed Property	-	-	-	-
<b>Total Other Sources</b>	<b>\$ 12,984</b>	<b>\$ 4,566</b>	<b>\$ 8,418</b>	<b>184.4%</b>
<b>Total General Revenues</b>	<b>\$ 435,173,812</b>	<b>\$ 633,504,039</b>	<b>\$ (198,330,227)</b>	<b>-31.3%</b>

‡ On March 20, 2020, the United States Treasury and Governor Raimondo extended the TY 2019 payment and filing due date for personal income tax and most general business taxes estimated and final payments from June 15, 2020 to July 15, 2020.

Δ The lottery transfer, in general, commences in August of the fiscal year.

STATE OF RHODE ISLAND  
GOVERNOR DANIEL J. MCKEE



Office of Revenue Analysis

FY 2022 State of Rhode Island Cash Collections Report  
July 2021 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 July 2021 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 July cash collections reflect taxable sales activity in June. 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 TY 2019 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 July:***

The following table displays the differences in cash flows for FY 2022 through July and FY 2021 through July:

<b>Page Number</b>	<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>YTD FY 2022</b>	<b>YTD FY 2021</b>
<a href="#">10</a>	Personal Income Tax	FY 2022 adj for FY 2020 payment(s) transferred from bus corp tax	\$682,500	\$0
<a href="#">10</a>	Personal Income Tax	Pass-through entity income tax payment(s) for shareholders	\$(832,772)	\$0
<a href="#">10</a>	Personal Income Tax	TY 2020 estimated payments received in Jul 2020 and accrued to FY 2020	\$0	\$28,981,628
<a href="#">10</a>	Personal Income Tax	TY 2019 final payments received in Jul 2020 and accrued to FY 2020	\$0	\$150,386,810
<a href="#">11</a>	Personal Income Tax	TY 2019 refunds paid in Jul 2020 and accrued to FY 2020	\$0	\$(19,311,346)
<a href="#">11</a>	Personal Income Tax	FY 2021 adj for prior period payments transferred from/to bus corp tax	\$0	\$324,288
<a href="#">12</a>	Business Corp Tax	FY 2022 adj for FY 2020 payment(s) transferred to pers inc tax	\$(682,500)	\$0
<a href="#">12</a>	Business Corp Tax	FY 2022 adj for FY 2021 payment(s) transferred to financial inst tax	\$(100,000)	\$0
<a href="#">12 / 12</a>	Business Corp Tax	Pass-through entity income tax payment(s) for shareholders	\$832,772	\$5,794,553
<a href="#">12</a>	Business Corp Tax	TY 2020 estimated payments received in Jul 2020 and accrued to FY 2020	\$0	\$12,357,209
<a href="#">12</a>	Business Corp Tax	TY 2019 final payments received in Jul 2020 and accrued to FY 2020	\$0	\$15,679,486
<a href="#">13</a>	Business Corp Tax	TY 2019 refunds paid in Jul 2020 and accrued to FY 2020	\$0	\$(821,536)
<a href="#">13</a>	Business Corp Tax	FY 2021 adj for prior period payments transferred to/from pers inc tax	\$0	\$(324,288)
<a href="#">13</a>	Business Corp Tax	FY 2021 adj for prior period payment(s) transferred from financial inst tax	\$0	\$100,000

<b>Page Number</b>	<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>YTD FY 2022</b>	<b>YTD FY 2021</b>
<a href="#">14</a>	Financial Inst Tax	FY 2022 adj for FY 2021 payment(s) transferred from bus corp tax	\$100,000	\$0
<a href="#">14</a>	Financial Inst Tax	TY 2019 final payments received in Jul 2020 and accrued to FY 2020	\$0	\$347,200
<a href="#">14</a>	Financial Inst Tax	FY 2021 adj for prior period payment(s) transferred to business corp tax	\$0	\$(100,000)
<a href="#">14</a>	Ins Gross Premiums Tax	Payments received in Jul 2020 and accrued to FY 2020	\$0	\$13,708,205
<a href="#">14</a>	Bank Deposits Tax	Late payment(s) received in July and accrued to prior fiscal year	\$0	\$111,466
<a href="#">15 / 15</a>	MV License & Reg Fees	State's share of prior year receivable	\$112,640	\$118,760
<a href="#">16 / 16</a>	Realty Transfer Tax	Subsequent month's transfer to the Housing Resources Commission	\$621,670	\$391,299
<a href="#">17</a>	Departmental Receipts	Hospital licensing fee	\$(18,776,318)	\$0

***Month of July:***

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

## **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 return filing and final and estimated payment due date from April 15, 2020 and June 15, 2020 to July 15, 2020 for personal income tax and certain business taxes. For the affected tax types, the change in the filing date provided taxpayers three additional months to file TY 2019 returns and pay balances due, with 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 due to this extension. These figures are included in the cash flow differences table by payment and tax type.

### **COVID-19 Pandemic Control Measures That Impacted Sales and Use Tax and the Lottery Transfer in FY 2021**

- June 1, 2020: Indoor dining was allowed at 50% of capacity.
- June 30, 2020: Phase 3 of Reopening RI was put in place by Governor Raimondo. Indoor dining was increased to 66% of capacity and larger crowd sizes were permitted at indoor and outdoor venues.
- July 2020: Major League Soccer (MLS), Major League Baseball (MLB), and the National Basketball Association (NBA) started either a shortened season or a championship tournament. \*
- July 29, 2020: The number of people who could attend catered events was reduced to 50 for indoor events and 100 for outdoor events, and the size of informal gatherings was capped at 15 people. \*
- August 1, 2020: The National Hockey League (NHL) resumed play in a playoff tournament format. \*
- August 8, 2020: Bars, including those inside of restaurants, were required to close by 11:00 PM. \*
- October 28, 2020: Informal gatherings were capped at 10 people. \*
- November 8, 2020: Indoor dining service was required to end by 10:00 PM on weeknights and 10:30 PM on weekends. \*
- November 19 – November 30, 2020: Central Falls closed all restaurants to indoor/outdoor dining. \*
- November 30 – December 20, 2020: Dine-in capacity at restaurants was reduced to 33%; retail capacity was reduced to one customer per 150 square feet of retail space; and recreational venues, gyms, bars, bar areas in restaurants and the Twin River and Tiverton Casino Hotels were closed. The number of people who could attend catered events was reduced to 25 for indoor events and 75 for outdoor events. \*
- December 21, 2020: Gyms, sports facilities, and indoor recreational venues could reopen with a capacity limit of one person per 150 square feet of space. Restaurants were allowed to increase indoor dining to 50% capacity, though bars remained closed. The number of people who could attend catered events was further reduced to 15 for indoor events and 50 for outdoor events. \*
- January 29, 2021: Early closure requirements imposed on bars and restaurants were eliminated.

- February 5, 2021: The number of people who could attend catered events was increased to 30 for indoor events and maintained at 50 for outdoor events. All catered events must have pre-event testing for attendees, as well as a designated COVID-19 safety officer. Capacity for gyms, sporting facilities and indoor recreation was increased to one person per 125 square feet of space. \*
- February 12, 2021: Bar areas reopened, with a maximum of four people per party and six feet of spacing between parties, or three feet of spacing between parties with barriers. Guests are limited to 90-minute reservations and bars must close by 11:00 PM. \*
- March 5, 2021: Restaurant capacity increased from 50% to 66%, and gym and fitness center capacity increased to one person per 100 square feet of space. \*
- March 12, 2021: Reopening guidance clarified that restaurant capacity at 66% must still maintain six feet of distance between tables. Bar areas may remain open until 12:00 AM if customers have been seated and ordered food by 11:00 PM. Outdoor retail, including farmers markets and other agricultural retail, may reopen without capacity restrictions. \*
- March 19, 2021: Restaurant capacity increased from 66% to 75% and the number of people who can attend catered events was increased to 75% capacity, up to 100 people indoors and 200 people outdoors. Retail, gym, and fitness center capacity increased to one person per 50 square feet of space and big box stores increased to one person per 100 square feet of space. \*
- May 7, 2021: The capacity limit for all indoor businesses will increase to 80% capacity and three feet of spacing. Restaurants may increase capacity to 100% for outdoor dining areas, also with three feet of spacing between tables. Bar areas must still maintain seated only service with plexiglass required. The number of people allowed for catered events will increase 200 people indoors and 500 people outdoors with standing bar service and cocktail hours for outdoor events only. \*
- May 21, 2021: All businesses were allowed to open to full capacity with no social distancing requirements between patrons, except for nightclubs which could operate at 50% of regular capacity unless all patrons are fully vaccinated. Bar areas may resume standing service with no plexiglass required. There will no longer be a cap on the number of attendees at catered events, and indoor standing bar service, cocktail hours, and open dance floors will be allowed. \*
- June 18, 2021: Restrictions on live indoor performances, indoor hookah, and nightclubs were lifted. \*

\* These restrictions do not impact the tax collections contained in this report.

### **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 2022	FY 2021	% Change	July 2021	July 2020	% Change
Personal Income	\$ 145,635	\$ 775,775	-81.2 %	\$ 145,635	\$ 775,775	-81.2 %
Business Corporation	0	0	–	0	0	–
Financial Institutions	0	0	–	0	0	–
Insurance/Non-HMOs	0	0	–	0	0	–
Insurance/HMOs	0	0	–	0	0	–
Non-Profit Refund	0	0	–	0	0	–
<b>Total</b>	<b>\$ 145,635</b>	<b>\$ 775,775</b>	<b>-81.2 %</b>	<b>\$ 145,635</b>	<b>\$ 775,775</b>	<b>-81.2 %</b>

### **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 2022 and year-to-date FY 2021.

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

<b>Component</b>	<b>FY 2022</b>	<b>FY 2021 ^</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments **	\$ 7,306,621	\$ 34,271,682	\$ (26,965,061)	-78.7 %
Final Payments † ‡	5,590,651	149,851,610	(144,260,959)	-96.3 %
Refunds/Adjustments ∨	(8,647,665)	(27,240,525)	18,592,860	-68.3 %
Withholding Tax Payments	95,768,780	98,595,900	(2,827,120)	-2.9 %
<p>^ The TY 2019 filing-and-payment deadline for income tax for individuals and most businesses was postponed from April 15, 2020 to July 15, 2020.</p> <p>* FY 2021 estimated payments include \$28,981,628 of TY 2020 payments received in July 2020 and accrued back to FY 2020. Net of these cash receipts, the FY 2022 growth rate in estimated payments cash collections is 38.1%.</p> <p>† Final payments in FY 2022 year-to-date do not include \$832,772 in pass-through entity payments that were deposited as business corporation tax. This amount is expected to be transferred to personal income tax in June 2022.</p> <p>‡ FY 2021 final payments include \$142,240,295 of TY 2019 payments received in July 2020 and accrued back to FY 2020. Net of these cash receipts, the FY 2022 growth rate in final payments cash collections is 6.3%.</p> <p>∨ FY 2021 refunds and adjustments include \$(19,311,346) of TY 2019 refunds paid in July 2020 and accrued back to FY 2020. Net of these refunds, the FY 2022 growth rate in refunds and adjustments cash collections is 9.1%.</p> <p>* Includes HSTC reimbursements of \$145,635 in FY 2022 YTD and \$775,775 in FY 2021 YTD.</p>				

For the FY 2022 through July period 11,694 income tax refunds were paid for TY 2020 at an average of \$798.46. For the same period in the prior year, 44,768 income tax refunds were paid for TY 2019 at an average of \$620.32.

**Cash Flow Differences:****FY 2022**

- Personal income tax cash collections include \$682,500 for transfer(s) from business corporation tax for payment(s) received in July 2019.
- Personal income tax final payments do not include \$832,772 in pass-through entity payments received in year-to-date FY 2022 but deposited as business corporation tax. This amount is expected to be transferred from business corporation tax to personal income tax in June 2022.

**FY 2021**

- Personal income tax estimated payments include \$28,981,628 of TY 2019 estimated payments received in July 2020 and accrued back to FY 2020.
- Personal income tax final payments include \$150,386,810 of TY 2019 final payments received in July 2020 and accrued back to FY 2020. Included in this receivable is \$5.8 million of pass-through entity personal income tax payments that were recorded under the business corporation tax in July 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.

***Month of July:***

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

**Sales and Use 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 July:***

<b>Component</b>	<b>FY 2022</b>	<b>FY 2021</b>	<b>Difference</b>	<b>% Change</b>
Net Taxation	\$ 120,660,365	\$ 103,473,458	\$ 17,186,908	16.6 %
Meals and Beverage (M&B)	21,909,632	14,400,628	7,509,004	52.1 %
<b>Total Non-MV Less M&amp;B</b>	<b>\$ 98,750,733</b>	<b>\$ 89,072,830</b>	<b>\$ 9,677,904</b>	<b>10.9 %</b>
Motor Vehicle Use Tax Receipts	\$ 10,430,760	\$ 11,300,938	\$ (870,178)	-7.7 %

***Month of July:***

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

**Business 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 15<sup>th</sup> 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 2022 and year-to-date FY 2021.

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

<b>Component</b>	<b>FY 2022</b>	<b>FY 2021</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments § † * ‡	\$ 11,703,932	\$ 21,946,849	\$ (10,242,917)	-46.7 %
Final Payments § † ‡	6,309,666	19,010,423	(12,700,757)	-66.8 %
Refunds/Adjustments § ^	(1,012,372)	(2,205,128)	1,192,756	-54.1 %

§ The TY 2019 filing-and-payment deadline for income tax for individuals and most businesses was postponed from April 15, 2020 to July 15, 2020.

† FY 2022 includes \$647,094 of estimated payments and \$185,677 of final payments received from pass-through entities to cover the TY 2020 personal income taxes of shareholders. FY 2021 includes \$5,164,986 of estimated payments and \$629,567 of final payments received from pass-through entities to cover the TY 2019 personal income taxes of shareholders.

\* FY 2021 estimated payments include \$12,357,209 of TY 2019 payments received in July 2020 and accrued back to FY 2020. Net of these cash receipts, the FY 2022 growth rate in estimated payments cash collections is 86.7%.

‡ FY 2021 final payments include \$15,679,486 of TY 2019 payments received in July 2020 and accrued back to FY 2020. Net of these cash receipts, the FY 2022 growth rate in final payments cash collections is -5.2%.

^ FY 2021 refunds and adjustments include \$(821,536) of TY 2019 refunds paid in July 2020 and accrued back to FY 2020. Net of these refunds, the FY 2022 growth rate in refunds and adjustments cash collections is -26.8%.

***Cash Flow Differences:*****FY 2022**

- Business corporation tax cash collections include a transfer of \$(682,500) to personal income tax for payment(s) received in July 2019.
- Business corporation tax cash collections include a transfer of \$(100,000) to financial institutions tax for payment(s) received in June 2021.
- FY 2022 year-to-date business corporation tax cash collections include elective pass-through entity tax personal income tax payments of \$647,094 in estimated payments and \$185,677 in final payments. Pass-through entity payments received in year-to-date FY 2022 are expected to be transferred from business corporation tax to personal income tax in June 2022.

**FY 2021**

- FY 2021 year-to-date business corporation tax cash collections include elective pass-through entity tax payments of \$5.2 million in estimated payments and \$629,567 in final payments. Pass-through entity payments received in year-to-date FY 2021 were transferred from business corporation tax to personal income tax in June 2021.
- 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 final payments include \$15,679,486 of TY 2019 final 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.

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

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

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

<b>July</b>	<b>FY 2022</b>	<b>FY 2021</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 3,583,919	\$ 19,926,231	\$ (16,342,312)	-82.0 %
Month	\$ 3,583,919	\$ 19,926,231	\$ (16,342,312)	-82.0 %

Businesses with Rhode Island tax liabilities make estimated payments equal to 25% of their expected tax year liabilities by the 15<sup>th</sup> 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 monthly. 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 2022 and year-to-date FY 2021. For all general business taxes other than the health care provider assessment, the tax return filing and final and estimated payment due date was delayed from April 15, 2020 to July 15, 2020.

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

General business taxes other than business corporation tax collected through July of FY 2021 decreased by 82.0% from general business taxes other than business corporation tax collected through July of FY 2021. FY 2022 general business taxes other than business corporation tax collected through July were \$3.6 million compared to \$19.9 million collected for the same period in FY 2021, a decrease of \$16.3 million. FY 2021 general business taxes other than business corporation tax included \$14.1 million of TY 2019 cash payments. Net of these cash receipts, the FY 2022 growth rate in general business taxes other than business corporation tax cash collections is -39.0%.

Public utilities gross earnings tax cash collections of \$76,833 were \$844,325, or 91.7%, less than the \$921,158 collected in FY 2021 through July. Financial institutions tax cash collections of \$212,133 in year-to-date FY 2022 were down \$731,051, or 77.55%, compared to the \$943,184 collected in year-to-date FY 2021. Insurance company gross premiums tax cash collections of \$409,299 were \$13.9 million less than the \$14.3 million received on a year-to-date basis in FY

2021, a difference of 97.1%. Bank deposits tax cash collections of \$66,387 in year-to-date FY 2022 were down \$42,766 compared to \$109,153 collected in year-to-date FY 2021.

FY 2022 year-to-date through July health care provider assessment cash collections of \$2.8 million were down \$833,416, or 22.8%, from the \$3.7 million received on a year-to-date basis in FY 2021.

*Cash Flow Differences:*

**FY 2022**

- Financial institutions tax cash collections include a transfer of \$100,000 from business corporation tax for payment(s) received in June 2021.

**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. Net of these cash receipts, the FY 2022 growth rate in financial institutions tax cash collections is -64.4%.
- 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 and \$12,882,593 of TY 2020 estimated payments received in July 2020 and accrued back to FY 2020. Net of these payments, the FY 2022 growth rate in insurance company gross premiums tax cash collections is -30.8 %.
- Bank deposits tax cash collections include \$111,466 in late payment(s) received in July 2020 but accrued back to FY 2020.

***Month of July:***

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

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

<b>July</b>	<b>FY 2022</b>	<b>FY 2021</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 17,065,165	\$ 17,963,810	\$ (898,645)	-5.0 %
Month	\$ 17,065,165	\$ 17,963,810	\$ (898,645)	-5.0 %

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

Excise taxes other than sales and use taxes collected in FY 2022 through July decreased 5.0% from excise taxes other than sales and use taxes collected through July of FY 2021. FY 2022 excise taxes other than sales and use taxes collected through July were \$17.1 million compared to the \$18.0 million collected for the same period last fiscal year, a decrease of \$898,645.

Motor vehicle license and registration fees were \$171,365 in FY 2022 through July, which is \$8,370, or 4.7%, less than motor vehicle license and registration fees in FY 2021 through July of

\$179,735. 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 July of FY 2022 were \$14.8 million, down \$979,619 compared to the \$15.8 million collected for the same period last fiscal year, a decrease of 6.2%. Included in year-to-date FY 2022 cigarette and OTP excise tax cash collections is \$1,734 in cigarette floor stock receipts and \$969,794 of OTP taxes. Year-to-date FY 2021 cigarette and OTP excise tax cash collections include \$960,805 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 July of FY 2022, Rhode Island cigarette sales decreased 6.7% compared to the same period last fiscal year.

Alcohol excise tax cash collections in FY 2022 through July increased \$89,344, or 4.5%, over collections in FY 2021 through July.

*Cash Flow Differences:*

FY 2022

- Motor vehicle license and registration fees include \$112,640 from a June 2021 receivable.

FY 2021

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

***Month of July:***

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

**Other Taxes**

<b>July</b>	<b>FY 2022</b>	<b>FY 2021</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 6,363,488	\$ 6,626,199	\$ (262,711)	-4.0 %
Month	\$ 6,363,488	\$ 6,626,199	\$ (262,711)	-4.0 %

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

Other taxes collected in FY 2022 through July decreased 4.0% from other taxes collected through July of FY 2021. FY 2022 other taxes collected through July were \$6.4 million compared to the \$6.6 million collected in the same period last fiscal year, a decrease of \$262,711. FY 2022 estate and transfer taxes collected through July were \$4.1 million, down \$437,479 compared to the same

period in FY 2021, a variance of -9.7%. FY 2022 realty transfer taxes collected through July were \$2.2 million, up \$126,596 compared to the same period last fiscal year.

Cash Flow Differences:

FY 2022

- Included in realty transfer tax cash collections is the transfer to the Housing Resources Commission (HRC) of \$621,670 based on activity in July 2021. The transfer will be completed in August 2021.

FY 2021

- Included in realty transfer tax cash collections is the transfer to the Housing Resources Commission (HRC) of \$391,299 based on activity in July 2020 that was completed in August 2020.

**Month of July:**

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

**Departmental Receipts**

<b>July</b>	<b>FY 2022</b>	<b>FY 2021</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 160,025,775	\$ 180,148,148	\$(20,122,373)	-11.2 %
Month	\$ 160,025,775	\$ 180,148,148	\$(20,122,373)	-11.2 %

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

Total departmental receipts in FY 2022 through July decreased by 11.2% compared to total departmental receipts in FY 2021 through July. Fiscal year-to-date total departmental receipts collected in FY 2022 were \$160.0 million compared to \$180.1 million collected for the same period last year, a decrease of \$20.1 million.

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 July of FY 2022 was down \$19.8 million, or 11.2%, from the \$177.3 million collected through July of FY 2021. The three accounts with the largest nominal increases / decreases greater than \$100,000 in year-to-date FY 2022 versus year-to-date FY 2021 are listed below:



<b>Licenses and Fees</b>	<b>Nominal Increase / Decrease</b>
Insurance claim adjusters license fees	\$ 286,580
Recreation activities fund – Parks and Recreation	274,507
Insurance agents license fees	168,480
Hospital licensing fee *	\$ (18,776,318)
E911 and first response surcharge	(658,113)
Registration fees for securities	(597,600)

Cash Flow Differences:

FY 2022

- In licenses and fees, cash collections from the hospital licensing fee were \$18.8 million less in year-to-date FY 2022 compared to year-to-date FY 2021. In general, the prior fiscal year hospital licensing fee is received in July of the current year. The FY 2021 hospital licensing fee, received in July 2021, was assessed at 5% on hospital fiscal year 2019 net patient revenues. FY 2020 hospital license fee, received in July 2020, was assessed at the rate of 6% on hospital fiscal year 2018 net patient revenues.

The finer and penalties category of departmental receipts through July of FY 2022 was up \$187,143, or 23.7%, compared to the \$788,397 collected through July of FY 2021. Rhode Island Traffic Tribunal had a nominal increase of \$155,969. It was the only fines and penalties account that had a nominal increase greater than \$100,000 year-over-year. No fines and penalties account had a nominal decrease greater than \$100,000 in year-to-date FY 2022 versus year-to-date FY 2021.

The sales and services category of departmental receipts through July of FY 2022 was down \$9,869 from the \$872,452 collected through July of FY 2021, a decrease of 1.1%. No sales and services account had a nominal increase greater than \$100,000 in year-to-date FY 2022 versus year-to-date FY 2021. Rhode Island Veterans Home board and support had a nominal decrease of \$101,007. It was the only sales and services account that had a nominal decrease greater than \$100,000 year-over-year.

Miscellaneous departmental receipts through July of FY 2022 were down \$500,297, or 43.1%, from the \$1.2 million collected through July of FY 2021. No miscellaneous account had a nominal increase greater than \$100,000 in year-to-date FY 2022 versus year-to-date FY 2021. The two accounts with nominal decreases greater than \$100,000 in year-to-date FY 2022 versus year-to-date FY 2021 are listed below:

<b>Miscellaneous Departmental Receipts</b>	<b>Nominal Decrease</b>
Cost recovery account – Public Utilities Commission	\$ (280,955)
Drinking water protection fund	(225,909)

***Month of July:***

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

**Motor Fuel Tax, Per Penny Yield**

<b>July</b>	<b>FY 2022</b>	<b>FY 2021</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 379,255	\$ 335,375	\$ 43,880	13.1 %
Month	\$ 379,255	\$ 335,375	\$ 43,880	13.1 %

In year-to-date FY 2022 and year-to-date FY 2021, 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. No portion of the motor fuel tax is designated as general revenues. The data provided in this section of the report is for informational purposes only.

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

The per penny yield of the state's motor fuel tax collected in FY 2022 through July was \$43,880 more than in FY 2021 through July. This represents an increase of 13.1% between the two fiscal year-to-date periods. For FY 2022 through July, the per-penny yield was \$379,255 versus \$335,375 for FY 2021 through July.

***Month of July:***

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

**Other General Revenue Sources Other Than Lottery Transfer**

<b>July</b>	<b>FY 2022</b>	<b>FY 2021</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 12,984	\$ 4,566	\$ 8,418	184.4 %
Month	\$ 12,984	\$ 4,566	\$ 8,418	184.4 %

**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 July:***

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

A handwritten signature in black ink, appearing to read "Guillermo Tello". The signature is fluid and cursive, with the first name "Guillermo" being larger and more prominent than the last name "Tello".

Guillermo L. Tello, Acting Director  
Rhode Island Department of Revenue  
August 30, 2021