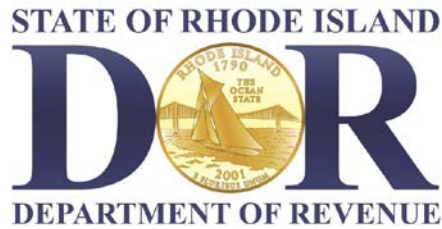


STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
GOVERNOR GINA M. RAIMONDO



Office of Revenue Analysis

Cash Collections Report as of June 2017 Summary

Fiscal Year-to-Date through June:

FY 2017 total general revenue cash collections through June were \$3.7 billion, up \$1.6 million, or 0.0 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	\$ 1,232,708,391	\$ 1,236,193,779	\$ (3,485,388)	-0.3 %
Sales and Use Taxes	997,502,114	973,484,387	24,017,727	2.5 %
Departmental Receipts	371,363,611	355,994,968	15,368,643	4.3 %
Lottery Transfer	362,194,766	369,414,090	(7,219,324)	-2.0 %
All Other Revenues	689,150,816	716,187,329	(27,036,513)	-3.8 %
Total General Revenues	\$ 3,652,919,698	\$ 3,651,274,553	\$ 1,645,145	0.0 %

Month of June:

June 2017 total general revenue cash collections were \$530.3 million, up \$39.9 million from June 2016, an increase of 8.1 percent. The breakdown by major revenue components is as follows:

Component	June 2017	June 2016	Difference	% Change
Personal Income Tax	\$ 128,132,796	\$ 110,398,132	\$ 17,734,664	16.1 %
Sales and Use Taxes	89,598,203	85,814,029	3,784,174	4.4 %
Departmental Receipts	37,785,069	38,902,110	(1,117,041)	-2.9 %
Lottery Transfer	60,186,948	61,001,463	(814,515)	-1.3 %
All Other Revenues	214,602,011	194,271,553	20,330,458	10.5 %
Total General Revenues	\$ 530,305,027	\$ 490,387,287	\$ 39,917,740	8.1%

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Fiscal Year To Date

2

	FY 2017 YTD June	FY 2016 YTD June	Nominal Difference	Change
<u>Personal Income Tax</u>	\$ 1,232,708,392	\$ 1,236,193,779	\$ (3,485,387)	-0.3%
<u>General Business Taxes</u>				
Business Corporations	139,104,650	130,322,774	8,781,876	6.7%
Public Utilities Gross Earnings	90,275,980	103,098,817	(12,822,837)	-12.4%
Financial Institutions	26,418,385	14,139,312	12,279,073	86.8%
Insurance Companies	137,516,503	113,993,082	23,523,421	20.6%
Bank Deposits	2,982,623	2,544,372	438,251	17.2%
Health Care Provider Assessment	42,941,804	43,444,560	(502,756)	-1.2%
<u>Excise Taxes</u>				
Sales and Use	997,502,112	973,484,387	24,017,725	2.5%
Motor Vehicle	25,969,430	39,702,583	(13,733,153)	-34.6%
Motor Carrier Fuel Use	-	(101,576)	101,576	-
Cigarettes	141,521,295	144,402,468	(2,881,173)	-2.0%
Alcohol	19,620,450	19,438,091	182,359	0.9%
Controlled Substances				
<u>Other Taxes</u>				
Estate and Transfer	24,618,641	75,287,424	(50,668,783)	-67.3%
Racing and Athletics	1,156,493	1,071,139	85,354	8.0%
Realty Transfer	12,177,327	10,575,310	1,602,017	15.1%
Total Taxes	\$ 2,894,514,085	\$ 2,907,596,521	\$ (13,082,436)	-0.4%
<u>Departmental Receipts</u>				
Licenses and Fees	\$ 290,635,474	\$ 282,275,466	\$ 8,360,008	3.0%
Fines and Penalties	36,715,208	36,006,572	708,636	2.0%
Sales and Services	11,252,955	12,995,892	(1,742,937)	-13.4%
Miscellaneous	32,759,968	24,717,038	8,042,930	32.5%
Total Departmental Receipts	\$ 371,363,605	\$ 355,994,968	\$ 15,368,637	4.3%
Taxes and Departmentals	\$ 3,265,877,690	\$ 3,263,591,489	\$ 2,286,201	0.1%
<u>Other General Revenue Sources</u>				
Other Miscellaneous Revenues	\$ 12,122,198	\$ 4,102,234	\$ 8,019,964	195.5%
Lottery Transfer	362,194,766	369,414,090	(7,219,324)	-2.0%
Unclaimed Property	12,725,037	14,166,740	(1,441,703)	-10.2%
Total Other Sources	\$ 387,042,001	\$ 387,683,064	\$ (641,063)	-0.2%
Total General Revenues	\$ 3,652,919,691	\$ 3,651,274,553	\$ 1,645,138	0.0%

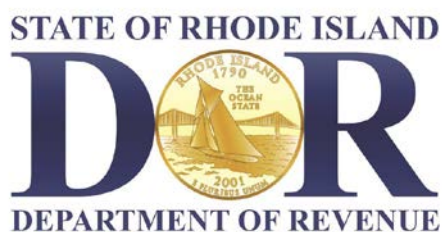
STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS

3

Month of June

	FY 2017 Month of June	FY 2016 Month of June	Nominal Difference	% Change
<u>Personal Income Tax</u>	\$ 128,132,797	\$ 110,398,132	\$ 17,734,665	16.1%
<u>General Business Taxes</u>				
Business Corporations	36,607,343	27,524,943	9,082,400	33.0%
Public Utilities Gross Earnings	49,077,049	57,331,410	(8,254,361)	-14.4%
Financial Institutions	11,584,927	4,965,521	6,619,406	133.3%
Insurance Companies	63,184,192	51,232,256	11,951,936	23.3%
Bank Deposits	1,833,598	1,501,354	332,244	22.1%
Health Care Provider Assessment	3,812,666	3,585,046	227,620	6.3%
<u>Excise Taxes</u>				
Sales and Use	89,598,201	85,814,029	3,784,172	4.4%
Motor Vehicle	14,489,899	3,445,305	11,044,594	320.6%
Motor Carrier Fuel Use	-	50,933	(50,933)	-
Cigarettes	14,352,500	12,737,087	1,615,413	12.7%
Alcohol	2,114,645	1,937,219	177,426	9.2%
<u>Other Taxes</u>				
Estate and Transfer	2,415,801	11,612,908	(9,197,107)	-79.2%
Racing and Athletics	109,942	110,261	(319)	-0.3%
Realty Transfer	837,825	1,039,070	(201,245)	-19.4%
Total Taxes	\$ 418,151,385	\$ 373,285,473	\$ 44,865,912	12.0%
<u>Departmental Receipts</u>				
Licenses and Fees	20,792,491	\$ 21,033,899	\$ (241,408)	-1.1%
Fines and Penalties	7,434,528	8,476,645	(1,042,117)	-12.3%
Sales and Services	1,296,581	3,222,185	(1,925,604)	-59.8%
Miscellaneous	8,261,463	6,169,381	2,092,082	33.9%
Total Departmental Receipts	\$ 37,785,063	\$ 38,902,110	\$ (1,117,047)	-2.9%
Taxes and Departmentals	\$ 455,936,448	\$ 412,187,583	\$ 43,748,865	10.6%
<u>Other General Revenue Sources</u>				
Other Miscellaneous Revenues	\$ 1,456,587	\$ 3,031,501	\$ (1,574,914)	-52.0%
Lottery Transfer	60,186,948	61,001,463	(814,515)	-1.3%
Unclaimed Property	12,725,037	14,166,740	(1,441,703)	-10.2%
Total Other Sources	\$ 74,368,572	\$ 78,199,704	\$ (3,831,132)	-4.9%
Total General Revenues	\$ 530,305,020	\$ 490,387,287	\$ 39,917,733	8.1%

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



Office of Revenue Analysis

**State of Rhode Island Cash Collections Report
 June 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 June:

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.
- June 2017 personal income tax refunds and adjustments cash collections include a transfer of \$969,522 from personal income tax to sales and use tax for safe harbor use tax payments.
- 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 June 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 June 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.
- FY 2017 through June sales and use tax cash collections include a transfer of \$969,522 from personal income tax to sales and use tax for safe harbor use tax payments.
- Fiscal year-to-date realty transfer tax cash collections through June include \$50,177 of 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 June 2017 transfer that will occur in July 2017.
- FY 2017 through June 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 June, hospital licensing fee cash collections were \$11.3 million more than the same period in FY 2016. This difference is composed of the following revenue items:
 - In general, the prior fiscal year hospital licensing fee is received in July of the current fiscal year. Cash collections from the prior fiscal year hospital licensing fee increased by \$11.4 million in year-to-date FY 2017 compared to year-to-date FY 2016. This difference is a result of the 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.
 - Eleanor Slater Hospital, however, pays the hospital licensing fee in June of the fiscal year for which it is due. The Eleanor Slater Hospital licensing fee payment received in June 2017 was \$170,117 less than the comparable payment received in June 2016. This difference is a result of the advancement of the hospital licensing fee base from hospital FY 2014 net patient revenues at a rate of 5.862 in FY 2016 to hospital FY 2015 net patient revenues at a rate of 5.652 in FY 2017.
- The licenses and fees category of departmental receipts in FY 2017 through June includes a payment of \$276,946 for beach parking fees that was received in July 2016 but accrued to FY 2016.

- In year-to-date licenses and fees, collections from the marina dredging tipping fee include \$1.3 million from a one-time transfer from a dredging escrow account whose prior year receipts should have been deposited as departmental receipts.
- 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.
- Year-to-date miscellaneous departmental receipts from the Office of the Attorney General also include \$401,323 from a transfer to the general fund from a restricted receipt account in order to comply with statutory allowances for receipts retained by the Office of the Attorney General from various prior settlements.
- In miscellaneous departmental receipts, collections from a Department of Health cost recovery account in FY 2017 through June were down by \$518,715 compared to FY 2016 through June. 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

- FY 2016 through June personal income tax refunds and adjustments cash collections include a transfer of \$1.1 million from personal income tax to sales and use tax for safe harbor use tax payments.
- 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 tax cash collections include a transfer of \$389,300 of receipts to personal income tax in February 2016 for receipts 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 June 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.
- FY 2016 through June sales and use tax cash collections include a transfer of \$1.1 million from personal income tax to sales and use tax for safe harbor use tax payments.
- Motor vehicle license and registration fees through June of FY 2016 were greater by \$13.7 million compared to motor vehicle license and registration fees through June 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 reduced FY 2017 motor vehicle license and

registration fees by \$39.0 million, an increase of \$25.8 million compared to the 25 percent transfer in the same period of FY 2016 of \$13.2 million.

- The 2017 General Assembly retroactively reduced the 75 percent transfer to RIHMA to 50 percent for FY 2017. Year-to-date FY 2017 motor vehicle license and registration fees include a transfer of \$13.0 million from RIHMA to motor vehicle license and registration fees to correct for this reduction for July 2016 through June 2017.
- 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 June motor carrier fuel use tax cash collections were \$101,576 less than collections in FY 2017 through June. 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 large, infrequently occurring payments of \$41.4 million received in May 2016 and \$11.0 million received in June 2016.
- Fiscal year-to-date realty transfer tax cash collections through June include \$329,347 of receipts designated for the Housing Resources Commission (HRC) that were transferred in July 2016.
- In the sales and services category of department receipts, the disproportionate share hospital payment was greater in FY 2016 through June compared to FY 2017 through June by \$1.5 million. The general fund share of this payment was eliminated by the 2016 General Assembly for FY 2017 and thereafter.
- Miscellaneous departmental receipts in FY 2016 through June 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 June 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 June and FY 2016 through June:

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	Use Tax Transfer	\$(969,522)	\$(1,080,881)
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
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)
Sales and Use Tax	Use Tax Transfer	\$969,522	\$1,080,881
MV License & Reg Fees	25% RIHMA transfer increase to 75%	\$0	\$25,627,206
MV License & Reg Fees	75% RIHMA transfer decrease to 50%	\$13,000,579	\$0
MV License & Reg Fees	Funds deposited but not recorded	\$0	\$1,106,524
Motor Carrier Fuel Use	Transfer to other funds	\$0	\$(101,576)
Estate/Transfer Taxes	Large, infrequent tax payments	\$0	\$52,365,745
Realty Transfer	Delayed transfer to Housing Resources Comm.	\$50,177	\$329,347

Revenue Source	Cash Flow Differences	YTD FY 2017	YTD FY 2016
Realty Transfer	Large, infrequent payment	\$402,500	\$0
Departmental Receipts	Hospital licensing fee difference	\$11,255,736	\$0
Departmental Receipts	Late beach parking fee payments	\$276,946	\$0
Departmental Receipts	Marina dredging tipping fee transfer	\$1,326,576	\$0
Departmental Receipts	Elimination of disproportionate share hospital	\$0	\$1,548,841
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	AG settlements transfer to general fund	\$401,323	\$0
Departmental Receipts	Health cost recovery deposit change	\$(518,715)	\$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 June:

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

June 2017

- Personal income tax refunds and adjustments cash collections in June 2017 include transfers of \$877,368 and \$1,201,941 of receipts to personal income tax from insurance companies gross premiums tax cash collections to reverse prior transfers made in March 2017.
- June 2017 personal income tax refunds and adjustments cash collections include a transfer of \$969,522 from personal income tax to sales and use tax for safe harbor use tax payments.
- June 2017 business corporations tax cash collections include a transfer of \$324,000 of receipts to financial institutions tax to properly record a payment made in March 2017.
- June 2017 financial institutions tax cash collections include a transfer of \$324,000 of receipts from business corporations tax to properly record a payment made in March 2017.
- Insurance companies gross premiums tax cash collections in June 2017 include transfers of \$877,368 and \$1,201,941 of receipts to personal income tax cash collections to reverse prior transfers made in March 2017.
- June 2017 sales and use tax cash collections include a transfer of \$969,522 from personal income tax to sales and use tax for safe harbor use tax payments.

- June 2017 motor vehicle license and registration fees were \$11.0 million more than motor vehicle license and registration fees in June 2016. 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. The 75 percent transfer to RIHMA reduced June 2017 motor vehicle license and registration fees by \$4.6 million, an increase of \$3.4 million compared to the 25 percent transfer in the same period of FY 2016 of \$1.1 million.
 - The 2017 General Assembly retroactively reduced the 75 percent transfer to RIHMA to 50 percent for FY 2017. June 2017 motor vehicle license and registration fees include a transfer of \$13.0 million from RIHMA to motor vehicle license and registration fees to correct for this reduction for July 2016 through June 2017.
- June 2017 realty transfer tax cash collections include \$(86,617) of funds designated for the Housing Resources Commission (HRC). The amount reflects the difference between the May 2017 transfer that occurred in June 2017 and the June 2017 transfer that will occur in July 2017.
- June 2017 hospital licensing fee cash collections were \$154,517 more than collections in June 2016. This difference is comprised of the following revenue items:
 - Cash collections from payment plans for the prior fiscal year hospital licensing fee increased by \$324,630 in June 2017 compared to June 2016. This difference is a result of the 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 Eleanor Slater Hospital licensing fee payment received in June 2017 was \$170,117 less than the comparable payment received in June 2016. This difference is a result of the advancement of the hospital licensing fee base from hospital FY 2014 net patient revenues at a rate of 5.862 in FY 2016 to hospital FY 2015 net patient revenues at a rate of 5.652 in FY 2017.
- In June 2017 licenses and fees, collections from the marina dredging tipping fee include \$1.3 million due to a one-time transfer from a dredging escrow account whose prior year receipts should have been deposited as departmental receipts.
- June 2017 miscellaneous departmental receipts from the Office of the Attorney General also include \$401,323 from a transfer to the general fund from a restricted receipt account in order to comply with statutory allowances for receipts retained by the Office of the Attorney General from various prior settlements.

June 2016

- June 2016 personal income tax refunds and adjustments cash collections include a transfer of \$1.1 million from personal income tax to sales and use tax for safe harbor use tax payments.

- June 2016 sales and use tax cash collections include a transfer of \$1.1 million from personal income tax to sales and use tax for safe harbor use tax payments.
- Estate and transfer tax cash collections include a large, infrequently occurring payment of \$11.0 million received in June 2016.
- June 2016 realty transfer tax includes \$57,383 of funds designated for the Housing Resources Commission. The amount reflects the difference between the May 2016 transfer that occurred in June 2016 and the June 2016 transfer occurred in July 2016.
- In the sales and services category of department receipts, the disproportionate share hospital payment was greater in June 2016 compared to June 2017 by \$1.5 million. The general fund share of this payment was eliminated by the 2016 General Assembly for FY 2017 and thereafter.

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

Revenue Source	Cash Flow Differences	June 2017	June 2016
Personal Income Tax	Transfers from ins. co. gross premiums tax	\$2,079,309	\$0
Personal Income Tax	Use Tax Transfer	\$(969,522)	\$(1,080,881)
Bus Corp Tax	Transfer to financial inst. tax	\$(324,000)	\$0
Financial Inst. Tax	Transfer from bus corp tax	\$324,000	\$0
Ins Gross Premiums Tax	Transfers to personal income tax	\$(2,079,309)	\$0
Sales and Use Tax	Use Tax Transfer	\$969,522	\$1,080,881
MV License & Reg Fees	25% RIHMA transfer increase to 75%	\$0	\$1,521,467
MV License & Reg Fees	75% RIHMA transfer decrease to 50%	\$13,000,579	\$0
Estate/Transfer Taxes	Large, infrequent tax payment	\$0	\$11,000,000
Realty Transfer Tax	Delayed transfer to Housing Resources Comm.	\$(86,617)	\$57,383
Departmental Receipts	Hospital licensing fee difference	\$154,517	\$0
Departmental Receipts	Elimination of disproportionate share hospital	\$0	\$1,548,841
Departmental Receipts	Marina dredging tipping fee transfer	\$1,326,576	\$0
Departmental Receipts	AG settlements transfer to general fund	\$401,323	\$0

Historic Structures Tax Credit Reimbursements:

FY 2017 total Historic Structures Tax Credit (HSTC) redemptions/reimbursements for all taxes through June were \$13.7 million compared to \$14.9 million reimbursed in FY 2016 through June, a decrease of 8.1 percent. June 2017 total redemptions/reimbursements for all taxes were \$39,432 compared to \$1.8 million in June 2016, a decrease of 97.8 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	June 2017	June 2016
Personal Income	\$ 7,813,837	\$ 5,751,448	\$ 39,432	\$ 80,465
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	2,500,027	0	1,697,945
Total	\$ 13,676,205	\$ 14,883,148	\$ 39,432	\$ 1,778,410

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 June 2017 period, 436,055 income tax refunds were paid for TY 2016 at an average of \$591.49. For the same period in the prior year, 408,597 income tax refunds were paid for TY 2015 at an average of \$572.08.

Fiscal Year-to-Date through June:

Component	FY 2017	FY 2016	Difference	% Change
Estimated Payments *	\$ 234,157,498	\$ 230,555,951	\$ 3,601,547	1.6 %
Final Payments ^	187,635,908	183,823,532	3,812,376	2.1 %
Refunds/Adjustments †	(326,325,947)	(266,648,551)	(59,677,396)	22.4 %
Withholding Tax Payments ‡	1,137,240,933	1,088,462,846	48,778,087	4.5 %
* 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 \$7,813,837 in year-to-date FY 2017 and \$5,751,448 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. Additionally, FY 2017 YTD refunds and adjustments include a transfer of \$969,522 for safe harbor use tax payments to sales and use tax cash collections compared to the transfer of \$1,080,881 in FY 2016 YTD. 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. It should be noted that there were 53 Fridays in FY 2017 compared to 52 in FY 2016.				

Month of June:

Component	June 2017	June 2016	Difference	% Change
Estimated Payments	\$45,091,846	\$41,538,470	\$ 3,553,376	8.6 %
Final Payments ^	5,259,581	4,509,473	750,108	16.6 %
Refunds/Adjustments †	(15,301,995)	(22,990,355)	7,688,360	-33.4 %
Withholding Tax Payments ‡	93,083,363	87,340,545	5,742,819	6.6 %
^ Final Payments include \$39,432 in HSTC reimbursements in June 2017 and \$80,465 in June 2016 HSTC reimbursements.				
† June 2017 refunds and adjustments include a transfer of \$969,522 for safe harbor use tax payments to sales and use tax cash collections compared to the transfer of \$1,080,881 in June 2016. Additionally, June 2017 refunds and adjustments include transfers of \$2,079,309 from insurance companies gross premiums tax to personal income tax to reverse prior transfers made in March 2017.				
‡ It should be noted that there were five Fridays in June 2017 compared to four in June 2016.				

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 June:

Component	FY 2017	FY 2016	Difference	% Change
Net Taxation *	\$ 878,227,699	\$ 850,592,639	\$ 27,635,060	3.2 %
Registry Receipts	111,903,313	108,778,861	3,124,452	2.9 %
Providence Place Mall	13,714,203	14,022,158	(307,955)	-2.2 %
* FY 2017 YTD net taxation includes transfers of \$255,716 of receipts from local meals and beverage tax to properly record payments made in February 2017 and \$969,522 of safe harbor use tax payments from personal income tax in June 2017. FY 2016 YTD net taxation includes transfers of \$113,439 in February 2016 to public utilities gross earnings tax due to the incorrect posting of payments received and \$1,080,881 of safe harbor use tax payments from personal income tax in June 2016.				

Month of June:

Component	June 2017	June 2016	Difference	% Change
Net Taxation *	\$ 74,736,829	\$ 72,804,802	\$ 1,932,027	2.7 %
Registry Receipts	13,547,633	11,539,516	2,008,118	17.4 %
Providence Place Mall	1,136,823	1,094,025	42,798	3.9 %
* June 2017 net taxation includes a transfer of \$969,522 of safe harbor use tax payments from personal income tax. The comparable transfer in June 2016 was \$1,080,881.				

General Business Taxes

June	FY 2017	FY 2016	Difference	% Change
Fiscal YTD	\$ 439.2 million	\$ 407.5 million	\$ 31.7 million	7.8 %
Month	\$ 166.1 million	\$ 146.1 million	\$ 20.0 million	13.7 %

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 June:

General business taxes collected through June of FY 2017 increased by 7.8 percent from general business taxes collected through June of FY 2016. FY 2017 general business taxes collected through June were \$439.2 million compared to \$407.5 million collected for the same period in FY 2016, an increase of \$31.7 million.

FY 2017 business corporations tax cash collections through June were \$139.1 million, \$8.8 million above the \$130.3 million of business corporations tax cash collections received in FY 2016 through June, which is an increase of 6.7 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 June 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 June, 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 June 2016 to public utilities gross earnings tax, and transfers of \$170,000 in June 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 June were \$90.3 million, \$12.8 million less than the \$103.1 million collected in the same period last fiscal year, a decrease of 12.4 percent. FY 2016 public utilities gross earnings tax cash collections through June 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 June were \$26.4 million, \$12.3 million more than the \$14.1 million collected in FY 2016 through June, an increase of 86.8 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 June increased by \$23.5 million, or 20.6 percent, over the \$114.0 million collected through June of FY 2016. It should be noted that insurance companies gross premiums tax cash collections for FY 2017 through June 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 June 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 June health care provider assessment cash collections were \$502,756 less than in the same period last year. This is a decrease of 1.2 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 \$438,251 more than collections in year-to-date FY 2016, an increase of 17.2 percent.

Month of June:

General business taxes collected in June 2017 increased \$20.0 million over general business taxes collected in June 2016. June 2017 general business taxes collected were \$166.1 million compared to \$146.1 million collected during the same period last fiscal year, a variance of 13.7 percent. June 2017 business corporations tax cash collections were \$36.6 million, \$9.1 million more than the \$27.5 million of business corporations tax cash collections in June 2016. June 2017 business corporations tax cash collections include a transfer of \$324,000 to financial institutions tax to properly record a payment made in March 2017.

Public utilities gross earnings tax cash collections in June 2017 decreased 14.4 percent from collections in June 2016. June 2017 public utilities gross earnings tax cash collections were \$49.1 million compared to \$57.3 million collected in June 2016, a decrease of \$8.3 million.

June 2017 financial institutions tax cash collections were \$11.6 million, \$6.6 million or 133.3 percent more than the \$5.0 million collected in June 2016. June 2017 financial institutions tax cash collections include a transfer of \$324,000 received from business corporations tax to properly record a tax payment made in March 2017.

For the month of June 2017, insurance companies gross premiums tax cash collections were \$63.2 million, \$12.0 million more than the \$51.2 million collected in June 2016. Bank Deposits tax cash collections in June 2017 increased 22.1 percent from collections in June 2017. June 2017 bank deposits tax cash collections were \$1.8 million compared to \$1.5 million collected in June 2016, an increase of \$332,244. Finally, June 2017 health care provider assessment cash collections increased \$227,620 over health care provider assessment cash collections in June 2016. This is an increase 6.3 percent on a month over month basis.

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 June:

Component	FY 2017	FY 2016	Difference	% Change
Estimated Payments	\$100,339,916	\$106,190,223	\$ (5,850,307)	-5.5 %
Final Payments ^	60,945,608	75,559,448	(14,613,840)	-19.3 %
Refunds/Adjustments †, ‡	(22,321,953)	(51,620,187)	29,298,234	-56.8 %
^ 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 June:

Component	June 2017	June 2016	Difference	% Change
Estimated Payments	\$ 34,945,834	\$ 36,915,927	\$ (1,970,093)	-5.3 %
Final Payments	1,913,553	3,463,254	(1,549,701)	-44.7 %
Refunds/Adjustments †	(268,272)	(12,858,864)	12,590,592	-97.9 %
† June 2017 refunds and adjustments include a transfer of \$324,000 to financial institutions tax to properly record a tax payment made in March 2017.				

Excise Taxes Other Than the Sales and Use Tax

June	FY 2017	FY 2016	Difference	% Change
Fiscal YTD	\$ 187.1 million	\$ 203.4 million	\$ (16.3 million)	-8.0 %
Month	\$ 31.0 million	\$ 18.2 million	\$ 12.8 million	70.4 %

Fiscal Year-to-Date through June:

Excise taxes other than sales and use taxes collected in FY 2017 through June decreased by 8.0 percent from excise taxes other than sales and use taxes collected through June of FY 2016. FY 2017 excise taxes other than sales and use taxes collected through June were \$187.1 million

compared to the \$203.4 million collected for the same period last fiscal year, a decrease of \$16.3 million. Motor vehicle license and registration fees were \$26.0 million in FY 2017 through June, down \$13.7 million compared to FY 2016 through June, a decrease of 34.6 percent. FY 2017 through June motor vehicle license and registration fees include total transfers of \$39.0 million to RIHMA, which represent 75 percent of FY 2017 motor vehicle license and registration fees through June 2017. The 2017 General Assembly retroactively reduced the FY 2017 motor vehicle operator license and registration fees transfer to RIHMA from 75 percent to 50 percent. To correct for this reduction for the period of July 2016 through June 2017, \$13.0 million was transferred from RIHMA to the general fund. In FY 2016 through June, the transfer to RIHMA was 25 percent of motor vehicle operator license and registration fees and totaled \$13.2 million. Year-to-date FY 2016 motor vehicle license and registration fees also 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.

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 \$(101,576) 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 June of FY 2017 were \$141.5 million, down \$2.9 million compared to the \$144.4 million collected for the same period last fiscal year, a decrease of 2.0 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 June of FY 2017, Rhode Island cigarette sales decreased 4.0 percent compared to the same period last fiscal year.

Month of June:

Excise taxes other than sales and use taxes collected in June 2017 increased 70.4 percent over excise taxes other than sales and use taxes collected in June 2016. June 2017 excise taxes other than sales and use taxes collected totaled \$31.0 million, an increase of \$12.8 million over collections in June 2016. Motor vehicle license and registration fees were up \$11.0 million in June 2017 compared to June 2016. June 2017 motor vehicle license and registration fees include a transfer of \$4.6 million to RIHMA, which represents 75 percent of June 2017 motor vehicle license and registration fees. The 2017 General Assembly retroactively reduced the FY 2017 motor vehicle operator license and registration fees transfer to RIHMA from 75.0 percent to 50.0 percent. To correct for this reduction for the period of July 2016 through June 2017, \$13.0 million was transferred from RIHMA to the general fund. In June 2016, the transfer to RIHMA was 25 percent of motor vehicle operator license and registration fees and totaled \$1.1 million.

June 2017 cigarette excise tax receipts were \$14.4 million, \$1.6 million more than the \$12.7 million collected in June 2016, which is an increase of 12.7 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 June 2017, Rhode Island cigarette sales increased by 10.9 percent compared to June 2016.

Other Taxes

June	FY 2017	FY 2016	Difference	% Change
Fiscal YTD	\$ 38.0 million	\$ 86.9 million	\$ (49.0 million)	-56.3 %
Month	\$ 3.4 million	\$ 12.8 million	\$ (9.4 million)	-73.6 %

Fiscal Year-to-Date through June:

Other taxes collected in FY 2017 through June decreased 56.3 percent from other taxes collected through June of FY 2016. FY 2017 other taxes collected through June were \$38.0 million compared to the \$86.9 million collected in the same period last fiscal year, a decrease of \$49.0 million. FY 2017 estate and transfer taxes collected through June were \$24.6 million, down \$50.7 million compared to the same period in FY 2016, a decrease of 67.3 percent. Year-to-date FY 2016 estate and transfer tax cash collections include a large, infrequently occurring payments of \$41.4 received in May 2016 and \$11.0 million received in June 2016.

FY 2017 realty transfer taxes collected through June were \$12.2 million, up \$1.6 million, or 15.1 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 \$50,177 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 June 2017 transfer that will occur in July 2017. Year-to-date FY 2016 realty transfer tax cash collections include \$329,347 of receipts from June 2016 that were transferred to the HRC in July 2016.

Month of June:

Other taxes collected in June 2017 decreased 73.6 percent from other taxes collected in June 2016. June 2017 other taxes collected totaled \$3.4 million compared to \$12.8 million collected in June 2016, a decrease of \$9.4 million. June 2017 estate and transfer tax cash collections were \$2.4 million, down \$9.2 million from the \$11.6 million collected in June 2016. Included in June 2016 estate and transfer cash collections was a large, infrequently occurring payment of \$11.0 million.

June 2017 realty transfer tax cash collections were \$837,825, down \$201,245 compared to June 2016, a decrease of 19.4 percent. It should be noted that June 2017 realty transfer tax includes \$(86,617) of net receipts designated for the HRC. The amount reflects the difference between the May 2017 transfer that occurred in June 2017 and the June 2017 transfer that will occur in July 2017. Realty transfer tax cash collections for June 2016 include \$57,383 of net receipts

designated for the HRC. The amount reflects the difference between the May 2016 transfer that occurred in June 2016 and the June 2016 transfer that occurred in July 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 June:

Component	FY 2017	FY 2016	Difference	% Change
Licenses and Fees *	\$ 290,635,474	\$ 282,275,466	\$ 8,360,008	3.0 %
Fines and Penalties	36,715,211	36,006,572	708,639	2.0 %
Sales and Services	11,252,956	12,995,892	(1,742,936)	-13.4 %
Miscellaneous	32,759,970	24,717,038	8,042,932	32.5 %
Total	\$ 371,363,611	\$ 355,994,968	\$ 15,368,643	4.3 %
* Licenses and fees cash collections include hospital licensing fees of \$168,784,611 in year-to-date FY 2017 and \$157,528,835 in year-to-date FY 2016.				

Total departmental receipts in FY 2017 through June increased by 4.3 percent compared to total departmental receipts in FY 2016 through June. Fiscal year-to-date total departmental receipts collected in FY 2017 were \$371.4 million compared to \$356.0 million collected for the same period last year, an increase of \$15.4 million.

The licenses and fees category of departmental receipts through June of FY 2017 was up 3.0 percent or \$8.3 million over the \$282.3 million collected through June 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 June, hospital licensing fee cash collections were \$11.3 million more than the same period in FY 2016. In general, the prior fiscal year hospital licensing fee is received in July of the current fiscal year. Cash collections from the prior fiscal year hospital licensing fee increased by \$11.4 million in year-to-date FY 2017 compared to year-to-date FY 2016. This difference is a result of the 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. Eleanor Slater Hospital, however, pays the hospital licensing fee in June of the fiscal year for which it is due. The Eleanor Slater Hospital licensing fee payment received in June 2017 was \$170,117 less than the comparable payment received in June 2016. This difference is a result of the advancement of the hospital licensing fee base from hospital FY 2014 net patient revenues at a rate of 5.862 in FY 2016 to hospital FY 2015 net patient revenues at a rate of 5.652 in FY 2017.

Also in year-to-date licenses and fees, collections from the marina dredging tipping fee include \$1.3 million due to a one-time transfer from a dredging escrow account whose prior year receipts should have been deposited as departmental receipts. Teacher certification fees are up \$1.0

million in FY 2017 through June compared to the same period in the previous fiscal year. 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 \$962,786. Additionally, licensing fees for claim adjusters were up \$774,085 in FY 2017 through June compared to FY 2016 through June. Compassion Center Surcharge receipts were up \$444,191 in FY 2017 through June 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 \$230,014 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 \$5.0 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 \$876,618 in FY 2017 through June compared to FY 2016 through June. It should be noted that FY 2017 through June 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 June of FY 2017 was up \$708,639 or 2.0 percent, over the \$36.0 million collected through June of FY 2016. Much of this increase can be accounted for by cash collections from penalties on overdue taxes being up \$1.7 million in FY 2017 through June compared to FY 2016 through June. Receipts from insurance verification license reinstatement fees are also up \$566,355 in year-to-date FY 2017 compared to year-to-date FY 2016. Partially offsetting these increases were receipts from probation and parole court fees being down \$566,507 in FY 2017 through June compared to the same period last fiscal year. Also down in year-to-date FY 2017, were receipts from the Rhode Island Traffic Tribunal, which decreased \$515,521 from year-to-date FY 2016. Fines and costs receipts from the Sixth Division Providence District Court were also down \$431,947 in year-to-date 2017 compared to last fiscal year.

The sales and services category of departmental receipts through June of FY 2017 was down \$1.7 million from the \$13.0 million collected through June of FY 2016, a decrease of 13.4 percent. Included in FY 2016 through June sales and services was \$1.5 million from a disproportionate share hospital payment. The general fund share of this payment was eliminated by the 2016 General Assembly for FY 2017 and thereafter.

FY 2017 miscellaneous departmental receipts through June were up \$8.0 million, or 32.5 percent, compared to cash collections through June of FY 2016. Much of the increase in miscellaneous departmental receipts is due to income tax refunds and other checks written off by the Office of the Treasurer and the Division of Taxation being up \$5.5 million in FY 2017 through June over FY 2016 through June. Included in these figures for FY 2017 through June is \$1.6 million of refunds and other checks written off by the Office of the Treasurer and the Division of Taxation transferred to unclaimed property in October 2016 and for FY 2016 through June is \$4.8 million in refunds and other checks written off transferred in November 2015. 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.

Further, miscellaneous departmental receipts for Office of the Attorney General in FY 2017 through June were up \$3.5 million compared to FY 2016 through June. Included in 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. Also in year-to-date FY 2017 miscellaneous departmental receipts from the Office of the Attorney General are \$401,323 in receipts from a transfer to the general fund from a restricted receipt account in order to comply with statutory allowances for receipts retained by the Office of the Attorney General from various prior settlements. Cash collections from a Department of Health cost recovery account in FY 2017 through June were down by \$518,715 compared to FY 2016 through June. 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 June compared to the same period last fiscal year.

Month of June:

Component	June 2017	June 2016	Difference	% Change
Licenses and Fees *	\$ 20,792,491	\$ 21,033,899	\$ (241,408)	-1.1 %
Fines and Penalties	7,434,531	8,476,645	(1,042,114)	-12.3 %
Sales and Services	1,296,582	3,222,185	(1,925,603)	-59.8 %
Miscellaneous	8,261,465	6,169,381	2,092,084	33.9 %
Total	\$ 37,785,069	\$ 38,902,110	\$ (1,117,041)	-2.9 %
* Licenses and fees include hospital licensing fees of \$7,406,829 in June 2017 and \$7,252,312 in June 2016.				

Total departmental receipts in June 2017 decreased 2.9 percent from total departmental receipts in June 2016. June 2017 total departmental receipts collected were \$37.8 million compared to \$38.9 million collected in June 2016, a decrease of \$1.1 million.

The licenses and fees category of departmental receipts for June 2017 was down 1.1 percent or \$241,408 from the \$21.0 million collected in June 2016. In license and fees, cash collections for

physician license fees were down \$2.5 million in June 2017 compared to June 2016. Partially offsetting this decrease was a one-time transfer to the marina dredging tipping fee account of \$1.3 million from a dredging escrow account whose prior year receipts should have been deposited as departmental receipts. Additionally, the Board for Design Professionals license fees were up \$529,551 in June 2017 compared to June 2016. Cash collections for building permits for state properties were up \$507,532 in June 2017 compared to the same period last fiscal year. Hospital licensing fees were also up \$154,517 in June 2017 compared to June 2016. This difference is comprised of two components. Cash collections from payment plans for the prior fiscal year hospital licensing fee increased by \$324,630 in June 2017 compared to June 2016. This difference is a result of the 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 Eleanor Slater Hospital licensing fee payment received in June 2017 was \$170,117 less than the comparable payment received in June 2016. This difference is a result of the advancement of the hospital licensing fee base from hospital FY 2014 net patient revenues at a rate of 5.862 in FY 2016 to hospital FY 2015 net patient revenues at a rate of 5.652 in FY 2017. 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 June 2017 was down \$1.0 million, or 12.3 percent, from the \$8.5 million collected in June 2016. Much of this is due to receipts from the Rhode Island Traffic Tribunal being down \$663,392 in June 2017 compared to June 2016. Fines and costs receipts from the Sixth Division Providence District Court were down \$277,456 and receipts from probation and parole court fees were down \$186,999 in June 2017 compared to the same period last fiscal year.

In June 2017, the sales and services category of departmental receipts was down \$1.9 million compared to the \$3.2 million collected in June 2016, a decrease of 59.8 percent. Included in June 2016 sales and services was \$1.5 million from a disproportionate share hospital payment. The general fund share of this payment was eliminated by the 2016 General Assembly for FY 2017 and thereafter.

June 2017 miscellaneous departmental receipts were up \$2.1 million compared to cash collections of \$6.2 million in June of 2016. Much of the increase in miscellaneous departmental receipts is due to income tax refunds and other checks written off by the Office of the Treasurer and the Division of Taxation being up \$2.5 million in June 2017 compared to the previous June. June 2017 miscellaneous departmental receipts include \$401,323 from a transfer to the general fund from a restricted receipt account in order to comply with statutory allowances for receipts retained by the Office of the Attorney General from various prior settlements. It should be noted that included in June 2016 miscellaneous departmental receipts are \$600,000 in funds from a repayment to the State from the City of Central Falls.

Motor Fuel Tax, Per Penny Yield

June	FY 2017	FY 2016	Difference	% Change
Fiscal YTD	\$ 4.41 million	\$ 4.46 million	\$ (49,528)	-1.1 %
Month	\$ 374,326	\$ 397,054	\$ (22,728)	-5.7 %

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 June:

The per penny yield of the state's motor fuel tax collected in FY 2017 through June was \$49,528 less than in FY 2016 through June. This represents a decrease of 1.1 percent between the two fiscal year-to-date periods. For FY 2017 through June, the per-penny yield was \$4.41 million versus \$4.46 million for FY 2016 through June.

Month of June:

The per-penny yield of the State's motor fuel tax collected in June 2017 totaled \$374,326, a decrease of \$22,728, or 5.7 percent, from the \$395,054 collected in June 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, except for the month of June. June lottery transfer cash collections reflect gaming activity that occurred in the months of May and June.

Fiscal Year-to-Date through June:

Component	FY 2017	FY 2016	Difference	% Change
Traditional Games	\$ 37,474,853	\$ 42,634,679	\$ (5,159,826)	-12.1 %
Keno	18,447,312	18,358,968	88,344	0.5 %
Twin River VLTs	265,513,322	270,354,162	(4,840,840)	-1.8 %
Twin River Traditional Table Games	16,773,539	15,065,258	1,708,281	11.3 %
Twin River Poker Tables	994,581	540,089	454,492	84.2 %
Newport Grand VLTs	28,328,583	27,575,288	753,295	2.7 %

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 36 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 June:

Component	June 2017 *	June 2016 *	Difference	% Change
Traditional Games	\$ 6,787,485	\$ 7,056,588	\$ (269,103)	-3.8 %
Keno	3,160,349	3,023,532	136,817	4.5 %
Twin River VLTs	45,139,142	45,598,251	(459,109)	-1.0 %
Twin River Traditional Table Games	2,853,011	2,504,784	348,227	13.9 %
Twin River Poker Tables	169,547	144,852	24,695	17.0 %
Newport Grand VLTs	4,809,166	4,865,739	(56,573)	-1.2 %

* The June 2017 and June 2016 lottery transfer cash collections include gaming activity that occurred in the months of May and June.

In June 2017, Twin River operated a maximum of 97 traditional table games and 16 poker tables. In June 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 June 2017 compared to June 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.

Unclaimed Property Transfer

June	FY 2017	FY 2016	Difference	% Change
Fiscal YTD	\$ 12.7 million	\$ 14.2 million	\$ (1,441,703)	-10.2 %
Month	\$ 12.7 million	\$ 14.2 million	\$ (1,441,703)	-10.2 %

The unclaimed property transfer to the general fund occurs in June of every fiscal year. The FY 2017 unclaimed property transfer was \$12.7 million compared to the unclaimed property transfer in FY 2016 of \$14.2 million, a decrease of \$1.4 million or 10.2 percent.



Robert S. Hull, Director
Rhode Island Department of Revenue
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