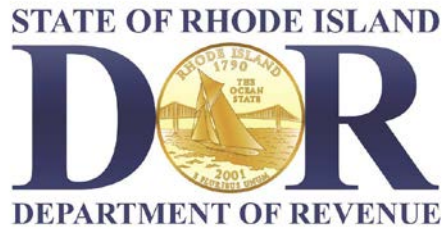


*STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS*  
**GOVERNOR GINA M. RAIMONDO**



**Office of Revenue Analysis**

**FY 2018 Cash Collections Report as of October 2017 Summary**

***Fiscal Year-to-Date through October:***

FY 2018 total general revenue cash collections through October were \$1.3 billion, up \$72.3 million, or 6.0 percent, over the same period in FY 2017. The breakdown by major revenue components is as follows:

<b>Component</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Personal Income Tax	\$ 417,332,825	\$ 405,145,742	\$ 12,187,083	3.0 %
Sales and Use Taxes	371,230,742	358,681,512	12,549,230	3.5 %
Departmental Receipts	210,114,491	211,307,860	(1,193,369)	-0.6 %
Lottery Transfer	95,127,841	92,126,245	3,001,596	3.3 %
All Other Revenues	184,122,408	138,327,123	45,795,285	33.1 %
<b>Total General Revenues</b>	<b>\$ 1,277,928,307</b>	<b>\$ 1,205,588,482</b>	<b>\$ 72,339,825</b>	<b>6.0 %</b>

***Month of October:***

October 2017 total general revenue cash collections were \$270.1 million, up \$16.7 million, or 6.6 percent, over October 2016. The breakdown by major revenue components is as follows:

<b>Component</b>	<b>October 2017</b>	<b>October 2016</b>	<b>Difference</b>	<b>% Change</b>
Personal Income Tax	\$ 94,249,616	\$ 92,734,800	\$ 1,514,816	1.6 %
Sales and Use Taxes	90,521,765	84,603,593	5,918,172	7.0 %
Departmental Receipts	18,921,274	18,608,778	312,496	1.7 %
Lottery Transfer	31,832,256	29,878,557	1,953,699	6.5 %
All Other Revenues	34,593,037	27,612,920	6,980,117	25.3 %
<b>Total General Revenues</b>	<b>\$ 270,117,948</b>	<b>\$ 253,438,648</b>	<b>\$ 16,679,300</b>	<b>6.6 %</b>

**STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS**  
**Fiscal Year To Date**

2

	FY 2018 YTD October	FY 2017 YTD October	Nominal Difference	Change
<b><u>Personal Income Tax</u></b>	\$ 417,332,825	\$ 405,145,742	\$ 12,187,083	3.0%
<b><u>General Business Taxes</u></b>				
Business Corporation	25,169,324	27,615,752	(2,446,428)	-8.9%
Public Utilities Gross Earnings	2,078,709	1,414,752	663,957	46.9%
Financial Institutions	266,393	534,679	(268,286)	-50.2%
Insurance Companies	2,875,709	18,823,413	(15,947,704)	-84.7%
Bank Deposits	-	(779)	779	-
Health Care Provider Assessment	14,692,772	13,916,737	776,035	5.6%
<b><u>Excise Taxes</u></b>				
Sales and Use	371,230,742	358,681,512	12,549,230	3.5%
Motor Vehicle	2,682,490	3,454,775	(772,285)	-22.4%
Motor Carrier Fuel Use	-	-	-	-
Cigarettes	50,298,059	49,546,636	751,423	1.5%
Alcohol	6,762,021	6,710,826	51,195	0.8%
<b><u>Other Taxes</u></b>				
Estate and Transfer	73,877,205	11,479,464	62,397,741	543.6%
Racing and Athletics	337,535	383,439	(45,904)	-12.0%
Realty Transfer	4,857,882	4,399,402	458,480	10.4%
<b>Total Taxes</b>	<b>\$ 972,461,666</b>	<b>\$ 902,106,350</b>	<b>\$ 70,355,316</b>	<b>7.8%</b>
<b><u>Departmental Receipts</u></b>				
Licenses and Fees	\$ 190,180,223	\$ 190,463,323	\$ (283,100)	-0.1%
Fines and Penalties	9,703,007	10,026,390	(323,383)	-3.2%
Sales and Services	2,979,391	3,562,298	(582,907)	-16.4%
Miscellaneous	7,251,870	7,255,849	(3,979)	-0.1%
<b>Total Departmental Receipts</b>	<b>\$ 210,114,491</b>	<b>\$ 211,307,860</b>	<b>\$ (1,193,369)</b>	<b>-0.6%</b>
<b>Taxes and Departmentals</b>	<b>\$ 1,182,576,157</b>	<b>\$ 1,113,414,210</b>	<b>\$ 69,161,947</b>	<b>6.2%</b>
<b><u>Other General Revenue Sources</u></b>				
Other Miscellaneous Revenues	\$ 224,309	\$ 48,027	\$ 176,282	367.0%
Lottery Transfer	95,127,841	92,126,245	3,001,596	3.3%
Unclaimed Property	-	-	-	-
<b>Total Other Sources</b>	<b>\$ 95,352,150</b>	<b>\$ 92,174,272</b>	<b>\$ 3,177,878</b>	<b>3.4%</b>
<b>Total General Revenues</b>	<b>\$ 1,277,928,307</b>	<b>\$ 1,205,588,482</b>	<b>\$ 72,339,825</b>	<b>6.0%</b>

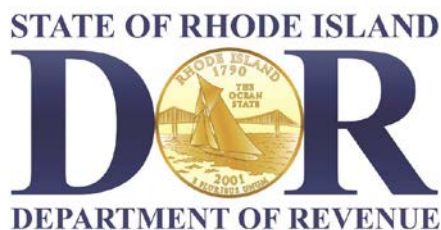
## STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS

3

## Month of October

	FY 2018 Month of October	FY 2017 Month of October	Nominal Difference	% Change
<b><u>Personal Income Tax</u></b>	\$ 94,249,616	\$ 92,734,800	\$ 1,514,816	1.6%
<b><u>General Business Taxes</u></b>				
Business Corporation	2,560,404	4,774,234	(2,213,830)	-46.4%
Public Utilities Gross Earnings	595,814	336,304	259,510	77.2%
Financial Institutions	19,810	(108,626)	128,436	-118.2%
Insurance Companies	1,284,310	1,582,201	(297,891)	-18.8%
Bank Deposits	-	-	-	-
Health Care Provider Assessment	3,554,740	3,482,664	72,076	2.1%
<b><u>Excise Taxes</u></b>				
Sales and Use	90,521,765	84,603,593	5,918,172	7.0%
Motor Vehicle	736,316	879,431	(143,115)	-16.3%
Motor Carrier Fuel Use	-	-	-	-
Cigarettes	10,836,165	11,190,182	(354,017)	-3.2%
Alcohol	1,533,415	1,375,709	157,706	11.5%
<b><u>Other Taxes</u></b>				
Estate and Transfer	12,263,031	2,973,786	9,289,245	312.4%
Racing and Athletics	77,814	82,473	(4,659)	-5.6%
Realty Transfer	1,131,164	1,027,083	104,081	10.1%
<b>Total Taxes</b>	<b>\$ 219,364,364</b>	<b>\$ 204,933,834</b>	<b>\$ 14,430,530</b>	<b>7.0%</b>
<b><u>Departmental Receipts</u></b>				
Licenses and Fees	\$ 9,689,934	\$ 8,978,263	\$ 711,671	7.9%
Fines and Penalties	6,562,553	6,790,124	(227,571)	-3.4%
Sales and Services	1,099,506	1,239,961	(140,455)	-11.3%
Miscellaneous	1,569,281	1,600,430	(31,149)	-1.9%
<b>Total Departmental Receipts</b>	<b>\$ 18,921,274</b>	<b>\$ 18,608,778</b>	<b>\$ 312,496</b>	<b>1.7%</b>
<b>Taxes and Departmentals</b>	<b>\$ 238,285,638</b>	<b>\$ 223,542,612</b>	<b>\$ 14,743,026</b>	<b>6.6%</b>
<b><u>Other General Revenue Sources</u></b>				
Other Miscellaneous Revenues	\$ 54	\$ 17,479	\$ (17,425)	-99.7%
Lottery Transfer	31,832,256	29,878,557	1,953,699	6.5%
Unclaimed Property	-	-	-	-
<b>Total Other Sources</b>	<b>\$ 31,832,310</b>	<b>\$ 29,896,036</b>	<b>\$ 1,936,274</b>	<b>6.5%</b>
<b>Total General Revenues</b>	<b>\$ 270,117,948</b>	<b>\$ 253,438,648</b>	<b>\$ 16,679,300</b>	<b>6.6%</b>

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



**Office of Revenue Analysis**

**FY 2018 State of Rhode Island Cash Collections Report**  
**October 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 October:***

The following table displays the differences in cash flows for FY 2018 through October and FY 2017 through October:

<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>YTD FY 2018</b>	<b>YTD FY 2017</b>
Personal Income Tax	July 2017 correction for July 2016 payment(s)	\$120,564	\$(120,564)
Personal Income Tax	Aug 2017 correction for Mar/Apr 2016 payments	\$459,309	\$0
Personal Income Tax	Large estimated payment(s) in Sept 2017	\$2,511,323	\$0
Personal Income Tax	Refunds paid but accrued to prior year	\$0	\$(9,297,000)
Personal Income Tax	Large withholding payment(s) in Aug 2016	\$0	\$3,333,842
Business Corp Tax	July 2017 correction for July 2016 payment(s)	\$(120,564)	\$120,564
Business Corp Tax	Aug 2017 correction for Mar/Apr 2016 payments	\$(459,309)	\$0
Business Corp Tax	Sept 2016 correction for Mar 2015 payment(s)	\$0	\$(100,000)

<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>YTD FY 2018</b>	<b>YTD FY 2017</b>
Financial Inst Tax	Sept 2016 correction for Mar 2015 payment(s)	\$0	\$100,000
Ins Gross Premiums Tax	Late HMO payment(s)	\$0	\$16,884,511
Ins Gross Premiums Tax	Late reimbursement of HSTCs	\$1,297,387	\$0
Sales and Use Tax	Audit payments	\$500,000	\$2,273,693
MV License & Reg Fees	75% RIHMA transfer increase to 80%	\$0	\$772,285
Estate and Transfer	Large payment(s)	\$67,221,075	\$0
Departmental Receipts	Hospital licensing fee difference	\$(2,004,744)	\$0
Departmental Receipts	Late beach parking fee payment(s)	\$0	\$276,946
Departmental Receipts	No Oct ADA surcharge deposit	\$0	\$(117,059)
Departmental Receipts	Transfer of refund checks to Unclaimed Prop	\$(1,836,909)	\$(1,619,009)
Lottery Transfer	Receipt of prior year revenues	\$1,910,826	\$1,408,965

The following cash flow differences between FY 2018 and FY 2017 should be noted:

FY 2018

- Fiscal year-to-date personal income tax refunds and adjustments cash collections include a transfer of \$120,564 from business corporation tax to personal income tax in July 2017 to correct for payment(s) received in July 2016.
- Fiscal year-to-date personal income tax refunds and adjustments cash collections include a transfer of \$459,309 from business corporation tax to personal income tax in August 2017 to correct for payments received in March and April 2016.
- Year-to-date FY 2018 personal income tax cash collections include large estimated payment(s) of \$2.5 million received in September 2017.
- Fiscal year-to-date business corporation tax cash collections include a transfer of \$120,564 to personal income tax in July 2017 to correct for payment(s) received in July 2016.
- Fiscal year-to-date business corporation tax cash collections include a transfer of \$459,309 from business corporation tax to personal income tax in August 2017 to correct for payments received in March and April 2016.
- Insurance company gross premiums tax cash collections in year-to-date FY 2018 include \$1.3 million in reimbursed Historic Structures Tax Credits (HSTCs) that were received in July 2017 and accrued back to FY 2017.
- Year-to-date FY 2018 sales and use tax cash collections include payment(s) of \$500,000 received in September 2017 and associated with the audit of prior year sales and use taxes incurred.
- Estate and transfer tax cash collections include large payment(s) of \$67.2 million received year-to-date.

- For the fiscal year-to-date period through October, hospital licensing fee cash collections were \$2.0 million less than the same period in FY 2017. The hospital licensing fee rate changed from 5.862 percent for FY 2016 to 5.652 percent for FY 2017 and the hospital licensing fee base advanced from hospital FY 2014 net patient revenues in FY 2016 to hospital FY 2015 net patient revenues in FY 2017. The prior fiscal year hospital licensing fee is, in general, received in July of the current year. Not included in year-to-date FY 2018 or year-to-date FY 2017 hospital licensing fee cash collections is the payment from Eleanor Slater Hospital, which is received in June of the fiscal year for which it is due.
- Year-to-date miscellaneous departmental receipts include the transfer of \$1.8 million in October 2017 of refunds written off by the Office of the Treasurer and the Division of Taxation to unclaimed property.
- The lottery transfer in year-to-date FY 2018 includes receipts of \$1.9 million that were received in October 2017 and accrued back to FY 2017.

#### FY 2017

- Fiscal year-to-date personal income tax refunds and adjustments cash collections do not include \$120,564 of funds that were incorrectly paid to business corporation tax in July 2016. A transfer was made to correct for these payment(s) in July 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 large payment(s) of \$3.3 million received in August 2016.
- Fiscal year-to-date business corporation tax cash collections include \$120,564 of funds that were incorrectly paid to business corporation tax instead of personal income tax in July 2016. A transfer was made to correct for these payment(s) in July 2017.
- FY 2017 through October business corporation tax cash collections include the transfer of \$100,000 of receipts in September 2016 to financial institutions tax to properly record tax payment(s) that were received in March 2016.
- FY 2017 through October financial institutions tax cash collections include \$100,000 of receipts in September 2016 that were moved from business corporations tax cash collections to financial institutions tax to properly record tax payment(s) that were received in March 2016.
- Fiscal year-to-date insurance company gross premiums tax cash collections include \$16.9 million in HMO insurance taxes 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 payment(s) received in August 2016 and associated with the audit of prior year sales and use tax incurred.
- Motor vehicle license and registration fees through October of FY 2017 were greater by \$772,285 compared to motor vehicle license and registration fees through October of FY 2018. Effective July 1, 2017, the percentage of motor vehicle license and registration fees that are transferred to the Rhode Island Highway Maintenance Account (RIHMA) increased from 75 to 80 percent. According to Division of Motor Vehicle records, the

RIHMA transfer in FY 2017 through October totaled \$10.4 million. In FY 2018 through October, the RIHMA transfer was \$10.6 million, which is an increase of \$236,894 compared to the transfer in the same period last fiscal year.

- The licenses and fees category of departmental receipts in FY 2017 through October includes payment(s) of \$276,946 for beach parking fees received in July 2016 but accrued to June 2016 of FY 2016.
- In licenses and fees, the FY 2017 through October cash collections for the local building permit ADA (Americans with Disabilities Act) surcharge does not include a deposit generated by collections in cities and towns in October 2016 of \$117,059 that was posted in November 2016.
- 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.
- The lottery transfer in year-to-date FY 2017 includes receipts of \$1.4 million that were received in October 2016 and accrued back to FY 2016. The lottery transfer made in FY 2016 that accrued back to FY 2015 was not completed until November 2015.

### ***Month of October:***

The following table displays the differences in cash flows for October 2017 and October 2016:

<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>October 2017</b>	<b>October 2016</b>
MV License & Reg Fees	75% RIHMA transfer increase to 80%	\$0	\$143,115
Estate and Transfer	Large payment(s)	\$9,231,337	\$0
Departmental Receipts	Hospital licensing fee difference	\$256,984	\$0
Departmental Receipts	No Oct. ADA surcharge deposit	\$0	\$(117,059)
Departmental Receipts	Late posting of Vets Home related payment(s)	\$320,548	\$0
Departmental Receipts	Transfer of refund checks to Unclaimed Prop	\$(1,836,909)	\$(1,619,009)
Lottery Transfer	Receipt of prior year revenues	\$1,910,826	\$1,408,965

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

#### October 2017

- Estate and transfer tax cash collections include large payment(s) of \$9.2 million received in October 2017.
- October 2017 hospital licensing fee cash collections were \$256,984 more than collections in October 2016. In general, the prior fiscal year hospital licensing fee (HLF) is received in July of the current year. The HLF rate for FY 2016 was 5.862 percent compared to 5.652 percent for FY 2017, and the HLF base advanced from hospital FY 2014 net patient revenues in FY 2016 to hospital FY 2015 net patient revenues in FY 2017.

- The sales and services category of departmental receipts includes payment(s) of \$320,548 intended for board and support for the Rhode Island Veterans Home in September 2017 but not posted until October 2017.
- Miscellaneous departmental receipts include the transfer of \$1.8 million in October 2017 of refunds written off by the Office of the Treasurer and the Division of Taxation to unclaimed property.
- The October lottery transfer includes receipts of \$1.9 million that were accrued back to FY 2017.

#### October 2016

- Motor vehicle license and registration fees in October 2016 were greater by \$143,115 compared to motor vehicle license and registration fees in October of 2017. Effective July 1, 2017, the percentage of motor vehicle license and registration fees that are transferred to the Rhode Island Highway Maintenance Account (RIHMA) increased from 75 to 80 percent. According to Division of Motor Vehicle records, the RIHMA transfer in October 2017 totaled \$2.6 million. In October 2016, the RIHMA transfer was \$2.9 million, which is an increase of \$306,972 compared to the transfer in the same period last fiscal year.
- October 2016 licenses and fees cash collections do not include a deposit of \$117,059 from the local building permit ADA (Americans with Disabilities Act) surcharge that is collected by cities and towns. This deposit was completed in November 2016.
- 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.
- The October lottery transfer includes receipts of \$1.4 million that were accrued back to FY 2016.

#### **Historic Structures Tax Credit Reimbursements:**

FY 2018 total Historic Structures Tax Credit (HSTC) redemptions/reimbursements for all taxes through October were \$5.7 million compared to \$7.9 million reimbursed in FY 2017 through October, a decrease of 27.8 percent. October 2017 HSTC redemptions/reimbursements for all taxes were \$2.0 million, \$2.1 million less than the \$4.0 million reimbursed in October 2016, a decrease of 51.2 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 2018	FY 2017	October 2017	October 2016
Personal Income	\$ 3,024,420	\$ 5,608,480	\$ 1,463,010	\$ 4,028,516
Business Corporation	504,080	103,411	504,080	0
Financial Institutions	0	0	0	0
Insurance/Non-HMOs	0	0	0	0
Insurance/HMOs	1,297,387	0	0	0
Non-Profit Refund	900,000	2,217,981	0	0
<b>Total</b>	<b>\$ 5,725,887</b>	<b>\$ 7,929,872</b>	<b>\$ 1,967,090</b>	<b>\$ 4,028,516</b>

### **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.

#### ***Fiscal Year-to-Date through October:***

Component	FY 2018	FY 2017	Difference	% Change
Estimated Payments *	\$ 60,931,366	\$ 61,076,485	\$ (145,119)	-0.2 %
Final Payments ^	23,142,081	26,259,848	(3,117,767)	-11.9 %
Refunds/Adjustments †	(34,415,936)	(35,072,971)	657,036	-1.9 %
Withholding Tax Payments ‡	367,675,313	352,882,381	14,792,932	4.2 %
* FY 2018 YTD estimated payments include large payment(s) of \$2.5 million received in September 2017.				
^ Final Payments include Historic Structures Tax Credit (HSTC) reimbursements of \$3,024,420 in FY 2018 YTD and \$5,608,480 in FY 2017 YTD.				
† 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 withholding payments include large payment(s) of \$3.3 million received in August 2016.				

**Month of October:**

<b>Component</b>	<b>October 2017</b>	<b>October 2016</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 7,756,400	\$ 6,001,435	\$ 1,754,965	29.2 %
Final Payments ^	11,093,749	13,198,808	(2,105,058)	-15.9 %
Refunds/Adjustments	(11,261,128)	(9,547,952)	(1,713,176)	17.9 %
Withholding Tax Payments	86,660,595	83,082,510	3,578,085	4.3 %
^ Final Payments include Historic Structures Tax Credit (HSTC) reimbursements of \$1,463,010 in October 2017 and \$4,028,516 in October 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 October:**

<b>Component</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Net Taxation *	\$ 330,619,925	\$ 318,306,651	\$ 12,313,274	3.9 %
Registry Receipts	36,052,786	36,005,376	47,410	0.1 %
Providence Place Mall	4,651,395	4,370,428	280,967	6.4 %
* FY 2018 YTD receipts include \$500,000 from payment(s) received in September 2017 for prior year audit(s). FY 2017 YTD receipts include \$2,273,693 from payment(s) received in August 2016 for prior year audit(s).				

**Month of October:**

<b>Component</b>	<b>October 2017</b>	<b>October 2016</b>	<b>Difference</b>	<b>% Change</b>
Net Taxation	\$ 80,027,467	\$ 74,892,468	\$ 5,134,999	6.9 %
Registry Receipts	9,108,122	8,574,648	533,474	6.2 %
Providence Place Mall	1,402,202	1,163,728	238,475	20.5 %

**General Business Taxes**

<b>October</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 45,082,907	\$ 62,304,554	\$ (17,221,647)	-27.6 %
Month	\$ 8,015,078	\$ 10,066,777	\$ (2,051,699)	-20.4 %

Effective for tax years beginning on or after January 1, 2018, businesses with Rhode Island tax liabilities will make estimated payments equal to 25 percent of their expected tax year liabilities in April, June, September, and December. This estimated payments schedule is in contrast to the estimated payments schedule of 40 percent of expected total tax liability due in March and 60 percent of expected total tax liability due in June that was in place for tax years ending on or before December 31, 2017. There is one exception to this payment pattern, namely the health care provider assessment, payments of which are made on a monthly basis. Business corporation, 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 October:***

General business taxes collected through October of FY 2018 decreased by 27.6 percent from general business taxes collected through October of FY 2017. FY 2018 general business taxes collected through October were \$45.1 million compared to \$62.3 million collected for the same period in FY 2017, a decrease of \$17.2 million.

FY 2018 business corporation tax cash collections through October were \$25.2 million, \$2.4 million below the \$27.6 million of business corporation tax cash collections received in FY 2017 through October, which is a decrease of 8.9 percent. In year-to-date FY 2018, business corporation tax cash collections include \$504,080 in historic structures tax credits (HSTCs) reimbursements compared to \$103,411 in HSTCs reimbursements in year-to-date FY 2017. Included in year-to-date FY 2018 business corporation tax cash collections are transfers to personal income tax of \$120,564 in July 2017 to correct for payment(s) made in July 2016 and \$459,309 in August 2017 to correct for payments made in March and April 2016.

FY 2018 public utilities gross earnings tax cash collections through October were \$2.1 million, \$663,957 more than the \$1.4 million collected in the same period last fiscal year, an increase of 46.9 percent. FY 2018 financial institutions tax cash collections through October were \$266,393, \$268,286 less than the \$534,679 collected in FY 2017 through October.

FY 2018 insurance company gross premiums taxes collected through October decreased by \$15.9 million from the \$18.8 million collected through October of FY 2017, a difference of -84.7 percent. It should be noted that insurance company gross premiums tax cash collections for FY 2018 through October include \$1.3 million of reimbursed HSTCs that were received in July 2017 and accrued back to FY 2017, while insurance company gross premiums tax cash collections for FY 2017 through October include \$16.9 million in health insurance (HMO) gross premiums tax payments that were recorded in July 2016 but accrued back to FY 2017.

The FY 2018 year-to-date through October health care provider assessment cash collections were \$776,035 more than the \$13.9 million collected in the same period last year. This is an increase of 5.6 percent on a fiscal year-to-date over fiscal year-to-date basis. Bank deposits tax cash collections did not show a significant year-to-date over year-to-date difference.

***Month of October:***

General business taxes collected in October 2017 decreased by 20.4 percent from general business taxes collected in October 2016. October 2017 general business taxes were \$8.0 million compared to \$10.1 million collected for the same period in FY 2017, a decrease of \$2.1 million. October 2017 business corporation tax cash collections were \$2.6 million, \$2.2 million below the \$4.8 million of business corporation tax cash collections received in October 2016, which is a decrease of 46.4 percent. In October 2017, business corporation tax cash collections include \$504,080 in historic structures tax credits (HSTCs) reimbursements compared to no HSTCs reimbursements in October 2016.

Public utilities gross earnings tax cash collections were \$595,814 in October 2017 compared to \$336,304 in October 2016, an increase of \$259,510 or 77.2 percent. Financial institutions tax cash collections in October 2017 were \$19,810, \$128,436 more than the \$108,626 of net refunds in October 2016, which is a difference of -118.2 percent. Insurance company gross premiums taxes collected in October 2017 decreased by \$297,891 compared to the \$1.6 million collected in October 2016, a difference of -18.8 percent. Health care provider assessment and bank deposits tax cash collections did not show a significant year-over-year difference.

**Business Corporation Tax Cash Collections by Component:**

The tables below are based on data provided by the Division of Taxation and break down business corporation 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 October:***

<b>Component</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 21,224,383	\$ 22,398,322	\$ (1,173,939)	-5.2 %
Final Payments †	13,089,175	13,629,932	(540,757)	-4.0 %
Refunds/Adjustments	(9,186,657)	(8,450,063)	(736,595)	8.7 %
† Final payments include Historic Structures Tax Credit (HSTC) reimbursements of \$504,080 in FY 2018 YTD vs \$103,411 in FY 2017 YTD.				

***Month of October:***

<b>Component</b>	<b>October 2017</b>	<b>October 2016</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 786,058	\$ 1,604,993	\$ (818,934)	-51.0 %
Final Payments †	3,626,675	4,092,032	(465,356)	-11.4 %
Refunds/Adjustments	(1,856,743)	(928,074)	(928,670)	100.1 %

† October 2017 final payments include HSTC reimbursements of \$504,080.

**Excise Taxes Other Than the Sales and Use Tax**

<b>October</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 59,742,570	\$ 59,712,237	\$ 30,333	0.1 %
Month	\$ 13,105,896	\$ 13,445,322	\$ (339,426)	-2.5 %

***Fiscal Year-to-Date through October:***

Excise taxes other than sales and use taxes collected in FY 2018 through October increased by 0.1 percent over excise taxes other than sales and use taxes collected through October of FY 2017. FY 2018 excise taxes other than sales and use taxes collected through October were \$59.74 million compared to the \$59.71 million collected for the same period last fiscal year, an increase of \$30,333.

Motor vehicle license and registration fees in year-to-date FY 2018 were \$2.7 million, \$772,285 less than motor vehicle license and registration fees in year-to-date FY 2017. Effective July 1, 2017, the percentage of motor vehicle license and registration fees that are transferred to the Rhode Island Highway Maintenance Account (RIHMA) increased from 75 to 80 percent. According to Division of Motor Vehicle records, the RIHMA transfer in FY 2017 through October totaled \$10.4 million. In FY 2018 through October, the RIHMA transfer was \$10.6 million, or an increase of \$236,894 compared to the transfer in the same period last fiscal year.

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. The excise tax on cigarettes was increased to \$4.25 per pack of 20 cigarettes on August 16, 2017. Total cigarettes excise tax cash receipts through October of FY 2018 were \$50.3 million, including \$1.4 million of cigarette floor stock tax receipts and \$3.0 million of other tobacco products taxes, which is an increase of \$751,423 or 1.5 percent compared to the \$49.5 million collected for the same period last fiscal year. 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 October of FY 2018, Rhode Island cigarette sales decreased 6.3 percent compared to the same period last fiscal year.

Alcohol excise tax cash collections did not show a significant year-to-date over year-to-date difference.

***Month of October:***

Excise taxes other than sales and use taxes collected in October 2017 decreased by 2.5 percent from excise taxes other than sales and use taxes collected in October 2016. October 2017 excise taxes other than sales and use taxes were \$13.1 million compared to the \$13.4 million collected in October 2016, a decrease of \$339,426.

Motor vehicle license and registration fees in October 2017 were \$143,115 less than motor vehicle license and registration fees in October 2016. Effective July 1, 2017, the percentage of motor vehicle license and registration fees that are transferred to the Rhode Island Highway Maintenance Account (RIHMA) increased from 75 to 80 percent. According to Division of Motor Vehicle records, the RIHMA transfer in October 2016 totaled \$2.6 million. In October 2017, the RIHMA transfer was \$2.9 million, or an increase of \$306,972 compared to the transfer in the same period last fiscal year.

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. The excise tax on cigarettes was increased to \$4.25 per pack of 20 cigarettes on August 16, 2017. Total cigarettes excise tax cash receipts in October 2017 were \$10.8 million, including \$4,843 in cigarette floor stock receipts and \$716,701 of other tobacco products taxes, which is a decrease of \$354,017 or 3.2 percent compared to the \$11.2 million collected for October 2016. 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. In October 2017, Rhode Island cigarette sales decreased 15.3 percent compared to the same month last fiscal year.

Alcohol excise tax cash collections increased \$157,706 in October 2017. Alcohol excise tax cash collections were \$1.5 million in October 2017 compared to \$1.4 million in October 2016, an increase of 11.5 percent.

**Other Taxes**

<b>October</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 79,072,622	\$ 16,262,305	\$ 62,810,317	386.2 %
Month	\$ 13,472,009	\$ 4,083,342	\$ 9,388,667	229.9 %

***Fiscal Year-to-Date through October:***

Other taxes collected in FY 2018 through October increased 386.2 percent over other taxes collected through October of FY 2017. FY 2018 other taxes collected through October were

\$79.1 million compared to the \$16.3 million collected in the same period last fiscal year, an increase of \$62.8 million. FY 2018 estate and transfer taxes collected through October were \$73.9 million, up \$62.4 million compared to the same period in FY 2017, an increase of 543.6 percent. FY 2018 estate and transfer tax cash collections include large payment(s) of \$67.2 million received year-to-date. FY 2018 realty transfer taxes collected through October were \$4.9 million, up \$458,480 or 10.4 percent compared to the same period last fiscal year. Racing and athletics tax cash collections did not show significant differences in year-to-date FY 2018 compared to year-to-date FY 2017.

***Month of October:***

Other taxes collected in October 2017 increased 229.9 percent over other taxes collected in October 2016. October 2017 other taxes were \$13.5 million compared to the \$4.1 million collected in the same month last fiscal year, an increase of \$9.4 million. October 2017 estate and transfer tax cash collections were \$12.3 million, up \$9.3 million compared to collections in October 2016, an increase of 312.4 percent. October 2017 estate and transfer tax cash collections include large payment(s) of \$9.2 million. Realty transfer tax was \$1.1 million in October 2017, up \$104,081 or 10.1 percent compared to October 2016. Racing and athletics tax cash collections did not show significant year-over-year differences in October 2017 compared to October 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 October:***

As is apparent from the *State of Rhode Island Monthly Cash Collections: Fiscal Year-to-Date* table, total departmental receipts in FY 2018 through October decreased by 0.6 percent compared to total departmental receipts in FY 2017 through October. Fiscal year-to-date total departmental receipts collected in FY 2018 were \$210.1 million compared to \$211.3 million collected for the same period last year, a decrease of \$1.2 million.

The licenses and fees category of departmental receipts through October of FY 2018 was down \$283,100 or 0.1 percent from the \$190.5 million collected through October of FY 2017. The three licenses and fees accounts with the largest nominal increases and decreases greater than \$100,000 in year-to-date FY 2018 versus year-to-date FY 2017 are listed below:

<b>Licenses and Fees</b>	<b>Nominal Increase</b>
Insurance claim adjusters license fees	\$ 473,112
Recreation activities fund – Parks and Recreation	359,207
Local building permit levy ADA surcharge <sup>a</sup>	313,919
<sup>a</sup> Not included in FY 2017 YTD cash collections is the deposit generated by building permit activity in cities and towns in October 2016.	

<b>Licenses and Fees</b>	<b>Nominal Decrease</b>
Hospital licensing fee <sup>b</sup>	\$ (2,004,744)
Beach parking fees <sup>c</sup>	(691,656)
Insurance company annual assessment	(279,799)
<sup>b</sup> In general, the prior fiscal year hospital licensing fee (HLF) is received in July of the current year. Not included in FY 2018 YTD or FY 2017 YTD receipts is the payment from Eleanor Slater Hospital, which is received in June of the fiscal year for which it is due. The HLF rate for FY 2016 was 5.862 percent compared to 5.652 percent for FY 2017, and the HLF base advanced from hospital FY 2014 net patient revenues in FY 2016 to hospital FY 2015 net patient revenues in FY 2017.	
<sup>c</sup> FY 2017 YTD beach parking fees include a payment of \$276,946 that was received in July 2016 but accrued to June of FY 2016.	

The fines and penalties category of departmental receipts through October of FY 2018 was down \$323,383 or 3.2 percent from the \$10.0 million collected through October of FY 2017. In the fines and penalties category, one account had a nominal increase greater than \$100,000 on a fiscal year-to-date over fiscal year-to-date basis. Receipts from utility fines were up \$205,740 in year-to-date FY 2018 compared to the same period last fiscal year. The two fines and penalties accounts with nominal decreases greater than \$100,000 in year-to-date FY 2018 versus year-to-date FY 2017 are listed below:

<b>Fines and Penalties</b>	<b>Nominal Decrease</b>
Rhode Island Traffic Tribunal	\$ (154,444)
Penalty on overdue taxes	(108,156)

The sales and services category of departmental receipts through October of FY 2018 was down \$582,907 from the \$3.6 million collected through October of FY 2017, a decrease of 16.4 percent. In the sales and services category, no account had a nominal increase greater than \$100,000. The two sales and services accounts with nominal decreases greater than \$100,000 in year-to-date FY 2018 versus year-to-date FY 2017 are listed below:

<b>Sales and Services</b>	<b>Nominal Decrease</b>
Sale of motor vehicle number plates	\$ (383,916)
Board and support for the Rhode Island Veterans Home	(352,988)



Miscellaneous departmental receipts through October of FY 2018 were down \$3,979 or 0.1 percent from the \$7.3 million collected through October of FY 2017. The three miscellaneous departmental receipts accounts with the largest nominal increases and decreases greater than \$100,000 for year-to-date FY 2018 versus year-to-date FY 2017 are listed below:

Miscellaneous Departmental Receipts	Nominal Increase
Central Falls repayment	\$ 600,000
Cost recovery account – Treasury Department	325,994
Cost recovery account – Department of Health	320,308

Miscellaneous Departmental Receipts	Nominal Decrease
Miscellaneous refunds – Treasury Department <sup>d</sup>	\$ (1,312,948)
Cost recovery account – Department of Labor and Training	(342,062)
Child support enforcement collections <sup>e</sup>	(338,152)

<sup>d</sup> In year-to-date FY 2018, \$1.8 million of refunds and other checks written off by the Office of the Treasurer and the Division of Taxation were transferred to unclaimed property. The comparable figure was \$1.6 million for the same period last fiscal year.

<sup>e</sup> Does not include \$302,372 for late payment(s) that should have been posted in October 2017 but will not be posted until November 2017.

### ***Month of October:***

As is apparent from the *State of Rhode Island Monthly Cash Collections: Month of October* table, total departmental receipts in October 2017 increased by 1.7 percent compared to total departmental receipts in October 2016. Total departmental receipts collected in October 2017 were \$18.9 million compared to \$18.6 million collected for the same month last year, an increase of \$312,496.

The licenses and fees category of departmental receipts in October 2017 was up \$711,671, or 7.9 percent, over the \$9.0 million collected in October 2016. The three licenses and fees accounts with the largest nominal increases greater than \$100,000 and two licenses and fees accounts with nominal decreases greater than \$100,000 in October 2017 versus October 2016 are listed below:

Licenses and Fees	Nominal Increase
Hospital licensing fee <sup>a</sup>	\$ 256,984
Insurance claim adjusters license fees	177,192
Registration fees for securities	152,380

<sup>a</sup> The HLF rate for FY 2016 was 5.862 percent compared to 5.652 percent for FY 2017, and the HLF base advanced from hospital FY 2014 net patient revenues in FY 2016 to hospital FY 2015 net patient revenues in FY 2017.

<b>Licenses and Fees</b>	<b>Nominal Decrease</b>
Expense recovery account – Public Utilities	\$ (252,410)
E911 Accounts <sup>b</sup>	(155,250)
<sup>b</sup> Includes the E911 wireline surcharge, E911 wireless surcharge, E911 prepaid wireless fees, and GIS and technical fund accounts	

The fines and penalties category of departmental receipts in October 2017 was down \$227,571 or 3.4 percent from the \$6.8 million collected in October 2016. In the fines and penalties category, only one account had a nominal increase or decrease greater than \$100,000 on a year-over-year basis. Receipts from the penalty on overdue taxes were down \$108,222 in October 2017 compared in October 2016.

The sales and services category of departmental receipts in October 2017 was down \$140,455 from the \$1.2 million collected in October 2016, a decrease of 11.3 percent. In the sales and services category, only one account had a nominal increase or decrease greater than \$100,000. Receipts from sales of motor vehicle number plates were down \$102,665 in October 2017 compared to October 2016. October 2017 receipts from board and support of the Rhode Island Veterans Home include payment(s) of \$320,548 generated by September activity but not posted until October 2017.

Miscellaneous departmental receipts in October 2017 were down \$31,149 or 1.9 percent from the \$1.6 million collected in October 2016. The two accounts that had nominal increases greater than \$100,000 and three accounts with the largest nominal decreases greater than \$100,000 on a year-over-year basis are listed below:

<b>Miscellaneous Departmental Receipts</b>	<b>Nominal Increase</b>
Cost recovery account – Department of Health	\$ 340,126
Cost recovery account – Treasury Department	266,990

<b>Miscellaneous Departmental Receipts</b>	<b>Nominal Decrease</b>
Child support enforcement collections <sup>c</sup>	\$ (327,845)
Miscellaneous refunds – Treasury Department <sup>d</sup>	(181,963)
Income tax refund checks written off <sup>d</sup>	(176,216)

<sup>c</sup> Does not include \$302,372 for late payment(s) that should have been posted in October 2017 but will not be posted until November 2017.

<sup>d</sup> In October 2017, \$1.8 million of refunds and other checks written off by the Office of the Treasurer and the Division of Taxation were transferred to unclaimed property. The comparable figure was \$1.6 million for the same period last fiscal year.

### **Motor Fuel Tax, Per Penny Yield**

<b>October</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 1,553,668	\$ 1,565,164	\$ (11,496)	-0.7 %
Month	\$ 375,101	\$ 376,006	\$ (905)	-0.2 %

In FY 2018, 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 2017. 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:***

The per penny yield of the state's motor fuel tax collected in FY 2018 through October was \$11,496 less than in FY 2017 through October. This represents a decrease of 0.7 percent between the two fiscal year-to-date periods. For FY 2018 through October, the per-penny yield was \$1.55 million versus \$1.57 million for FY 2017 through October.

#### ***Month of October:***

The per penny yield of the state's motor fuel tax collected in October 2017 was \$905 less than in October 2016. This represents a decrease of 0.2 percent between the two periods. For October 2017, the per-penny yield was \$375,101 versus \$376,006 for October 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 October:***

<b>Component</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Traditional Games	\$ 10,512,088	\$ 9,371,077	\$ 1,141,011	12.2 %
Keno	4,569,737	4,411,467	158,270	3.6 %
Twin River VLTs	67,122,317	66,572,916	549,401	0.8 %
Twin River Traditional Table Games	4,332,424	3,858,954	473,470	12.3 %
Twin River Poker Tables	263,264	217,441	45,823	21.1 %
Newport Grand VLTs	7,614,373	7,515,879	98,494	1.3 %

In fiscal year-to-date 2018, Twin River operated a maximum of 97 traditional table games and 21 poker tables. In the same period in FY 2017, 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 poker tables, Twin River had 49 fewer VLTs operating in fiscal year-to-date 2018 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 October:***

<b>Component</b>	<b>October 2017</b>	<b>October 2016</b>	<b>Difference</b>	<b>% Change</b>
Traditional Games	\$ 2,740,859	\$ 2,638,912	\$ 101,947	3.9 %
Keno	1,543,085	1,427,313	115,772	8.1 %
Twin River VLTs	22,063,689	21,085,942	977,747	4.6 %
Twin River Traditional Table Games	1,429,176	1,299,730	129,446	10.0 %
Twin River Poker Tables	86,308	72,241	14,067	19.5 %
Newport Grand VLTs	2,440,878	2,366,457	74,421	3.1 %

In October 2017, Twin River operated a maximum of 97 traditional table games and 22 poker tables. In October 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 poker tables, Twin River had 54 fewer VLTs operating in October 2017 compared to October 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.



Mark A. Furcolo, Director  
Rhode Island Department of Revenue  
November 17, 2017