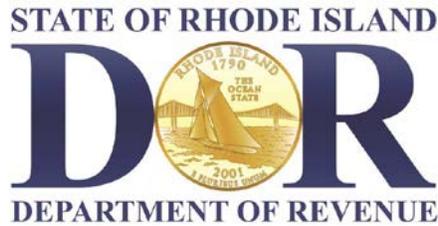


*STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS*  
**GOVERNOR GINA M. RAIMONDO**



**Office of Revenue Analysis**

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

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

FY 2018 total general revenue cash collections through June were \$3.8 billion, up \$137.4 million, or 3.8 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	\$ 1,329,151,694	\$ 1,232,708,392	\$ 96,443,302	7.8 %
Sales and Use Taxes	1,048,957,268	997,502,112	51,455,156	5.2 %
Departmental Receipts	384,911,274	369,957,894	14,953,380	4.0 %
Lottery Transfer	368,365,935	362,194,766	6,171,169	1.7 %
All Other Revenues	657,563,422	689,150,816	(31,587,394)	-4.6 %
<b>Total General Revenues</b>	<b>\$ 3,788,949,593</b>	<b>\$ 3,651,513,980</b>	<b>\$ 137,435,613</b>	<b>3.8 %</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 3.2 percent.

***Month of June:***

June 2018 total general revenue cash collections were \$455.1 million, down \$73.8 million, or 14.0 percent, from June 2017. The breakdown by major revenue components is as follows:

<b>Component</b>	<b>June 2018</b>	<b>June 2017</b>	<b>Difference</b>	<b>% Change</b>
Personal Income Tax	\$ 123,051,248	\$ 128,132,797	\$ (5,081,549)	-4.0 %
Sales and Use Taxes	94,956,466	89,598,201	5,358,265	6.0 %
Departmental Receipts	38,774,082	36,379,352	2,394,730	6.6 %
Lottery Transfer	50,823,340	60,186,948	(9,363,608)	-15.6 %
All Other Revenues	147,507,835	214,602,011	(67,094,176)	-31.3 %
<b>Total General Revenues</b>	<b>\$ 455,112,971</b>	<b>\$ 528,899,309</b>	<b>\$ (73,786,338)</b>	<b>-14.0 %</b>

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

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	FY 2018 YTD June	FY 2017 YTD June	Nominal Difference	Change
<b><u>Personal Income Tax</u></b>	\$ 1,329,151,694	\$ 1,232,708,392	\$ 96,443,302	7.8%
<b><u>General Business Taxes</u></b>				
Business Corporation	95,584,560	139,104,650	(43,520,090)	-31.3%
Public Utilities Gross Earnings	59,651,429	90,275,980	(30,624,551)	-33.9%
Financial Institutions	22,532,537	26,418,385	(3,885,848)	-14.7%
Insurance Companies	81,518,563	137,516,503	(55,997,940)	-40.7%
Bank Deposits	1,639,133	2,982,623	(1,343,490)	-45.0%
Health Care Provider Assessment	44,429,458	42,941,804	1,487,654	3.5%
<b><u>Excise Taxes</u></b>				
Sales and Use	1,048,957,268	997,502,112	51,455,156	5.2%
Motor Vehicle	20,754,590	25,969,430	(5,214,840)	-20.1%
Motor Carrier Fuel Use	-	-	-	-
Cigarettes	146,691,019	141,521,295	5,169,724	3.7%
Alcohol	19,918,465	19,620,450	298,015	1.5%
Controlled Substances	14,529	-	14,529	-
<b><u>Other Taxes</u></b>				
Estate and Transfer	103,048,011	24,618,641	78,429,370	318.6%
Racing and Athletics	1,073,865	1,156,493	(82,628)	-7.1%
Realty Transfer	12,751,665	12,177,327	574,338	4.7%
<b>Total Taxes</b>	<b>\$ 2,987,716,786</b>	<b>\$ 2,894,514,085</b>	<b>\$ 93,202,701</b>	<b>3.2%</b>
<b><u>Departmental Receipts</u></b>				
Licenses and Fees	\$ 301,797,459	\$ 290,629,103	\$ 11,168,356	3.8%
Fines and Penalties	46,108,805	36,697,354	9,411,451	25.6%
Sales and Services	10,775,310	11,254,692	(479,382)	-4.3%
Miscellaneous	26,229,700	31,376,745	(5,147,045)	-16.4%
<b>Total Departmental Receipts</b>	<b>\$ 384,911,274</b>	<b>\$ 369,957,894</b>	<b>\$ 14,953,380</b>	<b>4.0%</b>
<b>Taxes and Departmentals</b>	<b>\$ 3,372,628,060</b>	<b>\$ 3,264,471,979</b>	<b>\$ 108,156,081</b>	<b>3.3%</b>
<b><u>Other General Revenue Sources</u></b>				
Other Miscellaneous Revenues	\$ 37,054,016	\$ 12,122,198	\$ 24,931,818	205.7%
Lottery Transfer	368,365,935	362,194,766	6,171,169	1.7%
Unclaimed Property	10,901,582	12,725,037	(1,823,455)	-14.3%
<b>Total Other Sources</b>	<b>\$ 416,321,533</b>	<b>\$ 387,042,001</b>	<b>\$ 29,279,532</b>	<b>7.6%</b>
<b>Total General Revenues</b>	<b>\$ 3,788,949,593</b>	<b>\$ 3,651,513,980</b>	<b>\$ 137,435,613</b>	<b>3.8%</b>

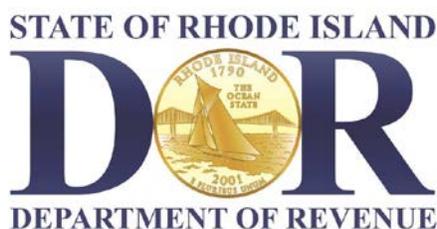
## STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS

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## Month of June

	FY 2018 Month of June	FY 2017 Month of June	Nominal Difference	% Change
<b><u>Personal Income Tax</u></b>	\$ 123,051,248	\$ 128,132,797	\$ (5,081,549)	-4.0%
<b><u>General Business Taxes</u></b>				
Business Corporation	16,341,203	36,607,343	(20,266,140)	-55.4%
Public Utilities Gross Earnings	26,947,181	49,077,049	(22,129,868)	-45.1%
Financial Institutions	14,256,670	11,584,927	2,671,743	23.1%
Insurance Companies	20,645,212	63,184,192	(42,538,980)	-67.3%
Bank Deposits	632,342	1,833,598	(1,201,256)	-65.5%
Health Care Provider Assessment	3,733,260	3,812,666	(79,406)	-2.1%
<b><u>Excise Taxes</u></b>				
Sales and Use	94,956,466	89,598,201	5,358,265	6.0%
Motor Vehicle	11,590,082	14,489,899	(2,899,817)	-20.0%
Motor Carrier Fuel Use	-	-	-	-
Cigarettes	14,841,900	14,352,500	489,400	3.4%
Alcohol	2,086,254	2,114,645	(28,391)	-1.3%
Controlled Substances	1,000	-	1,000	-
<b><u>Other Taxes</u></b>				
Estate and Transfer	1,948,905	2,415,801	(466,896)	-19.3%
Racing and Athletics	96,839	109,942	(13,103)	-11.9%
Realty Transfer	1,074,570	837,825	236,745	28.3%
<b>Total Taxes</b>	<b>\$ 332,203,132</b>	<b>\$ 418,151,385</b>	<b>\$ (85,948,253)</b>	<b>-20.6%</b>
<b><u>Departmental Receipts</u></b>				
Licenses and Fees	\$ 21,930,089	\$ 20,786,120	\$ 1,143,969	5.5%
Fines and Penalties	8,978,245	7,416,674	1,561,571	21.1%
Sales and Services	1,516,447	1,298,318	218,129	16.8%
Miscellaneous	6,349,301	6,878,240	(528,939)	-7.7%
<b>Total Departmental Receipts</b>	<b>\$ 38,774,082</b>	<b>\$ 36,379,352</b>	<b>\$ 2,394,730</b>	<b>6.6%</b>
<b>Taxes and Departmentals</b>	<b>\$ 370,977,214</b>	<b>\$ 454,530,737</b>	<b>\$ (83,553,523)</b>	<b>-18.4%</b>
<b><u>Other General Revenue Sources</u></b>				
Other Miscellaneous Revenues	\$ 22,410,835	\$ 1,456,587	\$ 20,954,248	1438.6%
Lottery Transfer	50,823,340	60,186,948	(9,363,608)	-15.6%
Unclaimed Property	10,901,582	12,725,037	(1,823,455)	-14.3%
<b>Total Other Sources</b>	<b>\$ 84,135,757</b>	<b>\$ 74,368,572</b>	<b>\$ 9,767,185</b>	<b>13.1%</b>
<b>Total General Revenues</b>	<b>\$ 455,112,971</b>	<b>\$ 528,899,309</b>	<b>\$ (73,786,338)</b>	<b>-14.0%</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  
 June 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 June:***

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

<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	\$7,129,316	\$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	Use Tax Transfer	\$(1,161,256)	\$(969,522)
Personal Income Tax	Refunds paid but accrued to prior year	\$0	\$(9,297,000)

<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>YTD FY 2018</b>	<b>YTD FY 2017</b>
Personal Income Tax	Large withholding payment(s) in Aug 2016	\$0	\$3,333,842
Personal Income Tax	Mar 2017 transfer to ins. co. gross premiums tax	\$0	\$(2,079,309)
Business Corp Tax	2017 Tax Amnesty	\$2,212,181	\$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	\$(2,858,168)	\$825,000
Business Corp Tax	Nov 2017 correction for Jan 2017 payment(s)	\$(500,000)	\$500,000
Business Corp Tax	Dec 2017 correction for Jun 2015/Mar 2017 pmnts	\$(485,000)	\$210,000
Business Corp Tax	Mar 2018 correction for Mar 2016 payment(s)	\$(100,000)	\$0
Business Corp Tax	Jan 2018 correction for Sep 2016 payment(s)	\$170,000	\$(170,000)
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	\$(31,655,181)	\$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	\$(43,900,471)	\$0
Ins Gross Premiums Tax	Late HMO payment(s)	\$0	\$16,884,511
Bank Deposits Tax	Change in estimated payments schedule	\$(1,436,646)	\$0
Health Care Provider	2017 Tax Amnesty	\$966	\$0
Sales and Use Tax	2017 Tax Amnesty	\$3,675,533	\$0
Sales and Use Tax	Audit payments	\$500,000	\$2,273,693
Sales and Use Tax	Use Tax Transfer	\$1,161,256	\$969,522
MV License & Reg Fees	Difference due to RIHMA transfer	\$0	\$5,214,840
Cigarettes Tax	2017 Tax Amnesty	\$23,594	\$0
Estate and Transfer	2017 Tax Amnesty	\$1,427,083	\$0

<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>YTD FY 2018</b>	<b>YTD FY 2017</b>
Estate and Transfer	Large payment(s) received in FY 2018	\$72,289,579	\$0
Realty Transfer Tax	Large, infrequent payment(s)	\$0	\$402,500
Departmental Receipts	2017 Tax Amnesty	\$6,664,157	\$0
Departmental Receipts	Hospital licensing fee difference	\$255,036	\$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	Unclaimed property transfer	\$10,901,582	\$12,725,037
Other Misc. Revenues	Transfers of excess reserves from various accounts	\$31,619,447	\$0
Other Misc. Revenues	Tobacco settlement transfer	\$0	\$10,360,190
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

- 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 FY 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 June 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	*
Personal Income Tax Withholding Payments	288,993	*
Business Corporation Tax	2,212,181	*
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	*
Cigarette Excise Tax	15,372	8,222
Estate and Transfer Tax	1,427,083	*
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	6,617,219
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 FY 2018 was transferred to departmental receipts.		
^ Departmental receipt accounts		
† Includes the interest on overdue taxes collected from deposits in December 2017 through April 2018 from personal income tax, business corporation tax, sales and use tax, and estate and transfer tax that was transferred to departmental receipts in FY 2018.		

- Fiscal year-to-date personal income tax refunds and adjustments cash collections include the following transfers from business corporation tax: \$120,564 in July 2017 to correct for payment(s) received in July 2016; \$459,309 in August 2017 to correct for payments received in March and April 2016; and \$2,858,168 in November 2017 to correct for payments received in September 2016 (\$435,000), December 2016 (\$170,000), March 2017 (\$220,000), and FY 2015 and FY 2016 (\$2,033,168).
- 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.
- FY 2018 through June personal income tax cash collections include a transfer of \$1.2 million from personal income tax to sales and use tax for safe harbor use tax payments.
- Fiscal year-to-date business corporation tax cash collections include the following transfers to personal income tax: \$120,564 in July 2017 to correct for payment(s) received in July 2016; \$459,309 in August 2017 to correct for payments received in

March and April 2016; and transfers of \$2,858,168 in November 2017 to correct for payments received in September 2016 (\$435,000), December 2016 (\$170,000), March 2017 (\$220,000), and FY 2015 and FY 2016 (\$2,033,168).

- Fiscal year-to-date business corporation tax cash collections include the following transfers to financial institutions tax: \$500,000 in November 2017 to correct for payment(s) received in January 2017; \$485,000 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; and \$100,000 in March 2018 to correct for payment(s) received in March 2016.
- 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.
- FY 2018 through June public utilities gross earnings tax cash collections were \$31.7 million less than FY 2017 through June likely because of the change in the estimated payments schedule from 40 percent of estimated 2018 tax liability due in March 2018 and 60 percent due in June to 25 percent of estimated 2018 tax liability due in each April and June 2018. It should be noted that it is possible that some public utility companies paid 100 percent of estimated 2018 tax liability in FY 2018.
- Fiscal year-to-date financial institutions tax cash collections include the following transfers from business corporation tax: \$500,000 November 2017 to correct for payment(s) received in January 2017; \$485,000 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; and \$100,000 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 June insurance company gross premiums tax cash collections were \$43.9 million less than FY 2017 through June likely because of the change in the estimated payments schedule from 40 percent of estimated 2018 tax liability due in March 2018 and 60 percent due in June to 25 percent of estimated 2018 tax liability due in each April and June 2018. It should be noted that it is possible that some insurance companies paid 100 percent of estimated 2018 tax liability in FY 2018.
- FY 2018 through June bank deposits tax cash collections were \$1.4 million less than FY 2017 through June likely because of the change in the estimated payments schedule from 40 percent of estimated 2018 tax liability due in March 2018 and 60 percent due in June to 25 percent of estimated 2018 tax liability due in each April and June 2018. It should be noted that it is possible some banks paid 100 percent of estimated 2018 tax liability in FY 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.
- FY 2018 through June sales and use tax cash collections include a transfer of \$1.2 million from personal income tax to sales and use tax for safe harbor use tax payments.

- Estate and transfer tax cash collections include large payment(s) of \$72.3 million received in July 2017, October 2017, and April 2018.
- For the fiscal year-to-date period through June, hospital licensing fee cash collections were \$255,036 more than the same period in FY 2017. This difference is composed of the following revenue items:
  - In general, the prior fiscal year hospital licensing fee (HLF) is received in July of the current year. Cash collections from the prior fiscal year hospital licensing fee increased by \$51,128 in FY 2018 compared to 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.
  - Eleanor Slater Hospital, however, pays the hospital licensing fee in June of the fiscal year for which it is due. The Eleanor Slater Hospital licensing fee payment received in June 2018 was \$203,908 more than the comparable payment received in June 2017. This difference is a result of the advancement of the hospital licensing fee base from hospital FY 2015 net patient revenues at a rate of 5.652 in FY 2017 to hospital FY 2016 net patient revenues at a rate of 5.856 percent in FY 2018.
- 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 June miscellaneous departmental receipts include \$162,151 received from a settlement by the Office of the Attorney General.
- Other miscellaneous revenues in FY 2018 through June include \$10.9 million from a transfer of unclaimed property to the general fund.
- Other miscellaneous revenues in year-to-date 2018 include \$31.6 million from transfers of excess reserves from various accounts. This figure includes the following:
  - \$12,500,000 from the System Reliability and Energy Efficiency and Conservation Procurement Program, completed in May 2018;
  - \$6,000,000 from the Rhode Island Health and Educational Building Corporation, completed in June 2018;
  - \$5,000,000 from the Narragansett Bay Commission, completed in June 2018;
  - \$3,500,000 from the Rhode Island Infrastructure Bank, completed in June 2018;
  - \$1,550,000 from the Department of Business Regulation, completed in June 2018, which includes a transfer of \$800,000 from a commercial licensing and racing and athletics reimbursement and a transfer of \$750,000 from an assessment of insurance companies for actuary costs;
  - \$1,069,447 from the Water Resources Board corporate escrow account, completed in June 2018;
  - \$1,000,000 from Rhode Island Housing, completed in June 2018;
  - \$1,000,000 from Quonset Development Corporation, completed in June 2018.

- 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 estimated payments cash collections do not include either \$120,564 of funds that were incorrectly paid to business corporation tax in July 2016 or \$825,000 of funds that were incorrectly paid to business corporation tax in FY 2017. Transfers were made to correct for these payments in July 2017 and November 2017, respectively.
- 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 payment(s) 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.
- FY 2017 through June personal income tax cash collections include a transfer of \$969,522 from personal income tax to sales and use tax for safe harbor use tax payments.
- Fiscal year-to-date 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 tax 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 and \$825,000 of funds that were incorrectly paid to business corporation tax instead of personal income tax in FY 2017. Transfers were made to correct for these payments in July 2017 and November 2017, respectively.
- Fiscal year-to-date business corporation tax cash collections include \$500,000 of funds that were incorrectly paid to business corporation tax instead of financial institutions tax in January 2017 and \$210,000 of funds that were incorrectly paid to business corporation tax instead of financial institutions tax in March 2017. Transfers were made to correct for these payments in November and December 2017, respectively.
- 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 June 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 and 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 June financial institutions tax cash collections do not include \$500,000 of funds that were incorrectly paid to business corporation tax in January 2017 or \$210,000 of funds that were incorrectly paid to business corporation tax also in January 2017. Transfers were made to correct for these payments in November and December 2017, respectively.
- FY 2017 through June financial institutions tax cash collections include a transfer of \$100,000 of funds 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 and 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.
- FY 2017 through June sales and use tax cash collections include a transfer of \$969,522 from personal income tax to sales and use tax for safe harbor use tax payments.
- Motor vehicle license and registration fees through June of FY 2017 were greater by \$5.2 million compared to motor vehicle license and registration fees through June of FY 2018. This difference is comprised of two components:
  - 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 June totaled \$39.0 million. In FY 2018 through June, the RIHMA transfer was \$41.8 million, which is an increase of \$2.8 million compared to the transfer in the same period last fiscal year.
  - The 2018 General Assembly retroactively reduced the FY 2018 motor vehicle operator license and registration fees transfer to RIHMA from 80 percent to 60 percent. Similarly, in FY 2017 the General Assembly retroactively reduced the RIHMA transfer from 75 percent to 50 percent. To correct for these reductions, \$10.4 million was transferred from RIHMA in June 2018 to the general fund for the period of July 2017 through June 2018 and \$13.0 million was transferred in June 2017 for the period of July 2016 through June 2017, or a difference of \$2.6 million between the corrections for retroactive reductions.
- FY 2017 through June realty transfer tax cash collections include large, infrequently occurring payment(s) of \$402,500 received in May 2017.
- The licenses and fees category of departmental receipts in FY 2017 through June 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 June miscellaneous departmental receipts include \$4.1 million received from various settlements by the Office of the Attorney General.
- Other miscellaneous revenues in FY 2017 through June include \$12.7 million from a transfer of unclaimed property to the general fund.
- 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 June:***

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

<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>June 2018</b>	<b>June 2017</b>
Personal Income Tax	Tax Amnesty 2017	\$(12,892)	\$0
Personal Income Tax	Use Tax Transfer	\$(1,161,256)	\$(969,522)
Business Corp Tax	Tax Amnesty 2017	\$(2,256)	\$0
Public Utilities	Change in estimated payments schedule	\$(22,129,868)	\$0
Ins Gross Premiums Tax	Change in estimated payments schedule	\$(42,538,980)	\$0
Bank Deposits Tax	Change in estimated payments schedule	\$(1,201,256)	\$0
Sales and Use Tax	Tax Amnesty 2017	\$(69)	\$0
Sales and Use Tax	Use Tax Transfer	\$1,161,256	\$969,522
MV License & Reg Fees	Difference due to RIHMA transfer	\$0	\$2,899,819
Departmental Receipts	Tax Amnesty 2017	\$15,217	\$0
Departmental Receipts	Hospital licensing fee difference	\$460,892	\$0
Other Misc. Revenues	Unclaimed property transfer	\$10,901,582	\$12,725,037
Other Misc. Revenues	Transfers of excess reserves from various accounts	\$19,119,447	\$0
Lottery Transfer	Advance payment(s)	\$(13,400,000)	\$0

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

#### June 2018

- The interest on overdue taxes of \$15,217 collected for personal income tax (\$12,892), business corporation tax (\$2,256), sales and use taxes (\$69) in April 2017 from the 2017 Tax Amnesty program were transferred to the interest on overdue taxes account of the fines and penalties category of departmental receipts in June 2018.
- June 2018 personal income tax cash collections include a transfer of \$1.2 million from personal income tax to sales and use tax for safe harbor use tax payments.
- June 2018 public utilities gross earnings tax cash collections were \$22.1 million less than June 2017 likely because of the change in the estimated payments schedule from 60

percent of estimated 2018 tax liability due in June 2018 to 25 percent of estimated 2018 tax liability due in June. It should be noted that it is possible some public utility companies paid 60 percent of estimated 2018 tax liability in June 2018.

- June 2018 insurance company gross premiums tax cash collections were \$42.5 million less than June 2018 likely because of the change in the estimated payments schedule from 60 percent of estimated 2018 tax liability due in June 2018 to 25 percent of estimated 2018 tax liability due in June. It should be noted that it is possible some insurance companies paid 60 percent of estimated 2018 tax liability in June 2018.
- June 2018 bank deposits tax cash collections were \$1.2 million less than June 2017 likely because of the change in the estimated payments schedule from 60 percent of estimated 2018 tax liability due in June 2018 to 25 percent of estimated 2018 tax liability due in June. It should be noted that it is possible some banks paid 60 percent of estimated 2018 tax liability in June 2018.
- June 2018 sales and use tax cash collections include a transfer of \$1.2 million from personal income tax to sales and use tax for safe harbor use tax payments.
- June 2018 hospital licensing fee cash collections were \$460,892 more than collections in June 2017. This difference is composed of the following revenue items:
  - In general, the prior fiscal year hospital licensing fee (HLF) is received in July of the current year. Cash collections from the prior fiscal year hospital licensing fee assessment increased by \$256,984 in June 2018 compared to June 2017. 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.
  - Eleanor Slater Hospital, however, pays the hospital licensing fee in June of the fiscal year for which it is due. The Eleanor Slater Hospital licensing fee payment received in June 2018 was \$203,908 more than the comparable payment received in June 2017. This difference is a result of the advancement of the hospital licensing fee base from hospital FY 2015 net patient revenues at a rate of 5.652 in FY 2017 to hospital FY 2016 net patient revenues at a rate of 5.856 percent in FY 2018.
- Other miscellaneous revenues in June 2018 include \$10.9 million from a transfer of unclaimed property to the general fund.
- Other miscellaneous revenues in June 2018 include \$19.1 million from transfers of excess reserves from various accounts. This figure includes the following:
  - \$6,000,000 from the Rhode Island Health and Educational Building Corporation;
  - \$5,000,000 from the Narragansett Bay Commission;
  - \$3,500,000 from the Rhode Island Infrastructure Bank;
  - \$1,550,000 from the Department of Business Regulation, completed in June 2018, which includes a transfer of \$800,000 from a commercial licensing and racing and athletics reimbursement and a transfer of \$750,000 from an assessment of insurance companies for actuary costs;
  - \$1,069,447 from the Water Resources Board corporate escrow account, completed in June 2018;

- \$1,000,000 from Rhode Island Housing;
- \$1,000,000 from Quonset Development Corporation.
- The June 2018 lottery transfer does not include \$13.4 million in advance payment(s) that were made in May 2018 that should have been made in June.

#### June 2017

- June 2017 personal income tax cash collections include a transfer of \$969,522 from personal income tax to sales and use tax for safe harbor use tax payments.
- June 2017 sales and use tax cash collections include a transfer of \$969,522 from personal income tax to sales and use tax for safe harbor use tax payments.
- Motor vehicle license and registration fees in June 2017 were greater by \$2.9 million compared to motor vehicle license and registration fees in June of 2018. This difference is comprised of three components:
  - Effective July 1, 2017, the percentage of motor vehicle license and registration fees that are transferred to RIHMA increased from 75 to 80 percent. According to Division of Motor Vehicle records, the 75 percent RIHMA transfer in June 2017 totaled \$4.6 million. In June 2018, the 80 percent RIHMA transfer was \$3.7 million, which is a decrease of \$886,611 compared to the transfer in the same period last fiscal year.
  - The 2018 General Assembly retroactively reduced the FY 2018 motor vehicle operator license and registration fees transfer to RIHMA from 80 percent to 60 percent. Similarly, in FY 2017 the General Assembly retroactively reduced the RIHMA transfer from 75 percent to 50 percent. To correct for these reductions, \$10.4 million was transferred in June 2018 from RIHMA to the general fund for the period of July 2017 through June 2018 and \$13.0 million was transferred in June 2017 for the period of July 2016 through June 2017, or a difference of \$2.6 million between the corrections for retroactive reductions.
  - June 2018 motor vehicle license and registration fees include \$309,366 as a result of a correction for an overpayment transferred to the RIHMA in May 2018.
- Other miscellaneous revenues in June 2017 include \$12.7 million from a transfer of unclaimed property to the general fund.

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

FY 2018 total Historic Structures Tax Credit (HSTC) redemptions/reimbursements for all taxes through June were \$25.2 million compared to \$13.7 million reimbursed in FY 2017 through June, an increase of 84.2 percent. June 2018 HSTC redemptions/reimbursements for all taxes were \$360,521, \$321,089 more than the \$39,432 reimbursed in June 2017, which is an increase of 814.3 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	June 2018	June 2017
Personal Income	\$ 5,474,538	\$ 7,813,837	\$ 360,521	\$ 39,432
Business Corporation	504,080	116,104	0	0
Financial Institutions	0	0	0	0
Insurance/Non-HMOs *	11,913,240	750,000	0	0
Insurance/HMOs	3,247,837	0	0	0
Non-Profit Refund	4,049,067	4,996,264	0	0
<b>Total</b>	<b>\$ 25,188,761</b>	<b>\$ 13,676,205</b>	<b>\$ 360,521</b>	<b>\$ 39,432</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 June:***

<b>Component</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments *	\$ 261,971,435	\$ 234,157,498	\$ 27,813,936	11.9 %
Final Payments ^	217,412,479	187,635,908	29,776,572	15.9 %
Refunds/Adjustments †	(339,565,661)	(326,325,947)	(13,239,714)	4.1 %
Withholding Tax Payments ‡	1,189,333,441	1,137,240,933	52,092,508	4.6 %
<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 \$5.5 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.</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 transfers of \$4.1 million to departmental receipts in FY 2018 in interest on overdue taxes deposits collected from the 2017 Tax Amnesty program in December 2017 through April 2018. Additionally, FY 2018 YTD includes a transfer of \$1.2 million for safe harbor use tax payments to sales and use tax cash collections compared to the equivalent transfer of \$969,522 in FY 2017 YTD. 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 was 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 52 Fridays compared to 53 Fridays in FY 2017 YTD.</p>				

For the January through June 2018 period, 443,487 income tax refunds were paid for TY 2017 at an average of \$608.94. For the same period in the prior year, 436,055 income tax refunds were paid for TY 2016 at an average of \$591.49.

**Month of June:**

<b>Component</b>	<b>June 2018</b>	<b>June 2017</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 44,354,772	\$ 45,091,846	\$ (737,074)	-1.6 %
Final Payments ^	5,205,524	5,259,581	(54,057)	-1.0 %
Refunds/Adjustments †	(24,779,236)	(15,301,995)	(9,477,242)	61.9 %
Withholding Tax Payments	98,270,188	93,083,363	5,186,824	5.6 %
^ Final Payments include HSTC reimbursements of \$360,521 in June 2018 and \$39,432 in June 2017.				
† Refunds and adjustments include a transfer of \$1.2 million for safe harbor use tax payments to sales and use tax cash collections compared to the equivalent transfer of \$969,522 in June 2017. Also included is a transfer of \$12,892 in interest on overdue taxes deposits collected from the 2017 Tax Amnesty program in April 2018 to departmental receipts.				

For the June 2018 period, 12,516 income tax refunds were paid for TY 2017 at an average of \$1,139.76. For the same period in the prior year, 14,956 income tax refunds were paid for TY 2016 at an average of \$632.47.

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

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

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

<b>Component</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Net Taxation *	\$ 920,673,214	\$ 871,836,284	\$ 48,836,930	5.6 %
Registry Receipts	113,807,022	111,903,313	1,903,709	1.7 %
Providence Place Mall	14,458,448	13,714,203	744,245	5.4 %
* 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. FY 2018 YTD also includes the transfers of interest on overdue taxes deposits collected in December 2017 through April 2018 from the 2017 Tax Amnesty program of \$1.1 million to departmental receipts in FY 2018. Additionally, FY 2018 YTD includes a transfer of \$1.2 million for safe harbor use tax payments from personal income tax compared to the equivalent transfer of \$969,522 in FY 2017 YTD. FY 2017 YTD receipts include \$2.3 million from payment(s) received in August 2016 for prior year audit(s).				

**Month of June:**

<b>Component</b>	<b>June 2018</b>	<b>June 2017</b>	<b>Difference</b>	<b>% Change</b>
Net Taxation *	\$ 81,293,234	\$ 74,736,829	\$ 6,556,404	8.8 %
Registry Receipts	12,516,145	13,547,633	(1,031,488)	-7.6 %
Providence Place Mall	1,135,656	1,136,823	(1,167)	-0.1 %
* June 2018 includes a transfer of \$1.2 million for safe harbor use tax payments from personal income tax compared to the equivalent transfer of \$969,522 in June 2017. Also included is a transfer of \$69 in interest on overdue taxes deposits collected from the 2017 Tax Amnesty program in April 2018 to departmental receipts.				

**General Business Taxes**

<b>June</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 305,355,680	\$ 439,239,945	\$ (133,884,265)	-30.5 %
Month	\$ 82,555,868	\$ 166,099,775	\$ (83,543,907)	-50.3 %

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 June of FY 2018 decreased by 30.5 percent from general business taxes collected through June of FY 2017. FY 2018 general business taxes collected through June were \$305.4 million compared to \$439.2 million collected for the same period in FY 2017, a decrease of \$133.9 million. General business taxes collected in June 2018 decreased by 50.3 percent from general business taxes collected in June 2017. June 2018 general business taxes were \$82.6 million compared to \$166.1 million collected for the same period in FY 2017, a decrease of \$83.5 million.

**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 June:***

<b>Component</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments *	\$ 86,035,859	\$ 100,339,916	\$ (14,304,056)	-14.3 %
Final Payments †	63,815,415	60,945,608	2,869,807	4.7 %
Refunds/Adjustments ‡	(54,361,579)	(22,321,953)	(32,039,626)	143.5 %
* 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.				
† 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.				
‡ 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. FY 2018 YTD also includes \$708,363 in interest on overdue taxes deposits collected from the 2017 Tax Amnesty program in December 2017 through April 2018 that were transferred to departmental receipts.				

***Month of June:***

<b>Component</b>	<b>June 2018</b>	<b>June 2017</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 23,361,135	\$ 34,945,834	\$ (11,584,699)	-33.2 %
Final Payments	1,844,198	1,913,553	(69,355)	-3.6 %
Refunds/Adjustments ‡	(8,950,363)	(268,272)	(8,682,092)	3,236.3 %
‡ June 2018 includes the transfer of \$2,256 in interest on overdue taxes deposits collected from the 2017 Tax Amnesty program in April 2018 to departmental receipts.				

**General Business Taxes Other Than the Business Corporation Tax**

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

FY 2018 public utilities gross earnings tax cash collections through June were \$59.7 million, \$30.6 million less than the \$90.3 million collected in the same period last fiscal year, a decrease of 33.9 percent. Much of the decrease in year-to-date collections compared to the same period last fiscal year can likely be accounted for by the change in the estimated payments schedule described above. It should be noted, however, that it is possible that some public utility companies paid 100 percent of estimated 2018 tax liability in FY 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 June were \$22.5 million, \$3.9 million less than the \$26.4 million collected in FY 2017 through June. The decrease can likely be accounted for, in part, by the change in the estimated payments schedule noted previously. It should be noted that it is possible that some financial institutions paid 100 percent of estimated 2018 tax liability in FY 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 June 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 June 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 June decreased by \$56.0 million from the \$137.5 million collected through June of FY 2017, a difference of -40.7 percent. The decrease in year-to-date collections compared to the same period last fiscal year can likely be accounted for, in large part, by the change in the estimated payments schedule. It should be noted, however, that it is possible that some insurance companies paid 100 percent of estimated 2018 tax liability in FY 2018. Further, insurance company gross premiums tax cash collections for FY 2018 through June 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 June 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 June health care provider assessment cash collections were \$1.5 million more than the \$42.9 million collected in the same period last year. This is an increase of 3.5 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 45.0 percent in FY 2018 year-to-date from FY 2017 year-to-date collections of \$3.0 million. Much of the decrease in year-to-date collections compared to the same period last fiscal year can likely be accounted for by the change in the

estimated payments schedule. It should be noted, however, that it is possible that some banks paid 100 percent of estimated 2018 tax liability in FY 2018.

***Month of June:***

Public utilities gross earnings tax cash collections were \$26.9 million in June 2018 compared to \$49.1 million in June 2017, a decrease of \$22.1 million or 45.1 percent. Much of the decrease in monthly collections compared to the same period last fiscal year can likely be accounted for by the change in the estimated payments schedule. It should be noted, however, that it is possible some public utility companies paid 60 percent of estimated 2018 tax liability in June 2018 instead of 25 percent.

Financial institutions tax cash collections in June 2018 were \$14.3 million compared to \$11.6 million collected in June 2017, an increase of \$2.7 million or 23.1 percent.

Insurance company gross premiums taxes collected in June 2018 decreased by \$42.5 million compared to the \$63.2 million collected in June 2017, a difference of -67.3 percent. Much of the decrease in monthly collections compared to the same period last fiscal year can likely be accounted for by the change in the estimated payments schedule. It should be noted, however, that it is possible some insurance companies paid 60 percent of estimated 2018 tax liability in June 2018 instead of 25 percent.

Bank deposits tax cash collections were \$632,342 in June 2018 compared to the \$1.8 million collected in June 2017. Much of the decrease in monthly collections compared to the same period last fiscal year can likely be accounted for by the change in the estimated payments schedule. It should be noted, however, that it is possible some banks paid 60 percent of estimated 2018 tax liability in June 2018 instead of 25 percent.

Health care provider assessment cash collections decreased by \$79,406, or 2.1 percent, in June 2018 compared to June 2017.

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

<b>June</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 187,378,603	\$ 187,111,175	\$ 267,428	0.1 %
Month	\$ 28,519,236	\$ 30,957,044	\$ (2,437,808)	-7.9 %

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

Excise taxes other than sales and use taxes collected in FY 2018 through June increased by 0.1 percent over excise taxes other than sales and use taxes collected through June of FY 2017. FY 2018 excise taxes other than sales and use taxes collected through June were \$187.4 million compared to the \$187.1 million collected for the same period last fiscal year, an increase of \$267,428.

Motor vehicle license and registration fees in year-to-date FY 2018 were \$20.8 million, \$5.2 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 were transferred to the Rhode Island Highway Maintenance Account (RIHMA) increased from 75 to 80 percent. According to Division of Motor Vehicle records, the 75 percent RIHMA transfer in FY 2017 through June totaled \$39.0 million. In FY 2018 through June, the 80 percent RIHMA transfer was \$41.8 million. The 2018 General Assembly retroactively reduced the FY 2018 motor vehicle operator license and registration fees transfer to RIHMA from 80 percent to 60 percent. Similarly, in FY 2017 the General Assembly retroactively reduced the RIHMA transfer from 75 percent to 50 percent. To correct for these reductions, \$10.4 million was transferred from RIHMA to the general fund for the period of July 2017 through June 2018 and \$13.0 million was transferred for the period of July 2016 through June 2017, or a difference of \$2.6 million between the corrections for the retroactive reductions.

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 June of FY 2018 were \$146.7 million, which is an increase of \$5.2 million, or 3.7 percent, compared to the \$141.5 million collected for the same period last fiscal year. Included in FY 2018 year-to-date cigarettes excise tax cash collections is \$1.4 million of cigarette floor stock tax receipts, \$8.9 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 June of FY 2018, Rhode Island cigarette sales decreased 7.4 percent compared to the same period last fiscal year.

Alcohol excise tax cash collections were up \$298,015 in year-to-date FY 2018 compared to year-to-date FY 2017, a difference of 1.5 percent.

### ***Month of June:***

Excise taxes other than sales and use taxes collected in June 2018 decreased by 7.9 percent from excise taxes other than sales and use taxes collected in June 2017. June 2018 excise taxes other than sales and use taxes were \$28.5 million compared to the \$31.0 million collected in June 2017, a decrease of \$2.4 million.

Motor vehicle license and registration fees in June 2018 were \$2.9 million less than motor vehicle license and registration fees in June 2017. According to Division of Motor Vehicle records, the 75 percent RIHMA transfer in June 2017 totaled \$4.6 million. In June 2018, the 80 percent RIHMA transfer was \$3.7 million. To correct for the retroactive reductions in the RIHMA transfers, \$10.4 million was transferred from RIHMA to the general fund for the period of July 2017 through June 2018 and \$13.0 million was transferred for the period of July 2016

through June 2017, or a difference of \$2.6 million between the corrections for the retroactive reductions. It should be noted that June 2018 motor vehicle license and registration fees also include a correction of \$309,366 for an overpayment transferred to RIHMA in error in May 2019.

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 June 2018 were \$14.8 million, which is an increase of \$489,400, or 3.4 percent, compared to the \$14.4 million collected for June 2017. Included in June 2018 cigarettes excise tax cash collections is \$4,532 in cigarette floor stock receipts and \$871,713 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 June 2018, Rhode Island cigarette sales decreased 9.3 percent compared to the same month last fiscal year.

Alcohol excise tax cash collections decreased by 1.3 percent on a year-over-year basis.

### **Other Taxes**

<b>June</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 116,873,541	\$ 37,952,461	\$ 78,921,080	207.9 %
Month	\$ 3,120,314	\$ 3,363,568	\$ (243,254)	-7.2 %

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

Other taxes collected in FY 2018 through June increased 207.9 percent over other taxes collected through June of FY 2017. FY 2018 other taxes collected through June were \$116.9 million compared to the \$38.0 million collected in the same period last fiscal year, an increase of \$78.9 million. FY 2018 estate and transfer taxes collected through June were \$103.0 million, up \$78.4 million compared to the same period in FY 2017, which is an increase of 318.6 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 June were \$12.8 million, up \$574,338, or 4.7 percent, compared to the same period last fiscal year. FY 2017 through June realty transfer tax cash collections include large, infrequently occurring payment(s) of \$402,500 received in May 2017. Racing and athletics tax cash collections were down 7.1 percent in year-to-date FY 2018 compared to year-to-date FY 2017.

***Month of June:***

Other taxes collected in June 2018 decreased 7.2 percent from other taxes collected in June 2017. June 2018 other taxes were \$3.1 million compared to the \$3.4 million collected in the same month last fiscal year, a decrease of \$243,254. June 2018 estate and transfer tax cash collections were \$1.9 million, down \$466,896 from collections in June 2017, a decrease of 19.3 percent. Realty transfer tax was \$1.1 million in June 2018, up \$236,745 or 28.3 percent, compared to June 2017. Racing and athletics tax cash collections were down 11.9 percent in June 2018 compared to June 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 June:***

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 4.0 percent compared to total departmental receipts in FY 2017 through June. Fiscal year-to-date total departmental receipts collected in FY 2018 were \$384.9 million compared to \$370.0 million collected for the same period last year, an increase of \$15.0 million.

The licenses and fees category of departmental receipts through June of FY 2018 was up \$11.2 million, or 3.8 percent, over the \$290.6 million collected through June 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	\$ 5,277,557
Real estate license fees	907,170
Building permits – State properties	876,919

<b>Licenses and Fees</b>	<b>Nominal Decrease</b>
Marina dredging tipping fees <sup>a</sup>	\$ (1,456,337)
Board for Design Professionals license fees	(842,529)
Teacher certification fees	(794,170)

<sup>a</sup> FY 2017 YTD includes \$1.3 million due to a one-time transfer from a dredging escrow account whose prior year receipts should have been deposited as general revenues.

The fines and penalties category of departmental receipts through June of FY 2018 was up \$9.4 million, or 25.6 percent, over the \$36.7 million collected through June 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>b</sup>	\$ 9,455,749
Penalty on overdue taxes	801,494
Recovered wages administration fees	325,016
<sup>b</sup> Includes \$6.6 million in interest on overdue taxes cash deposits collected from the 2017 Tax Amnesty program in December 2017 through April 2018 that was transferred to departmental receipts in FY 2018.	

<b>Fines and Penalties</b>	<b>Nominal Decrease</b>
Rhode Island Traffic Tribunal	\$ (548,397)
Fines and costs– Sixth Division Providence District Court	(438,563)
Probation and parole court fees	(255,150)

The sales and services category of departmental receipts through June of FY 2018 was down \$479,382 from the \$11.3 million collected through June of FY 2017, a decrease of 4.3 percent. In the sales and services category, the three accounts that had a nominal increase greater than \$100,000 for year-to-date FY 2018 versus year-to-date FY 2017 are listed below. Only one account had a nominal decrease greater than \$100,000 for year-to-date FY 2018 versus year-to-date FY 2017. Receipts from the sales of motor vehicle number plates were down \$772,503 in FY 2018 through June compared to FY 2017 through June.

<b>Sales and Services</b>	<b>Nominal Increase</b>
Well water	\$ 126,067
Clinical testing	106,869
Board and support for the Rhode Island Veterans Home	104,867

Miscellaneous departmental receipts through June of FY 2018 were down \$5.1 million, or 16.4 percent, from the \$31.4 million collected through June 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:

<b>Miscellaneous Departmental Receipts</b>	<b>Nominal Increase</b>
Income tax refund checks written off	\$ 608,285
Insurance examination fees	332,972
U.S. Marshall Service	312,201

<b>Miscellaneous Departmental Receipts</b>	<b>Nominal Decrease</b>
Miscellaneous revenues - Office of the Attorney General <sup>c</sup>	\$ (4,449,972)
Miscellaneous refunds – Treasury Department	(3,249,465)
Cost recovery account – Dept. of Environmental Mgmt.	(271,832)
<sup>c</sup> FY 2018 YTD includes \$162,151 and FY 2017 YTD includes \$4.1 million received from various settlements.	

### ***Month of June:***

As is apparent from the *State of Rhode Island Monthly Cash Collections: Month of June* table, total departmental receipts in June 2018 increased by 6.6 percent compared to total departmental receipts in June 2017. Total departmental receipts collected in June 2018 were \$38.8 million compared to \$36.4 million collected for the same month last year, an increase of \$2.4 million.

The licenses and fees category of departmental receipts in June 2018 was up \$1.1 million, or 5.5 percent, over the \$20.8 million collected in June 2017. The three licenses and fees accounts with the largest nominal increases / decreases greater than \$100,000 in June 2018 versus June 2017 are listed below:

<b>Licenses and Fees</b>	<b>Nominal Increase</b>
Physician license fees	\$ 2,194,375
Dental license fee	606,316
Hospital licensing fee <sup>d</sup>	460,892
<sup>d</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, in general, for the prior state fiscal year hospital licensing fee assessment. Eleanor Slater Hospital, however, pays the hospital licensing fee in June of the fiscal year for which it is due, which in this report reflects the advancement of the hospital licensing fee base from hospital FY 2015 net patient revenues at a rate of 5.652 in FY 2017 to hospital FY 2016 net patient revenues at a rate of 5.856 percent in FY 2018.	

<b>Licenses and Fees</b>	<b>Nominal Decrease</b>
Marina dredging tipping fees <sup>e</sup>	\$ (1,324,576)
Board for Design Professionals license fees	(521,207)
Registration fees for securities	(371,480)
<sup>e</sup> June 2017 includes \$1.3 million due to a one-time transfer from a dredging escrow account whose prior year receipts should have been deposited as general revenues.	

The fines and penalties category of departmental receipts in June 2018 was up \$1.6 million, or 21.1 percent, over the \$7.4 million collected in June 2017. In the fines and penalties category, the two accounts that had a nominal decrease greater than \$100,000 on a year-over-year basis are

listed below. No fines and penalties accounts had a nominal decrease greater than \$100,000 on a year-over-year basis.

<b>Fines and Penalties</b>	<b>Nominal Increase</b>
Penalty on overdue taxes	\$ 869,912
Interest on overdue taxes <sup>f</sup>	771,977
<sup>f</sup> Includes \$15,217 in interest on overdue taxes received in April 2018 from the 2017 Tax Amnesty program.	

The sales and services category of departmental receipts in June 2018 was up \$218,129 over the \$1.3 million collected in June 2017, an increase of 16.8 percent. In the sales and services category, one account had a nominal increase greater than \$100,000 and no accounts had a nominal decrease greater than \$100,000 on a year-over-year basis. Receipts from clinical testing were up \$112,784 in June 2018 compared to June 2017.

Miscellaneous departmental receipts in June 2018 were down \$528,939, or 7.7 percent, from the \$6.9 million collected in June 2017. In miscellaneous departmental receipts, the three accounts that had the largest nominal increases / decreases greater than \$100,000 on a year-over-year basis were:

<b>Miscellaneous Departmental Receipts</b>	<b>Nominal Increase</b>
Income tax refund checks written off	\$ 766,727
Miscellaneous revenues - Judiciary	373,363
Insurance examination fees	351,214

<b>Miscellaneous Departmental Receipts</b>	<b>Nominal Decrease</b>
Miscellaneous refunds – Treasury Department	\$ (1,920,564)
Cost recovery account – Department of Health	(726,974)
Miscellaneous revenues - Office of the Attorney General	(402,640)

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

<b>June</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 4,501,654	\$ 4,414,895	\$ 86,759	2.0 %
Month	\$ 372,781	\$ 374,326	\$ (1,545)	-0.4 %

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 June was \$86,759 more than in FY 2017 through June. This represents an increase of 2.0 percent between the two fiscal year-to-date periods. For FY 2018 through June, the per-penny yield was \$4.50 million versus \$4.41 million for FY 2017 through June.

***Month of June:***

The per penny yield of the state's motor fuel tax collected in June 2018 was \$1,545 less than in June 2017. This represents a decrease of 0.4 percent between the two periods. For June 2018, the per-penny yield was \$372,781 versus \$374,326 for June 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, in general, reflect the prior month's gaming activity.

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

<b>Component</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>Difference</b>	<b>% Change</b>
Traditional Games	\$ 39,511,572	\$ 37,474,853	\$ 2,036,719	5.4 %
Keno	18,492,089	18,447,312	44,777	0.2 %
Twin River VLTs	264,581,654	265,513,322	(931,668)	-0.4 %
Twin River Traditional Table Games	17,475,163	16,773,539	701,624	4.2 %
Twin River Poker Tables	1,083,309	994,581	88,728	8.9 %
Newport Grand VLTs	28,598,324	28,328,583	269,741	1.0 %

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 30 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 June:**

<b>Component</b>	<b>June 2018 *</b>	<b>June 2017 *</b>	<b>Difference</b>	<b>% Change</b>
Traditional Games	\$ 5,818,915	\$ 6,787,485	\$ (968,570)	-14.3 %
Keno	3,134,906	3,160,349	(25,443)	-0.8 %
Twin River VLTs	46,374,012	45,139,142	1,234,870	2.7 %
Twin River Traditional Table Games	3,034,354	2,853,011	181,343	6.4 %
Twin River Poker Tables	173,917	169,547	4,370	2.6 %
Newport Grand VLTs	5,043,884	4,809,166	234,718	4.9 %
* The June 2017 and June 2016 lottery transfer cash collections include gaming activity that occurred in the months of May and June.				

In June 2018, Twin River operated a maximum of 97 traditional table games and 22 poker tables. In June 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  
August 23, 2018