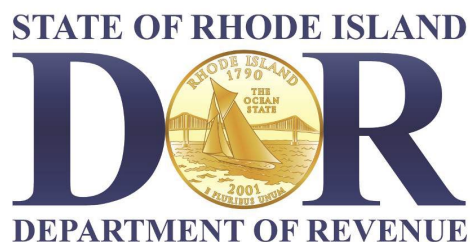


STATE OF RHODE ISLAND
GOVERNOR DANIEL J. MCKEE



Office of Revenue Analysis

State of Rhode Island Revenue Assessment Report
FY 2026 Monthly and Year-to-Date as of April 2026

The monthly revenue assessment report compares adjusted revenues, on a monthly and fiscal year-to-date basis, to the Office of Revenue Analysis' (ORA) monthly and fiscal year-to-date (YTD) estimates of expected revenues based on the current fiscal year revenue estimates. It should be noted that the fiscal year revenue estimates will vary over the course of the fiscal year as the Revenue Estimating Conference (REC) convenes and modifies the fiscal year revenue estimates as enacted by the General Assembly.

This monthly revenue assessment report is the last to compare adjusted revenues to expected revenues based on the revised estimates adopted at the November REC held on November 10, 2025. *The May report will use the revised estimates adopted at the May REC held on May 8, 2026.*

Results for FY 2026 Revenues through April

ORA finds that FY 2026 adjusted general revenues through April led the revised FY 2026 estimates through April with a variance of \$117.0 million, or 2.6%.

Some notable variances to expected revenues are as follows:

- Personal income tax revenue was \$51.1 million more than expected, which is a variance of 2.9%. All components were well above estimates. Withholding payments had the largest nominal difference of \$25.7 million and estimated payments had the second largest difference at \$11.8 million. On a cash basis, withholding payments grew at 6.6% year-to-date. Final payments, which include elective pass-through entity tax payments, had a positive year-to-date variance after trailing in prior reports. Weakness in elective pass-through entity payments was offset by strength in traditional personal income tax final payments.
- Combined, business taxes exceeded estimates by \$73.1 million, with business corporation tax up by \$46.3 million, or 18.0%. Also up by a significant amount were financial

institutions tax and the health care provider assessment tax at \$14.1 million and \$7.0 million, respectively. The health care provider assessment includes collection payment(s) of \$6.9 million.

- Sales and use tax revenue trailed the estimate by \$1.6 million, or 0.1%. On a year-to-date cash basis, sales and use tax collections grew by 2.4%.
- Departmental receipts trailed the year-to-date estimate by \$5.1 million, or 1.9%.

Results for Month of April

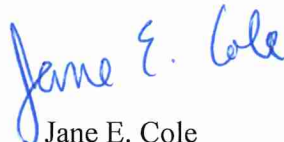
ORA finds that April 2026 adjusted general revenues led the revised estimates by \$72.9 million, a variance of 10.8%.

Some notable variances to expected revenues are as follows:

- Personal income tax revenue was \$61.1 million more than expected, which is a variance of 20.7%. All components were well above estimates. Final payments were up by 16.7%, which is an increase in revenue of \$42.4 million. Due to the filing and payment due date on the 15th, April is typically one of the largest months for estimated and final payments, as well as refunds and adjustments.
- Combined, business taxes led estimates by \$18.2 million, with business corporation tax up by \$20.2 million, or 32.4%. Partially offsetting this revenue gain was insurance company gross premiums tax with a difference of \$(6.3 million), or a variance of -14.8%. Similar to personal income tax, April typically includes final and estimated payments for business taxpayers.
- Sales and use tax revenue trailed the estimate by \$3.3 million, or 2.3%. On a year-over-year cash basis, sales and use tax grew by 4.6% in April. April sales and use tax primarily reflects March activity.
- The lottery transfer had a negative variance to the monthly estimate of \$1.8 million. The lottery transfer was largely driven by weakness in video lottery terminal revenue. The April lottery transfer reflects March gaming activity.

How to Read this Report

Following this summary is a table showing the variance for year-to-date by revenue stream. The next page displays a chart showing the year-to-date variance. An appendix to this report contains two sections. One section discusses the expected share of revenue for this month and the next contains the total enacted revenue estimates for this fiscal year.



Jane E. Cole
Interim Director
Department of Revenue
May 13, 2026

FY 2026 STATE OF RHODE ISLAND REVENUE ASSESSMENT REPORT
Year-to-Date Estimate to Actual

	YTD April Adjusted Revenues FY 2026		YTD April Estimate of Revised FY 2026 Revenues †		Difference	Variance
Personal Income Tax	\$ 1,786,818,749	a, b, c	\$ 1,735,728,709		\$ 51,090,040	2.9%
General Business Taxes						
Business Corporation †	303,867,505	a, b, c	257,618,214		46,249,291	18.0%
Public Utilities Gross Earnings	91,530,177	a	89,426,075		2,104,102	2.4%
Financial Institutions †	25,010,890	a	10,917,254		14,093,636	129.1%
Insurance Company Gross Premiums †	132,455,499	c	129,079,926		3,375,573	2.6%
Bank Deposits	3,947,232	a	3,653,088		294,144	8.1%
Health Care Provider Assessment	45,829,223	d	38,811,549		7,017,674	18.1%
Excise Taxes						
Sales and Use †	1,426,755,528		1,428,319,628		(1,564,100)	-0.1%
Cigarettes, OTP, and ENDS †	95,925,012		93,679,974		2,245,038	2.4%
Alcohol	16,940,817		16,377,759		563,058	3.4%
Controlled Substances	-		-	+	-	n/a
Other Taxes						
Estate and Transfer	70,789,806	e	74,710,865		(3,921,059)	-5.2%
Racing and Athletics	532,083		561,574		(29,491)	-5.3%
Realty Transfer	24,665,787		23,122,046		1,543,741	6.7%
Total Taxes	\$ 4,025,068,308		\$ 3,902,006,661		\$ 123,061,647	3.2%
Departmental Receipts †	\$ 256,798,985	a, f	\$ 261,883,845		\$ (5,084,860)	-1.9%
Taxes and Departmentals	\$ 4,281,867,292		\$ 4,163,890,506		\$ 117,976,787	2.8%
Other General Revenue Sources						
Other Miscellaneous Revenues	5,735,631		5,735,631	+	-	0.0%
Lottery Transfer	330,353,311	g	331,276,110		(922,799)	-0.3%
Unclaimed Property	-		-	+	-	n/a
Total Other Sources	\$ 336,088,942		\$ 337,011,741		\$ (922,799)	-0.3%
Total General Revenues	\$ 4,617,956,234		\$ 4,500,902,247		\$ 117,053,988	2.6%

PIT Component	YTD April Adjusted Revenues		YTD April Revised Estimates		Difference	Variance
Estimated payments	\$ 225,200,346	a	\$ 213,391,220		\$ 11,809,126	5.5%
Final payments †	510,547,159	a, b, c	504,014,937		6,532,222	1.3%
Withholding	1,500,864,444		1,475,156,264		25,708,180	1.7%
Refunds and Adjustments	(449,793,200)	a	(456,833,712)		7,040,511	-1.5%
Total	\$ 1,786,818,749		\$ 1,735,728,709		\$ 51,090,040	2.9%

† FY 2026 expected revenues are based on the estimates adopted at the November 2025 Revenue Estimating Conference. The estimates for personal income tax final payments, business corporation tax, financial institutions tax, insurance company gross premiums tax, sales and use tax, cigarettes and ENDS taxes, and departmental receipts were calculated using modified revenue flows to align expected revenues with the actual realization of revenues.

+ Set equal to actual amounts received.

Detailed notes on the following page

FY 2026 STATE OF RHODE ISLAND REVENUE ASSESSMENT REPORT
Year-to-Date Estimate to Actual

- ^a Included in the revenue items below are the amounts for net transfers between that account and all other accounts. No adjustments were made for these transfers.
 - personal income tax - \$(3,295,488)
 - business corporation tax - \$2,240,928
 - public utilities gross earnings tax - \$(180,000)
 - financial institutions tax - \$1,250,000
 - insurance company gross premiums tax - \$184,599
 - bank deposits tax - \$(200,000)
 - departmental receipts - \$272,278
- ^b Adds to personal income tax final payments \$121,052,544 in net revenues from pass-through entities made on behalf of shareholders received in YTD FY 2026 and recorded as business corporation tax payments. The offsetting amount was subtracted from business corporation tax.
- ^c Subtracts FY 2026 Rebuild Rhode Island reimbursements accrued back to FY 2025 as follows:
 - personal income tax final payments - \$1,170,467
 - business corporation - \$263,466
 - insurance premiums gross earnings tax - \$4,749,238
 - sales and use tax - \$1,610,127
- ^d Includes large, unusual payment(s) of \$6.9 million.
- ^e Includes large estate and transfer tax payment(s) of \$11.5 million received in FY 2026.
- ^f Subtracts \$168,820,351 of FY 2025 hospital licensing fee payment(s) received in FY 2026 and accrued back to FY 2025.

FY 2026 STATE OF RHODE ISLAND REVENUE ASSESSMENT REPORT
Monthly Estimate to Actual

	April 2026 Adjusted Revenues FY 2026			April 2026 Estimate of FY 2025 Revised Revenues †		Difference	Variance	
Personal Income Tax	\$	356,750,988	b	\$	295,654,279	\$ 61,096,709	20.7%	
General Business Taxes								
Business Corporation †		82,619,634	a, b		62,331,196	20,288,438	32.5%	
Public Utilities Gross Earnings		33,122,606			29,930,496	3,192,109	10.7%	
Financial Institutions †		2,413,680			1,321,731	1,091,949	82.6%	
Insurance Company Gross Premiums †		36,473,082	a		42,867,481	(6,394,398)	-14.9%	
Bank Deposits		1,198,996			1,233,367	(34,371)	-2.8%	
Health Care Provider Assessment		4,046,496			3,974,704	71,792	1.8%	
Excise Taxes								
Sales and Use †		142,241,905			145,558,158	(3,316,252)	-2.3%	
Cigarettes, OTP, and ENDS †		9,575,376			9,409,135	166,240	1.8%	
Alcohol		2,475,065			1,888,232	586,833	31.1%	
Controlled Substances		-			-	-	n/a	
Other Taxes								
Estate and Transfer		2,605,071			5,102,615	(2,497,544)	-48.9%	
Racing and Athletics		48,668			57,781	(9,114)	-15.8%	
Realty Transfer		1,233,476			1,706,732	(473,257)	-27.7%	
Total Taxes	\$	674,805,044		\$	601,035,908	\$ 73,769,137	12.3%	
Departmental Receipts †	\$	34,915,192		\$	33,960,664	\$ 954,527	2.8%	
Taxes and Departmentals	\$	709,720,236		\$	634,996,572	\$ 74,723,664	11.8%	
Other General Revenue Sources								
Other Miscellaneous Revenues		887,306			887,306	+	-	0.0%
Lottery Transfer		39,769,573			41,587,371	(1,817,798)	-4.4%	
Unclaimed Property		-			-	+	-	n/a
Total Other Sources	\$	40,656,879		\$	42,474,677	\$ (1,817,798)	-4.3%	
Total General Revenues	\$	750,377,115		\$	677,471,250	\$ 72,905,866	10.8%	

PIT Component	April 2026 Adj. Revenues			April 2026 Revised Estimates		Difference	Variance
Estimated payments	\$	38,437,531		\$	32,435,809	\$ 6,001,723	18.5%
Final payments †		296,541,276	b		254,134,043	42,407,233	16.7%
Withholding		151,878,531			143,994,270	7,884,261	5.5%
Refunds and Adjustments		(130,106,350)			(134,909,843)	4,803,492	-3.6%
Total	\$	356,750,988		\$	295,654,279	\$ 61,096,709	20.7%

† FY 2026 expected revenues are based on the estimates adopted at the November 2025 Revenue Estimating Conference. The estimates for personal income tax final payments, business corporation tax, financial institutions tax, insurance company gross premiums tax, sales and use tax, cigarettes and ENDS taxes, and departmental receipts were calculated using modified revenue flows to align expected revenues with the actual realization of revenues.

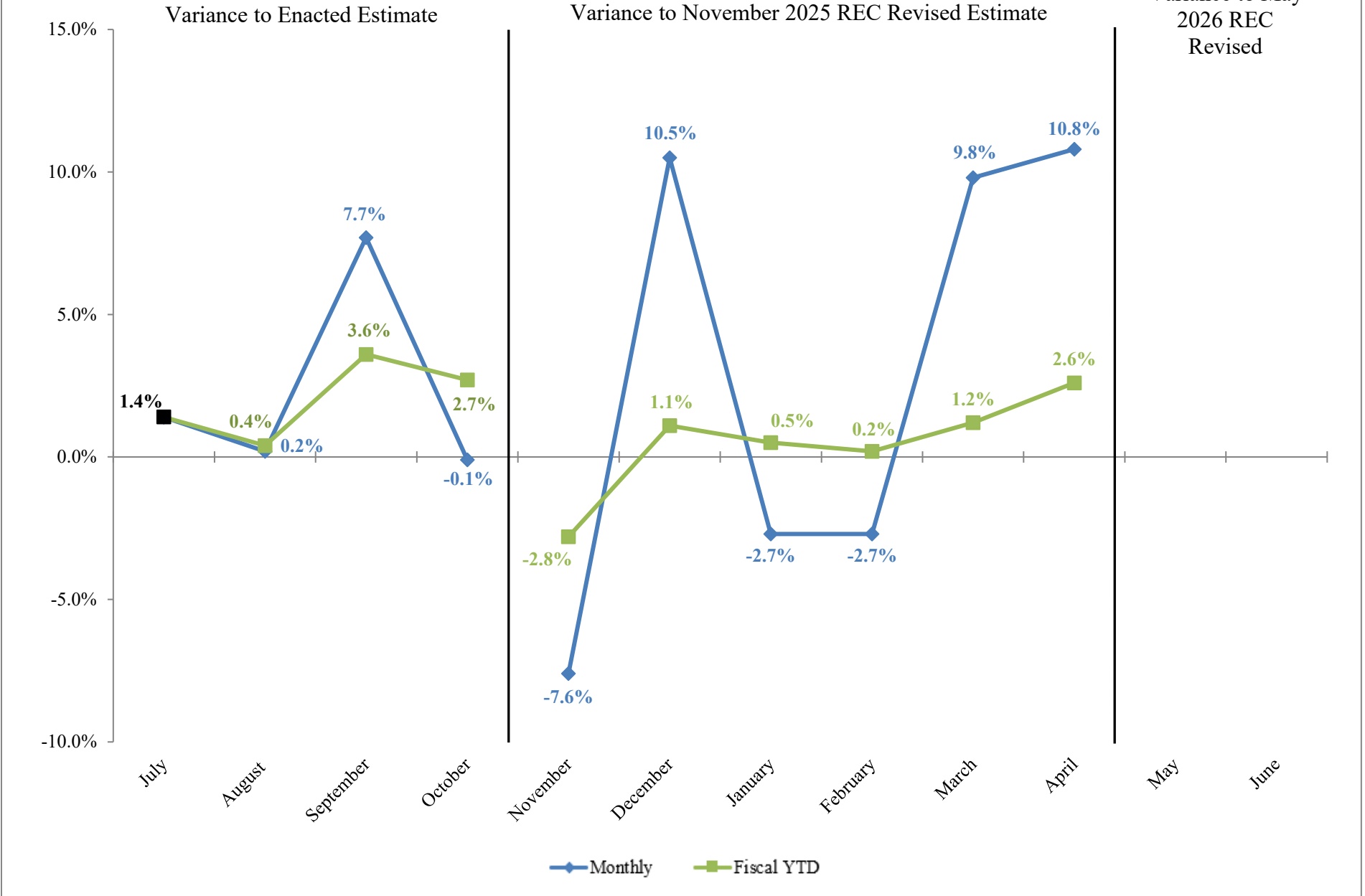
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Detailed notes on the following page

FY 2026 STATE OF RHODE ISLAND REVENUE ASSESSMENT REPORT
Monthly Estimate to Actual

- ^a Included in the revenue items below are the amounts for net transfers between that account and all other accounts. No adjustments were made for these transfers.
- business corporation tax - \$(369,119)
 - insurance company gross premiums tax - \$369,119
- ^b Adds to personal income tax final payments \$11,621,184 in net revenues from pass-through entities made on behalf of shareholders received in April 2026 and recorded as business corporation tax payments. The offsetting amount was subtracted from business corporation tax.

FY 2026 Variance of Adjusted Revenues to Estimate



Appendix

How to Interpret this Report

The purpose of the Revenue Assessment Report is to give readers a sense of how the state's general revenues compare to those that might be expected if the official revenue estimates were being met in a predictable way. Caution should be exercised when interpreting this report as actual revenues may vary significantly from historical patterns. In addition, it is important for the reader to understand that enacted and adopted revenue estimates are made on an accrual basis, not a cash basis. Revenue accruals are not determined until at least one month after the fiscal year-end in June. Thus, even if the assessment of actual fiscal year-to-date revenues trails the fiscal year-to-date revenue estimates, it is possible for the fiscal year-end accrual to make up any shortfall.

The complete methodology for determining the monthly revenue flows and law changes that impact general revenues can be found on DOR's website at <https://dor.ri.gov/revenue-analysis/fy26-state-revenue-data>.

Expected Monthly Breakdown of Revenue

Table A provides the average percentages used to determine expected monthly and fiscal year-to-date revenues. Details on how these monthly and fiscal year-to-date average percentages were calculated are included in the methodology document as noted above.

Revenue Item	<u>Percent Received</u>		Revenue Item	<u>Percent Received</u>	
	April	YTD		April	YTD
Personal Income Taxes			Sales and Use Taxes	8.5%	82.7%
Estimated Payments	12.8%	79.1%	Cigarettes Taxes	8.3%	82.4%
Final Payments	45.8%	91.0%	Alcohol Excise Taxes	9.0%	82.8%
Withholding Payments	8.3%	83.6%	Estate and Transfer	6.4%	82.7%
Refunds/Adjustments	25.9%	86.6%	Racing and Athletics	8.2%	80.5%
Business Corporation Taxes	19.4%	82.3%	Realty Transfer	6.6%	86.9%
Utilities Gross Earnings Taxes	26.9%	77.1%	Departmental Receipts	10.2%	76.0%
Financial Institutions Taxes	16.4%	92.8%	Lottery Transfer	9.2%	73.7%
Insurance Co. Gross Premiums	25.5%	71.4%	Other Misc. Revenues	n/a	n/a
Bank Deposits	22.7%	71.6%	Unclaimed Property	0.0%	0.0%
Health Care Provider Assessment	8.3%	83.3%			

The percentage received for monthly and year-to-date departmental receipts is calculated excluding hospital licensing fee revenues, which are large and generally made only once in the

fiscal year. The lottery transfer does not begin in a given fiscal year until August, and fiscal year-to-date percentages reflect gaming activity from July through the prior month, while monthly percentages reflect the prior month's gaming activity. The unclaimed property transfer occurs in the adjustment period after the end of each fiscal year.

Other nuances in monthly revenue flows related to recent law changes are described in the methodology and law change document at <https://dor.ri.gov/revenue-analysis/fy26-state-revenue-data>.

FY 2026 Revised Revenue Estimates

The FY 2026 estimates by revenue item as adopted at the November 2025 REC are as follows:

Table B. FY 2026 Revised Revenue Estimates by Major Revenue Item			
Revenue Item	Revised FY 2026 Estimate	Revenue Item	Revised FY 2026 Estimate
Personal Income Taxes		Sales and Use Taxes	\$1,726,000,000
Estimated Payments	\$266,300,000	Cigarettes Taxes	114,500,000
Final Payments	555,600,000	Alcohol Excise Taxes	20,000,000
Withholding Payments	1,760,200,000	Estate and Transfer	98,800,000
Refunds/Adjustments	(526,500,000)	Racing and Athletics	700,000
Business Corporation Taxes	317,000,000	Realty Transfer	26,500,000
Public Utilities Gross Earnings	115,000,000	Departmental Receipts	574,900,000
Financial Institutions Taxes	11,500,000	Lottery	451,300,000
Insurance Co. Gross Premiums	176,900,000	Other Misc. Revenues	25,300,000
Bank Deposits	5,200,000	Unclaimed Property	29,000,000
Health Care Provider Assessment	46,800,000		
		Total General Revenues *	\$5,795,800,000

* The total general revenues estimate includes a personal income tax net accrual of \$800,000.