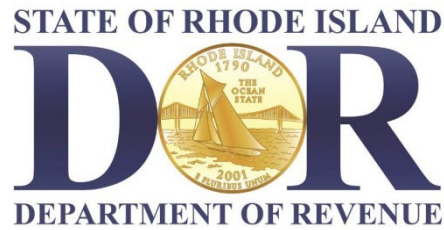


STATE OF RHODE ISLAND
GOVERNOR Daniel J. McKee



Office of Revenue Analysis

State of Rhode Island Special Report
on Preliminary FY 2022 Revenues

This special report includes information on fiscal year-end preliminary revenues for FY 2022 on an accrual basis. That is, it considers total fiscal year revenues, which are equal to cash collections plus the net accrual between consecutive fiscal years. This report's focus is on preliminary FY 2022 revenues compared to fiscal year revenue estimates as adopted in the final enacted FY 2022 budget and to audited FY 2021 revenues.

The data contained in this report is drawn from three sources, the Division of Lottery (Lottery), the Division of Taxation (Taxation), and the Office of Accounts and Controls (OAC). This report makes minimal adjustments to the data that is reported and only to ensure that the data is consistent across all three reporting entities. Small but insignificant differences in figures between the three data sources can be expected. In addition, due to rounding, figures may also vary by a dollar or two.

This report includes three tables. The first table, *Preliminary FY 2022 to Final Enacted FY 2022*, displays the amounts, differences, and variances of preliminary FY 2022 revenues to final enacted FY 2022 revenues. The second table, *Preliminary FY 2022 to Audited FY 2021*, displays the amounts, differences, and year-over-year growth rates of preliminary FY 2022 revenues to final audited FY 2021 revenues. The last table, *Final Enacted FY 2022 to Audited FY 2021*, displays the amounts, differences, and variances of final enacted FY 2022 revenues to final audited FY 2021 revenues. Following the tables, the Office of Revenue (ORA) has provided details on specific revenue items, including component data and information on the accruals, as appropriate.

STATE OF RHODE ISLAND SPECIAL REPORT ON PRELIMINARY REVENUES
Preliminary FY 2022 vs. Final Enacted FY 2022

	Preliminary Revenues FY 2022	Final Enacted Revenues FY 2022	Difference	Variance
<u>Personal Income Tax</u>	\$ 1,998,500,414	\$ 1,939,003,962	\$ 59,496,452	3.1%
<u>General Business Taxes</u>				
Business Corporations	288,450,198	255,100,000	33,350,198	13.1%
Public Utilities Gross Earnings	90,447,160	89,400,000	1,047,160	1.2%
Financial Institutions	36,263,375	35,700,000	563,375	1.6%
Insurance Companies	159,708,472	155,600,000	4,108,472	2.6%
Bank Deposits	4,208,761	4,200,000	8,761	0.2%
Health Care Provider Assessment	38,043,997	36,800,000	1,243,997	3.4%
<u>Excise Taxes</u>				
Sales and Use *	1,511,435,956	1,475,000,000	36,435,956	2.5%
Motor Vehicle	965,283	1,000,000	(34,717)	-3.5%
Motor Carrier Fuel Use	-	-	-	n/a
Cigarettes	149,745,624	144,900,000	4,845,624	3.3%
Alcohol	23,323,085	23,900,000	(576,915)	-2.4%
Controlled Substances *	16,793	-	16,793	n/a
<u>Other Taxes</u>				
Estate and Transfer	39,301,855	35,700,000	3,601,855	10.1%
Racing and Athletics	507,844	500,000	7,844	1.6%
Realty Transfer	22,118,052	22,800,000	(681,948)	-3.0%
Total Taxes	\$ 4,363,036,869	\$ 4,219,603,962	\$ 143,432,907	3.4%
<u>Departmental Receipts</u>	\$ 428,096,658	\$ 428,709,159	\$ (612,501)	-0.1%
Taxes and Departmentals	\$ 4,791,133,527	\$ 4,648,313,121	\$ 142,820,406	3.1%
<u>Other General Revenue Sources</u>				
Other Miscellaneous Revenues	9,110,984	16,900,000	(7,789,016)	-46.1%
Lottery Transfer	388,597,483	389,600,000	(1,002,517)	-0.3%
Unclaimed Property	19,003,313	16,100,000	2,903,313	18.0%
Total Other Sources	\$ 416,711,780	\$ 422,600,000	\$ (5,888,220)	-1.4%
Total General Revenues	\$ 5,207,845,307	\$ 5,070,913,121	\$ 136,932,186	2.7%

* The Controller's Audited General Fund Revenue Report for FY 2022 includes Controlled Substances Revenues in Sales and Use Tax Revenues. This report treats these revenue sources separately.

PIT Component	Preliminary FY 2022	Final Enacted FY 2022	Difference	Variance
Estimated payments	\$ 297,159,543	\$ 288,000,000	\$ 9,159,543	3.2%
Final payments	615,943,781	609,000,000	6,943,781	1.1%
Withholding	1,450,663,997	1,443,000,000	7,663,997	0.5%
Refunds	(392,957,373)	(412,896,038)	19,938,665	-4.8%
<i>Net Accrual</i>	<i>27,690,466</i>	<i>11,900,000</i>	<i>15,790,466</i>	<i>132.7%</i>
Total	\$ 1,998,500,414	\$ 1,939,003,962	\$ 59,496,452	3.1%

STATE OF RHODE ISLAND SPECIAL REPORT ON PRELIMINARY REVENUES
Preliminary FY 2022 vs. Audited FY 2021

	Preliminary Revenues FY 2022	Audited Revenues FY 2021	Difference	Year-over-Year Growth
Personal Income Tax	\$ 1,998,500,414	\$ 1,615,512,279	\$ 382,988,134	23.7%
General Business Taxes				
Business Corporations	288,450,198	201,788,847	86,661,351	42.9%
Public Utilities Gross Earnings	90,447,160	93,474,936	(3,027,776)	-3.2%
Financial Institutions	36,263,375	34,856,030	1,407,345	4.0%
Insurance Companies	159,708,472	131,446,789	28,261,683	21.5%
Bank Deposits	4,208,761	3,818,574	390,187	10.2%
Health Care Provider Assessment	38,043,997	35,121,483	2,922,514	8.3%
Excise Taxes				
Sales and Use *	1,511,435,956	1,341,467,185	169,968,771	12.7%
Motor Vehicle	965,283	681,739	283,544	41.6%
Cigarettes	149,745,624	159,713,136	(9,967,512)	-6.2%
Alcohol	23,323,085	22,200,641	1,122,444	5.1%
Controlled Substances *	16,793	5,043	11,750	233.0%
Other Taxes				
Estate and Transfer	39,301,855	42,986,729	(3,684,874)	-8.6%
Racing and Athletics	507,844	404,040	103,804	25.7%
Realty Transfer	22,118,052	17,774,576	4,343,476	24.4%
Total Taxes	\$ 4,363,036,869	\$ 3,701,252,027	\$ 661,784,841	17.9%
Departmental Receipts	428,096,658	402,634,288	25,462,370	6.3%
Taxes and Departmentals	\$ 4,791,133,527	\$ 4,103,886,315	\$ 687,247,212	16.7%
Other General Revenue Sources				
Other Miscellaneous Revenues	9,110,984	9,619,381	(508,397)	-5.3%
Lottery Transfer	388,597,483	301,803,081	86,794,402	28.8%
Unclaimed Property	19,003,313	16,269,787	2,733,526	16.8%
Total Other Sources	\$ 416,711,780	\$ 327,692,249	\$ 89,019,531	27.2%
Total General Revenues	\$ 5,207,845,307	\$ 4,431,578,564	\$ 776,266,743	17.5%

* The Controller's Audited General Fund Revenue Reports for FY 2022 and FY 2021 include Controlled Substances Revenues in Sales and Use Tax Revenues. This report treats these revenue sources separately.

PIT Component	Preliminary FY 2022	Audited FY 2021	Difference	Year-over-Year Growth
Estimated payments	\$ 297,159,543	\$ 294,734,032	\$ 2,425,511	0.8%
Final payments	615,943,781	541,675,080	74,268,700	13.7%
Withholding	1,450,663,997	1,322,951,888	127,712,109	9.7%
Refunds	(392,957,373)	(401,683,863)	8,726,490	-2.2%
Net Accrual	27,690,466	(142,164,859)	169,855,325	-119.5%
Total	\$ 1,998,500,414	\$ 1,615,512,279	\$ 382,988,134	23.7%

STATE OF RHODE ISLAND SPECIAL REPORT ON PRELIMINARY REVENUES
Final Enacted FY 2022 vs. Audited FY 2021

	Final Enacted Revenues FY 2022	Audited Revenues FY 2021	Difference	Variance
<u>Personal Income Tax</u>	\$ 1,939,003,962	\$ 1,615,512,279	\$ 323,491,683	20.0%
<u>General Business Taxes</u>				
Business Corporations	255,100,000	201,788,847	53,311,153	26.4%
Public Utilities Gross Earnings	89,400,000	93,474,936	(4,074,936)	-4.4%
Financial Institutions	35,700,000	34,856,030	843,970	2.4%
Insurance Companies	155,600,000	131,446,789	24,153,211	18.4%
Bank Deposits	4,200,000	3,818,574	381,426	10.0%
Health Care Provider Assessment	36,800,000	35,121,483	1,678,517	4.8%
<u>Excise Taxes</u>				
Sales and Use *	1,475,000,000	1,341,467,185	133,532,815	10.0%
Motor Vehicle	1,000,000	681,739	318,261	46.7%
Cigarettes	144,900,000	159,713,136	(14,813,136)	-9.3%
Alcohol	23,900,000	22,200,641	1,699,359	7.7%
Controlled Substances *	-	5,043	(5,043)	n/a
<u>Other Taxes</u>				
Estate and Transfer	35,700,000	42,986,729	(7,286,729)	-17.0%
Racing and Athletics	500,000	404,040	95,960	23.8%
Realty Transfer	22,800,000	17,774,576	5,025,424	28.3%
Total Taxes	\$ 4,219,603,962	\$ 3,701,252,027	\$ 518,351,935	14.0%
<u>Departmental Receipts</u>	428,709,159	402,634,288	26,074,871	6.5%
Taxes and Departmentals	\$ 4,648,313,121	\$ 4,103,886,315	\$ 544,426,806	13.3%
<u>Other General Revenue Sources</u>				
Other Miscellaneous Revenues	16,900,000	9,619,381	7,280,619	75.7%
Lottery Transfer	389,600,000	301,803,081	87,796,919	29.1%
Unclaimed Property	16,100,000	16,269,787	(169,787)	-1.0%
Total Other Sources	\$ 422,600,000	\$ 327,692,249	\$ 94,907,751	29.0%
Total General Revenues	\$ 5,070,913,121	\$ 4,431,578,564	\$ 639,334,557	14.4%

* The Controller's Audited General Fund Revenue Reports for FY 2022 and FY 2021 include Controlled Substances Revenues in Sales and Use Tax Revenues. This report treats these revenue sources separately.

PIT Component	Final Enacted FY 2022	Audited FY 2021	Difference	Variance
Estimated payments	\$ 288,000,000	\$ 294,734,032	\$ (6,734,032)	-2.3%
Final payments	609,000,000	541,675,080	67,324,920	12.4%
Withholding	1,443,000,000	1,322,951,888	120,048,112	9.1%
Refunds	(412,896,038)	(401,683,863)	(11,212,175)	2.8%
<i>Net Accrual</i>	<i>11,900,000</i>	<i>(142,164,859)</i>	<i>154,064,859</i>	<i>-108.4%</i>
Total	\$ 1,939,003,962	\$ 1,615,512,279	\$ 323,491,683	20.0%

Historic Structures Tax Credit Reimbursements

The breakdown of the reimbursement of redeemed HSTCs by tax type is shown in the table below:

Historic Structures Tax Credit Reimbursements by Tax Type				
Tax Type	FY 2022	FY 2021	Difference	% Change
Personal Income	\$948,223	\$8,958,195	\$(8,009,972)	-89.4%
Business Corporation	0	0	0	n/a
Financial Institutions	0	0	0	n/a
Insurance	0	1,280,000	(1,280,000)	-100.0%
Insurance/HMOs	0	2,882,056	(2,882,056)	-100.0%
Non-Profit Partner Refund	0	197,050	(197,050)	-100.0%
Total	\$948,223	\$13,317,302	\$(12,369,078)	-92.9%

Personal Income Taxes

The table below provides the component breakdown of the preliminary FY 2022 personal income tax revenues, as provided by the Division of Taxation, and the final enacted FY 2022 estimates for personal income tax revenues:

Component	FY 2022 Preliminary	FY 2022 Final Enacted	Variance	Percentage Change
Estimated Payments	\$297,159,543	\$288,000,000	\$9,159,543	3.2%
Final Payments *, ^	615,943,781	609,000,000	6,943,781	1.1%
Withholding	1,450,663,997	1,443,000,000	7,663,997	0.5%
Refunds/Adjustments	(392,957,373)	(412,896,038)	19,938,665	-4.8%
Net Accrual †	27,690,466	11,900,000	15,790,466	132.7%
Total	\$1,998,500,414	\$1,939,003,962	\$59,496,452	3.1%

* FY 2022 preliminary close final payments include \$948,223 of HSTC redemptions. An undetermined amount of HSTC redemptions were also included in the FY 2022 final enacted personal income tax final payments estimate.

^ FY 2022 preliminary includes \$179.9 million of personal income tax payments from pass-through entities made on behalf of their shareholders that were originally deposited as business corporation tax revenues. FY 2022 final enacted final payments estimate includes \$180.0 million of net personal income tax payments from pass-through entities made on behalf of their shareholders.

† FY 2022 preliminary net accrual includes a payable of \$32.4 million for the projected refund of the overpayment of personal income taxes made by pass-through entities on behalf of their shareholders.

The table below provides the component breakdown of personal income tax revenues, as provided by the Division of Taxation, and compares preliminary FY 2022 revenues to audited FY 2021 revenues:

Component	FY 2022 Preliminary	FY 2021 Audited	Nominal Difference	Percent Difference
Estimated Payments	\$297,159,543	\$294,734,032	\$2,425,511	0.8%
Final Payments * ^	615,943,781	541,675,080	74,268,700	13.7%
Withholding	1,450,663,997	1,322,951,888	127,712,109	9.7%
Refunds/Adjustments	(392,957,373)	(401,683,863)	8,726,490	-2.2%
Net Accrual †	27,690,466	(142,164,859)	169,855,325	-119.5%
Total	\$1,998,500,414	\$1,615,512,279	\$382,988,134	23.7%
* Final payments include historic structures tax credit (HSTC) reimbursements of \$948,223 in preliminary FY 2022 and \$9.0 million in audited FY 2021.				
^ Includes personal income tax payments from pass-through entities made on behalf of their shareholders that were originally deposited as business corporation tax revenues of \$179.9 in preliminary FY 2022 and \$109.1 million in audited FY 2021.				
† The FY 2022 preliminary net accrual includes a payable of \$32.4 million for the projected refund of the overpayment of personal income taxes made by pass-through entities on behalf of their shareholders. The comparable payable included in the FY 2021 audited net accrual is \$26.0 million.				

The preliminary FY 2022 personal income tax net accrual was \$169.9 million more than the audited FY 2021 net accrual. One reason for this large discrepancy is the delaying of the FY 2019 personal income tax return due date from April 15, 2020 to July 15, 2020. This delay resulted in the booking of a receivable for FY 2020 of \$150,368,000 resulting in a large negative net accrual for FY 2021 audited revenues. In addition, the payment of personal income tax estimates was delayed from April 15, 2020 and June 15, 2020 to July 15, 2020, which resulted in the posting of a receivable for FY 2020 of \$29,000,000. These posted receivables and reflected revenues that would have been received as cash in FY 2020 had the payment and return due dates not been delayed into FY 2021.

Finally, the FY 2021 net accrual includes a payable for \$(10,299,320) and the FY 2020 net accrual includes a payable for \$(18,787,024) to reflect the liability the state may face from the repeal of the limitation on active loss deductions for non-corporate taxpayers for TY 2018 – TY 2020 that was passed as part of the CARES Act in May 2020.

Business Corporation Taxes

The table below provides the component breakdown of corporate income tax revenues, as provided by the Division of Taxation, and compares preliminary FY 2022 revenues to audited FY 2021 revenues:

Component	FY 2022 Preliminary	FY 2021 Audited	Nominal Difference	Percent Difference
Estimated Payments [^]	\$192,577,291	\$157,221,082	\$35,356,209	22.5%
Final Payments [◇]	128,750,999	102,441,976	26,309,023	25.7%
Refunds/Adjustments	(38,447,878)	(36,883,420)	(1,564,458)	4.2%
Net Accrual	4,014,223	(21,635,058)	25,649,281	-118.6%
Total Corp. Income	\$286,894,634	\$201,144,579	\$85,750,055	42.6%
[^] Does not include estimated payments received from pass-through entities that were made to cover the personal income tax liabilities of shareholders and transferred to personal income tax final payments of \$121.4 million in preliminary FY 2022 and \$89.9 million in audited FY 2021.				
[◇] Does not include final payments received from pass-through entities that were made to cover the personal income tax liabilities of shareholders and transferred to personal income tax final payments of \$58.5 million in preliminary FY 2022 and \$19.2 million in audited FY 2021.				

The reason for the large discrepancy in the net accrual between the two fiscal years is the delaying of the FY 2019 business corporation tax return due date from April 15, 2020 to July 15, 2020 and the delay in the business corporation tax estimated payments due dates from April 15, 2020 and June 15, 2020 to July 15, 2020. In the case of the delay in the tax return due date, a receivable for \$13,100,000 and a payable for \$(822,000) were booked against FY 2020 revenues. In the case of the delay in the estimated payments due dates, a receivable for \$15,000,000 was posted for FY 2020. These posted receivables and the posted payable reflected revenues that would have been received as cash in FY 2020 had the payment and return due dates not been delayed into FY 2021.

The table below provides the breakdown of the two other tax types included in total business corporation tax revenues:

Component	FY 2022 Preliminary	FY 2021 Audited	Nominal Difference	Percent Difference
<u>Non-resident Contractor</u>				
Cash	\$1,568,412	\$602,059	\$966,353	160.5%
Net Accrual	(10,661)	40,120	(50,781)	-126.6%
Total NR Contractor	\$1,557,751	\$642,179	\$915,572	142.6%
<u>Political Organizations</u>				
Cash	\$9,032	\$2,490	\$6,542	262.7%
Net Accrual	124	0	124	n/a
Total Political Org.	\$9,156	\$2,490	\$6,666	267.7%

Insurance Company Gross Premiums Taxes

The tables below provide the component breakdown of insurance company gross premiums tax revenues and compare preliminary FY 2022 revenues to FY 2022 final enacted revenues and audited FY 2021 revenues.

Component	FY 2022 Preliminary	FY 2022 Final Enacted	Nominal Difference	Percent Difference
Non-Health Insurance	\$94,570,217	\$94,000,000	\$570,217	0.6%
Health Insurance	65,138,255	61,600,000	3,538,255	5.7%
Total Insurance	\$159,708,472	\$155,600,000	\$4,108,472	2.6%

Component	FY 2022 Preliminary	FY 2021 Audited	Nominal Difference	Percent Difference
<u>Non-Health Insurance</u>				
Cash	\$94,433,043	\$79,325,596	\$15,107,447	19.0%
Net Accrual ^	137,174	(2,176,293)	2,313,467	-106.3%
Total Non-Health Ins.	\$94,570,217	\$77,149,303	\$17,420,914	22.6%
<u>Health Insurance</u>				
Cash	\$65,179,255	\$66,962,486	\$(1,783,231)	-2.7%
Net Accrual *	(41,000)	(12,665,000)	12,624,000	-99.7%
Total Health Ins.	\$65,138,255	\$54,297,486	\$10,840,769	20.0%

^ The non-health insurance net accrual includes a receivable of \$680,000 that was posted to FY 2020 due to the delay in the final return due date from April 15, 2020 to July 15, 2020. This receivable was reversed in audited FY 2021.

* The health insurance FY 2021 audited net accrual includes a receivable of \$13,029,000 that was booked to FY 2020 as a result of the delay in the estimated payment due dates from April 15, 2020 and June 15, 2020 to July 15, 2020.

Sales and Use Taxes

Component	Preliminary FY 2022	Audited FY 2021	Nominal Difference	Percent Difference
Net Taxation *	\$1,101,240,530	\$1,003,308,197	\$97,932,333	9.8%
Meal & Bev Sales Tax	238,877,170	178,611,742	60,265,429	33.7%
Motor Vehicle Use Tax	159,792,129	153,010,797	6,781,331	4.4%
Total Receipts	\$1,499,909,830	\$1,334,930,736	\$164,979,094	12.4%
Net Accrual	11,526,126	6,536,449	4,989,677	76.3%
Total Revenue	\$1,511,435,956	\$1,341,467,185	\$169,968,771	12.4%

* The net taxation component includes nonsufficient funds checks of \$(31,052) in preliminary FY 2022 and \$(13,831) in audited FY 2021. Net taxation does not include the meal and beverage sales tax amounts separately stated.

Cigarettes Taxes

Component	FY 2022 Preliminary	FY 2022 Final Enacted	Nominal Difference	Percent Difference
Cigarettes, w/ Floor Stock	\$138,492,683	\$133,500,000	\$4,992,683	3.7%
Other Tobacco Products	11,252,941	11,400,000	(147,059)	-1.3%
Total Revenues	\$149,745,624	\$144,900,000	\$4,845,624	3.3%

Component	FY 2022 Preliminary	FY 2021 Audited	Nominal Difference	Percent Difference
<u>Cigarettes, including Floor Stock</u>				
Cash	\$136,804,162	\$146,869,304	\$(10,065,142)	-6.9%
Net Accrual	1,688,521	1,121,491	567,030	50.6%
Total Cigarettes	\$138,492,683	\$147,990,795	\$(9,498,112)	-6.4%
<u>Other Tobacco Products</u>				
Cash	\$11,390,290	\$11,812,979	\$(422,689)	-3.6%
Net Accrual	(137,349)	(90,638)	(46,711)	51.5%
Total Other Tobacco	\$11,252,941	\$11,722,341	\$(469,400)	-4.0%

Finally, the change in Rhode Island cigarette sales between preliminary FY 2022 and audited FY 2021 is determined by netting out the value of cigarette floor stock tax and other tobacco products tax revenues in each fiscal year. After netting out these receipts, it is determined that the sale of packs of cigarettes in Rhode Island fell by 6.9% in FY 2022.

Total Departmental Receipts

Category	FY 2022 Preliminary	FY 2021 Audited	Nominal Difference	Percent Difference
<u>Licenses and Fees</u>				
Cash	\$322,193,722	\$337,984,508	\$(15,790,786)	-4.7%
Net Accrual	5,512,192	(27,640,381)	33,152,573	-119.9%
Total Licenses and Fees	\$327,705,914	\$310,344,127	\$17,361,787	5.6%
<u>Fines and Penalties</u>				
Cash	\$54,072,768	\$48,130,257	\$5,942,511	12.3%
Net Accrual	105,729	(94,227)	199,956	-212.2%
Total Fines and Penalties	\$54,178,497	\$48,036,030	\$6,142,467	12.8%
<u>Sales and Services</u>				
Cash	\$9,032,822	\$9,357,678	\$(324,856)	-3.5%
Net Accrual	(1,449)	(87,073)	85,624	-98.3%
Total Sales and Services	\$9,031,373	\$9,270,605	\$(239,232)	-2.6%
<u>Miscellaneous Departmental Receipts</u>				
Cash	\$36,604,788	\$35,516,502	\$1,088,286	3.1%
Net Accrual	576,086	(532,976)	1,109,062	-208.1%
Total Misc. Dept. Receipts	\$37,180,874	\$34,983,526	\$2,197,348	6.3%

In the licenses and fees category of departmental receipts, the FY 2022 hospital licensing fee was assessed at 5.656% on hospital FY 2020 net patient revenues, and the FY 2021 hospital licensing fee was assessed at 5% on hospital FY 2019 net patient revenues. As a result, FY 2022 hospital licensing fee cash collections were \$160.4 million, a decrease of \$32.4 million from FY 2021 hospital licensing fee cash collections of \$192.9 million. The preliminary FY 2022 hospital licensing fee receivable was \$165.2 million, and the audited FY 2021 hospital licensing fee receivable was \$159.6 million, which translates into a hospital licensing fee net accrual of \$5.6 million in FY 2022.

Lottery Transfer

The table below provides the component breakdown of revenues from the lottery transfer, as provided by the Division of Lottery, and compares preliminary FY 2022 revenues to FY 2022 final enacted revenues:

Component	FY 2022 Preliminary	FY 2022 Final Enacted	Nominal Difference	Percent Difference
Traditional Games	\$66,279,523	\$66,500,000	\$(220,477)	-0.3%
VLT	288,832,299	289,100,000	(267,701)	-0.1%
Table Games	12,772,586	13,100,000	(327,414)	-2.5%
On-Site Sports Betting	9,489,706	9,900,000	(410,294)	-4.1%
Remote Sports Betting	11,223,369	11,000,000	223,369	2.0%
Total Lottery	\$388,597,483	\$389,600,000	\$(1,002,517)	-0.3%

The table below provides the component breakdown of revenues from the lottery transfer, as provided by the Division of Lottery, and compares preliminary FY 2022 revenues to audited FY 2021 revenues:

Component	FY 2022 Preliminary	FY 2021 Audited	Nominal Difference	Percent Difference
Traditional Games	\$66,279,523	\$67,416,165	\$(1,136,642)	-1.7%
VLT	288,832,299	209,163,730	79,668,569	38.1%
Table Games	12,772,586	6,163,237	6,609,349	107.2%
On-Site Sports Betting	9,489,706	9,839,575	(349,869)	-3.6%
Remote Sports Betting	11,223,369	9,220,375	2,002,994	21.7%
Total Lottery	\$388,597,483	\$301,803,082	\$86,794,401	28.8%

The large difference in revenues for video-lottery terminals (VLTs) is attributable to the significant difference in the number of VLTs open between the two fiscal years. The Twin River Casino Hotel had an average of 3,869 VLTs open in FY 2022 compared to 2,456 in FY 2021, a difference of 1,413. For the Tiverton Casino Hotel the comparable figures were 1,000 and 582, a difference of 418 VLTs open between the fiscal years. Additionally, the state's two casinos were closed due to the COVID-19 pandemic for about three weeks in FY 2021 (from end of November through the third week in December).

Per Penny Motor Fuel Tax Yield

FY 2022	FY 2022 Preliminary	FY 2022 ORA Estimated	Nominal Difference	Percent Difference
Per Penny	\$4,294,776	\$4,452,834	\$(158,058)	-3.5%

FY 2022	FY 2022 Preliminary	FY 2021 Audited	Nominal Difference	Percent Difference
Per Penny	\$4,294,776	\$4,074,036	\$220,740	5.4%

The State's per gallon motor fuel tax was \$0.34 in FY 2022 and FY 2021. The State's motor fuel tax is dedicated to the funding of transportation. The State's motor fuel tax is allocated to the Rhode Island Department of Transportation, which receives \$0.2025 of the \$0.34 per gallon motor fuel tax; the Rhode Island Public Transit Authority, which receives \$0.0925 of the \$0.34 per gallon motor fuel tax; the Department of Human Services, which receives \$0.01 of the \$0.34 per gallon motor fuel tax for its elderly transportation program; and the Rhode Island Turnpike and Bridge Authority, which receives \$0.035 of the \$0.34 per gallon motor fuel tax for the maintenance and repair of the Jamestown Verrazano Bridge, the Mount Hope Bridge, the Newport Pell Bridge, and the Sakonnet River Bridge. The ORA Estimated figure above is the Office of Revenue Analysis' projection of the motor fuel tax per penny yield as it was computed in May 2022.

Jane E. Cole, Acting Director
Department of Revenue

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