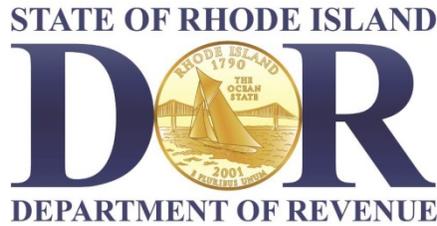


STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
GOVERNOR GINA M. RAIMONDO



Office of Revenue Analysis

**State of Rhode Island Revenue Brief
 Special Report on Preliminary FY 2015 Revenues**

This special edition of the State of Rhode Island Revenue Brief is the traditional fiscal year-end report on preliminary revenues. This special report assesses the current fiscal year revenues 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. One result of this approach is that the detailed discussion of cash collection anomalies is absent from this report. This report’s focus is on preliminary FY 2015 revenues and the fiscal year revenue estimates as adopted in the final enacted FY 2015 budget. Finally, the growth rates cited refer to preliminary FY 2015 revenues or final enacted fiscal year revenue estimates compared to audited FY 2014 revenues.

The data contained in this report is drawn from two sources, the Division of Taxation and the Office of Accounts and Controls. This report makes minimal adjustments to the data that is reported and only to ensure that the Division of Taxation’s data is consistent with Office of Accounts and Controls’ data.

This report includes two tables. The first table, *Preliminary FY 2015 to Final Enacted FY 2015*, displays the amounts, difference and variance of preliminary FY 2015 revenues to final enacted FY 2015 revenues. The second table, *Preliminary FY 2015 to Audited FY 2014*, displays the amounts, difference and year-over-year growth of preliminary FY 2015 revenues to final audited FY 2014 revenues.

Total General Revenues

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 3,640,666,864	\$ 3,616,745,454	\$ 23,921,410
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	6.1%	5.4 %	0.7 %

The State of Rhode Island Department of Revenue reports that preliminary FY 2015 total general revenues were 0.7 percent more than the final enacted FY 2015 total general revenue estimate of \$3.617 billion, a surplus of \$23.9 million.

Preliminary FY 2015 total general revenues of \$3.641 billion were up \$210.4 million compared to audited FY 2014 total general revenues of \$3.430 billion, which translates into a growth rate of 6.1 percent.

The General Assembly's final enacted FY 2015 total general revenue estimate increased by \$186.5 million or 5.4 percent over audited FY 2014 total general revenues.

Total Taxes and Departmental Receipts

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 3,236,241,210	\$ 3,216,760,454	\$ 19,480,756
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	6.6 %	6.0 %	0.6 %

Preliminary FY 2015 total taxes and departmental receipts were 0.6 percent more than the final enacted FY 2015 estimate of \$3.217 billion, a surplus of \$19.5 million.

Preliminary FY 2015 total taxes and departmental receipts of \$3.236 billion were up \$201.4 million compared to audited FY 2014 total taxes and departmental receipts of \$3.035 billion, which translates into a growth rate of 6.6 percent.

The final enacted FY 2015 total taxes and departmental receipts estimate increased by \$181.9 million or 6.0 percent over audited FY 2014 total taxes and departmental receipts.

Other General Revenue Sources

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 404,425,654	\$ 399,985,000	\$ 4,440,654
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	2.3 %	1.1 %	1.1 %

Preliminary FY 2015 other general revenue sources were 1.1 percent more than the final enacted FY 2015 estimate of \$400.0 million, an excess of \$4.4 million.

Preliminary FY 2015 other general revenue sources of \$404.4 million were up \$9.0 million compared to audited FY 2014 other general revenue sources of \$395.4 million, which translates into a growth rate of 2.3 percent.

The final enacted FY 2015 other general revenue sources estimate increased by \$4.5 million or 1.1 percent over audited FY 2014 other general revenue sources.

Total Taxes

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 2,882,561,175	\$ 2,865,900,000	\$ 16,661,175
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	7.8 %	7.2 %	0.6 %

Preliminary FY 2015 revenues for total taxes were 0.6 percent more than the final enacted FY 2015 estimate of \$2.866 billion, a surplus of \$16.7 million.

Preliminary FY 2015 total taxes revenues of \$2.883 billion were up \$208.4 million compared to audited FY 2014 total taxes revenues of \$2.674 billion, which translates into a growth rate of 7.8 percent.

The final enacted FY 2015 total taxes estimate increased by \$191.8 million or 7.2 percent over audited FY 2014 total tax revenues.

Historic Structures Tax Credit Reimbursements

It should be noted that any historic structures tax credits (HSTC) redeemed from FY 2009 onward are reimbursed from the Historic Structures Tax Credit Fund's bond proceeds upon receipt of the tax credit certificate. Prior to FY 2009, the redemption of HSTC certificates were deducted directly from realized tax receipts. Thus, the actual revenues for the tax types that had HSTCs redeemed to offset an actual tax liability were net receipts (i.e., total cash collections *less* HSTC redemptions). Since FY 2009, the actual revenues for the tax types that have HSTCs redeemed to offset an actual tax liability are gross receipts (i.e., total collections *plus* HSTC reimbursements).

In FY 2015, total historic structure tax credit redemptions/reimbursements for all taxes totaled \$8.1 million versus \$7.6 million in FY 2014, an increase of \$508,117 or a growth rate of 6.7 percent.

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 2015	FY 2014	Difference	% Change
Personal Income	\$ 2,021,003	\$ 5,810,254	\$ (3,789,251)	-65.2 %
Business Corporations	823,225	407,599	415,626	102.0 %
Financial Institutions	0	0	0	n/a
Insurance	3,487,146	39,623	3,447,523	8,700.8 %
Insurance/HMOs	1,794,200	1,359,982	434,218	31.9 %
Total	\$ 8,125,575	\$ 7,617,458	\$ 508,117	6.7 %

Personal Income Taxes

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 1,227,581,960	\$ 1,226,800,000	\$ 781,960
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	10.0 %	10.0 %	0.1 %

According to the Controller's Preliminary General Fund Revenue Report, FY 2015 personal income tax revenues were 0.1 percent more than the final enacted FY 2015 estimate of \$1.227 billion, an overage of less than a million dollars.

Preliminary FY 2015 personal income tax revenues of \$1.228 billion were up \$112.1 million compared to audited FY 2014 personal income tax revenues of \$1.116 billion, which translates into a growth rate of 10.0 percent.

The final enacted FY 2015 personal income tax revenue estimate increased by \$111.3 million or 10.0 percent over audited FY 2014 personal income tax revenues.

The table below provides the component breakdown of the preliminary FY 2015 personal income tax revenues, as provided by the Division of Taxation, and the final enacted FY 2015 estimates for personal income tax revenues:

Component	Preliminary Close	Final Enacted	Variance	Percentage Change
Estimated Payments	\$ 225,905,795	\$ 226,700,000	\$ (794,205)	-0.4 %
Final Payments	202,893,597	202,300,000	593,957	0.3 %
Withholding	1,061,456,549	1,061,700,000	(243,451)	0.0 %
Refunds/Adjustments	(274,888,631) *	(273,100,000)	(1,788,631)	0.7 %
Net Accrual †	12,214,290	9,200,000	3,014,290	32.8 %
Total	\$ 1,227,581,960	\$ 1,226,800,000	\$ 781,960	0.1 %
* FY 2015 refunds and adjustments includes an offset of \$(1,355,142.18) to an adjustment made by Taxation to move Historic Structures Tax Credits reimbursements from June 2015 to July 2015. The Office of the Controller booked a receivable for this amount in FY 2015.				
† Net Accrual figure is from the Office of the Controller's Preliminary General Fund Revenue Report for FY 2015.				

Within the components of personal income tax revenues, preliminary FY 2015 estimated tax payments were 0.4 percent less than the final enacted FY 2015 estimate of \$226.7 million, a shortfall of \$794,205. Preliminary FY 2015 final tax payments were 0.3 percent more than the final enacted FY 2015 estimate of \$202.3 million, a spread of \$593,957. Preliminary FY 2015 personal income tax withholding payments were on target with respect to the final enacted FY 2015 estimate of \$1.062 billion, a variance of \$(243,451). Preliminary FY 2015 refunds and adjustments were 0.7 percent more than the final enacted FY 2015 estimate of \$(273.1 million), a difference of \$(1.8 million). Finally, the preliminary FY 2015 personal income tax net accrual

was 32.8 percent more than the final enacted FY 2015 estimate of \$9.2 million, a difference of \$3.0 million.

The table below provides the component breakdown of personal income tax revenues, as provided by the Division of Taxation, and compares preliminary FY 2015 revenues to audited FY 2014 revenues:

Component	Preliminary FY 2015	Audited FY 2014	Nominal Difference	Percent Difference
Estimated Payments	\$ 225,905,795 ‡	\$ 196,404,409	\$ 29,501,387	15.0 %
Final Payments ^	202,893,597	170,879,728	32,014,229	18.7 %
Withholding	1,061,456,549	1,015,014,509	46,442,039	4.6 %
Refunds/Adjustments	(274,888,631) *	(272,639,750)	(2,248,881)	0.8 %
Net Accrual †	12,214,290	5,853,631	6,360,659	108.7 %
Total	\$ 1,227,581,960	\$ 1,115,512,527	\$ 112,069,433	10.0 %
‡ Preliminary FY 2015 estimated payments include an infrequently occurring receipt of \$10.0 million.				
^ Final payments include historic structures tax credit (HSTC) reimbursements of \$665,861 in preliminary FY 2015 and \$5.8 million in audited FY 2014.				
* FY 2015 refunds and adjustments includes an offset of \$(1,355,142.18) to an adjustment made by Taxation to move Historic Structures Tax Credits reimbursements from June 2015 to July 2015. The Office of the Controller booked a receivable for this amount in FY 2015.				
† Net Accrual figures are from the Office of the Controller's Preliminary General Fund Revenue Report for FY 2015 and the Final General Fund Revenue Report for FY 2014.				

Within the components of personal income tax revenues, preliminary FY 2015 estimated tax payments were up \$29.5 million compared to audited FY 2014 estimated tax payments, a growth rate of 15.0 percent. Preliminary FY 2015 estimated personal income tax payments include an infrequently occurring receipt of \$10.0 million. Preliminary FY 2015 final tax payments were up \$32.0 million compared to audited FY 2014 final tax payments, a growth rate of 18.7 percent. Preliminary FY 2015 final tax payments include \$665,861 of historic structures tax credits (HSTC) reimbursements compared to \$5.8 million of HSTC reimbursements included in audited FY 2014 final tax payments. Preliminary FY 2015 personal income tax withholding payments were up \$46.4 million compared to audited FY 2014 personal income tax withholding payments, a growth rate of 4.6 percent. Preliminary FY 2015 refunds and adjustments were \$2.2 million more compared to audited FY 2014 refunds and adjustments, a growth rate of 0.8 percent. Preliminary FY 2015 refunds and adjustments reverses a \$(1.4 million) adjustment made by Taxation to move historic structures tax credit reimbursements from June 2015 to July 2015 which is when the reimbursements were actually received. The Office of the Controller accrued these reimbursements back to FY 2015 via a receivable and thus these HSTC reimbursements are captured in the net accrual. Finally, the preliminary FY 2015 personal income tax net accrual increased by \$6.4 million compared to the audited FY 2014 personal income tax net accrual, a growth rate of 108.7 percent.

Business Corporations Taxes

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 147,797,089	\$ 143,200,000	\$ 4,779,089
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	29.6 %	25.4 %	3.3 %

Rhode Island business corporations tax revenues are comprised of taxes collected from the corporate income tax and taxes on nonresident contractors and political organizations. Preliminary FY 2015 business corporations tax revenues were 3.3 percent more than the final enacted FY 2015 estimate of \$143.2 million, an overage of \$4.8 million.

Preliminary FY 2015 business corporations tax revenues of \$147.8 million were up \$33.8 million compared to audited FY 2014 business corporations tax revenues of \$114.2 million, which translates into a growth rate of 29.6 percent.

The final enacted FY 2015 business corporations tax revenue estimate increased by \$29.0 million or 25.4 percent over audited FY 2014 business corporations tax revenues.

The table below provides the component breakdown of corporate income tax revenues, as provided by the Division of Taxation, and compares preliminary FY 2015 revenues to audited FY 2014 revenues:

Component	Preliminary FY 2015	Audited FY 2014	Nominal Difference	Percent Difference
Estimated Payments	\$ 107,819,341	\$ 85,746,463	\$ 22,072,878	25.7 %
Final Payments *	72,808,093	60,957,723	11,850,371	19.4 %
Refunds	(28,645,097)	(20,353,804)	(8,291,293)	40.7 %
Adjustments	(4,771,240)	(465,995)	(4,305,245)	923.9 %
Net Accrual †	695,950	(8,853,158)	9,549,108	-107.9 %
Total	\$ 147,907,047	\$ 117,031,229	\$ 30,875,818	26.4 %
* Final payments include historic structures tax credit (HSTC) reimbursements of \$823,225 in preliminary FY 2015 and \$407,599 in audited FY 2014.				
† Net Accrual figures are from the Controller's Preliminary General Fund Revenue Report for FY 2015 and Final General Fund Revenue Report for FY 2014.				

Within the components of corporate income tax revenues, preliminary FY 2015 estimated payments were 25.7 percent more than audited FY 2014 estimated payments, an increase of \$22.1 million. Preliminary FY 2015 final payments were 19.4 percent more than audited FY 2014 final payments, an increase of \$11.9 million. Preliminary FY 2015 final payments include \$823,225 of historic structures tax credits (HSTC) reimbursements while audited FY 2014 final payments include \$407,599 of HSTC reimbursements. Preliminary FY 2015 refunds were 40.7 percent more than audited FY 2014 refunds, a difference of \$(8.3 million). Preliminary FY 2015 adjustments were 923.9 percent more than audited FY 2014 adjustments, a difference of \$(4.3 million). The

preliminary FY 2015 net accrual decreased 107.9 percent over the audited FY 2014 corporate income tax net accrual, an increase of \$9.5 million. It should be noted that effective with tax years beginning on or after January 1, 2015, the business corporations tax rate was reduced from 9.0 percent to 7.0 percent but all C-corporation tax filers had to file under unitary combined reporting with single sales factor apportionment and market based sourcing of services.

Public Utilities Gross Earnings Taxes

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 103,950,349	\$ 103,600,000	\$ 350,349
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	2.5 %	2.2 %	0.3 %

Preliminary FY 2015 public utilities gross earnings tax revenues were 0.3 percent more than the final enacted FY 2015 public utilities gross earnings tax revenue estimate of \$103.6 million, a surplus of \$350,349.

Preliminary FY 2015 public utilities gross earnings tax revenues of \$104.0 million were up \$2.6 million compared to audited FY 2014 public utilities gross earnings tax revenues of \$101.4 million, which translates into a growth rate of 2.5 percent. Preliminary FY 2015 public utilities gross earnings tax revenues include cash collections of \$104.4 million and a net accrual of \$(470,901). FY 2015 public utilities gross earnings tax cash collections increased by \$3.9 million over FY 2014 cash collections. The public utilities gross earnings tax net accrual decreased by 154.6 percent or \$1.3 million over the FY 2014 net accrual of \$863,225.

The final enacted FY 2015 public utilities gross earnings tax revenue estimate increased \$2.2 million or 2.2 percent over audited FY 2014 public utilities gross earnings tax revenues.

Financial Institutions Taxes

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 22,743,284	\$ 22,000,000	\$ 743,284
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	36.9 %	32.4 %	3.4 %

Preliminary FY 2015 financial institutions tax revenues were 3.4 percent more than the final enacted FY 2015 estimate of \$22.0 million, an excess of \$743,284.

Preliminary FY 2015 financial institutions tax revenues of \$22.7 million were up \$6.1 million compared to audited FY 2014 financial institutions tax revenues of \$16.6 million, which translates into a growth rate of 36.9 percent. Neither preliminary FY 2015 financial institutions tax revenues nor audited FY 2014 financial institutions tax revenues include any historic structures tax credits (HSTC) reimbursements. Preliminary FY 2015 financial institutions tax revenues include cash collections of \$29.1 million and a FY 2015 adjusted net accrual of \$(3.7 million). FY 2015 financial institutions tax cash collections increased by \$12.5 million over FY 2014 cash

collections. The preliminary FY 2015 adjusted net accrual decreased by \$3.7 million over the audited FY 2014 adjusted net accrual of \$24,074.

The final enacted FY 2015 financial institutions tax revenue estimate was \$22.0 million, an increase of \$5.4 million or 32.4 percent over audited FY 2014 financial institutions tax revenues of \$16.6 million.

Insurance Companies Gross Premiums Taxes

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Other Insurance	\$ 64,044,123	\$ 61,600,000	\$ 1,664,760
Health Insurance	56,220,438	61,500,000	(5,279,562)
Total Revenues	\$ 120,264,561	\$ 123,100,000	\$ (2,835,439)
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	17.5 %	20.3 %	-2.3 %

Preliminary FY 2015 insurance companies gross premiums tax revenues were 2.3 percent less than the final enacted FY 2015 estimate of \$123.1 million, a shortfall of \$2.8 million.

Preliminary FY 2015 insurance companies gross premiums tax revenues of \$120.3 million were up \$17.9 million compared to audited FY 2014 insurance companies gross premiums tax revenues of \$102.4 million, which translates into a growth rate of 17.5 percent. Preliminary FY 2015 insurance companies gross premiums tax revenues include \$5.3 million of historic structures tax credits (HSTC) reimbursements and audited FY 2014 insurance companies gross premiums tax revenues included \$1.4 million of HSTC reimbursements.

The final enacted FY 2015 insurance companies gross premiums tax revenue estimate increased by \$20.7 million or 20.3 percent over audited FY 2014 insurance companies gross premiums tax revenues.

The table below provides the component breakdown of insurance companies gross premiums tax revenues, as provided in the Controller's Preliminary General Fund Revenue Report for FY 2015

and Final General Fund Revenue Report for FY 2013, and compares preliminary FY 2015 revenues to audited FY 2014 revenues:

Component	Preliminary FY 2015	Audited FY 2014	Nominal Difference	Percent Difference
<u>Other Insurance</u>				
Cash	\$ 63,264,760	\$ 61,578,120	\$ 1,686,640	2.7 %
Net Accrual	779,363	(3,329,251)	4,108,614	-123.4 %
Total	\$ 64,044,123	\$ 58,248,869	\$ 199,917	0.3 %
<u>Health Insurance</u>				
Cash	\$ 56,220,438	\$ 44,107,972	\$ 12,112,466	27.5 %
Net Accrual	0	0	0	0.0 %
Total	\$ 56,220,438	\$ 44,107,972	\$ 12,112,466	27.5 %

Preliminary FY 2015 other insurance gross premiums tax revenues were \$64.0 million, which includes cash collections of \$63.3 million and a net accrual of \$779,363. FY 2015 cash collections increased by \$1.7 million or 2.7 percent over FY 2014 cash collections. The net accrual decreased by 123.4 percent or \$4.1 million between FY 2015 and FY 2014.

Preliminary FY 2015 health insurance gross premiums tax revenues were \$56.2 million compared to audited FY 2014 health insurance gross premiums tax revenues of \$44.1 million, an increase of \$12.1 million or 27.5 percent. There were no accruals in FY 2015 or FY 2014.

Bank Deposit Taxes

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 2,259,880	\$ 1,900,000	\$ 359,880
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	-8.6 %	-23.1 %	18.9 %

Preliminary FY 2015 bank deposit tax revenues were 18.9 percent more than the final enacted FY 2015 estimate of \$1.9 million, an excess of \$359,880.

Preliminary FY 2015 bank deposit tax revenues of \$2.3 million were down \$211,673 compared to audited FY 2014 bank deposit tax revenues of \$2.5 million, which translates into a growth rate of -8.6 percent. Preliminary FY 2015 and audited FY 2-14 bank deposit tax revenues do not have a net accrual.

The final enacted FY 2015 bank deposit tax revenue estimate were estimated to decrease by \$571,553 or -23.1 percent over audited FY 2014 bank deposit tax revenues.

Health Care Provider Assessment

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 44,125,338	\$ 44,300,000	\$ (174,662)
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	4.7 %	5.1 %	-0.4 %

Preliminary FY 2015 health care provider assessment revenues were 0.4 percent less than the final enacted FY 2015 estimate, a shortfall of \$174,662.

Preliminary FY 2015 health care provider assessment revenues of \$44.1 million were up \$2.0 million compared to audited FY 2014 health care provider assessment revenues of \$42.1 million, a growth rate of 4.7 percent. Preliminary FY 2015 health care provider assessment revenues include cash collections of \$44.2 million and a net accrual of \$(88,270). FY 2015 health care provider assessment cash collections increased by \$2.5 million over FY 2014 cash collections. The FY 2015 net accrual decreased by 121.9 percent or \$491,421 compared to the FY 2014 net accrual of \$403,151.

The final enacted FY 2015 health care provider assessment revenue estimate was \$44.3 million, an increase of \$2.2 million or 5.1 percent over audited FY 2014 health care provider assessment revenues.

Sales and Use Taxes

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 963,446,369	\$ 954,000,000	\$ 9,446,369
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	5.2 %	4.1 %	1.0 %

Preliminary FY 2015 sales and use tax revenues were 1.0 percent more than the final enacted FY 2015 estimate of \$954.0 million, an overage of \$9.4 million.

Preliminary FY 2015 sales and use tax revenues of \$963.4 million were up \$47.4 million compared to audited FY 2014 sales and use tax revenues of \$916.0 million, a growth rate of 5.2 percent.

The final enacted FY 2015 sales and use tax revenue estimate increased by \$38.0 million or 4.1 percent over audited FY 2014 sales and use tax revenues.

The table below provides the component breakdown for sales and use tax revenues, as provided by the Division of Taxation, and compares preliminary FY 2015 revenues to audited FY 2014 revenues:

Component	Preliminary FY 2015	Audited FY 2014	Nominal Difference	Percent Difference
Net Taxation *	\$ 845,702,789	\$ 797,660,854	\$ 48,041,935	6.0 %
Registry	100,068,715	96,258,002	3,810,703	4.0 %
Providence Place Mall	14,165,892	13,576,025	589,867	4.3 %
Net Accrual †	3,590,187	9,691,627	(6,101,440)	-63.0 %
Total	\$ 963,527,583	\$ 917,186,508	\$ 46,341,075	5.1 %
* The net Taxation component includes receipts from non-sufficient funds checks of \$343,278 in FY 2015 and \$(349,707) in FY 2014.				
† Net Accrual figures are from the Controller's Preliminary General Fund Revenue Report for FY 2014 and Final General Fund Revenue Report for FY 2013.				

Within the sales and use tax components, preliminary FY 2015 net Taxation sales tax receipts of \$845.7 million were 6.0 percent more than net Taxation sales tax receipts of \$797.7 million in FY 2014, an increase of \$48.0 million. Preliminary FY 2015 registry receipts of \$100.1 million were 4.0 percent more than FY 2014 registry receipts of \$96.3 million, an increase of \$3.8 million. The preliminary FY 2015 sales tax receipts from Providence Place Mall of \$14.2 million were 4.3 percent more than the sales tax receipts of \$13.6 million in FY 2014, an increase of \$589,867. Finally, the preliminary FY 2015 sales and use tax net accrual was \$3.6 million, a difference of \$6.1 million) or -63.0 percent over the audited FY 2014 sales and use tax net accrual of \$9.7 million.

Motor Vehicle License and Fees

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
License/Registration Fees	\$ 49,208,951	\$ 49,900,000	\$ (691,049)
Rental Vehicle Surcharge	(91,950)	0	(91,950)
Total Revenues	\$ 49,117,001	\$ 49,900,000	\$ (782,999)
		<u>From FY 2014 Audited</u>	<u>From Final Enacted</u>
Percentage Change	-6.3 %	-4.8 %	-1.6 %

Preliminary FY 2015 motor vehicle operator license and vehicle registration fee revenues were 1.6 percent LESS than the final enacted FY 2015 estimate of \$49.9 million, an shortage of \$782,999.

Preliminary FY 2015 motor vehicle operator license and vehicle registration fee revenues of \$49.1 million were down \$3.3 million compared to audited FY 2014 motor vehicle operator license and vehicle registration fee revenues of \$52.4 million, which translates into a growth rate of -6.3 percent. In the 2014 session, the General Assembly enacted legislation that transferred rental vehicle surcharge revenues from general revenues to the Rhode Island Highway Maintenance Account in the Intermodal Surface Transportation Fund.

The final enacted FY 2015 motor vehicle operator license and vehicle registration fee revenue estimate decreased by \$2.5 million or 4.8 percent over audited FY 2014 motor vehicle operator license and vehicle registration fee revenues.

The table below provides the component breakdown for motor vehicle operator license and vehicle registration fee revenues, as provided in the Controller's Preliminary General Fund Revenue Report for FY 2015 and Final General Fund Revenue Report for FY 2014, and compares preliminary FY 2015 revenues to audited FY 2014 revenues:

Component	Preliminary FY 2015	Audited FY 2014	Nominal Difference	Percent Difference
<u>License and Registration Fees</u>				
Cash	\$ 49,188,504	\$ 49,582,042	\$ (393,538)	-0.8 %
Net Accrual	20,447	(1,772)	22,219	-1,253.9 %
Total	\$ 49,208,951	\$ 49,580,270	\$ (371,319)	-0.7 %
<u>Rental Vehicle Surcharge</u>				
Cash	\$ 669,142	\$ 2,815,902	\$ (2,146,760)	-76.2 %
Net Accrual	(761,092)	11,641	(772,733)	-6,638.0 %
Total	\$ (91,950)	\$ 2,827,543	\$ (2,919,493)	-103.3 %

Within the motor vehicle operator license and vehicle registration fee revenue components, preliminary FY 2015 license and registration fees were \$49.2 million, which includes cash collections of \$49.2 million and a net accrual of \$20,447. FY 2015 cash collections were down \$393,538 or -0.8 percent compared to FY 2014 cash collections. The difference in the net accrual between FY 2015 and FY 2014 of \$22,219 translates into a growth rate of -1,253.9 percent.

Preliminary FY 2015 rental vehicle surcharge revenues were \$(91,950), which includes cash collections of \$669,142 and a net accrual of \$(761,092). FY 2015 cash collections decreased by \$2.1 million or -76.2 percent compared to FY 2014 cash collections. The difference in the rental vehicle surcharge net accrual between FY 2015 and FY 2014 of \$(772,733) translates into a growth rate of -6,638.0 percent.

Motor Carrier Fuel Use Taxes

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ (124,650)	\$ (200,000)	\$ 75,350
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	-123.8 %	-138.2 %	-37.7 %

Preliminary FY 2015 motor carrier fuel use tax revenues were up \$73,350 or -37.7 percent from the final enacted FY 2015 estimate of \$(200,000).

Preliminary FY 2015 motor carrier fuel use tax revenues of \$(124,650) were down \$648,570 compared to audited FY 2014 motor carrier fuel use tax revenues of \$523,920, which translates into a growth rate of -123.8 percent. Preliminary FY 2015 motor carrier fuel use tax revenues include cash net refunds of \$(36,971) and a net accrual of \$(87,679). FY 2015 motor carrier fuel use tax cash collections decreased by \$450,582 over FY 2014 cash collections and the preliminary FY 2015 motor carrier fuel use tax net accrual decreased by 179.5 percent or \$197,988 from the audited FY 2014 net accrual of \$110,309.

The final enacted FY 2015 motor carrier fuel use tax revenue estimate decreased by \$723,920 or -138.2 percent from audited FY 2014 motor carrier fuel use tax revenues.

Cigarettes Taxes

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Cigarettes, w/ Floor Stock	\$ 132,699,713	\$ 131,700,000	\$ 999,703
Other Tobacco Products	5,345,770	5,200,000	145,770
Total Revenues	\$ 138,045,483	\$ 136,900,000	\$ 1,145,483
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	-1.0 %	-1.8 %	0.8 %

Rhode Island cigarettes tax revenues are made up of excise taxes collected on the sale of cigarettes, a tax on the wholesale price of other tobacco products such as cigars, pipe tobacco, and smokeless tobacco, and a cigarette floor stock tax, which is imposed when the cigarette excise tax rate is increased. Preliminary FY 2015 cigarettes tax revenues, including other tobacco products and any cigarette floor stock taxes, were up \$1.1 million or 0.8 percent from the final enacted FY 2015 estimate of \$136.9 million.

Preliminary FY 2015 cigarettes tax revenues of \$138.0 million were down \$1.4 million compared to audited FY 2014 cigarettes tax revenues of \$139.5 million, a growth rate of -1.0 percent. The final enacted FY 2015 cigarettes tax revenue estimate decreased by \$2.6 million or -1.8 percent over audited FY 2014 cigarettes tax revenues.

The table below provides the component breakdown for cigarettes tax revenues, as provided in the Controller's Preliminary General Fund Revenue Report for FY 2015 and Final General Fund

Revenue Report for FY 2014, and compares preliminary FY 2015 revenues to audited FY 2014 revenues:

Component	Preliminary FY 2015	Audited FY 2014	Nominal Difference	Percent Difference
<u>Cigarettes, including Floor Stock</u>				
Cash	\$ 132,755,468	\$ 133,504,346	\$ (748,878)	-0.6 %
Net Accrual	(55,755)	1,104,619	(1,160,374)	-105.0 %
Total Cigarettes	\$ 132,699,713	\$ 134,608,965	\$ (1,909,252)	-1.4 %
<u>Other Tobacco Products</u>				
Cash	\$ 5,224,990	\$ 4,762,300	\$ 462,690	9.7 %
Net Accrual	120,780	90,420	30,360	33.6 %
Total Other Tobacco	\$ 5,345,770	\$ 4,852,720	\$ 493,050	10.2 %

Within the cigarettes tax components, preliminary FY 2015 cigarettes tax revenues, including cigarette floor stock tax revenues, were down \$1.9 million or -1.4 percent over audited FY 2014 cigarettes tax revenues. Preliminary FY 2015 cigarettes tax revenues were \$132.7 million, which includes cash collections of \$132.8 million and a net accrual of \$(55,755). FY 2015 cash collections decreased by \$748,878 or -0.6 percent compared to FY 2014 cash collections. The preliminary FY 2015 cigarettes tax net accrual decreased by \$(1.2 million) or -105.0 percent compared to the FY 2014 net accrual.

Preliminary FY 2015 other tobacco products tax revenues were up \$493,050 or 10.2 percent over audited FY 2014 other tobacco products tax revenues. Preliminary FY 2015 other tobacco products tax revenues were \$5.3 million, which includes cash collections of \$5.2 million and a net accrual of \$120,780. FY 2015 cash collections increased by \$462,690 or 9.7 percent compared to FY 2014 cash collections. The change in the net accrual was \$30,360 or 33.6 percent from the FY 2014 net accrual.

Finally, the change in Rhode Island cigarette sales between preliminary FY 2015 and audited FY 2014 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 0.6 percent in FY 2015.

Alcohol Taxes

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 18,363,285	\$ 18,800,000	\$ (436,715)
	From FY 2014 Audited		From Final Enacted
Percentage Change	0.6 %	3.0 %	-2.3 %

Preliminary FY 2015 alcohol excise tax revenues were 2.3 percent less than the final enacted FY 2015 estimate, a shortfall of \$436,715.

Preliminary FY 2015 alcohol tax revenues of \$18.4 million were up \$110,835 compared to audited FY 2014 alcohol excise tax revenues, a growth rate of 0.6 percent. Preliminary FY 2015 alcohol excise tax revenues include cash collections of \$18.6 million and a net accrual of \$(262,942). FY 2015 alcohol tax cash collections increased by \$1.1 million over FY 2014 cash collections. The FY 2014 alcohol excise tax preliminary net accrual is 135.6 percent or \$1.0 million less than the audited FY 2014 net accrual of \$737,801.

The final enacted FY 2015 alcohol excise tax revenue estimate was \$18.8 million, an increase of \$547,550 or 3.0 percent over audited FY 2014 alcohol tax revenues of \$18.3 million.

Controlled Substances

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 6,177	\$ 0	\$ 6,177
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	-87.2 %	-100.0 %	n/a

Preliminary FY 2015 controlled substances revenues consist of a net accrual of \$6,177 a decrease of 87.2 percent from the audited FY 2014 net accrual of \$48,188. There was no final enacted FY 2015 controlled substances revenue estimate.

Estate and Transfer Taxes

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 34,202,383	\$ 31,500,000	\$ 2,702,383
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	-21.5 %	-27.7 %	8.6 %

Preliminary FY 2015 estate and transfer tax revenues were 8.6 percent more than the final enacted FY 2015 estimate of \$31.5 million, a surplus of \$2.7 million.

Preliminary FY 2015 estate and transfer tax revenues of \$34.2 million were down \$9.4 million compared to audited FY 2014 estate and transfer tax revenues of \$43.6 million, a growth rate of -21.5 percent. Preliminary FY 2015 estate and transfer tax revenues include cash collections of \$42.2 million and a net accrual of \$(8.0 million). FY 2015 estate and transfer tax cash collections increased by \$1.9 million over FY 2014 cash collections and the preliminary FY 2015 estate and transfer tax net accrual decreased by 343.8 percent over the audited FY 2014 net accrual of \$3.3 million.

The final enacted FY 2015 estate and transfer tax revenue estimate decreased by \$12.1 million or -27.7 percent from audited FY 2014 estate and transfer tax revenues.

Racing and Athletics Taxes

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 1,107,202	\$ 1,100,000	\$ 7,202
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	-5.9 %	-6.5 %	0.7 %

Preliminary FY 2015 racing and athletics tax revenues were 0.7 percent more than the final enacted FY 2015 estimate of \$1.1 million, an excess of \$7,202.

Preliminary FY 2015 racing and athletics tax revenues of \$1.11 million were down \$69,667 compared to audited FY 2014 racing and athletics tax revenues of \$1.18 million, which translates into a growth rate of -5.9 percent. Preliminary FY 2015 racing and athletics tax revenues include cash collections of \$1.1 million and a net accrual of \$3,147. FY 2015 racing and athletics tax cash collections decreased by \$75,999 over FY 2014 cash collections. The preliminary FY 2015 racing and athletics tax net accrual increased by -198.8 percent over the audited FY 2014 net accrual of \$(3,185).

The final enacted FY 2015 racing and athletics tax revenue estimate decreased by \$76,869 or -6.5 percent from audited FY 2014 racing and athletics tax revenues.

Realty Transfer Taxes

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 9,493,464	\$ 9,000,000	\$ 493,464
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	19.2 %	13.0 %	5.5 %

Preliminary FY 2015 realty transfer tax revenues were 5.5 percent more than the final enacted FY 2015 estimate of \$9.0 million, an excess of \$493,464.

Preliminary FY 2015 realty transfer tax revenues of \$9.5 million were up \$1.5 million compared to audited FY 2014 realty transfer tax revenues of \$8.0 million, which translates into a growth rate of 19.2 percent. Preliminary FY 2015 realty transfer tax revenues include cash collections of \$8.9 million and a net accrual of \$595,352. FY 2015 realty transfer tax cash collections increased by \$1.0 million over FY 2014 cash collections. The preliminary FY 2015 realty transfer tax net accrual increased by 473.0 percent over the audited FY 2014 net accrual of \$103,897.

The final enacted FY 2015 realty transfer tax revenue estimate increased by \$1.0 million or 13.0 percent over audited FY 2014 realty transfer tax revenues.

Total Departmental Receipts

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 353,680,035	\$ 350,860,454	\$ 2,819,581
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	-1.9 %	-2.7 %	0.8 %

Preliminary FY 2015 total departmental receipts were 0.8 percent more than the final enacted FY 2015 estimate of \$350.9 million, an excess of \$2.8 million.

Preliminary FY 2015 total departmental receipts of \$353.7 million were down \$7.0 million compared to audited FY 2014 total departmental receipts of \$360.7 million, which translates into a growth rate of -1.9 percent. The final enacted FY 2015 total departmental receipts estimate decreased by \$9.8 million or -2.7 percent over audited FY 2014 total departmental receipts.

The table below provides the breakdown of total departmental receipts by category, as provided in the Controller's Preliminary General Fund Revenue Report for FY 2014 and Final General Fund Revenue Report for FY 2013, and compares preliminary FY 2014 revenues to audited FY 2013 revenues:

<u>Category</u>	<u>Preliminary FY 2015</u>	<u>Audited FY 2014</u>	<u>Nominal Difference</u>	<u>Percent Difference</u>
<u>Licenses and Fees</u>				
Cash	\$ 274,040,021	\$ 276,381,033	\$ (2,341,012)	-0.1 %
Net Accrual	4,355,014	8,909,850	(4,554,836)	-51.1 %
Total Licenses and Fees	\$ 278,395,095	\$ 285,290,883	\$ (6,895,848)	-2.4 %
<u>Fines and Penalties</u>				
Cash	\$ 30,375,902	\$ 28,187,204	\$ 2,188,698	7.8 %
Net Accrual	(215,283)	(77)	(215,206)	279,488 %
Total Fines and Penalties	\$ 30,160,619	\$ 28,187,127	\$ 1,973,492	7.0 %
<u>Sales and Services</u>				
Cash	\$ 13,206,244	\$ 12,767,933	\$ 438,311	3.4 %
Net Accrual	(90,517)	29,626	(120,143)	-405.5 %
Total Sales and Services	\$ 13,115,727	\$ 12,797,559	\$ 318,168	2.5 %
<u>Miscellaneous Departmental Receipts</u>				
Cash	\$ 32,946,532	\$ 35,832,628	\$ (2,886,096)	-8.1 %
Net Accrual	(937,878)	(1,429,542)	491,664	-34.4 %
Total Misc. Dept. Receipts	\$ 32,008,654	\$ 34,403,086	\$ (2,394,432)	-7.0 %

Preliminary FY 2015 licenses and fees revenues were down \$6.9 million or -2.4 percent from audited FY 2014 licenses and fees revenues. Preliminary FY 2015 licenses and fees revenues

totaled \$278.4 million, which includes cash collections of \$274.0 million and a net accrual of \$4.4 million. FY 2015 cash collections decreased by \$2.3 million or -0.1 percent compared to FY 2014 cash collections. The change in the licenses and fees net accrual between FY 2015 and FY 2014 was \$(4.6 million) or -51.1 percent.

It should be noted that the hospital licensing fee rate increased from 5.418 percent of hospital FY 2012 net patient revenues to 5.745 percent of hospital FY 2013 net patient revenues in FY 2015. As a result, FY 2015 hospital licensing fee revenues were \$157.2 million, an increase of \$5.8 million over FY 2014 hospital licensing fee revenues of \$151.4 million. It is important to note that FY 2014 hospital licensing fee revenues included \$5.5 million for delinquent FY 2012 hospital licensing fees that were accrued to the prior fiscal year. The preliminary FY 2015 hospital licensing fee receivable was \$150.7 million and the audited FY 2014 hospital licensing fee receivable was \$146.0 million, which translates into a hospital licensing fee net accrual of \$4.7 million in FY 2015. The decrease in the preliminary FY 2015 licenses and fees revenues is mainly attributable to the transfer of emission control inspection sticker fee and motor vehicle title fee revenues from general revenues to the Rhode Island Highway Maintenance Account in the Intermodal Surface Transportation Fund effective for FY 2015.

Preliminary FY 2015 fines and penalties revenues were up \$2.0 million or 7.0 percent over audited FY 2014 fines and penalties revenues. Preliminary FY 2015 fines and penalties revenues totaled \$30.2 million, which includes cash collections of \$30.4 million and a net accrual of \$(215,283). FY 2015 cash collections increased by \$2.2 million or 7.8 percent compared to FY 2014 cash collections. The FY 2015 net accrual decreased \$215,206 or 279,488 percent over the FY 2014 net accrual.

Preliminary FY 2015 sales and services revenues were up \$318,168 or 2.5 percent over audited FY 2014 sales and services revenues. Preliminary FY 2015 revenues for sales and services were \$13.1 million, which includes cash collections of \$13.2 million and a net accrual of \$(90,517). FY 2015 cash collections increased by \$438,311 or 3.4 percent compared to FY 2014 cash collections and the net accrual decreased by \$120,143 or -405.5 percent.

Finally, preliminary FY 2015 miscellaneous departmental receipts were down \$2.4 million or -7.0 percent over audited FY 2014 miscellaneous departmental receipts. Preliminary FY 2015 miscellaneous departmental receipts totaled \$32.0 million, which includes cash collections \$32.9 million and a net accrual of \$(937,878). FY 2015 cash collections decreased by \$2.9 million or -8.1 percent compared to FY 2014 cash collections. The FY 2015 net accrual increased by \$491,664 or -34.4 percent from FY 2014.

Per Penny Motor Fuel Tax Yield

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>ORA Estimated</u>	<u>Variance</u>
Revenues	\$ 4,396,313	\$ 4,397,823	\$ (1,510)
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	3.8 %	3.8 %	-0.03 %

The State's \$0.32 per gallon motor fuel tax is dedicated to the funding of transportation. In

particular, the State's motor fuel tax is allocated to the Rhode Island Department of Transportation which receives \$0.1825 of the \$0.32 per gallon motor fuel tax, the Rhode Island Public Transit Authority which receives \$0.0925 of the \$0.32 per gallon motor fuel tax, the Department of Human Services which receives \$0.01 of the \$0.32 per gallon motor fuel tax for its elderly transportation program and the Rhode Island Turnpike and Bridge Authority which receives \$0.035 of the \$0.32 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 2015.

Based on information provided by the Office of Accounts and Controls, the preliminary FY 2015 per penny yield of the State's motor fuel tax was \$4.396 million, an decrease of \$1,510 from the Office of Revenue Analysis' projection of the per penny yield. This decrease translates into a -0.03 percent growth rate. The preliminary FY 2015 per penny yield was up \$159,911 or 3.8 percent compared to the audited FY 2014 per penny yield. The projected per penny yield of \$4.398 million was \$161,421 more than the audited FY 2014 motor fuel tax per penny yield of \$4.24 million or a growth rate of 3.8 percent.

Other Miscellaneous Revenues

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 8,778,364	\$ 9,085,000	\$ (306,636)
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	37.3 %	42.1 %	-3.4 %

Preliminary FY 2015 other miscellaneous revenues were 3.4 percent less than the final enacted FY 2015 estimate of \$9.1 million, a shortfall of \$(306,636).

Preliminary FY 2015 other miscellaneous revenues of \$8.8 million were up \$2.4 million compared to audited FY 2014 other miscellaneous revenues of \$6.4 million, a growth rate of 37.3 percent.

The final enacted FY 2015 other miscellaneous revenue estimate increased by \$2.7 million or 42.1 percent over audited FY 2014 other miscellaneous revenues.

Lottery Transfer

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Traditional Games	\$ 56,887,642	\$ 56,500,000	\$ 387,642
VLT	312,289,044	309,200,000	3,089,044
Table Games	12,758,825	12,900,000	(141,175)
Revenues	\$ 381,935,510	\$ 378,600,000	\$ 3,335,510
	<u>From FY 2014 Audited</u>		<u>From Final Enacted</u>
Percentage Change	1.5 %	0.6 %	0.9 %

The preliminary FY 2015 lottery transfer to the State's general fund was up 0.9 percent compared to the final enacted FY 2015 estimate of \$378.6 million, an excess of \$3.3 million. Within the components of the lottery transfer, as provided by the Division of Lottery, the preliminary FY 2015 transfer from instant and monitor games was up 0.7 percent over the final enacted FY 2015 instant and monitor games transfer estimate of \$56.5 million, an overage of \$387,642. With respect to the State's share of video lottery net terminal income (NTI), the preliminary FY 2015 video lottery transfer was 1.0 percent more than the final enacted FY 2015 video lottery transfer estimate of \$309.2 million, an excess of \$3.1 million. The preliminary FY 2015 table games transfer was down 1.1 percent over the final enacted FY 2015 table games transfer estimate of \$12.9 million, a shortfall of \$141,175.

The preliminary FY 2015 lottery transfer was \$381.9 million or \$5.6 million more than the audited FY 2014 lottery transfer of \$376.3 million, which translates into a growth rate of 1.5 percent. The preliminary FY 2015 lottery transfer includes cash collections of \$381.1 million and a net accrual of \$791,595. The FY 2015 lottery transfer cash collections increased by \$4.2 million from FY 2014 cash collections. The preliminary FY 2015 lottery transfer net accrual is 237.2 percent less than the audited FY 2014 net accrual of \$(576,778).

The table below provides the component breakdown of revenues from the lottery transfer, as provided by the Division of Lottery, and compares preliminary FY 2015 revenues to audited FY 2014 revenues:

Component	Preliminary FY 2015	Audited FY 2014	Nominal Difference	Percent Difference
Traditional Games	\$ 56,887,642	\$ 58,148,516	\$ (1,260,874)	-2.2 %
VLT	312,289,044	306,470,718	5,818,326	1.9 %
Table Games	12,758,825	11,707,887	1,050,938	9.0 %
Total	\$ 381,935,510	\$ 376,327,121	\$ 5,608,390	1.5 %

Within the components of the lottery transfer, the preliminary FY 2015 transfer from instant and monitor games of \$56.9 million was down \$1.3 million compared to the audited FY 2014 transfer from instant and monitor games of \$58.1 million, a growth rate of -2.2 percent. The preliminary FY 2015 video lottery transfer of \$312.3 million was up \$5.8 million compared to the audited FY 2014 video lottery transfer of \$306.5 million, a growth rate of 1.9 percent. The preliminary FY 2015 table games transfer of \$12.8 million was up \$1.1 million compared to the audited FY 2014 table games transfer of \$11.7 million.

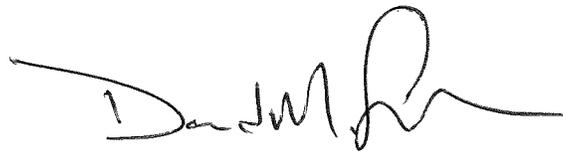
Unclaimed Property Transfer

<u>FY 2015</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 13,711,780	\$12,300,000	1,411,780
	From FY 2014 Audited	From Final Enacted	
Percentage Change	7.8 %	-3.3 %	11.5 %

According to the Controller's Preliminary General Fund Revenue Report, the FY 2015 unclaimed property transfer was 11.5 percent more than the final enacted FY 2015 estimate of \$12.3 million, an excess of \$1.4 million.

The unclaimed property transfer of \$13.7 million for preliminary FY 2015 was up 7.8 percent or \$987,656 compared to the audited FY 2014 unclaimed property transfer of \$12.7 million.

The final enacted FY 2015 unclaimed property transfer estimate decreased by \$424,124 or -3.3 percent over the audited FY 2014 unclaimed property transfer.

A handwritten signature in black ink, appearing to read "David M. Sullivan", with a long horizontal flourish extending to the right.

David M. Sullivan, Acting Director
Department of Revenue

September 10, 2015

STATE OF RHODE ISLAND REVENUE ASSESSMENT REPORT
Preliminary FY 2015 to Final Enacted FY 2015

	Preliminary Revenues FY 2015		Final Enacted Revenues FY 2015	Difference	Variance
Personal Income Tax	\$ 1,227,581,960		\$ 1,226,800,000	\$ 781,960	0.1%
General Business Taxes					
Business Corporations	147,979,089		143,200,000	4,779,089	3.3%
Public Utilities Gross Earnings	103,950,349		103,600,000	350,349	0.3%
Financial Institutions	22,743,284		22,000,000	743,284	3.4%
Insurance Companies	120,264,561		123,100,000	(2,835,439)	-2.3%
Bank Deposits	2,259,880		1,900,000	359,880	18.9%
Health Care Provider Assessment	44,125,338		44,300,000	(174,662)	-0.4%
Excise Taxes					
Sales and Use	963,446,369	*	954,000,000	9,446,369	1.0%
Motor Vehicle	49,117,001		49,900,000	(782,999)	-1.6%
Motor Carrier Fuel Use	(124,650)		(200,000)	75,350	-37.7%
Cigarettes	138,045,483		136,900,000	1,145,483	0.8%
Alcohol	18,363,285		18,800,000	(436,715)	-2.3%
Controlled Substances	6,177	*	-	6,177	n/a
Other Taxes					
Estate and Transfer	34,202,383		31,500,000	2,702,383	8.6%
Racing and Athletics	1,107,202		1,100,000	7,202	0.7%
Realty Transfer	9,493,464		9,000,000	493,464	5.5%
Total Taxes	\$ 2,882,561,175		\$ 2,865,900,000	\$ 16,661,175	0.6%
Departmental Receipts	\$ 353,680,035		\$ 350,860,454	\$ 2,819,581	0.8%
Taxes and Departmentals	\$ 3,236,241,210		\$ 3,216,760,454	\$ 19,480,756	0.6%
Other General Revenue Sources					
Other Miscellaneous Revenues	8,778,364		9,085,000	(306,636)	-3.4%
Lottery Transfer	381,935,510		378,600,000	3,335,510	0.9%
Unclaimed Property	13,711,780		12,300,000	1,411,780	11.5%
Total Other Sources	\$ 404,425,654		\$ 399,985,000	\$ 4,440,654	1.1%
Total General Revenues	\$ 3,640,666,864		\$ 3,616,745,454	\$ 23,921,410	0.7%

* The Controller's Preliminary General Fund Revenue Report for FY 2014 includes Controlled Substances Revenues in Sales and Use Tax Revenues. This report treats these revenue sources separately.

PIT Component	Preliminary FY 2015		Final Enacted FY 2015	Difference	Variance
Estimated payments	225,905,795		\$ 226,700,000	\$ (794,205)	-0.4%
Final payments	202,893,957		202,300,000	593,957	0.3%
Withholding	1,061,456,549		1,061,700,000	(243,451)	0.0%
Refunds	(274,888,631)		(273,100,000)	(1,788,631)	0.7%
Net Accrual	12,214,290		9,200,000	3,014,290	32.8%
Total	\$ 1,227,581,960		\$ 1,226,800,000	\$ 781,960	0.1%

STATE OF RHODE ISLAND REVENUE ASSESSMENT REPORT
Preliminary FY 2015 to Audited FY 2014

	Preliminary Revenues FY 2015		Audited Revenues FY 2014	Difference	Year-over-Year Growth
Personal Income Tax	\$ 1,227,581,960		\$ 1,115,512,527	\$ 112,069,433	10.0%
General Business Taxes					
Business Corporations	147,979,089		114,215,409	33,763,680	29.6%
Public Utilities Gross Earnings	103,950,349		101,382,220	2,568,129	2.5%
Financial Institutions	22,743,284		16,610,639	6,132,645	36.9%
Insurance Companies	120,264,561		102,356,841	17,907,720	17.5%
Bank Deposits	2,259,880		2,471,553	(211,673)	-8.6%
Health Care Provider Assessment	44,125,338		42,131,465	1,993,873	4.7%
Excise Taxes					
Sales and Use	963,446,369	*	916,035,065	47,411,304	5.2%
Motor Vehicle	49,117,001		52,407,813	(3,290,812)	-6.3%
Motor Carrier Fuel Use	(124,650)		523,920	(648,570)	-123.8%
Cigarettes	138,045,483		139,461,685	(1,416,202)	-1.0%
Alcohol	18,363,285		18,252,450	110,835	0.6%
Controlled Substances	6,177	*	48,188	(42,011)	-87.2%
Other Taxes					
Estate and Transfer	34,202,383		43,592,370	(9,389,987)	-21.5%
Racing and Athletics	1,107,202		1,176,869	(69,667)	-5.9%
Realty Transfer	9,493,464		7,961,816	1,531,648	19.2%
Total Taxes	\$ 2,882,561,175		\$ 2,674,140,830	\$ 208,420,345	7.8%
Departmental Receipts	353,680,035		360,678,655	(6,998,620)	-1.9%
Taxes and Departmentals	\$ 3,236,241,210		\$ 3,034,819,485	\$ 201,421,725	6.6%
Other General Revenue Sources					
Other Miscellaneous Revenues	8,778,364		6,391,686	2,386,678	37.3%
Lottery Transfer	381,935,510		376,327,121	5,608,389	1.5%
Unclaimed Property	13,711,780		12,724,124	987,656	7.8%
Total Other Sources	\$ 404,425,654		\$ 395,442,931	\$ 8,982,723	2.3%
Total General Revenues	\$ 3,640,666,864		\$ 3,430,262,416	\$ 210,404,448	6.1%

* The Controller's Preliminary General Fund Revenue Report for FY 2014 includes Controlled Substances Revenues in Sales and Use Tax Revenues. This report treats these revenue sources separately.

PIT Component	Preliminary FY 2015		Audited FY 2014	Difference	Year-over-Year Growth
Estimated payments	\$ 225,905,795		\$ 196,404,409	\$ 29,501,387	15.0%
Final payments	202,893,957		170,879,728	32,014,229	18.7%
Withholding	1,061,456,549		1,015,014,509	46,442,039	4.6%
Refunds	(274,888,631)		(272,639,750)	(2,248,881)	0.8%
<i>Net Accrual</i>	<i>12,214,290</i>		<i>5,853,631</i>	<i>6,360,659</i>	<i>108.7%</i>
Total	\$ 1,227,581,960		\$ 1,115,512,527	\$ 112,069,433	10.0%

FY 2015 Variance of Adjusted Revenues to Estimate

