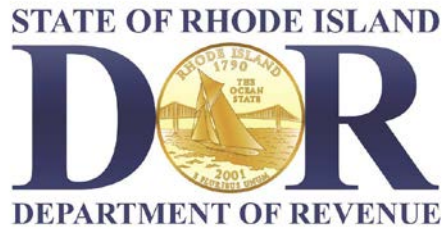


STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
GOVERNOR GINA M. RAIMONDO



Office of Revenue Analysis

Cash Collections Report as of May 2017 Summary

Fiscal Year-to-Date through May:

FY 2017 total general revenue cash collections through May were \$3.1 billion, down \$38.3 million, or 1.2 percent, from the same period in FY 2016. The breakdown by major revenue components is as follows:

Component	FY 2017	FY 2016	Difference	% Change
Personal Income Tax	\$ 1,104,575,595	\$ 1,125,795,647	\$ (21,220,052)	-1.9 %
Sales and Use Taxes	907,903,911	887,670,358	20,233,553	2.3 %
Departmental Receipts	333,578,542	317,092,858	16,485,684	5.2 %
Lottery Transfer	302,007,818	308,412,627	(6,404,809)	-2.1 %
All Other Revenues	474,548,805	521,915,776	(47,366,971)	-9.1 %
Total General Revenues	\$ 3,122,614,671	\$ 3,160,887,266	\$ (38,272,595)	-1.2 %

Month of May:

May 2017 total general revenue cash collections were \$243.1 million, down \$11.2 million from May 2016, a decrease of 4.4 percent. The breakdown by major revenue components is as follows:

Component	May 2017	May 2016	Difference	% Change
Personal Income Tax	\$ 73,564,299	\$ 69,909,063	\$ 3,655,236	5.2 %
Sales and Use Taxes	80,711,190	76,594,346	4,116,844	5.4 %
Departmental Receipts	17,085,008	16,884,650	200,358	1.2 %
Lottery Transfer	31,873,535	32,738,527	(864,992)	-2.6 %
All Other Revenues	39,852,498	58,193,501	(18,341,003)	-31.5 %
Total General Revenues	\$ 243,086,530	\$ 254,320,087	\$ (11,233,557)	-4.4 %

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Fiscal Year To Date

2

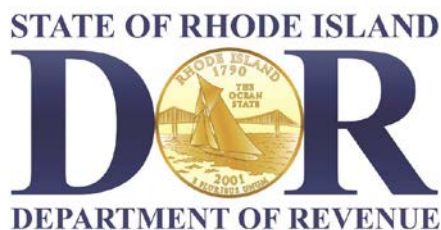
	FY 2017 YTD May	FY 2016 YTD May	Nominal Difference	Change
<u>Personal Income Tax</u>	\$ 1,104,575,595	\$ 1,125,795,647	\$ (21,220,052)	-1.9%
<u>General Business Taxes</u>				
Business Corporations	102,497,307	102,797,831	(300,524)	-0.3%
Public Utilities Gross Earnings	41,198,931	45,767,407	(4,568,476)	-10.0%
Financial Institutions	14,833,458	9,173,791	5,659,667	61.7%
Insurance Companies	74,332,311	62,760,826	11,571,485	18.4%
Bank Deposits	1,149,025	1,043,018	106,007	10.2%
Health Care Provider Assessment	39,129,138	39,859,514	(730,376)	-1.8%
<u>Excise Taxes</u>				
Sales and Use	907,903,911	887,670,358	20,233,553	2.3%
Motor Vehicle	11,479,531	36,257,278	(24,777,747)	-68.3%
Motor Carrier Fuel Use	-	(152,509)	152,509	-
Cigarettes	127,168,795	131,665,381	(4,496,586)	-3.4%
Alcohol	17,505,805	17,500,872	4,933	0.0%
<u>Other Taxes</u>				
Estate and Transfer	22,202,840	63,674,516	(41,471,676)	-65.1%
Racing and Athletics	1,046,551	960,878	85,673	8.9%
Realty Transfer	11,339,502	9,536,240	1,803,262	18.9%
Total Taxes	\$ 2,476,362,700	\$ 2,534,311,048	\$ (57,948,348)	-2.3%
<u>Departmental Receipts</u>				
Licenses and Fees	\$ 269,842,983	\$ 261,241,567	\$ 8,601,416	3.3%
Fines and Penalties	29,280,680	27,529,927	1,750,753	6.4%
Sales and Services	9,956,374	9,773,707	182,667	1.9%
Miscellaneous	24,498,505	18,547,657	5,950,848	32.1%
Total Departmental Receipts	\$ 333,578,542	\$ 317,092,858	\$ 16,485,684	5.2%
Taxes and Departmentals	\$ 2,809,941,242	\$ 2,851,403,906	\$ (41,462,664)	-1.5%
<u>Other General Revenue Sources</u>				
Other Miscellaneous Revenues	\$ 10,665,611	\$ 1,070,733	\$ 9,594,878	896.1%
Lottery Transfer	302,007,818	308,412,627	(6,404,809)	-2.1%
Unclaimed Property	-	-	-	-
Total Other Sources	\$ 312,673,429	\$ 309,483,360	\$ 3,190,069	1.0%
Total General Revenues	\$ 3,122,614,671	\$ 3,160,887,266	\$ (38,272,595)	-1.2%

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Month of May

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	FY 2017 Month of May		FY 2016 Month of May	Nominal Difference	% Change
<u>Personal Income Tax</u>	\$ 73,564,299		\$ 69,909,063	\$ 3,655,236	5.2%
<u>General Business Taxes</u>					
Business Corporations	3,049,757		(9,134,900)	12,184,657	-133.4%
Public Utilities Gross Earnings	340,835		552,421	(211,586)	-38.3%
Financial Institutions	490,454		180,427	310,027	171.8%
Insurance Companies	2,390,528		1,148,484	1,242,044	108.1%
Bank Deposits	(491)		-	(491)	-
Health Care Provider Assessment	3,466,675		3,527,699	(61,024)	-1.7%
<u>Excise Taxes</u>					
Sales and Use	80,711,190		76,594,346	4,116,844	5.4%
Motor Vehicle	1,161,435		4,399,598	(3,238,163)	-73.6%
Motor Carrier Fuel Use	-		26	(26)	-
Cigarettes	12,289,549		12,829,749	(540,200)	-4.2%
Alcohol	1,581,670		1,812,059	(230,389)	-12.7%
<u>Other Taxes</u>					
Estate and Transfer	2,736,162		41,697,362	(38,961,200)	-93.4%
Racing and Athletics	121,265		117,230	4,035	3.4%
Realty Transfer	1,850,852		889,179	961,673	108.2%
Total Taxes	\$ 183,754,180		\$ 204,522,743	\$ (20,768,563)	-10.2%
<u>Departmental Receipts</u>					
Licenses and Fees	\$ 9,638,647		\$ 12,457,178	\$ (2,818,531)	-22.6%
Fines and Penalties	1,228,487		1,343,491	(115,004)	-8.6%
Sales and Services	1,018,017		857,978	160,039	18.7%
Miscellaneous	5,199,857		2,226,003	2,973,854	133.6%
Total Departmental Receipts	\$ 17,085,008		\$ 16,884,650	\$ 200,358	1.2%
Taxes and Departmentals	\$ 200,839,188		\$ 221,407,393	\$ (20,568,205)	-9.3%
<u>Other General Revenue Sources</u>					
Other Miscellaneous Revenues	\$ 10,373,807		\$ 174,167	\$ 10,199,640	5856.2%
Lottery Transfer	31,873,535		32,738,527	(864,992)	-2.6%
Unclaimed Property	-		-	-	-
Total Other Sources	\$ 42,247,342		\$ 32,912,694	\$ 9,334,648	28.4%
Total General Revenues	\$ 243,086,530		\$ 254,320,087	\$ (11,233,557)	-4.4%

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



Office of Revenue Analysis

**State of Rhode Island Cash Collections Report
 May 2017 Detail**

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

Cash Flow Differences

Fiscal Year-To-Date through May:

The following cash flow differences between FY 2017 and FY 2016 should be noted:

FY 2017

- Fiscal year-to-date personal income tax refunds and adjustments cash collections include \$9.3 million for refunds paid out in July and August 2016 but accrued back to FY 2016.
- Fiscal year-to-date personal income tax withholding cash collections include a large payment of \$3.3 million received in August 2016.
- Fiscal year-to-date personal income tax estimated payments cash collections include large payments totaling \$2.6 million received in November 2016.
- Fiscal year-to-date personal income tax refunds and adjustments include an adjustment for a transfer of \$2.1 million to insurance companies gross premiums taxes for deposits that were posted in January and March 2017.
- Fiscal year-to-date personal income tax withholding cash collections include \$2.1 million that should have been posted to insurance companies gross premiums tax cash collections in January and March 2017.

- Fiscal year-to-date business corporations tax cash collections include a transfer of \$100,000 of receipts to financial institutions tax in September 2016 to properly record a payment that was incorrectly recorded in a prior month.
- FY 2017 through May business corporations tax cash collections include a transfer of \$7.5 million of receipts to financial institutions tax in April 2017 to properly record a payment made in June 2016.
- Fiscal year-to-date financial institutions tax cash collections include \$100,000 of receipts that were moved in September 2016 from business corporations tax cash collections to properly record a tax payment that was incorrectly recorded in a prior month.
- FY 2017 through May financial institutions tax cash collections include a transfer of \$7.5 million of receipts moved from business corporations tax in April 2017 to properly record a payment made in June 2016.
- Fiscal year-to-date insurance companies gross premiums tax cash collections include \$16.8 million in HMO payments posted in July 2016 that accrued back to FY 2016.
- Fiscal year-to-date sales and use tax cash collections include \$2.3 million from a payment received in August 2016 that is associated with the audit of prior year sales and use tax incurred.
- Fiscal year-to-date realty transfer tax cash collections through May include \$136,793 of funds designated for the Housing Resources Commission (HRC). The amount reflects the difference between the June 2016 transfer that occurred in July 2016 and the May 2017 transfer that will occur in June 2017.
- FY 2017 through May realty transfer cash collections include \$402,500 in receipts from a large, infrequently occurring payment received in May 2017.
- For the fiscal year-to-date period through May, hospital licensing fee cash collections were \$11.1 million more than the same period in FY 2016. The increase in hospital licensing fee cash collections is primarily due to an increase in the hospital licensing fee rate from 5.745 percent for FY 2015 to 5.862 percent for FY 2016. The increase is also due to the advancement of the hospital licensing fee base from hospital FY 2013 net patient revenues in FY 2015 to hospital FY 2014 net patient revenues in FY 2016. The prior fiscal year hospital licensing fee is received in July of the current year.
- The licenses and fees category of departmental receipts in FY 2017 through May includes a payment of \$276,946 for beach parking fees that was received in July 2016 but accrued to FY 2016.
- In the fines and penalties category of departmental receipts, collections from the Rhode Island Traffic Tribunal are \$147,871 more in FY 2017 through May compared to FY 2016 through May. Due to the implementation of a new collections system, receipts from the Traffic Tribunal are able to be posted in the same month as when the activity that generated those receipts occurred. Previously, receipts were posted in the month following the activity.
- Year-to-date miscellaneous departmental receipts include the transfer of \$1.6 million in October 2016 of refunds written off by the Office of the Treasurer and the Division of Taxation to unclaimed property.

- Miscellaneous department receipts in year-to-date FY 2017 include \$161,901 in indirect cost recovery cash collections as a result of the transfer in refund check write-offs to unclaimed property in October 2016.
- Year-to-date miscellaneous departmental receipts include \$4.1 million of funds received in January, April, and May 2017 from various settlements by the Office of the Attorney General.
- In miscellaneous departmental receipts, collections from a Department of Health cost recovery account in FY 2017 through May were down by \$812,145 compared to FY 2016 through May. Effective January 1, 2016, deposits generated by quarterly payments for this account must be made into a lockbox and be transferred into the general fund by request. The transfers occur, in general, on a monthly basis, with the exception of the quarterly collection period when they are done weekly. Previously, deposits were made directly into the account and may have been made on a quarterly, semi-annual, or annual basis.
- Fiscal year-to-date other miscellaneous revenues include an operating transfer of \$10.4 million received in May 2017 from the Tobacco Settlement Financing Corporation.
- The FY 2017 year-to-date lottery transfer includes receipts of \$1.4 million that accrued back to FY 2016.

FY 2016

- Fiscal year-to-date personal income tax refunds and adjustments cash collections include \$1.4 million of reimbursed Historic Structures Tax Credits (HSTCs), which were recorded in July 2015 but accrued back to FY 2015.
- Fiscal year-to-date personal income tax refunds and adjustments cash collections include \$2.0 million of receipts that were moved from business corporations tax to personal income tax in October 2015 to properly record tax payments that were incorrectly recorded in prior months.
- Fiscal year-to-date personal income tax refunds and adjustments cash collections include a transfer of \$389,300 of receipts from business corporations tax cash collections in February 2016 for receipts that were incorrectly recorded in prior months.
- Fiscal year-to-date business corporations tax refunds and adjustments cash collections include a transfer of \$2.0 million of receipts from business corporations tax to personal income tax in October 2015 to properly record tax payments that were incorrectly recorded in prior months.
- Fiscal year-to-date business corporations estimated payments cash collections include a transfer of \$403,840 in February 2016 of receipts from business corporations tax to public utilities gross earnings tax that were incorrectly recorded in prior months.
- FY 2016 through May business corporations tax estimated payments cash collections include a transfer of \$270,409 in May 2016 of receipts from business corporations tax to public utilities gross earnings tax that were incorrectly recorded in prior months.
- Fiscal year-to-date business corporations tax cash collections include a transfer of \$170,000 in May 2016 to financial institutions tax cash collections for receipts that were incorrectly recorded in prior months.

- Fiscal year-to-date public utilities gross earnings tax cash collections include a transfer of \$403,840 in February 2016 of receipts from business corporations tax cash collections that were incorrectly recorded in prior months.
- Fiscal year-to-date public utilities gross earnings tax cash collections include a transfer of \$270,409 in May 2016 of receipts from business corporations tax cash collections that were incorrectly recorded in prior months.
- Fiscal year-to-date public utilities gross earnings tax cash collections include a transfer of \$113,439 of receipts from sales and use tax cash collections in February 2016 that were incorrectly recorded in prior months.
- Fiscal year-to-date financial institutions tax cash collections include a transfer of \$170,000 in May 2016 from business corporations tax cash collections for receipts that were incorrectly recorded in prior months.
- Fiscal year-to-date insurance companies gross premiums tax cash collections include \$4.5 million of reimbursed HSTCs, which were recorded in July 2015 but accrued back to FY 2015.
- The fiscal year-to-date sales and use tax cash collections include a transfer of \$113,439 of receipts to public utilities gross earnings tax in February 2016 that were incorrectly recorded in prior months.
- Motor vehicle license and registration fees through May of FY 2016 were greater by \$24.8 million compared to motor vehicle license and registration fees through May of FY 2017. This difference is comprised of the following revenue items:
 - Effective July 1, 2016, the percentage of motor vehicle license and registration fees that are transferred to the Rhode Island Highway Maintenance Account (RIHMA) increased from 25 percent to 75 percent. On a fiscal year-to-date basis, the 75 percent transfer to RIHMA has reduced FY 2017 motor vehicle license and registration fees by \$34.4 million, an increase of \$22.4 million compared to the 25 percent transfer in the same period of FY 2016 of \$12.1 million.
 - Year-to-date FY 2016 motor vehicle license and registration fees include a total of \$1.1 million of funds that were deposited but not recorded in prior months. The FY 2016 transfer to RIHMA includes \$368,841 of receipts from this late posting of motor vehicle license and registration fees.
- FY 2016 through May motor carrier fuel use tax cash collections were \$152,509 less than collections in FY 2017 through May. Effective July 1, 2016, motor carrier fuel use tax cash collections are transferred from general revenues to other funds.
- Fiscal year-to-date estate and transfer tax cash collections include a large, infrequently occurring payment of \$41.4 million received in May 2016.
- Fiscal year-to-date realty transfer tax cash collections through May include \$271,964 of receipts designated for the Housing Resources Commission (HRC) that were transferred in June 2016.
- Miscellaneous departmental receipts in FY 2016 through May include the transfer of \$4.8 million of refunds written off by the Office of the Treasurer and the Division of Taxation to unclaimed property that occurred in November 2015.

- Miscellaneous departmental receipts in year-to-date FY 2016 include \$484,394 in indirect cost recovery cash collections as a result of the transfer of refund check write-offs to unclaimed property in November 2015.
- Miscellaneous departmental receipts in FY 2016 through May include \$215,960 received in July 2015 from a settlement between the Office of the Attorney General and a credit card provider and \$118,609 in July 2015 from a settlement with a mobile telephone provider for placing third-party service charges on consumers' bills, known as "mobile cramming", and \$685,467 in October 2015 from a settlement with a pharmaceutical manufacturer.
- Year-to-date FY 2016 miscellaneous departmental receipts include \$388,625 in state hotel tax receipts that reflect hotel activity in June 2015. Effective July 1, 2015, the state's share and the statewide tourism district's share of the state 5.0 percent hotel tax were transferred from general revenues to the Rhode Island Commerce Corporation (RICC) for a state level tourism promotion and business attraction campaign.
- The FY 2016 year-to-date lottery transfer includes receipts of \$1.1 million that accrued back to FY 2015.

The following table displays the differences in cash flows for FY 2017 through May and FY 2016 through May:

Revenue Source	Cash Flow Differences	YTD FY 2017	YTD FY 2016
Personal Income Tax	Refunds paid but accrued to prior year	\$(9,297,000)	\$0
Personal Income Tax	Large withholding payment rec'd in Aug. 2016	\$3,333,842	\$0
Personal Income Tax	Large estimated payments received in Nov. 2016	\$2,640,671	\$0
Personal Income Tax	Adj to move incorrect posting to ins companies	\$(2,079,309)	\$0
Personal Income Tax	Incorrect posting to withholding of ins cos tax	\$2,079,309	\$0
Personal Income Tax	Late reimbursement of HSTCs	\$0	\$1,355,142
Personal Income Tax	Transfer from bus corp tax in Oct. 2015	\$0	\$2,049,477
Personal Income Tax	Transfer from bus corp tax in Feb. 2016	\$0	\$389,300
Bus Corp Tax	Transfer to financial institutions in Sept. 2016	\$(100,000)	\$0
Bus Corp Tax	Transfer to financial institutions in April 2017	\$(7,500,000)	\$0
Bus Corp Tax	Transfer to personal income tax in Oct. 2015	\$0	\$(2,049,477)
Bus Corp Tax	Transfer to personal income tax in Feb. 2016	\$0	\$(389,300)
Bus Corp Tax	Transfer to public utilities in Feb. 2016	\$0	\$(403,840)
Bus Corp Tax	Transfer to public utilities in May 2016	\$0	\$(270,409)
Bus Corp Tax	Transfer to financial institutions in May 2016	\$0	\$(170,000)
Public Utilities	Transfer from bus corp tax in Feb. 2016	\$0	\$403,840
Public Utilities	Transfer from bus corp tax in May 2016	\$0	\$270,409

Revenue Source	Cash Flow Differences	YTD FY 2017	YTD FY 2016
Public Utilities	Transfer from sales and use tax in Feb. 2016	\$0	\$113,439
Financial Inst. Tax	Transfer from bus corp tax in Sept. 2016	\$100,000	\$0
Financial Inst. Tax	Transfer from bus corp tax in April 2017	\$7,500,000	\$0
Financial Inst. Tax	Transfer from bus corp tax in May 2016	\$0	\$170,000
Ins Gross Premiums Tax	Late HMO payments	\$16,844,511	\$0
Ins Gross Premiums Tax	Late reimbursement of HSTCs	\$0	\$4,450,735
Sales and Use Tax	Audit payment	\$2,273,693	\$0
Sales and Use Tax	Transfer to public utilities in Feb. 2016	\$0	\$(113,439)
MV License & Reg Fees	25% RIHMA transfer increase to 75%	\$0	\$23,671,224
MV License & Reg Fees	Funds deposited but not recorded	\$0	\$1,106,524
Motor Carrier Fuel Use	Transfer to other funds	\$0	\$(152,509)
Estate/Transfer Taxes	Large, infrequent tax payment	\$0	\$41,365,745
Realty Transfer	Delayed transfer to Housing Resources Comm.	\$136,793	\$271,964
Realty Transfer	Large, infrequent payment	\$402,500	\$0
Departmental Receipts	Hospital licensing fee difference	\$11,101,219	\$0
Departmental Receipts	Late beach parking fee payments	\$276,946	\$0
Departmental Receipts	End of traffic tribunal delayed posting	\$147,871	\$0
Departmental Receipts	Transfer of refund checks to Unclaimed Prop	\$(1,619,009)	\$(4,843,938)
Departmental Receipts	Cost recovery exemption/unclaimed property	\$161,901	\$484,394
Departmental Receipts	AG settlements/recoveries	\$4,064,209	\$1,020,036
Departmental Receipts	Health cost recovery deposit change	\$(812,145)	\$0
Departmental Receipts	State hotel tax transfer	\$0	\$388,625
Other Misc. Revenues	Tobacco settlement operating transfer	\$10,360,190	\$0
Lottery Transfer	Receipt of prior year revenues	\$1,408,965	\$1,062,175

Month of May:

The following cash flow differences between May 2017 and May 2016 should be noted:

May 2017

- May 2017 realty transfer tax cash collections include \$258,112 of funds designated for the Housing Resources Commission (HRC). The amount reflects the difference between the April 2017 transfer that occurred in May 2017 and the May 2017 transfer that will occur in June 2017.

- May 2017 realty transfer tax cash collections include a large, infrequently occurring payment of \$402,500.
- May 2017 realty transfer tax cash collections include \$390,358 of receipts from payments for prior periods that were received in May.
- May 2017 hospital licensing fee cash collections were \$324,630 more than collections in May 2016 due to an increase in the hospital licensing fee rate from 5.745 percent for FY 2015 to 5.862 percent for FY 2016 and the advancement of the hospital licensing fee base from hospital FY 2013 net patient revenues in FY 2015 to hospital FY 2014 net patient revenues in FY 2016.
- May 2017 miscellaneous departmental receipts include \$3.2 million received from a settlement by the Office of the Attorney General.
- In miscellaneous departmental receipts, collections from a Department of Health cost recovery account in May 2017 were down by \$863,572 compared to May 2016. Effective January 1, 2016, deposits generated by quarterly payments for this account must be made into a lockbox and be transferred into the general fund by request. The transfers occur, in general, on a monthly basis, with the exception of the quarterly collection period when they are done weekly. Previously, deposits were made directly into the account and may have been made on a quarterly, semi-annual, or annual basis.
- May 2017 other miscellaneous revenues include an operating transfer of \$10.4 million from the Tobacco Settlement Financing Corporation.

May 2016

- May 2016 business corporations tax estimated payments cash collections include a transfer of \$270,409 to public utilities gross earnings tax cash collections for receipts that were incorrectly recorded in prior months.
- Business corporations tax cash collections include a transfer of \$170,000 in May 2016 to financial institutions tax cash collections for receipts that were incorrectly recorded in prior months.
- Public utilities gross earnings tax cash collections in May 2016 include a transfer of \$270,409 from business corporations tax estimated payments cash collections for receipts that were incorrectly recorded in prior months.
- Financial institutions tax cash collections in May 2016 include a transfer of \$170,000 from business corporations tax cash collections for receipts that were incorrectly recorded in prior months.
- May 2016 motor vehicle license and registration fees were greater by \$3.2 million compared to motor vehicle license and registration fees in May 2017. Effective July 1, 2016, the percentage of motor vehicle license and registration fees that are transferred to the Rhode Island Highway Maintenance Account (RIHMA) increased from 25 percent to 75 percent. In May 2017, the 75 percent transfer to RIHMA reduced motor vehicle license and registration fees by \$3.5 million, an increase of \$2.0 million compared to the 25 percent transfer in May 2016 of \$1.5 million.
- Estate and transfer tax cash collections include a large, infrequently occurring payment of \$41.4 million received in May 2016.

- May 2016 realty transfer tax includes \$42,621 of funds designated for the Housing Resources Commission. The amount reflects the difference between the April 2016 transfer that occurred in May 2016 and the May 2016 transfer occurred in June 2016.

The following table displays the differences in cash flows for May 2017 and May 2016.

Revenue Source	Cash Flow Differences	May 2017	May 2016
Bus Corp Tax	Transfer to public utilities	\$0	\$(270,409)
Bus Corp Tax	Transfer to financial institutions tax	\$0	\$(170,000)
Public Utilities	Transfer from bus corp tax	\$0	\$270,409
Financial Inst. Tax	Transfer from bus corp tax	\$0	\$170,000
MV License & Reg Fees	25% RIHMA transfer increase to 75 %	\$0	\$3,238,163
Estate/Transfer Taxes	Large, infrequent tax payment	\$0	\$41,365,745
Realty Transfer Tax	Delayed transfer to Housing Resources Commission	\$258,112	\$42,621
Realty Transfer Tax	Large, infrequent payment	\$402,500	\$0
Realty Transfer Tax	Payments received for prior periods	\$390,358	\$0
Departmental Receipts	Hospital licensing fee difference	\$324,630	\$0
Departmental Receipts	AG settlement/recovery	\$3,161,130	\$0
Departmental Receipts	Health cost recovery deposit change	\$863,572	\$0
Other Misc. Revenues	Tobacco settlement transfer	\$10,360,190	\$0

Historic Structures Tax Credit Reimbursements:

FY 2017 total Historic Structures Tax Credit (HSTC) redemptions/reimbursements for all taxes through May were \$13.6 million compared to \$13.1 million reimbursed in FY 2016 through May, an increase of 4.1 percent. May 2017 total redemptions/reimbursements for all taxes were \$65,815 compared to \$743,643 in May 2016, a decrease of 91.1 percent.

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

Tax Type	Year-to-Date		Monthly	
	FY 2017	FY 2016	May 2017	May 2016
Personal Income	\$ 7,774,405	\$ 5,670,983	\$ 65,815	\$ 493,643
Business Corporations	116,104	432,162	0	0
Financial Institutions	0	0	0	0
Insurance/Non-HMOs	750,000	5,723,023	0	0
Insurance/HMOs	0	476,488	0	0
Non-Profit Refund	4,996,264	802,082	0	250,000
Total	\$ 13,636,773	\$ 13,104,738	\$ 65,815	\$ 743,643

Personal Income Tax Cash Collections by Component

The tables below are based on data provided by the Division of Taxation and break down personal income tax cash collections by component on both a fiscal year-to-date and monthly basis. It should be noted that differences may exist between the figures reported by the Division of Taxation and those reported by the Controller due to timing differences in the posting of receipts. For the January through May 2017 period, 421,099 income tax refunds were paid for TY 2016 at an average of \$590.03. For the same period in the prior year, 388,823 income tax refunds were paid for TY 2015 at an average of \$553.98.

Fiscal Year-to-Date through May:

Component	FY 2017	FY 2016	Difference	% Change
Estimated Payments *	\$ 189,065,653	\$ 189,017,482	\$ 48,171	0.0 %
Final Payments ^	182,376,327	179,314,059	3,062,268	1.7 %
Refunds/Adjustments †	(311,023,952)	(243,658,196)	(67,365,756)	27.6 %
Withholding Tax Payments ‡	1,044,157,570	1,001,122,301	43,035,268	4.3 %
* FY 2017 YTD estimated payments include large payments totaling \$2.6 million received in November 2016.				
^ Final Payments include Historic Structures Tax Credit (HSTC) reimbursements of \$7,774,405 in year-to-date FY 2017 and \$5,670,983 in year-to-date FY 2016.				
† FY 2017 YTD refunds and adjustments include \$9,297,000 in refunds paid out in July and August 2016 but accrued back to FY 2016. FY 2017 YTD refunds and adjustments also include \$2,079,309 of receipts transferred to insurance companies gross premiums tax in March 2017 to properly record tax payments. FY 2016 YTD refunds and adjustments include an adjustment of \$1,355,142 for reimbursed FY 2015 HSTCs that were recorded in July 2015 but accrued back to FY 2015. FY 2016 YTD refunds and adjustments also include transfers of \$2,049,477 received in October 2015 and \$389,300 received in February 2016 from business corporations tax receipts to properly record prior tax payments.				
‡ Withholding tax payments include a large payment of \$3.3 million received in August 2016. Also includes \$2,079,309 in receipts that were transferred in March 2017 to insurance companies gross premiums tax via personal income tax refunds and adjustments.				

Month of May:

Component	May 2017	May 2016	Difference	% Change
Estimated Payments	\$ 3,058,365	\$ 3,792,403	\$ (734,038)	-19.4 %
Final Payments ^	5,892,253	9,971,414	(4,079,161)	-40.9 %
Refunds/Adjustments	(30,905,554)	(33,847,994)	2,942,440	-8.7 %
Withholding Tax Payments	95,519,235	90,006,293	5,512,942	6.1 %
^ Final Payments include \$65,815 in HSTC reimbursements in May 2017 and \$493,643 in May 2016 HSTC reimbursements.				

Sales and Use Tax Cash Collections by Component

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

Fiscal Year-to-Date through May:

Component	FY 2017	FY 2016	Difference	% Change
Net Taxation *	\$ 797,099,455	\$ 777,787,836	\$ 19,311,619	2.5 %
Registry Receipts	98,355,680	97,239,345	1,116,335	1.1 %
Providence Place Mall	12,577,380	12,928,133	(350,753)	-2.7 %
* FY 2017 YTD net taxation includes \$255,716 of receipts transferred from local meals and beverage tax to properly record payments made in February 2017. FY 2016 YTD net taxation includes a transfer of \$113,439 in February 2016 to public utilities gross earnings tax due to the incorrect posting of payments received.				

Month of May:

Component	May 2017	May 2016	Difference	% Change
Net Taxation	\$ 70,432,394	\$ 66,490,746	\$ 3,941,647	5.9 %
Registry Receipts	9,218,289	9,204,444	13,845	0.2 %
Providence Place Mall	1,065,797	1,155,175	(89,378)	-7.7 %

General Business Taxes

May	FY 2017	FY 2016	Difference	% Change
Fiscal YTD	\$ 273.1 million	\$ 261.4 million	\$ 11.7 million	4.5 %
Month	\$ 9.7 million	\$ (3.7 million)	\$ 13.5 million	-361.4 %

In general, businesses with Rhode Island tax liabilities make estimated payments of their tax year liabilities in March and June of the fiscal year, with 40.0 percent of the estimated total tax liability due in March and 60.0 percent of the estimated total tax liability due in June. There is one exception to this payment pattern, namely the health care provider assessment, payments of which are made on a monthly basis. Business corporations, or corporate income, tax payments are also received more consistently over the course of the fiscal year due to the varying fiscal years of corporations and the number of filers that are on extension at any given point in time. As a result, both business corporation taxes and health care provider assessments flow more evenly into the general fund over the course of a fiscal year.

Fiscal Year-to-Date through May:

General business taxes collected through May of FY 2017 increased by 4.5 percent from general business taxes collected through May of FY 2016. FY 2017 general business taxes collected through May were \$273.1 million compared to \$261.4 million collected for the same period in FY 2016, an increase of \$11.7 million.

FY 2017 business corporations tax cash collections through May were \$102.5 million, \$300,524 below the \$102.8 million of business corporations tax cash collections received in FY 2016

through May, which is a decrease of 0.3 percent. In year-to-date FY 2017, business corporations tax cash collections include \$116,104 in historic structures tax credits (HSTCs) reimbursements compared to \$432,162 in HSTCs reimbursements in year-to-date FY 2016. Further, FY 2017 through May business corporations tax cash collections include a transfer of \$100,000 made in September 2016 from business corporations tax to properly record a payment received in a prior month. Also included is a transfer of \$7.5 million made in April 2017 from business corporations tax to financial institutions tax to properly record a payment made in June 2016. It should be noted that legislation enacted by the General Assembly in the 2014 session established mandatory unitary combined reporting, single sales factor apportionment, and market-based sourcing for business corporations tax filers for tax years beginning on or after January 1, 2015. In order to account for this change, calendar year taxpayers who normally would have had a final return due date of March 15, 2016 for TY 2015 were granted an extended due date of October 15, 2016. Further, prior to the implementation of a new system by the Division of Taxation in October 2016, the Division of Taxation's Corporate Tax Section increased the number of business corporations tax refunds that were processed and paid out in order to reduce the backlog of returns. Additionally, previously issued business corporations tax refunds were returned to the Division of Taxation in November 2016 in order to be converted to a carry-forward amount. In FY 2016 through May, business corporations tax cash collections include transfers of \$2.0 million in October 2015 and \$389,300 in February 2016 to personal income tax, transfers of \$403,840 in February 2016 and \$270,409 in May 2016 to public utilities gross earnings tax, and transfers of \$170,000 in May 2016 to financial institutions tax to properly record tax payments that were received in prior months.

FY 2017 public utilities gross earnings tax cash collections through May were \$41.2 million, \$4.6 million less than the \$45.8 million collected in the same period last fiscal year, a decrease of 10.0 percent. FY 2016 public utilities gross earnings tax cash collections through May include transfers of \$403,840 in February 2016 and \$270,409 in May 2016 from business corporations tax and \$113,439 in February 2016 from sales and use tax to properly record tax payments that were received in prior months.

FY 2017 financial institutions tax cash collections through May were \$14.8 million, \$5.7 million more than the \$9.2 million collected in FY 2016 through May, an increase of 61.7 percent. Year-to-date FY 2017 financial institutions tax cash collections include a transfer of \$100,000 received in September 2016 from business corporations tax for a payment posted in a prior month. Also included is a transfer of \$7.5 million received in April 2017 from business corporations tax to properly record a payment made in June 2016. Year-to-date FY 2016 financial institutions tax cash collections include \$170,000 in transfers received in May 2016 from business corporations tax due to the incorrect posting of payments received in prior months.

FY 2017 insurance companies gross premiums taxes collected through May increased by \$11.6 million, or 18.4 percent, over the \$62.8 million collected through May of FY 2016. It should be noted that insurance companies gross premiums tax cash collections for FY 2017 through May include \$16.8 million in health insurance (HMO) gross premiums tax payments that were recorded in July 2016 but accrued back to FY 2016. Year-to-date FY 2017 insurance companies gross premiums tax cash collections include \$750,000 in reimbursed HSTCs compared to \$6.2 million in reimbursed HSTCs in year-to-date FY 2016. In addition, insurance companies gross

premiums tax cash collections for FY 2016 through May include \$4.5 million of reimbursed HSTCs that were recorded in July 2015 but accrued back to FY 2015.

The FY 2017 year-to-date through May health care provider assessment cash collections were \$730,376 less than in the same period last year. This is a decrease of 1.8 percent on a fiscal year-to-date-over-fiscal year-to-date basis. Bank deposits tax cash collections in year-to-date FY 2017 were \$106,007 more than collections in year-to-date FY 2016, an increase of 10.2 percent.

Month of May:

General business taxes collected in May 2017 increased \$13.5 million over general business taxes collected in May 2016. May 2017 general business taxes collected were \$9.7 million compared to \$(3.7 million) collected during the same period last fiscal year, a variance of -361.4 percent. May 2017 business corporations tax cash collections were \$3.0 million, \$12.2 million more than the \$(9.1 million) of business corporations tax cash collections in May 2016.

Public utilities gross earnings tax cash collections in May 2017 decreased 38.3 percent from collections in May 2016. May 2017 public utilities gross earnings tax cash collections were \$340,835 compared to \$552,421 collected in May 2016, a decrease of \$211,586. May 2016 public utilities gross earnings tax cash collections include a transfer of \$270,409 received from business corporations tax to correct for an improperly posted payment in a prior month.

May 2017 financial institutions tax cash collections were \$490,454, \$310,027 or 171.8 percent more than the \$180,427 collected in May 2016. May 2016 financial institutions tax cash collections include transfers of \$170,000 from business corporations tax due to improperly posted payments in prior months.

For the month of May 2017, insurance companies gross premiums tax cash collections were \$2.4 million, \$1.2 million more than the \$1.1 million collected in May 2016. The health care provider assessment and the bank deposits tax did not show significant year-over-year differences in May 2017 cash collections compared to May 2016.

Business Corporations Tax Cash Collections by Component:

The tables below are based on data provided by the Division of Taxation and break down business corporations tax cash collections by component on both a fiscal year-to-date and monthly basis. It should be noted that differences may exist between the figures reported by the Division of Taxation and those reported by the Controller due to timing differences in the posting of receipts.

Fiscal Year-to-Date through May:

Component	FY 2017	FY 2016	Difference	% Change
Estimated Payments	\$ 65,394,081	\$ 69,274,296	\$ (3,880,214)	-5.6 %
Final Payments [^]	59,032,054	72,096,193	(13,064,139)	-18.1 %
Refunds/Adjustments ^{†, ‡}	(22,053,682)	(38,761,323)	16,707,642	-43.1 %

[^] Final Payments include \$116,104 in historic structures tax credit (HSTC) reimbursements in YTD FY 2017 and \$432,162 in HSTC reimbursements in YTD FY 2016.

[†] FY 2017 YTD refunds and adjustments include transfers of \$100,000 made in September 2016 and \$7.5 million made in April 2017 to financial institutions tax.

[‡] FY 2016 YTD refunds and adjustments include transfers of \$2.0 million in October 2015 and \$389,300 in February 2016 to personal income tax, transfers of \$403,840 in February 2016 and \$270,409 in May 2016 to public utilities gross earnings tax, and transfers of \$170,000 to financial institutions tax in May 2016 to properly record payments received in prior months.

Month of May:

Component	May 2017	May 2016	Difference	% Change
Estimated Payments	\$ 1,844,277	\$ 2,894,632	\$ (1,050,355)	-36.3 %
Final Payments [^]	2,419,566	1,626,023	793,542	48.8 %
Refunds/Adjustments [†]	(1,215,220)	(13,674,737)	12,459,517	-91.1 %

[†] May 2016 refunds and adjustments include transfers of \$270,409 to public utilities gross earnings tax and \$170,000 to financial institutions tax to properly record payments received in prior months.

Excise Taxes Other Than the Sales and Use Tax

May	FY 2017	FY 2016	Difference	% Change
Fiscal YTD	\$ 156.2 million	\$ 185.3 million	\$ (29.1 million)	-15.7 %
Month	\$ 15.0 million	\$ 19.0 million	\$ (4.0 million)	-21.1 %

Fiscal Year-to-Date through May:

Excise taxes other than sales and use taxes collected in FY 2017 through May decreased by 15.7 percent from excise taxes other than sales and use taxes collected through May of FY 2016. FY 2017 excise taxes other than sales and use taxes collected through May were \$156.2 million compared to the \$185.3 million collected for the same period last fiscal year, a decrease of \$29.1 million. Motor vehicle license and registration fees were \$11.5 million in FY 2017 through May, down \$24.8 million compared to FY 2016 through May, a decrease of 68.3 percent. It is important to note that, effective July 1, 2016, the transfer from motor vehicle license and registration fees general revenues to the Rhode Island Highway Maintenance Account (RIHMA) increased from 25 percent to 75 percent of cash collections. To date in FY 2017, this transfer has totaled \$34.4 million, \$22.4 million more than the transfer of \$12.1 million during the same period last fiscal year. FY 2016 through May cash collections for motor vehicle license and

registration fees include \$1.1 million of funds that were deposited but not recorded in previous months. The RIHMA transfer for the same period includes \$368,841 of funds from the late posting of motor vehicle license and registration fees.

In the 2016 session, the General Assembly reclassified collections generated from the motor carrier fuel use tax from general revenues to other funds effective July 1, 2016. In year-to-date FY 2017, there were no receipts from motor carrier fuel use tax compared to \$(152,509) in receipts in year-to-date FY 2016.

Rhode Island cigarettes tax receipts are comprised of excise taxes collected on the sale of cigarettes and smokeless tobacco (which also includes cigars and pipe tobacco), and a one-time cigarette floor stock tax. The cigarette floor stock tax is imposed only when there is an increase in the excise tax rate on cigarettes. Total cigarettes excise tax cash receipts through May of FY 2017 were \$127.2 million, down \$4.5 million compared to the \$131.7 million collected for the same period last fiscal year, a decrease of 3.4 percent. Finally, the change in cigarette sales is determined. Cigarette floor stock tax and other tobacco products tax cash collections are netted out of the cigarettes tax cash receipts data, yielding only cigarette excise tax cash collections. Through May of FY 2017, Rhode Island cigarette sales decreased 5.4 percent compared to the same period last fiscal year.

Month of May:

Excise taxes other than sales and use taxes collected in May 2017 decreased 21.1 percent from excise taxes other than sales and use taxes collected in May 2016. May 2017 excise taxes other than sales and use taxes collected totaled \$15.0 million, a decrease of \$4.0 million from collections in May 2016. Motor vehicle license and registration fees were down \$3.2 million in May 2017 compared to May 2016. The May 2017 transfer to RIHMA from motor vehicle operator license and registration fees totaled \$3.5 million, \$2.0 million more than the transfer of \$1.5 million made in May 2016. In May 2017, there were no receipts from motor carrier fuel use tax compared to \$26 in receipts in May 2016.

May 2017 cigarette excise tax receipts were \$12.3 million, \$540,200 less than the \$12.8 million collected in May 2016, which is a decrease of 4.2 percent. After accounting for any cigarette floor stock receipts and other tobacco products tax cash collections, the percentage change in Rhode Island cigarette sales is determined. For May 2017, Rhode Island cigarette sales decreased by 5.5 percent compared to May 2016.

Other Taxes

May	FY 2017	FY 2016	Difference	% Change
Fiscal YTD	\$ 34.6 million	\$ 74.2 million	\$ (39.6 million)	-53.4 %
Month	\$ 4.7 million	\$ 42.7 million	\$ 38.0 million	-89.0 %

Fiscal Year-to-Date through May:

Other taxes collected in FY 2017 through May decreased 53.4 percent from other taxes collected through May of FY 2016. FY 2017 other taxes collected through May were \$34.6 million compared to the \$74.2 million collected in the same period last fiscal year, a decrease of \$39.6 million. FY 2017 estate and transfer taxes collected through May were \$22.2 million, down \$41.5 million compared to the same period in FY 2016, a decrease of 65.1 percent. Year-to-date FY 2016 estate and transfer tax cash collections include a large, infrequently occurring payment of \$41.4 million received in May 2016.

FY 2017 realty transfer taxes collected through May were \$11.3 million, up \$1.8 million, or 18.9 percent, compared to the same period last fiscal year. It should be noted that year-to-date FY 2017 realty transfer tax cash collections include \$136,793 of net receipts designated for the Housing Resources Commission (HRC). The amount reflects the difference between the June 2016 transfer that occurred in July 2016 and the May 2017 transfer that will occur in June 2017. Year-to-date FY 2016 realty transfer tax cash collections include \$271,964 of receipts from May 2016 that were transferred to the HRC in June 2016.

Month of May:

Other taxes collected in May 2017 decreased 89.0 percent from other taxes collected in May 2016. May 2017 other taxes collected totaled \$4.7 million compared to \$42.7 million collected in May 2016, a decrease of \$38.0 million. May 2017 estate and transfer tax cash collections were \$2.7 million, down \$39.0 million from the \$41.7 million collected in May 2016. Included in May 2016 estate and transfer cash collections was a large, infrequently occurring payment of \$41.4 million.

May 2017 realty transfer tax cash collections were \$1.9 million, up \$961,673 compared to May 2016, an increase of 108.2 percent. It should be noted that May 2017 realty transfer tax includes \$258,112 of net receipts designated for the HRC. The amount reflects the difference between the April 2017 transfer that occurred in May 2017 and the May 2017 transfer that will occur in June 2017. Realty transfer tax cash collections for May 2016 include \$42,621 of net receipts designated for the HRC. The amount reflects the difference between the April 2016 transfer that occurred in May 2016 and the May 2016 transfer that occurred in June 2016.

Departmental Receipts Cash Collections by Component

The tables below are based on data provided by the Controller and break down departmental receipts cash collections by component on both a fiscal year-to-date and monthly basis.

Fiscal Year-to-Date through May:

Component	FY 2017	FY 2016	Difference	% Change
Licenses and Fees *	\$ 269,842,983	\$ 261,241,567	\$ 8,601,416	3.3 %
Fines and Penalties	29,280,680	27,529,927	1,750,753	6.4 %
Sales and Services	9,956,374	9,773,707	182,667	1.9 %
Miscellaneous	24,498,505	18,547,657	5,950,848	32.1 %
Total	\$ 333,578,542	\$ 317,092,858	\$ 16,485,684	5.2 %
* Licenses and fees cash collections include hospital licensing fees of \$161,377,782 in year-to-date FY 2017 and \$150,276,563 in year-to-date FY 2016.				

Total departmental receipts in FY 2017 through May increased by 5.2 percent compared to total departmental receipts in FY 2016 through May. Fiscal year-to-date total departmental receipts collected in FY 2017 were \$333.6 million compared to \$317.1 million collected for the same period last year, an increase of \$16.5 million.

The licenses and fees category of departmental receipts through May of FY 2017 was up 3.3 percent or \$8.6 million over the \$261.2 million collected through May of FY 2016. Much of the increase in licenses and fees is due to the increase in hospital licensing fee cash collections. For the fiscal year-to-date period through May, hospital licensing fee cash collections were \$11.1 million more than the same period in FY 2016. The increase in hospital licensing fee cash collections is due to an increase in the hospital licensing fee rate from 5.745 percent for FY 2015 to 5.862 percent for FY 2016 and the advancement of the hospital licensing fee base from hospital FY 2013 net patient revenues in FY 2015 to hospital FY 2014 net patient revenues in FY 2016. The prior fiscal year hospital licensing fee is received in July of the current fiscal year. Teacher certification fees are up \$816,615 in FY 2017 through May compared to the same period in the previous fiscal year. Additionally, licensing fees for claim adjusters were up \$655,675 in FY 2017 through May compared to FY 2016 through May. License fees for the Board for Design Professionals were also up in year-to-date FY 2017 compared to year-to-date FY 2016 by \$433,235. Compassion Center Surcharge receipts were up \$406,386 in FY 2017 through May 2017 compared to the same period last fiscal year. The E911 wireline surcharge, E911 wireless surcharge, E911 prepaid wireless fees, and GIS and technical fund accounts combined were up \$142,142 in fiscal year-to-date FY 2017 compared to fiscal year-to-date FY 2016. Part of this increase is due to payments received in January 2017 for previous periods.

Partially offsetting these increases were physician licensing fees, which were down \$2.5 million in year-to-date FY 2017 compared to the same period in the previous fiscal year. In the enacted FY 2017 budget, signed into law by Governor Raimondo on June 15, 2016, parking fees at state beaches were reduced by 50.0 percent. Cash collections for beach parking fees were down \$765,565 in FY 2017 through May compared to FY 2016 through May. It should be noted that FY 2017 through May beach parking fees include a payment of \$276,946 received in July 2016 that accrued back to June 2016. It is also important to note that numerous licenses included in the licenses and fees category of departmental receipts are renewed on a biennial or triennial

basis, which skews the fiscal year-to-date comparisons.

The fines and penalties category of departmental receipts through May of FY 2017 was up \$1.8 million, or 6.4 percent, over the \$27.5 million collected through May of FY 2016. Much of this increase can be accounted for by cash collections from penalties on overdue taxes being up \$1.6 million in FY 2017 through May compared to FY 2016 through May. Receipts from insurance verification license reinstatement fees are also up \$582,905 in year-to-date FY 2017 compared to year-to-date FY 2016.

The sales and services category of departmental receipts through May of FY 2017 was up \$182,667 from the \$9.8 million collected through May of FY 2016, an increase of 1.9 percent.

FY 2017 miscellaneous departmental receipts through May were up \$6.0 million, or 32.1 percent, compared to cash collections through May of FY 2016. In year-to-date FY 2017, \$1.6 million of refunds and other checks written off by the Office of the Treasurer and the Division of Taxation were transferred to unclaimed property in October 2016 compared to \$4.8 million in refunds and other checks written off that were transferred in November of FY 2016. As a result of the transfers to unclaimed property, there were indirect cost recovery cash collections of \$161,901 in year-to-date FY 2017 versus \$484,394 collected in year-to-date FY 2016. Additionally, miscellaneous receipts for year-to-date FY 2017 include \$600,000 in funds from a repayment to the State from the City of Central Falls.

Further, miscellaneous departmental receipts for Office of the Attorney General in FY 2017 through May were up \$3.1 million compared to FY 2016 through May. Included in the year-to-date FY 2017 miscellaneous departmental receipts from the Office of the Attorney General is \$4.1 million in funds received from various settlements in January, April, and May 2017. In year-to-date FY 2016, the comparable figure was \$1.0 million. Cash collections from a Department of Health cost recovery account in FY 2017 through May were down by \$812,145 compared to FY 2016 through May. Effective January 1, 2016, deposits generated by quarterly payments for this account must be made into a lockbox and be transferred into the general fund by request. The transfers occur, in general, on a monthly basis, with the exception of the quarterly collection period when they are done weekly. Previously, deposits were made directly into the account and may have been made on a quarterly, semi-annual, or annual basis.

During the 2015 session, the General Assembly accepted the Governor's proposal to transfer the state's share and the statewide tourism district's share of the state 5.0 percent hotel tax from general revenues to the Rhode Island Commerce Corporation (RICC) for a state level tourism promotion and business attraction campaign effective July 1, 2015. As hotel tax receipts, in general, reflect activity for the prior month, the first transfer to the RICC from the legislative change occurred in August 2016. Due to this transfer, state hotel tax receipts are down \$388,625 in FY 2017 through May compared to the same period last fiscal year.

Month of May:

Component	May 2017	May 2016	Difference	% Change
Licenses and Fees *	\$ 9,638,647	\$ 12,457,178	\$ (2,818,531)	-22.6 %
Fines and Penalties	1,228,487	1,343,491	(115,004)	-8.6 %
Sales and Services	1,018,017	857,978	160,039	18.7 %
Miscellaneous	5,199,857	2,226,003	2,973,854	133.6 %
Total	\$ 17,085,008	\$ 16,884,650	\$ 200,358	1.2 %
* Licenses and fees include hospital licensing fees of \$833,409 in May 2017 and \$508,779 in May 2016.				

Total departmental receipts in May 2017 increased 1.2 percent from total departmental receipts in May 2016. May 2017 total departmental receipts collected were \$17.1 million compared to \$16.9 million collected in May 2016, an increase of \$200,358.

The licenses and fees category of departmental receipts for May 2017 was down 22.6 percent or \$2.8 million from the \$12.5 million collected in May 2016. Most of this decrease can be accounted for by cash collections for physician license fees being down \$2.8 million in May 2017 compared to May 2016. The E911 wireline surcharge, E911 wireless surcharge, E911 prepaid wireless fees, and GIS and technical fund accounts combined were also down \$310,620 in fiscal year-to-date FY 2017 compared to fiscal year-to-date FY 2016. Hospital licensing fees were up \$324,630 in May 2017 compared to May 2016. It is also important to note that numerous licenses included in the licenses and fees category of departmental receipts are renewed on a biennial or triennial basis, which skews the fiscal year-to-date comparisons.

The fines and penalties category of departmental receipts for May 2017 was down \$115,004, or 8.6 percent, from the \$1.3 million collected in May 2016.

In May 2017, the sales and services category of departmental receipts was up \$160,039 compared to the \$857,978 collected in May 2016, an increase of 18.7 percent.

May 2017 miscellaneous departmental receipts were up \$3.0 million compared to cash collections of \$2.2 million in May of 2016. May 2017 miscellaneous departmental receipts include \$3.2 million from a settlement by the Office of the Attorney General compared to no such receipts in May 2016. Insurance examination fees were also up by \$527,451 in May 2017 compared to May 2016. A health cost recovery account was down \$863,572 in May 2017 compared to last fiscal year.

Motor Fuel Tax, Per Penny Yield

May	FY 2017	FY 2016	Difference	% Change
Fiscal YTD	\$ 4.04 million	\$ 4.07 million	\$ (26,800)	-0.7 %
Month	\$ 358,437	\$ 385,956	\$ (27,519)	-7.1 %

In FY 2017, the State's motor fuel tax consists of a \$0.33 per gallon excise tax on the distribution of motor fuel in the State and an additional \$0.01 per gallon surcharge for motor fuel that is delivered to an underground storage tank. These tax rates were the same in FY 2016 except for the July 2015 receipts which were based on the FY 2015 motor fuel tax rates of \$0.32 per gallon and \$0.01 per gallon respectively. The revenue change from the one cent increase in the motor fuel excise tax, effective July 1, 2015, was not realized in the motor fuel tax cash collections until August 2015. No portion of the motor fuel tax is designated as general revenues. The data provided in this section of the report is for informational purposes only.

Fiscal Year-to-Date through May:

The per penny yield of the state's motor fuel tax collected in FY 2017 through May was \$26,800 less than in FY 2016 through May. This represents a decrease of 0.7 percent between the two fiscal year-to-date periods. For FY 2017 through May, the per-penny yield was \$4.04 million versus \$4.07 million for FY 2016 through May.

Month of May:

The per-penny yield of the State's motor fuel tax collected in May 2017 totaled \$358,437, a decrease of \$27,519, or 7.1 percent, from the \$385,956 collected in May 2016.

Lottery Transfer Cash Collections by Component

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

Fiscal Year-to-Date through May:

Component	FY 2017	FY 2016	Difference	% Change
Traditional Games	\$ 30,687,368	\$ 35,578,091	\$ (4,890,723)	-13.7 %
Keno	15,286,963	15,335,436	(48,473)	-0.3 %
Twin River VLTs	220,374,180	224,755,911	(4,381,731)	-1.9 %
Twin River Traditional Table Games	13,920,528	12,560,474	1,360,054	10.8 %
Twin River Poker Tables	825,034	395,237	429,797	108.7 %
Newport Grand VLTs	23,519,417	22,709,549	809,868	3.6 %

In fiscal year-to-date 2017, Twin River operated, on average, a maximum of 95 traditional table games and 16 poker tables. In the same period in FY 2016, Twin River operated, on average, a maximum of 90 traditional table games and eight poker tables. On December 1, 2015, Twin River began operating 16 poker tables. It should be noted that in order to make space for

additional table games and a poker room, Twin River had 34 fewer VLTs operating in fiscal year-to-date 2017 compared to the same period last fiscal year. Both Twin River and Newport Grand VLT cash collections do not reflect unclaimed prizes, distressed communities relief program receipts, or the State's payment to either Newport Grand's or Twin River's marketing program.

Month of May:

Component	May 2017	May 2016	Difference	% Change
Traditional Games	\$ 2,731,212	\$ 3,568,436	\$ (837,224)	-23.5 %
Keno	1,730,148	1,539,189	190,959	12.4 %
Twin River VLTs	23,538,698	24,049,794	(511,096)	-2.1 %
Twin River Traditional Table Games	1,539,974	1,393,059	146,915	10.5 %
Twin River Poker Tables	92,251	84,218	8,033	9.5 %
Newport Grand VLTs	2,634,160	2,491,160	143,000	5.7 %

In May 2017, Twin River operated a maximum of 97 traditional table games and 16 poker tables. In May 2016, Twin River operated a maximum of 92 traditional table games and 16 poker tables. It should be noted that in order to make space for additional table games and a poker room, Twin River had 46 fewer VLTs operating in May 2017 compared to May 2016. Both Twin River and Newport Grand VLT cash collections do not reflect unclaimed prizes, distressed communities relief program receipts, or the State's payment to either Newport Grand's or Twin River's marketing program.

Robert S. Hull, Director
Rhode Island Department of Revenue
June 26, 2017