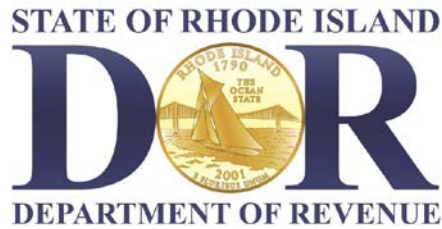


*STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS*  
**GOVERNOR GINA M. RAIMONDO**



**Office of Revenue Analysis**

**FY 2018 Rhode Island General Revenue Cash Collections Report  
 May 2018 Summary**

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

FY 2018 total general revenue cash collections through May were \$3.3 billion, up \$211.2 million, or 6.8 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	\$ 1,206,100,446	\$ 1,104,575,595	\$ 101,524,851	9.2 %
Sales and Use Taxes	954,000,802	907,903,911	46,096,891	5.1 %
Departmental Receipts	346,137,192	333,578,542	12,558,650	3.8 %
Lottery Transfer	317,542,595	302,007,818	15,534,777	5.1 %
All Other Revenues	510,028,211	474,548,805	35,479,406	7.5 %
<b>Total General Revenues</b>	<b>\$ 3,333,809,246</b>	<b>\$ 3,122,614,671</b>	<b>\$ 211,194,575</b>	<b>6.8 %</b>
* FY 2018 YTD figures include \$21.5 million received under the 2017 Tax Amnesty program. Net of FY 2018 YTD tax amnesty receipts, the growth rate is 6.1 percent.				

***Month of May:***

May 2018 total general revenue cash collections were \$278.0 million, up \$34.9 million, or 14.4 percent, over May 2017. The breakdown by major revenue components is as follows:

<b>Component</b>	<b>May 2018</b>	<b>May 2017</b>	<b>Difference</b>	<b>% Change</b>
Personal Income Tax	\$ 91,166,623	\$ 73,564,299	\$ 17,602,324	23.9 %
Sales and Use Taxes	84,017,486	80,711,190	3,306,296	4.1 %
Departmental Receipts	17,243,099	17,085,008	158,091	0.9 %
Lottery Transfer	45,307,449	31,873,535	13,433,914	42.1 %
All Other Revenues	40,266,225	39,852,498	413,727	1.0 %
<b>Total General Revenues</b>	<b>\$ 278,000,882</b>	<b>\$ 243,086,530</b>	<b>\$ 34,914,352</b>	<b>14.4 %</b>

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

	FY 2018 YTD May	FY 2017 YTD May	Nominal Difference	Change
<b><u>Personal Income Tax</u></b>	\$ 1,206,100,446	\$ 1,104,575,595	\$ 101,524,851	9.2%
<b><u>General Business Taxes</u></b>				
Business Corporation	79,229,510	102,497,307	(23,267,797)	-22.7%
Public Utilities Gross Earnings	32,704,248	41,198,931	(8,494,683)	-20.6%
Financial Institutions	8,275,867	14,833,458	(6,557,591)	-44.2%
Insurance Companies	60,873,351	74,332,311	(13,458,960)	-18.1%
Bank Deposits	1,006,791	1,149,025	(142,234)	-12.4%
Health Care Provider Assessment	40,696,198	39,129,138	1,567,060	4.0%
<b><u>Excise Taxes</u></b>				
Sales and Use	954,000,802	907,903,911	46,096,891	5.1%
Motor Vehicle	9,164,508	11,479,531	(2,315,023)	-20.2%
Motor Carrier Fuel Use	-	-	-	-
Cigarettes	131,849,119	127,168,795	4,680,324	3.7%
Alcohol	17,832,211	17,505,805	326,406	1.9%
<b><u>Other Taxes</u></b>				
Estate and Transfer	101,099,106	22,202,840	78,896,266	355.3%
Racing and Athletics	977,026	1,046,551	(69,525)	-6.6%
Realty Transfer	11,677,095	11,339,502	337,593	3.0%
<b>Total Taxes</b>	<b>\$ 2,655,486,278</b>	<b>\$ 2,476,362,700</b>	<b>\$ 179,123,578</b>	<b>7.2%</b>
<b><u>Departmental Receipts</u></b>				
Licenses and Fees	\$ 279,867,370	\$ 269,842,983	\$ 10,024,387	3.7%
Fines and Penalties	37,130,560	29,280,680	7,849,880	26.8%
Sales and Services	9,258,863	9,956,374	(697,511)	-7.0%
Miscellaneous	19,880,399	24,498,505	(4,618,106)	-18.9%
<b>Total Departmental Receipts</b>	<b>\$ 346,137,192</b>	<b>\$ 333,578,542</b>	<b>\$ 12,558,650</b>	<b>3.8%</b>
<b>Taxes and Departmentals</b>	<b>\$ 3,001,623,470</b>	<b>\$ 2,809,941,242</b>	<b>\$ 191,682,228</b>	<b>6.8%</b>
<b><u>Other General Revenue Sources</u></b>				
Other Miscellaneous Revenues	\$ 14,643,181	\$ 10,665,611	\$ 3,977,570	37.3%
Lottery Transfer	317,542,595	302,007,818	15,534,777	5.1%
Unclaimed Property	-	-	-	-
<b>Total Other Sources</b>	<b>\$ 332,185,776</b>	<b>\$ 312,673,429</b>	<b>\$ 19,512,347</b>	<b>6.2%</b>
<b>Total General Revenues</b>	<b>\$ 3,333,809,246</b>	<b>\$ 3,122,614,671</b>	<b>\$ 211,194,575</b>	<b>6.8%</b>

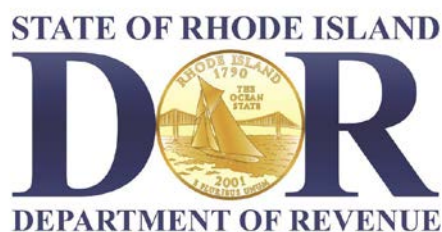
## STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS

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## Month of May

	FY 2018 Month of May	FY 2017 Month of May	Nominal Difference	% Change
<b><u>Personal Income Tax</u></b>	\$ 91,166,623	\$ 73,564,299	\$ 17,602,324	23.9%
<b><u>General Business Taxes</u></b>				
Business Corporation	1,367,795	3,049,757	(1,681,962)	-55.2%
Public Utilities Gross Earnings	97,260	340,835	(243,575)	-71.5%
Financial Institutions	(6,176,114)	490,454	(6,666,568)	-1,359.3%
Insurance Companies	9,549,776	2,390,528	7,159,248	299.5%
Bank Deposits	90,349	(491)	90,840	-18,501.0%
Health Care Provider Assessment	3,873,763	3,466,675	407,088	11.7%
<b><u>Excise Taxes</u></b>				
Sales and Use	84,017,486	80,711,190	3,306,296	4.1%
Motor Vehicle	910,911	1,161,435	(250,524)	-21.6%
Motor Carrier Fuel Use	-	-	-	-
Cigarettes	13,483,087	12,289,549	1,193,538	9.7%
Alcohol	1,600,060	1,581,670	18,390	1.2%
<b><u>Other Taxes</u></b>				
Estate and Transfer	1,805,991	2,736,162	(930,171)	-34.0%
Racing and Athletics	141,848	121,265	20,583	17.0%
Realty Transfer	1,017,608	1,850,852	(833,244)	-45.0%
<b>Total Taxes</b>	<b>\$ 202,946,443</b>	<b>\$ 183,754,180</b>	<b>\$ 19,192,263</b>	<b>10.4%</b>
<b><u>Departmental Receipts</u></b>				
Licenses and Fees	\$ 13,559,112	\$ 9,638,647	\$ 3,920,465	40.7%
Fines and Penalties	1,133,348	1,228,487	(95,139)	-7.7%
Sales and Services	413,266	1,018,017	(604,751)	-59.4%
Miscellaneous	2,137,373	5,199,857	(3,062,484)	-58.9%
<b>Total Departmental Receipts</b>	<b>\$ 17,243,099</b>	<b>\$ 17,085,008</b>	<b>\$ 158,091</b>	<b>0.9%</b>
<b>Taxes and Departmentals</b>	<b>\$ 220,189,542</b>	<b>\$ 200,839,188</b>	<b>\$ 19,350,354</b>	<b>9.6%</b>
<b><u>Other General Revenue Sources</u></b>				
Other Miscellaneous Revenues	\$ 12,503,891	\$ 10,373,807	\$ 2,130,084	20.5%
Lottery Transfer	45,307,449	31,873,535	13,433,914	42.1%
Unclaimed Property	-	-	-	-
<b>Total Other Sources</b>	<b>\$ 57,811,340</b>	<b>\$ 42,247,342</b>	<b>\$ 15,563,998</b>	<b>36.8%</b>
<b>Total General Revenues</b>	<b>\$ 278,000,882</b>	<b>\$ 243,086,530</b>	<b>\$ 34,914,352</b>	<b>14.4%</b>

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



**Office of Revenue Analysis**

**FY 2018 Rhode Island General Revenue Cash Collections Report**  
**May 2018 Detail**

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

**Cash Flow Differences**

***Fiscal Year-To-Date through May:***

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

<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>YTD FY 2018</b>	<b>YTD FY 2017</b>
Personal Income Tax	2017 Tax Amnesty	\$7,142,208	\$0
Personal Income Tax	Jul 2017 correction for Jul 2016 payment(s)	\$120,564	\$(120,564)
Personal Income Tax	Aug 2017 correction for Mar/Apr 2016 payments	\$459,309	\$0
Personal Income Tax	Nov 2017 correction for FY 2015 - FY 2017 pmnts	\$2,858,168	\$(825,000)
Personal Income Tax	Jan 2018 correction for Sep 2016 payment(s)	\$(170,000)	\$170,000
Personal Income Tax	Large estimated payments	\$2,511,323	\$2,640,671
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

<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>YTD FY 2018</b>	<b>YTD FY 2017</b>
Personal Income Tax	Mar 2017 transfer to ins. co. gross premiums tax	\$0	\$(2,079,309)
Business Corp Tax	2017 Tax Amnesty	\$2,214,438	\$0
Business Corp Tax	Jul 2017 correction for Jul 2016 payment(s)	\$(120,564)	\$120,564
Business Corp Tax	Aug 2017 correction for Mar/Apr 2016 payments	\$(459,309)	\$0
Business Corp Tax	Nov 2017 correction for FY 2015 – FY 2017 pmnts	\$(3,358,168)	\$1,325,000
Business Corp Tax	Dec 2017 correction for Jun 2015/Mar 2017 pmnts	\$(485,000)	\$210,000
Business Corp Tax	Jan 2018 correction for Sep 2016 payment(s)	\$170,000	\$(170,000)
Business Corp Tax	Mar 2018 correction for Mar 2016 payment(s)	\$(100,000)	\$0
Business Corp Tax	Sep 2016 correction for Mar 2015 payment(s)	\$0	\$(100,000)
Business Corp Tax	Apr 2017 correction for Jun 2016 payment(s)	\$0	\$(7,500,000)
Public Utilities	2017 Tax Amnesty	\$160,961	\$0
Public Utilities	Change in estimated payments schedule	\$(9,525,313)	\$0
Financial Inst Tax	2017 Tax Amnesty	\$105,255	\$0
Financial Inst Tax	Nov 2017 correction for Jan 2017 payment(s)	\$500,000	\$(500,000)
Financial Inst Tax	Dec 2017 correction for Jun 2015/Mar 2017 pmnts	\$485,000	\$(210,000)
Financial Inst. Tax	Mar 2018 correction for Mar 2016 payment(s)	\$100,000	\$0
Financial Inst Tax	Sep 2016 correction for Mar 2015 payment(s)	\$0	\$100,000
Financial Inst Tax	Apr 2017 correction for Jun 2016 payment(s)	\$0	\$7,500,000
Ins Gross Premiums Tax	2017 Tax Amnesty	\$68,341	\$0
Ins Gross Premiums Tax	Late reimbursement of HSTCs	\$1,297,387	\$0
Ins Gross Premiums Tax	Change in estimated payments schedule	\$(1,361,491)	\$0
Ins Gross Premiums Tax	Late HMO payment(s)	\$0	\$16,884,511
Bank Deposits Tax	Change in estimated payments schedule	\$(235,390)	\$0
Health Care Provider	2017 Tax Amnesty	\$966	\$0
Sales and Use Tax	2017 Tax Amnesty	\$3,675,602	\$0
Sales and Use Tax	Audit payments	\$500,000	\$2,273,693
MV License & Reg Fees	RIHMA transfer overpayment	\$(309,366)	\$0
MV License & Reg Fees	75% RIHMA transfer increase to 80%	\$0	\$2,315,022
Cigarettes Tax	2017 Tax Amnesty	\$23,594	\$0
Estate and Transfer	2017 Tax Amnesty	\$1,427,083	\$0
Estate and Transfer	Large payment(s) received in FY 2018	\$72,289,579	\$0
Realty Transfer Tax	Large, infrequent payment(s)	\$0	\$402,500

<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>YTD FY 2018</b>	<b>YTD FY 2017</b>
Departmental Receipts	2017 Tax Amnesty	\$6,648,940	\$0
Departmental Receipts	Hospital licensing fee difference	\$(205,856)	\$0
Departmental Receipts	Late beach parking fee payment(s)	\$0	\$276,946
Departmental Receipts	Transfer of refund checks to Unclaimed Prop	\$(1,836,909)	\$(1,619,009)
Departmental Receipts	AG settlement/recovery	\$162,151	\$4,064,209
Other Misc. Revenues	Transfer of excess reserves from energy program	\$12,500,000	\$0
Other Misc. Revenues	Tobacco settlement transfer	\$0	\$10,360,190
Lottery Transfer	Receipt of prior year revenues	\$1,910,826	\$1,408,965
Lottery Transfer	Advance payment(s)	\$13,400,000	\$0

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

#### FY 2018

- In FY 2018, the Division of Taxation collected a total of \$21.5 million of general revenues through the 2017 Tax Amnesty program, which began on December 1, 2017 and ran through February 15, 2018 with all payments due by March 31, 2018. There were small deposits made in April 2018 for the 2017 Tax Amnesty program, which are included in this report. The program allowed taxpayers to pay overdue taxes without penalty and with a 25.0 percent reduction in interest owed.

Interest owed on overdue taxes collected for personal income taxes, business corporation taxes, sales and use taxes, and estate and transfer taxes is transferred to the fines and penalties category of departmental receipts in October, January, April and June of each fiscal year. The interest on overdue taxes collected in December 2017 through March 2018 of \$6.6 million from the taxes listed above was transferred to departmental receipts in January and April 2018. The interest on overdue taxes collected in April 2018 of \$15,217 from the taxes listed above will be transferred to departmental receipts in June 2018. Interest owed on overdue taxes collected for all other tax types is not transferred to departmental receipts and is reported with the tax type collected.

The following table provides the breakdown of general revenue taxes and interest owed on overdue taxes collected by tax type through May of FY 2018 from the 2017 Tax Amnesty program:

<b>General Revenue Source</b>	<b>FY 2018 YTD Taxes Collected</b>	<b>FY 2018 YTD Interest Collected</b>
Personal Income Tax Final Payments *	\$ 6,840,323	\$ 12,263
Personal Income Tax Withholding Payments *	288,993	628
Business Corporation Tax *	2,212,181	2,256
Public Utilities Gross Earnings Tax	108,797	52,164

<b>General Revenue Source</b>	<b>FY 2018 YTD Taxes Collected</b>	<b>FY 2018 YTD Interest Collected</b>
Financial Institutions Tax	82,193	23,062
Insurance Companies Gross Premiums Tax	47,643	20,698
Health Care Provider Assessment	6	960
Sales and Use Tax *	3,675,533	69
Cigarette Excise Tax	15,372	8,222
Estate and Transfer Tax	1,427,083	0
Beverage Container and Litter Control Fees ^	666	243
Compassion Center Surcharge ^	29,013	12,667
E-911 Prepaid Wireless Surcharge ^	417	1,623
E-911 Wireline Surcharge ^	192	9
Hard-to-Dispose Taxes ^	390	124
Imaging Services Surcharge ^	1,062	530
Interest on Overdue Taxes ^, †	n/a	6,602,002
Sales Tax Permits	0	1
<b>Total General Revenue Taxes and Interest</b>	<b>\$ 14,729,864</b>	<b>\$ 6,737,521</b>
* Interest collected in April 2018 will be transferred to departmental receipts in June 2018.		
^ Departmental receipt accounts		
† Includes the interest on overdue taxes collected from deposits in December 2017 through March 2018 from personal income tax, business corporation tax, sales and use tax, and estate and transfer tax that was transferred to departmental receipts in January and April 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.
- Fiscal year-to-date personal income tax refunds and adjustments cash collections include transfers of \$2,858,168 from business corporation tax to personal income tax in November 2017 to correct for payments received in prior periods. These transfers include \$435,000 for payment(s) received in September 2016, \$170,000 for payment(s) received in December 2016, \$220,000 for payment(s) received in March 2017, and \$2,033,168 for payments received in FY 2015 and FY 2016.
- Fiscal year-to-date personal income tax refunds and adjustments cash collections include a transfer of \$170,000 from personal income tax to business corporation tax in January 2018 to correct for payment(s) received in September 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.
- Fiscal year-to-date business corporation tax cash collections include transfers of \$2,858,168 from business corporation tax to personal income tax in November 2017 to correct for payments received in prior periods. These transfers include \$435,000 for payment(s) received in September 2016, \$170,000 for payment(s) received in December 2016, \$220,000 for payment(s) received in March 2017, and \$2,033,168 for payments received in FY 2015 and FY 2016. Fiscal year-to-date business corporation tax cash collections also include a transfer of \$500,000 from business corporation tax to financial institutions tax in November 2017 to correct for payment(s) received in January 2017.
- Fiscal year-to-date business corporation tax cash collections include a transfer of \$485,000 from business corporation tax to financial institutions tax in December 2017 to correct for payment(s) of \$275,000 received in June 2015 and payment(s) of \$210,000 received in March 2017.
- Fiscal year-to-date business corporation tax cash collections include a transfer of \$170,000 from personal income tax to business corporation tax in January 2018 to correct for payment(s) received in September 2016.
- Fiscal year-to-date business corporation tax cash collections include a transfer of \$100,000 from business corporation tax to financial institutions tax in March 2018 to correct for payment(s) received in March 2016.
- FY 2018 through May public utilities gross earnings tax cash collections were \$9.5 million less than FY 2017 through May due to the change in the estimated payments schedule from 40 percent of estimated 2018 tax liability due in March 2018 to 25 percent of estimated 2018 tax liability due in April 2018. It should be noted that it is likely some public utility companies paid 40 percent of estimated 2018 tax liability in March and April 2018.
- Fiscal year-to-date financial institutions tax cash collections include a transfer of \$500,000 from business corporation tax to financial institutions tax in November 2017 to correct for payment(s) received in January 2017.
- Fiscal year-to-date financial institutions tax cash collections include a transfer of \$485,000 from business corporation tax to financial institutions tax in December 2017 to correct for payment(s) of \$275,000 received in June 2015 and payment(s) of \$210,000 received in March 2017.
- Fiscal year-to-date financial institutions tax cash collections include a transfer of \$100,000 from business corporation tax to financial institutions tax in March 2018 to correct for payment(s) received in March 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.
- FY 2018 through May insurance company gross premiums tax cash collections were \$1.4 million less than FY 2017 through May due to the change in the estimated payments schedule from 40 percent of estimated 2018 tax liability due in March 2018 to 25 percent of estimated 2018 tax liability due in April 2018. It should be noted that it is likely some insurance companies paid 40 percent of estimated 2018 tax liability in March and April 2018.
- FY 2018 through May bank deposits tax cash collections were \$235,390 less than FY 2017 through May due to the change in the estimated payments schedule from 40 percent of estimated 2018 tax liability due in March 2018 to 25 percent of estimated 2018 tax liability due in April 2018. It should be noted that it is likely some banks paid 40 percent of estimated 2018 tax liability in March 2018.
- 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.
- Year-to-date FY 2018 motor vehicle license and registration fees do not include \$309,366 as a result of an overpayment transferred to the Rhode Island Highway Maintenance Account in error in May 2018. A correction for this overpayment will be made in June 2018.
- Estate and transfer tax cash collections include large payment(s) of \$72.3 million received in July and October 2017 and April 2018.
- For the fiscal year-to-date period through May, hospital licensing fee cash collections were \$205,856 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 hospital licensing fee received in a given state fiscal year is for the prior state fiscal year hospital licensing fee assessment. 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.
- FY 2018 through May miscellaneous departmental receipts include \$162,151 received from a settlement by the Office of the Attorney General.
- Other miscellaneous revenues in year-to-date 2018 include \$12.5 million from a transfer of excess reserves from the System Reliability and Energy Efficiency and Conservation Procurement Program.
- 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.

- The FY 2018 through May lottery transfer includes advance payment(s) of 13.4 million received in May 2018 that would have been received in June 2018.

#### FY 2017

- Fiscal year-to-date personal income tax estimated payments 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 estimated payments cash collections do not include \$825,000 of funds that were incorrectly paid to business corporation tax in FY 2017. A transfer was made to correct for these payments in November 2017.
- Fiscal year-to-date personal income tax estimated payments cash collections include \$170,000 of funds that were incorrectly paid to personal income tax instead of business corporation tax in September 2016. A transfer was made to correct for these payments in January 2018.
- Fiscal year-to-date personal income tax estimated payments cash collections include large payment(s) totaling \$2.6 million received in November 2016.
- 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 personal income tax refunds and adjustments include transfers of \$1.2 million and \$877,368 to insurance company gross premiums taxes to adjust for deposits that were posted in January and March 2017, respectively. The original deposits to personal income tax withholding payments were later deemed to be correct, and these transfers were reversed in June 2017.
- 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.
- Fiscal year-to-date business corporation tax cash collections include \$825,000 of funds that were incorrectly paid to business corporation tax instead of personal income tax in FY 2017. Fiscal year-to-date business corporation tax cash collections also include \$500,000 of funds that were incorrectly paid to business corporation tax instead of financial institutions tax in January 2017. Transfers were made to correct for these payments in November 2017.
- FY 2017 through May business corporation tax cash collections include \$210,000 of funds that were incorrectly paid to business corporation tax instead of financial institutions tax in March 2017. A transfer was made to correct for these payment(s) in December 2017.
- Fiscal year-to-date business corporation tax cash collections do not include \$170,000 of funds that were incorrectly paid to personal income tax in September 2016. A transfer was made to correct for these payments in January 2018.

- FY 2017 through May 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 May business corporations tax cash collections include a transfer of \$7.5 million of receipts to financial institutions tax in April 2017 to properly record a payment made in June 2016.
- FY 2017 through May financial institutions tax cash collections do not include \$500,000 of funds that were incorrectly paid to business corporation tax in January 2017. A transfer was made to correct for these payment(s) in November 2017.
- FY 2017 through May financial institutions tax cash collections do not include \$210,000 of funds that were incorrectly paid to business corporation tax in January 2017. A transfer was made to correct for these payment(s) in December 2017.
- FY 2017 through May 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.
- FY 2017 through May financial institutions tax cash collections include a transfer of \$7.5 million of receipts moved from business corporations tax in April 2017 to properly record payment(s) made in June 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 May of FY 2017 were greater by \$2.3 million compared to motor vehicle license and registration fees through May 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 May totaled \$34.4 million. In FY 2018 through May, the RIHMA transfer was \$38.1 million, which is an increase of \$3.6 million compared to the transfer in the same period last fiscal year.
- FY 2017 through May realty transfer tax cash collections include large, infrequently occurring payment(s) of \$402,500 received in May.
- The licenses and fees category of departmental receipts in FY 2017 through May includes payment(s) of \$276,946 for beach parking fees received in July 2016 but accrued to June 2016 of FY 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.
- FY 2017 through May miscellaneous departmental receipts include \$4.1 million received from various settlements by the Office of the Attorney General.

- 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 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.

***Month of May:***

The following table displays the differences in cash flows for May 2018 and May 2017:

<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>May 2018</b>	<b>May 2017</b>
Ins Gross Premiums Tax	April 2018 HSTCs reimbursed in May 2018	\$3,550,000	\$0
MV License & Reg Fees	RIHMA transfer overpayment	\$(309,366)	\$0
MV License & Reg Fees	75% RIHMA transfer increase to 80%	\$0	\$250,524
Realty Transfer Tax	Large, infrequent payment(s)	\$0	\$402,500
Realty Transfer Tax	Payment(s) received for prior months	\$0	\$390,358
Departmental Receipts	Hospital licensing fee difference	\$256,984	\$0
Departmental Receipts	AG settlement/recovery	\$0	\$3,161,130
Other Misc. Revenues	Transfer of excess reserves from energy program	\$12,500,000	\$0
Other Misc. Revenues	Tobacco settlement transfer	\$0	\$10,360,190
Lottery Transfer	Advance payment(s)	\$13,400,000	\$0

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

May 2018

- May 2018 insurance company gross premiums tax cash collections include \$3.6 million in HSTCs that were reimbursed in May 2018 but redeemed in April 2018.
- Motor vehicle license and registration fees in May 2018 do not include \$309,366 as a result of an overpayment transferred to the Rhode Island Highway Maintenance Account. A correction for this overpayment will be made in June 2018.
- May 2018 hospital licensing fee cash collections were \$256,984 more than collections in May 2017. 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 hospital licensing fee received in a given state fiscal year is for the prior state fiscal year hospital licensing fee assessment.
- Other miscellaneous revenues in May 2018 include \$12.5 million from a transfer of excess reserves from the System Reliability and Energy Efficiency and Conservation Procurement Program.
- The May 2018 lottery transfer includes \$13.4 million in advance payment(s) that would have been made in June 2018.

### May 2017

- Motor vehicle license and registration fees in May 2017 were greater by \$250,524 compared to motor vehicle license and registration fees in May of 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 May 2017 totaled \$3.5 million. In May 2018, the RIHMA transfer was \$5.2 million, which is an increase of \$1.7 million compared to the transfer in the same period last fiscal year. As noted above, the May 2018 RIHMA transfer includes an overpayment.
- May 2017 realty transfer tax cash collections include a large, infrequently occurring payment of \$402,500.
- May 2017 realty transfer tax cash collections include \$390,358 of receipts from payments for prior periods that were received in May.
- May 2017 miscellaneous departmental receipts include \$3.2 million received from a settlement by the Office of the Attorney General.
- May 2017 other miscellaneous revenues include an operating transfer of \$10.4 million from the Tobacco Settlement Financing Corporation.

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

FY 2018 total Historic Structures Tax Credit (HSTC) redemptions/reimbursements for all taxes through May were \$24.8 million compared to \$13.6 million reimbursed in FY 2017 through May, an increase of 82.1 percent. May 2018 HSTC redemptions/reimbursements for all taxes were \$6.4 million, \$6.3 million more than the \$65,815 reimbursed in May 2017, which is an increase of 9,564.8 percent. It should be noted that May 2018 does not include \$3,550,000 of HSTCs that were redeemed in April 2018 but reimbursed in May 2018. This amount was included in April 2018 in last month's report.

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	May 2018	May 2017
Personal Income	\$ 5,114,017	\$ 7,774,405	\$ 780,860	\$ 65,815
Business Corporation	504,080	116,104	0	0
Financial Institutions	0	0	0	0
Insurance/Non-HMOs *	11,913,240	750,000	5,363,240	0
Insurance/HMOs	3,247,837	0	0	0
Non-Profit Refund	4,049,067	4,996,264	216,788	0
<b>Total</b>	<b>\$ 24,828,240</b>	<b>\$ 13,636,773</b>	<b>\$ 6,360,888</b>	<b>\$ 65,815</b>
* May 2018 does not include \$3,550,000 of HSTCs that were redeemed in April 2018 but reimbursed in May 2018.				

### **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 May:***

<b>Component</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments *	\$ 217,616,663	\$ 189,065,653	\$ 28,551,010	15.1 %
Final Payments ^	212,206,955	182,376,327	29,830,628	16.4 %
Refunds/Adjustments †	(314,786,425)	(311,023,952)	(3,762,473)	1.2 %
Withholding Tax Payments ‡	1,091,063,253	1,044,157,570	46,905,684	4.5 %
<p>* FY 2018 YTD includes large payment(s) of \$2.5 million compared to \$2.6 million in large payment(s) received in FY 2017 YTD. FY 2017 YTD does not include \$945,564 of funds that were incorrectly paid to business corporation tax in FY 2017. FY 2017 YTD includes \$170,000 incorrectly paid to personal income tax instead of business corporation tax in September 2016.</p> <p>^ Includes HSTC reimbursements of \$5.1 million in FY 2018 YTD and \$7.8 million in FY 2017 YTD. FY 2018 YTD also includes \$6.9 million in deposits from the 2017 Tax Amnesty program, \$12,263 of which was collected in interest on overdue taxes in April 2018 that will be transferred to departmental receipts in June 2018.</p> <p>† FY 2018 YTD includes a net \$3.3 million in transfers between business corporation tax and personal income tax to correct for payments received in FY 2015 – FY 2017. FY 2018 YTD also includes the transfer of \$4.0 million to departmental receipts in January and April 2018 in interest on overdue taxes collected from the 2017 Tax Amnesty program in December 2017 through March 2018. FY 2017 YTD includes \$9.3 million in refunds paid out in July and August 2016 but accrued back to FY 2016. FY 2017 YTD includes transfers of \$2.1 million to insurance company gross premiums tax, to adjust for deposits posted in January and March 2017. The original deposits to personal income tax withholding tax payments were later deemed correct, and these transfers were reversed in June 2017.</p> <p>‡ FY 2018 YTD includes \$289,621 in deposits from the 2017 Tax Amnesty program, \$628 of which was collected in interest on overdue taxes in January through March 2018 that will be transferred to departmental receipts in April 2018. FY 2017 YTD includes large payment(s) of \$3.3 million received in August 2016. In FY 2018 YTD, there were 48 Fridays compared to 47 Fridays in FY 2017 YTD.</p>				

For the January through May 2018 period, 430,971 income tax refunds were paid for TY 2017 at an average of \$593.53. For the same period in the prior year, 421,099 income tax refunds were paid for TY 2016 at an average of \$590.03.

**Month of May:**

<b>Component</b>	<b>May 2018</b>	<b>May 2017</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 4,764,386	\$ 3,058,365	\$ 1,706,021	55.8 %
Final Payments ^	7,255,983	5,892,253	1,363,730	23.1 %
Refunds/Adjustments	(21,525,591)	(30,905,554)	9,379,963	-30.4 %
Withholding Tax Payments	100,671,846	95,519,235	5,152,610	5.4 %
^ Final Payments include HSTC reimbursements of \$780,860 in May 2018 and \$65,815 in May 2017.				

For the May 2018 period, 20,117 income tax refunds were paid for TY 2017 at an average of \$1,035.60. For the same period in the prior year, 24,246 income tax refunds were paid for TY 2016 at an average of \$881.77.

**Sales and Use Tax Cash Collections by Component**

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

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

<b>Component</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Net Taxation *	\$ 839,379,981	\$ 797,099,455	\$ 42,280,526	5.3 %
Registry Receipts	101,290,877	98,355,680	2,935,197	3.0 %
Providence Place Mall	13,322,792	12,577,380	745,412	5.9 %
* FY 2018 YTD receipts include \$500,000 from payment(s) received in September 2017 for prior year audit(s). FY 2018 YTD includes \$3.7 million in deposits from the 2017 Tax Amnesty program, \$69 of which was collected in interest on overdue taxes in April 2018 that will be transferred to departmental receipts in June 2018. FY 2018 YTD also includes the transfer of interest on overdue taxes collected in December 2017 through March 2018 from the 2017 Tax Amnesty program of \$1.1 million to departmental receipts in January and April 2018. FY 2017 YTD receipts include \$2.3 million from payment(s) received in August 2016 for prior year audit(s).				

**Month of May:**

<b>Component</b>	<b>May 2018</b>	<b>May 2017</b>	<b>Difference</b>	<b>% Change</b>
Net Taxation	\$ 72,095,774	\$ 70,432,394	\$ 1,663,380	2.4 %
Registry Receipts	10,469,717	9,218,289	1,251,428	13.6 %
Providence Place Mall	1,170,303	1,065,797	104,506	9.8 %

### **General Business Taxes**

<b>May</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 222,785,965	\$ 273,140,170	\$ (50,354,205)	-18.4 %
Month	\$ 8,802,829	\$ 9,737,758	\$ (934,929)	-9.6 %

Effective for tax years beginning on or after January 1, 2018, businesses with Rhode Island tax liabilities are supposed to 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.

General business taxes through May of FY 2018 decreased by 18.4 percent from general business taxes collected through May of FY 2017. FY 2018 general business taxes collected through May were \$222.8 million compared to \$273.1 million collected for the same period in FY 2017, a decrease of \$50.4 million. General business taxes collected in May 2018 decreased by 9.6 percent from general business taxes collected in May 2017. May 2018 general business taxes were \$8.8 million compared to \$9.7 million collected for the same period in FY 2017, a decrease of \$934,929.

### **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 May:***

<b>Component</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments *	\$ 62,674,724	\$ 65,394,081	\$ (2,719,357)	-4.2 %
Final Payments †	61,971,216	59,032,054	2,939,162	5.0 %
Refunds/Adjustments ‡	(45,411,216)	(22,053,682)	(23,357,534)	105.9 %
<p>* FY 2017 YTD estimated payments include \$945,564 of funds that were incorrectly paid to business corporation tax instead of personal income tax and \$710,000 of funds incorrectly paid to business corporation tax instead of financial institutions tax in FY 2017. FY 2017 does not include \$170,000 of funds incorrectly paid to personal income tax instead of business corporation tax in September 2016.</p> <p>† Final payments include HSTC reimbursements of \$504,080 in FY 2018 YTD vs \$116,104 in FY 2017 YTD. FY 2018 YTD includes \$2.2 million in deposits from the 2017 Tax Amnesty program, \$2,256 of which was collected in interest on overdue taxes in April 2018 that will be transferred to departmental receipts in June 2018.</p> <p>‡ FY 2018 YTD includes a net \$3.3 million in transfers between business corporation tax and personal income tax to correct for payments received in FY 2015 – FY 2017 and transfers of \$1.1 million from business corporation tax to financial institutions tax to correct for payments received in FY 2015 – FY 2017. Also included in FY 2018 YTD is the transfer of \$706,106 in interest on overdue taxes deposits collected from the 2017 tax amnesty program in December 2017 through March 2018 to departmental receipts in January and April 2018.</p>				

***Month of May:***

<b>Component</b>	<b>May 2018</b>	<b>May 2017</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 1,671,770	\$ 1,844,277	\$ (172,507)	-9.4 %
Final Payments	2,544,107	2,419,566	124,542	5.1 %
Refunds/Adjustments	(2,747,773)	(1,215,220)	(1,532,554)	126.1 %

**General Business Taxes Other Than the Business Corporation Tax*****Fiscal Year-to-Date through May:***

FY 2018 public utilities gross earnings tax cash collections through May were \$32.7 million, \$8.5 million less than the \$41.2 million collected in the same period last fiscal year, a decrease of 20.6 percent. Much of the decrease in year-to-date collections compared to the same period last fiscal year can be accounted for by the change in the estimated payments schedule described above. It should be noted, however, that it is likely some public utility companies paid 40 percent of estimated 2018 tax liability in March and April 2018. Additionally, FY 2018 year-to-date public utilities gross earnings tax cash collections include \$160,961 from the 2017 Tax Amnesty program, of which \$108,797 was collected in overdue taxes and \$52,164 was collected in interest on overdue taxes.

FY 2018 financial institutions tax cash collections through May were \$8.3 million, \$6.6 million less than the \$14.8 million collected in FY 2017 through May. The decrease can be accounted

for, in part, by the change in the estimated payments schedule noted previously. It should be noted that it is likely some financial institutions paid 40 percent of estimated 2018 tax liability in March and April 2018. FY 2018 financial institutions tax cash collections include transfers from business corporation tax of \$500,000 in November 2017 to correct for payment(s) made in January 2017 and \$485,000 in December 2017 to correct for payment(s) of \$275,000 made in June 2015 and payment(s) of \$210,000 made in March 2017. Additionally, FY 2018 year-to-date financial institutions tax cash collections include \$105,255 from the 2017 Tax Amnesty program, of which \$82,193 was collected in overdue taxes and \$23,062 was collected in interest on overdue taxes. FY 2017 through May financial institutions tax cash collections do not include \$710,000 in funds incorrectly paid to business corporation tax instead of financial institutions tax in January 2017 and March 2017. Transfers were made to correct for these payments in November 2017 and December 2017. FY 2017 financial institutions tax cash collections through May include a transfer of \$7.5 million from business corporations tax to correct for payment(s) made in June 2016.

FY 2018 insurance company gross premiums taxes collected through May decreased by \$13.5 million from the \$74.3 million collected through May of FY 2017, a difference of -18.1 percent. The decrease in year-to-date collections compared to the same period last fiscal year can be accounted for, in large part, by the change in the estimated payments schedule. It should be noted, however, that it is likely some insurance companies paid 40 percent of estimated 2018 tax liability in March and April 2018. Further, insurance company gross premiums tax cash collections for FY 2018 through May include \$1.3 million of reimbursed HSTCs that were received in July 2017 and accrued back to FY 2017 and \$15.2 million of reimbursed HSTCs received in April and May 2018. FY 2018 year-to-date insurance company gross premiums tax cash collections include \$68,341 from the 2017 Tax Amnesty program, of which \$47,643 was collected in overdue taxes and \$20,698 was collected in interest on overdue taxes. FY 2017 through May insurance company gross premiums tax cash collections include HSTC reimbursements of \$750,000 and \$16.9 million in health insurance (HMO) gross premiums tax payments that were recorded in July 2016 but accrued back to FY 2016.

The FY 2018 year-to-date through May health care provider assessment cash collections were \$1.6 million more than the \$39.1 million collected in the same period last year. This is an increase of 4.0 percent on a fiscal year-to-date over fiscal year-to-date basis. FY 2018 year-to-date health care provider assessment collections include \$966 from the 2017 Tax Amnesty program, of which \$6 was collected in overdue taxes and \$960 was collected in interest on overdue taxes. Bank deposits tax cash collections decreased by 12.4 percent in FY 2018 year-to-date from FY 2017 year-to-date collections of \$1.1 million. Much of the decrease in year-to-date collections compared to the same period last fiscal year can be accounted for by the change in the estimated payments schedule. It should be noted, however, that it is likely some banks paid 40 percent of estimated 2018 tax liability in March 2018.

***Month of May:***

Public utilities gross earnings tax cash collections were \$97,260 in May 2018 compared to \$340,835 in May 2017, a decrease of \$243,575 or 71.5 percent. Financial institutions tax cash

collections in May 2018 were \$(6.2 million) compared to \$490,454 collected in May 2017, a decrease of \$6.7 million or 1,359.3 percent.

Insurance company gross premiums taxes collected in May 2018 increased by \$7.2 million compared to the \$2.4 million collected in May 2017, a difference of 299.5 percent. May 2018 insurance company gross premiums tax includes \$5.4 million in HSTCs received and reimbursed in May 2018 and \$3.6 million in HSTCs that were received in April 2018 but reimbursed in May 2018.

Bank deposits tax cash collections were \$90,349 in May 2018 compared to the \$(491) collected in May 2017. Health care provider assessment cash collections increased by \$407,088, or 11.7 percent, in May 2018 compared to May 2017.

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

<b>May</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 158,845,838	\$ 156,154,131	\$ 2,691,707	1.7 %
Month	\$ 15,994,058	\$ 15,032,654	\$ 961,404	6.4 %

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

Excise taxes other than sales and use taxes collected in FY 2018 through May increased by 1.7 percent over excise taxes other than sales and use taxes collected through May of FY 2017. FY 2018 excise taxes other than sales and use taxes collected through May were \$158.8 million compared to the \$156.2 million collected for the same period last fiscal year, an increase of \$2.7 million.

Motor vehicle license and registration fees in year-to-date FY 2018 were \$9.2 million, \$2.3 million 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 May totaled \$34.4 million. In FY 2018 through May, the RIHMA transfer was \$38.1 million, or an increase of \$3.6 million compared to the transfer in the same period last fiscal year. It should be noted that year-to-date FY 2018 motor vehicle license and registration fees do not include \$309,366 as a result of an overpayment transferred to RIHMA in error in May 2018. A correction for this overpayment will be made in June 2018.

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 May of FY 2018 were \$131.8 million, which is an increase of \$4.7 million, or 3.7 percent, compared to the \$127.2 million collected for the same period last fiscal year. Included in year-to-date cigarettes

excise tax cash collections is \$1.4 million of cigarette floor stock tax receipts, \$8.0 million of other tobacco products taxes, and \$23,594 from the 2017 Tax Amnesty program. Of the \$23,594 collected from tax amnesty, \$15,372 was collected in overdue taxes and \$8,222 was collected in interest on overdue taxes. Finally, the change in cigarette sales is determined. Cigarette floor stock tax, other tobacco products tax cash collections, and tax amnesty receipts are netted out of the cigarettes tax cash receipts data, yielding only cigarette excise tax cash collections. Through May of FY 2018, Rhode Island cigarette sales decreased 7.2 percent compared to the same period last fiscal year.

Alcohol excise tax cash collections were up \$326,406 in year-to-date FY 2018 compared to year-to-date FY 2017, a difference of 1.9 percent.

### ***Month of May:***

Excise taxes other than sales and use taxes collected in May 2018 increased by 6.4 percent over excise taxes other than sales and use taxes collected in May 2017. May 2018 excise taxes other than sales and use taxes were \$16.0 million compared to the \$15.0 million collected in May 2017, an increase of \$961,404.

Motor vehicle license and registration fees in May 2018 were \$250,524 less than motor vehicle license and registration fees in May 2017. According to Division of Motor Vehicle records, the RIHMA transfer in May 2017 totaled \$3.5 million. In May 2018, the RIHMA transfer was \$5.2 million, or an increase of \$1.7 million compared to the transfer in the same period last fiscal year. It should be noted that May 2018 motor vehicle license and registration fees do not include \$309,366 as a result of an overpayment transferred to RIHMA in error. A correction for this overpayment will be made in June 2018.

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 May 2018 were \$13.5 million, which is an increase of \$1.2 million, or 9.7 percent, compared to the \$12.3 million collected for May 2017. Included in May 2018 cigarettes excise tax cash collections is \$2,912 in cigarette floor stock receipts and \$762,229 of other tobacco products taxes. 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 May 2018, Rhode Island cigarette sales decreased 3.7 percent compared to the same month last fiscal year.

Alcohol excise tax cash collections increased by 1.2 percent on a year-over-year basis.

## **Other Taxes**

<b>May</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 113,753,227	\$ 34,588,893	\$ 79,164,334	228.9 %
Month	\$ 2,965,447	\$ 4,708,279	\$ (1,742,832)	-37.0 %

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

Other taxes collected in FY 2018 through May increased 228.9 percent over other taxes collected through May of FY 2017. FY 2018 other taxes collected through May were \$113.8 million compared to the \$34.6 million collected in the same period last fiscal year, an increase of \$79.2 million. FY 2018 estate and transfer taxes collected through May were \$101.1 million, up \$78.9 million compared to the same period in FY 2017, which is an increase of 355.3 percent. FY 2018 estate and transfer tax cash collections include large payment(s) of \$72.3 million received year-to-date. Additionally, year-to-date FY 2018 estate and transfer tax cash collections include \$1.4 million from the 2017 Tax Amnesty program, all of which was collected in overdue taxes in December 2017 through March 2018. The interest on overdue taxes collected in December 2017 through March 2018 of \$782,535 was transferred to departmental receipts in January and April 2018. FY 2018 realty transfer taxes collected through May were \$11.7 million, up \$337,593, or 3.0 percent, compared to the same period last fiscal year. FY 2017 through May realty transfer tax cash collections include large, infrequently occurring payment(s) of \$402,500 received in May. Racing and athletics tax cash collections were down 6.6 percent in year-to-date FY 2018 compared to year-to-date FY 2017.

### ***Month of May:***

Other taxes collected in May 2018 decreased 37.0 percent from other taxes collected in May 2017. May 2018 other taxes were \$3.0 million compared to the \$4.7 million collected in the same month last fiscal year, a decrease of \$1.7 million. May 2018 estate and transfer tax cash collections were \$1.8 million, down \$930,171 compared to collections in May 2017, a decrease of 34.0 percent. Realty transfer tax was \$1.0 million in May 2018, down \$833,244 or 45.0 percent, compared to May 2017. May 2017 realty transfer tax cash collections include large, infrequently occurring payment(s) of \$402,500 and receipts from payments for prior periods of \$390,358. Racing and athletics tax cash collections were up 17.0 percent in May 2018 compared to May 2017.

## **Departmental Receipts Cash Collections by Component**

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

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

As is apparent from the *State of Rhode Island Monthly Cash Collections: Fiscal Year-to-Date* table, total departmental receipts in FY 2018 increased by 3.8 percent compared to total

departmental receipts in FY 2017 through May. Fiscal year-to-date total departmental receipts collected in FY 2018 were \$346.1 million compared to \$333.6 million collected for the same period last year, an increase of \$12.6 million.

The licenses and fees category of departmental receipts through May of FY 2018 was up \$10.0 million, or 3.7 percent, over the \$269.8 million collected through May 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>
Physician license fees	\$ 3,083,183
Building permits – State properties	1,196,509
Real estate license fees	873,515

<b>Licenses and Fees</b>	<b>Nominal Decrease</b>
Beach parking fees <sup>a</sup>	\$ (691,656)
Teacher certification fees	(621,665)
Wholesale fee on hard-to-dispose items <sup>b</sup>	(440,429)

<sup>a</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.

<sup>b</sup> From May 2018 and going forward, the transfers from the wholesale fee on hard-to-dispose items account into the individual hard-to-dispose fee accounts will be completed on a monthly basis. Previously, the transfers were done on a quarterly basis.

The fines and penalties category of departmental receipts through May of FY 2018 was up \$7.8 million, or 26.8 percent, over the \$29.3 million collected through May of FY 2017. The three fines and penalties accounts with nominal increases and 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 Increase</b>
Interest on overdue taxes <sup>c</sup>	\$ 8,683,773
Recovered wages administration fees	291,397
Banking enforcement fees	209,376

<sup>c</sup> Includes \$6.6 million in interest on overdue taxes cash deposits collected from the 2017 Tax Amnesty program in December 2017 through March 2018 that was transferred to departmental receipts in January and April 2018.

<b>Fines and Penalties</b>	<b>Nominal Decrease</b>
Rhode Island Traffic Tribunal	\$ (482,387)
Fines and costs– Sixth Division Providence District Court	(434,264)
Probation and parole court fees	(254,346)

The sales and services category of departmental receipts through May of FY 2018 was down \$697,511 from the \$10.0 million collected through May of FY 2017, a decrease of 7.0 percent. In the sales and services category, one account each had a nominal increase and decrease greater than \$100,000 for year-to-date FY 2018 versus year-to-date FY 2017. Well water collections were up \$114,895 in year-to-date FY 2018 compared to the same period last fiscal year. Receipts from the sales of motor vehicle number plates were down \$768,497 in FY 2018 through May compared to FY 2017 through May.

Miscellaneous departmental receipts through May of FY 2018 were down \$4.6 million, or 18.9 percent, from the \$24.5 million collected through May 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
Cost recovery account – Department of Health	\$ 877,366
U.S. Marshall Service	351,401
Bank examination fees	166,705

Miscellaneous Departmental Receipts	Nominal Decrease
Miscellaneous revenues - Office of the Attorney General <sup>d</sup>	\$ (4,047,333)
Miscellaneous refunds – Treasury Department	(1,328,900)
Miscellaneous revenues - Judiciary	(337,884)
<sup>d</sup> FY 2018 YTD includes \$162,151 and FY 2017 YTD includes \$4.1 million received from various settlements.	

### ***Month of May:***

As is apparent from the *State of Rhode Island Monthly Cash Collections: Month of May* table, total departmental receipts in May 2018 increased by 0.9 percent compared to total departmental receipts in May 2017. Total departmental receipts collected in May 2018 were \$17.2 million compared to \$17.1 million collected for the same month last year, an increase of \$158,091.

The licenses and fees category of departmental receipts in May 2018 was up \$3.9 million, or 40.7 percent, over the \$9.6 million collected in May 2017. The three licenses and fees accounts with the largest nominal increases and two accounts with nominal decreases greater than \$100,000 in May 2018 versus May 2017 are listed below:

<b>Licenses and Fees</b>	<b>Nominal Increase</b>
Physician license fees	\$ 3,265,583
Hospital licensing fee <sup>e</sup>	256,984
Insurance company annual assessment	241,742
<sup>e</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. The hospital licensing fee received in a given state fiscal year is for the prior state fiscal year hospital licensing fee assessment.	

<b>Licenses and Fees</b>	<b>Nominal Decrease</b>
Board for Design Professionals license fees	\$ (353,586)
Wholesale fee on hard-to-dispose items <sup>f</sup>	(314,515)
<sup>f</sup> From May 2018 and going forward, the transfers from the wholesale fee on hard-to-dispose items account into the individual hard-to-dispose fee accounts will be completed on a monthly basis. Previously, the transfers were done on a quarterly basis.	

The fines and penalties category of departmental receipts in May 2018 was down \$95,139, or 7.7 percent, from the \$1.2 million collected in May 2017. In the fines and penalties category, no accounts had a nominal increase or decrease greater than \$100,000 on a year-over-year basis.

The sales and services category of departmental receipts in May 2018 was down \$604,751 from the \$1.0 million collected in May 2017, a decrease of 59.4 percent. In the sales and services category, no account had a nominal increase greater than \$100,000 on a year-over-year basis. One account had a nominal decrease greater than \$100,000 on a year-over-year basis. Receipts from board and support for the Rhode Island Veterans Home were down \$331,685 in May 2018 compared to May 2017. The board and support for the Rhode Island Veterans Home account received an early payment of \$330,239 in April 2018 that should have been deposited in May 2018.

Miscellaneous departmental receipts in May 2018 were down \$3.1 million, or 58.9 percent, from the \$5.2 million collected in May 2017. In miscellaneous departmental receipts, only one account had a nominal increase greater than \$100,000. The Department of Health cost recovery account was up \$568,193 in May 2018 compared to May 2017. The three accounts that had the largest nominal decreases greater than \$100,000 on a year-over-year basis were:

<b>Miscellaneous Departmental Receipts</b>	<b>Nominal Decrease</b>
Miscellaneous revenues - Office of the Attorney General	\$ (3,162,459)
Insurance examination fees	(265,725)
Cost recovery account – Treasury Department	(153,628)



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

<b>May</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 4,128,873	\$ 4,040,569	\$ 88,304	2.2 %
Month	\$ 359,180	\$ 358,437	\$ 743	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 May was \$88,304 more than in FY 2017 through May. This represents an increase of 2.2 percent between the two fiscal year-to-date periods. For FY 2018 through May, the per-penny yield was \$4.13 million versus \$4.04 million for FY 2017 through May.

#### ***Month of May:***

The per penny yield of the state's motor fuel tax collected in May 2018 was \$743 more than in May 2017. This represents an increase of 0.2 percent between the two periods. For May 2018, the per-penny yield was \$359,180 versus \$358,437 for May 2017.

### **Lottery Transfer Cash Collections by Component**

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

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

<b>Component</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Traditional Games	\$ 33,692,657	\$ 30,687,368	\$ 3,005,289	9.8 %
Keno	15,357,183	15,286,963	70,220	0.5 %
Twin River VLTs	218,207,642	220,374,180	(2,166,538)	-1.0 %
Twin River Traditional Table Games	14,440,809	13,920,528	520,281	3.7 %
Twin River Poker Tables	909,392	825,034	84,358	10.2 %
Newport Grand VLTs	23,554,440	23,519,417	35,023	0.1 %

In fiscal year-to-date 2018, Twin River operated a maximum of 97 traditional table games and 22 poker tables. In the same period in FY 2017, Twin River operated a maximum of 95 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 35 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 May:***

<b>Component</b>	<b>May 2018</b>	<b>May 2017</b>	<b>Difference</b>	<b>% Change</b>
Traditional Games	\$ 3,138,919	\$ 2,731,212	\$ 407,707	14.9 %
Keno	1,501,843	1,730,148	(228,305)	-13.2 %
Twin River VLTs	23,531,366	23,538,698	(7,332)	0.0 %
Twin River Traditional Table Games	1,482,674	1,539,974	(57,300)	-3.7 %
Twin River Poker Tables	94,689	92,251	2,438	2.6 %
Newport Grand VLTs	2,575,665	2,634,160	(58,495)	-2.2 %

In May 2018, Twin River operated a maximum of 97 traditional table games and 22 poker tables. In May 2017, Twin River operated a maximum of 97 traditional table games and 16 poker tables. 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  
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