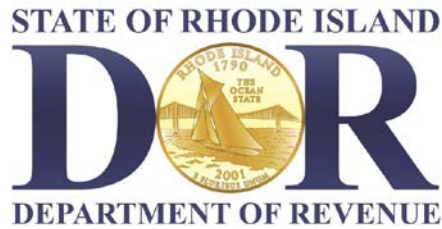


*STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS*  
**GOVERNOR GINA M. RAIMONDO**



**Office of Revenue Analysis**

**FY 2019 Cash Collections Report as of December 2018 Summary**

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

FY 2019 total general revenue cash collections through December were \$2.0 billion, up \$154.0 million, or 8.3 percent, over the same period in FY 2018. The breakdown by major revenue components is as follows:

<b>Component</b>	<b>FY 2019</b>	<b>FY 2018 *</b>	<b>Difference</b>	<b>% Change</b>
Personal Income Tax	\$ 665,510,814	\$ 676,286,725	\$ (10,775,911)	-1.6 %
Sales and Use Taxes	572,309,273	539,318,975	32,990,298	6.1 %
Departmental Receipts	272,748,669	239,167,262	33,581,407	14.0 %
Lottery Transfer	189,309,775	151,804,381	37,505,394	24.7 %
All Other Revenues	311,409,969	250,722,481	60,687,488	24.2 %
<b>Total General Revenues</b>	<b>\$ 2,011,288,500</b>	<b>\$ 1,857,299,824</b>	<b>\$ 153,988,676</b>	<b>8.3 %</b>

\* FY 2018 YTD figures include \$4.5 million received under the 2017 Tax Amnesty program. Net of FY 2018 YTD tax amnesty receipts, the growth rate is 8.6 percent.

***Month of December:***

December 2018 total general revenue cash collections were \$364.9 million, up \$46.5 million, or 14.6 percent, over December 2017. The breakdown by major revenue components is as follows:

<b>Component</b>	<b>December 2018</b>	<b>December 2017 *</b>	<b>Difference</b>	<b>% Change</b>
Personal Income Tax	\$ 130,668,557	\$ 157,905,213	\$ (27,236,656)	-17.2 %
Sales and Use Taxes	87,864,902	81,312,952	6,551,950	8.1 %
Departmental Receipts	22,756,878	13,881,961	8,874,917	63.9 %
Lottery Transfer	33,500,000	27,980,182	5,519,818	19.7 %
All Other Revenues	90,113,389	37,372,225	52,741,164	141.1 %
<b>Total General Revenues</b>	<b>\$ 364,903,726</b>	<b>\$ 318,452,533</b>	<b>\$ 46,451,193</b>	<b>14.6 %</b>

\* December 2017 figures include \$4.5 million received under the 2017 Tax Amnesty program. Net of December tax amnesty receipts, the growth rate is 16.2 percent.

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

2

	FY 2019 YTD December	FY 2018 YTD December	Nominal Difference	Change
<b><u>Personal Income Tax</u></b>	\$ 665,510,814	\$ 676,286,725	\$ (10,775,911)	-1.6%
<b><u>General Business Taxes</u></b>				
Business Corporation	73,096,763	36,168,001	36,928,762	102.1%
Public Utilities Gross Earnings	44,646,605	2,891,008	41,755,597	1,444.3%
Financial Institutions	6,055,680	3,866,962	2,188,718	56.6%
Insurance Companies	44,250,621	4,613,671	39,636,950	859.1%
Bank Deposits	1,371,795	-	1,371,795	-
Health Care Provider Assessment	22,083,627	21,765,952	317,675	1.5%
<b><u>Excise Taxes</u></b>				
Sales and Use	572,309,273	539,318,975	32,990,298	6.1%
Motor Vehicle	540,704	3,778,934	(3,238,230)	-85.7%
Cigarettes	73,554,975	74,779,004	(1,224,029)	-1.6%
Alcohol	10,453,523	10,451,541	1,982	0.0%
Controlled Substances	3,000	-	3,000	-
<b><u>Other Taxes</u></b>				
Estate and Transfer	25,090,106	83,216,468	(58,126,362)	-69.8%
Racing and Athletics	511,724	506,744	4,980	1.0%
Realty Transfer	8,983,232	6,870,213	2,113,019	30.8%
<b>Total Taxes</b>	<b>\$ 1,548,462,442</b>	<b>\$ 1,464,514,198</b>	<b>\$ 83,948,244</b>	<b>5.7%</b>
<b><u>Departmental Receipts</u></b>				
Licenses and Fees	\$ 243,330,362	\$ 211,585,781	\$ 31,744,581	15.0%
Fines and Penalties	11,933,041	11,539,543	393,498	3.4%
Sales and Services	4,841,088	4,836,517	4,571	0.1%
Miscellaneous	12,644,178	11,205,421	1,438,757	12.8%
<b>Total Departmental Receipts</b>	<b>\$ 272,748,669</b>	<b>\$ 239,167,262</b>	<b>\$ 33,581,407</b>	<b>14.0%</b>
<b>Taxes and Departmentals</b>	<b>\$ 1,821,211,111</b>	<b>\$ 1,703,681,460</b>	<b>\$ 117,529,651</b>	<b>6.9%</b>
<b><u>Other General Revenue Sources</u></b>				
Other Miscellaneous Revenues	\$ 767,614	\$ 1,813,983	\$ (1,046,369)	-57.7%
Lottery Transfer	189,309,775	151,804,381	37,505,394	24.7%
Unclaimed Property	-	-	-	-
<b>Total Other Sources</b>	<b>\$ 190,077,389</b>	<b>\$ 153,618,364</b>	<b>\$ 36,459,025</b>	<b>23.7%</b>
<b>Total General Revenues</b>	<b>\$ 2,011,288,500</b>	<b>\$ 1,857,299,824</b>	<b>\$ 153,988,676</b>	<b>8.3%</b>

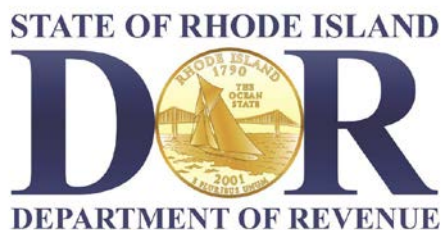
## STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS

3

## Month of December

	FY 2019 Month of December	FY 2018 Month of December	Nominal Difference	% Change
<b><u>Personal Income Tax</u></b>	\$ 130,668,557	\$ 157,905,213	\$ (27,236,656)	-17.2%
<b><u>General Business Taxes</u></b>				
Business Corporation	25,062,436	13,477,921	11,584,515	86.0%
Public Utilities Gross Earnings	21,591,362	282,875	21,308,487	7,532.8%
Financial Institutions	1,214,204	3,049,200	(1,834,996)	-60.2%
Insurance Companies	20,504,368	1,556,726	18,947,642	1,217.1%
Bank Deposits	596,363	-	596,363	-
Health Care Provider Assessment	3,295,320	3,349,219	(53,899)	-1.6%
<b><u>Excise Taxes</u></b>				
Sales and Use	87,864,902	81,312,952	6,551,950	8.1%
Motor Vehicle	78,150	407,805	(329,655)	-80.8%
Cigarettes	11,234,479	10,076,979	1,157,500	11.5%
Alcohol	1,635,271	1,900,736	(265,465)	-14.0%
Controlled Substances	1,000	-	1,000	-
<b><u>Other Taxes</u></b>				
Estate and Transfer	3,318,300	2,457,836	860,464	35.0%
Racing and Athletics	84,494	67,411	17,083	25.3%
Realty Transfer	1,497,342	735,389	761,953	103.6%
<b>Total Taxes</b>	<b>\$ 308,646,548</b>	<b>\$ 276,580,262</b>	<b>\$ 32,066,286</b>	<b>11.6%</b>
<b><u>Departmental Receipts</u></b>				
Licenses and Fees	\$ 19,994,238	\$ 10,479,762	\$ 9,514,476	90.8%
Fines and Penalties	832,511	872,921	(40,410)	-4.6%
Sales and Services	681,052	771,231	(90,179)	-11.7%
Miscellaneous	1,249,077	1,758,047	(508,970)	-29.0%
<b>Total Departmental Receipts</b>	<b>\$ 22,756,878</b>	<b>\$ 13,881,961</b>	<b>\$ 8,874,917</b>	<b>63.9%</b>
<b>Taxes and Departmentals</b>	<b>\$ 331,403,426</b>	<b>\$ 290,462,223</b>	<b>\$ 40,941,203</b>	<b>14.1%</b>
<b><u>Other General Revenue Sources</u></b>				
Other Miscellaneous Revenues	\$ 300	\$ 10,128	\$ (9,828)	-97.0%
Lottery Transfer	33,500,000	27,980,182	5,519,818	19.7%
Unclaimed Property	-	-	-	-
<b>Total Other Sources</b>	<b>\$ 33,500,300</b>	<b>\$ 27,990,310</b>	<b>\$ 5,509,990</b>	<b>19.7%</b>
<b>Total General Revenues</b>	<b>\$ 364,903,726</b>	<b>\$ 318,452,533</b>	<b>\$ 46,451,193</b>	<b>14.6%</b>

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



Office of Revenue Analysis

FY 2019 State of Rhode Island Cash Collections Report  
December 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.*

The Office of Revenue Analysis (ORA) has modified the Cash Collections Report to shorten it without sacrificing any detailed information that might be of interest to users of the report. Specifically, ORA has moved the written portion of the cash flow differences section into the individual revenue item sections. For example, cash flow differences for personal income tax are listed under the personal income tax by component table. ORA has provided a linked page number in the cash flow differences table to assist readers in finding these disaggregated cash flow differences sections within the body of the report. Additionally, ORA was able to determine the amount of sales and use tax generated by meals and beverages prepared away from home and sold for immediate consumption. This information is now included in the sales and use tax cash collections by component table, along with total non-motor vehicle sales and use taxes less the sales and use tax collections from meals and beverages. Finally, ORA has decided to provide figures for the general business taxes less business corporation tax. Data on business corporation tax cash collections by component immediately follows the sales and use tax cash collections by component section.

## Cash Flow Differences

In the following *Fiscal Year-To-Date through December* and the *Month of December* cash flow differences tables, ORA has only included entries for general revenue items that received greater than \$100,000 from the 2017 Tax Amnesty program in the respective periods. Please see the appendix for more information on all general revenue items that received funds from the 2017 Tax Amnesty program in fiscal year-to-date FY 2018 and December 2017.

### *Fiscal Year-To-Date through December:*

The following table displays the differences in cash flows for FY 2019 through December and FY 2018 through December:

<b>Page Number</b>	<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>YTD FY 2019</b>	<b>YTD FY 2018</b>
<a href="#">9 / 9</a>	Personal Income Tax	FY 2019 correction for prior period payments transferred from bus corp tax	\$3,486,675	\$(2,430,470)
<a href="#">9</a>	Personal Income Tax	Large estimated payment(s) in Sept 2017	\$0	\$2,511,323
<a href="#">9</a>	Personal Income Tax	FY 2018 correction for prior period payments transferred from bus corp tax	\$0	\$3,438,041
<a href="#">27</a>	Personal Income Tax	2017 Tax Amnesty	\$0	\$2,919,931
<a href="#">12 / 13</a>	Business Corp Tax	FY 2019 correction for prior period payments transferred to pers inc tax	\$(3,486,675)	\$2,430,470
<a href="#">12 / 13</a>	Business Corp Tax	FY 2019 correction for prior period payments transferred to financial inst tax	\$(2,950,000)	\$500,000
<a href="#">13</a>	Business Corp Tax	FY 2019 correction for prior period payment(s) transferred to insurance tax	\$(164,000)	\$0
<a href="#">13</a>	Business Corp Tax	FY 2018 correction for prior period payments transferred to pers inc tax	\$0	\$(3,438,041)
<a href="#">13</a>	Business Corp Tax	FY 2018 correction for prior period payments transferred to financial inst tax	\$0	\$(985,000)
<a href="#">27</a>	Business Corp Tax	2017 Tax Amnesty	\$0	\$517,563
<a href="#">15 / 15</a>	Financial Inst Tax	FY 2019 correction for prior period payments transferred from bus corp tax	\$2,950,000	\$(500,000)
<a href="#">15</a>	Financial Inst Tax	FY 2018 correction for prior period payments transferred from bus corp tax	\$0	\$985,000
<a href="#">27</a>	Financial Inst Tax	2017 Tax Amnesty	\$0	\$104,605
<a href="#">15</a>	Ins Gross Premiums Tax	FY 2019 correction for prior period payment(s) transferred from bus corp tax	\$164,000	\$0
<a href="#">16</a>	Ins Gross Premiums Tax	Jul 2017 reimbursement of redeemed HSTCs accrued to FY 2017	\$0	\$1,297,387

<b>Page Number</b>	<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>YTD FY 2019</b>	<b>YTD FY 2018</b>
<a href="#">11</a>	Sales and Use Tax	Oct 2018 transfer from meals and beverage tax due to prior period audits	\$535,423	\$0
<a href="#">11</a>	Sales and Use Tax	Audit payment(s)	\$0	\$500,000
<a href="#">27</a>	Sales and Use Tax	2017 Tax Amnesty	\$0	\$727,313
<a href="#">18</a>	MV License & Reg Fees	State's share of June 2018 receivable	\$36,568	\$0
<a href="#">18</a>	MV License & Reg Fees	Change in transfer to RIHMA of MV license and reg fees	\$0	\$3,274,798
<a href="#">19 / 19</a>	Estate and Transfer	Large, infrequent payment(s) received in fiscal year-to-date	\$5,085,000	\$67,221,075
<a href="#">27</a>	Estate and Transfer	2017 Tax Amnesty	\$0	\$113,323
<a href="#">19</a>	Realty Transfer Tax	Large, infrequent controlling interest payment(s) received in Aug 2018	\$1,166,958	\$0
<a href="#">21</a>	Departmental Receipts	Hospital licensing fee incr. from 5.652% to 5.856 % and advance base	\$14,756,045	\$0
<a href="#">22</a>	Departmental Receipts	Payment made to Providence in Aug 2018 that accrued to FY 2018	\$(537,270)	\$0
<a href="#">22</a>	Departmental Receipts	Securities license fees payment(s) posted one month early	\$9,125,095	\$0
<a href="#">22</a>	Departmental Receipts	PUC one-month delay in invoices	\$(465,937)	\$0
<a href="#">25</a>	Lottery Transfer	Overpayment to the general fund	\$27,171,427	\$0
<a href="#">25</a>	Lottery Transfer	Receipt of prior year revenues	\$0	\$1,910,826

***Month of December:***

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

<b>Page Number</b>	<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>December 2018</b>	<b>December 2017</b>
<a href="#">10</a>	Personal Income Tax	Dec 2018 correction for June 2015 payment(s) transferred to bus corp tax	\$(150,000)	\$0
<a href="#">10</a>	Personal Income Tax	Payment(s) posted to business corporation tax instead of personal income tax	\$0	\$(1,782,000)
<a href="#">27</a>	Personal Income Tax	2017 Tax Amnesty	\$0	\$2,919,931

<b>Page Number</b>	<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>December 2018</b>	<b>December 2017</b>
<a href="#">14</a>	Business Corp Tax	Dec 2018 correction for June 2015 payment(s) transferred from pers inc tax	\$150,000	\$0
<a href="#">14</a>	Business Corp Tax	Dec 2018 correction for March 2017 payment(s) transferred to fin inst tax	\$(575,000)	\$0
<a href="#">14</a>	Business Corp Tax	Dec 2018 correction for March 2017 payment(s) transferred to insurance tax	\$(164,000)	\$0
<a href="#">14</a>	Business Corp Tax	Payment(s) posted to business corporation tax instead of personal income tax	\$0	\$1,782,000
<a href="#">14</a>	Business Corp Tax	Payment(s) posted to business corporation tax instead of fin inst tax	\$0	\$500,000
<a href="#">14</a>	Business Corp Tax	Dec 2017 correction for prior period payments transferred to fin inst tax	\$0	\$(485,000)
<a href="#">27</a>	Business Corp Tax	2017 Tax Amnesty	\$0	\$517,563
<a href="#">16</a>	Financial Inst Tax	Dec 2018 correction for Mar 2017 payment(s) transferred from bus corp tax	\$575,000	\$0
<a href="#">16</a>	Financial Inst Tax	Payment(s) posted to business corporation tax instead of financial inst tax	\$0	\$(500,000)
<a href="#">16</a>	Financial Inst Tax	Dec 2017 correction for prior period payments transferred from bus corp tax	\$0	\$485,000
<a href="#">27</a>	Financial Inst Tax	2017 Tax Amnesty	\$0	\$104,605
<a href="#">16</a>	Ins Gross Premiums Tax	Dec 2018 correction for Mar 2017 payment(s) transferred from bus corp tax	\$164,000	\$0
<a href="#">27</a>	Sales and Use Tax	2017 Tax Amnesty	\$0	\$727,313
<a href="#">19</a>	MV License & Reg Fees	Change in transfer to RIHMA of MV license and reg fees	\$0	\$329,655
<a href="#">27</a>	Estate and Transfer	2017 Tax Amnesty	\$0	\$113,323
<a href="#">23</a>	Departmental Receipts	Hospital licensing fee incr. from 5.652% to 5.856 % and advance base	\$(323,142)	\$0
<a href="#">23</a>	Departmental Receipts	Securities license fees payment(s) posted one month early	\$9,125,095	\$0
<a href="#">23</a>	Departmental Receipts	PUC delay in invoices	\$(437,538)	\$0
<a href="#">26</a>	Lottery Transfer	Overpayment to the general fund	\$1,852,083	\$0

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

FY 2019 total Historic Structures Tax Credit (HSTC) redemptions/reimbursements for all taxes through December were \$2.7 million compared to \$6.2 million reimbursed in FY 2018 through December, a decrease of 55.6 percent. December 2018 HSTC redemptions/reimbursements for all taxes were \$20,000, \$412,181 less than the \$432,181 reimbursed in December 2017, which is a decrease of 95.4 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 2019	FY 2018	December 2018	December 2017
Personal Income	\$ 2,520,184	\$ 3,473,263	\$ 20,000	\$ 432,181
Business Corporation	16,357	504,080	0	0
Financial Institutions	0	0	0	0
Insurance/Non-HMOs	0	0	0	0
Insurance/HMOs	0	1,297,387	0	0
Non-Profit Refund	203,379	900,000	0	0
<b>Total</b>	<b>\$ 2,739,920</b>	<b>\$ 6,174,730</b>	<b>\$ 20,000</b>	<b>\$ 432,181</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. Please see the cash flow differences table below for information on cash flow anomalies between year-to-date FY 2019 and year-to-date FY 2018.

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

Component	FY 2019	FY 2018	Difference	% Change
Estimated Payments	\$ 83,841,507	\$ 108,597,438	\$ (24,755,931)	-22.8 %
Final Payments *	36,011,030	31,310,564	4,700,466	15.0 %
Refunds/Adjustments	(46,418,922)	(40,629,039)	(5,789,884)	14.3 %
Withholding Tax Payments	592,077,199	577,007,762	15,069,437	2.6 %
* Includes HSTC reimbursements of \$2.5 million in FY 2019 YTD and \$3.5 million in FY 2018 YTD.				



Cash Flow Differences:

FY 2019

- Refunds and adjustments include \$3.5 million for net transfers between personal income tax and business corporation tax to correct for payments received in prior periods as listed below:
  - \$288,275 for September 2018 transfers to correct for payments paid in September 2017 and March 2018 to business corporation tax instead of personal income tax;
  - \$3.3 million for October 2018 transfers to correct for payments paid in FY 2017 – FY 2018 to business corporation tax instead of personal income tax;
  - \$150,000 for a December 2018 transfer to correct for payment(s) paid in June 2015 to personal income tax instead of business corporation tax.

FY 2018

- Year-to-date FY 2018 finals and estimated payments do not include \$2.4 million in payments incorrectly paid to business corporation tax. These payments were corrected for in September and October 2018 as follows:
  - \$163,000 in September 2018 to correct for payment(s) received in September 2017;
  - \$2,267,470 in October 2018 to correct for payment(s) received in September and December 2017.
- FY 2018 year-to-date personal income tax cash collections include large, infrequent estimated payment(s) of \$2.5 million.
- Refunds and adjustments include \$3.4 million for transfers from business corporation tax to correct for payments received in prior periods as listed below:
  - \$120,564 for a July 2017 transfer to correct for payment(s) received in July 2016;
  - \$459,309 for an August 2017 transfer to correct for payments received in March and April 2016;
  - \$2,858,168 for November 2017 transfers to correct for payments received in FY 2015 – FY 2017.
- Personal income tax includes \$2.9 million in funds received from the 2017 Tax Amnesty program in year-to-date FY 2018.
  - \$2.8 million was received in final payments, \$959,994 of which was collected in interest on overdue taxes and transferred to departmental receipts fines and penalties in January 2018;
  - \$85,114 was received in withholding payments, \$41,685 of which was collected in interest on overdue taxes and transferred to departmental receipts fines and penalties in January 2018.

***Month of December:***

<b>Component</b>	<b>December 2018</b>	<b>December 2017</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 14,450,152	\$ 43,446,380	\$ (28,996,227)	-66.7 %
Final Payments *	3,982,763	5,162,876	(1,180,113)	-22.9 %
Refunds/Adjustments	(7,322,402)	(3,541,372)	(3,781,030)	106.8 %
Withholding Tax Payments	119,558,043	112,837,329	6,720,714	6.0 %
* Includes HSTC reimbursements of \$20,000 in December 2018 and \$432,181 in December 2017.				

***Cash Flow Differences:*****December 2018**

- Refunds and adjustments include a transfer of \$150,000 to business corporation tax to correct for payment(s) received in June 2015.

**December 2017**

- Estimated payments do not include \$1.8 million of funds incorrectly paid to business corporation tax instead of personal income tax. This was corrected for in a transfer from personal income tax to business corporation tax in October 2018.
- Personal income tax includes \$2.9 million in funds received from the 2017 Tax Amnesty program in December 2017.
  - \$2.8 million was received in final payments, \$959,994 of which was collected in interest on overdue taxes and transferred to departmental receipts fines and penalties in January 2018;
  - \$85,114 was received in withholding payments, \$41,685 of which was collected in interest on overdue taxes and transferred to departmental receipts fines and penalties in January 2018.

**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 December:***

<b>Component</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>Difference</b>	<b>% Change</b>
Net Taxation	\$ 506,488,142	\$ 478,101,873	\$ 28,386,269	5.9 %
Providence Place Mall	7,474,965	7,149,255	325,710	4.6 %
<b>Total Non-Motor Vehicle (MV)</b>	<b>\$ 513,963,107</b>	<b>\$ 485,251,128</b>	<b>\$ 28,711,979</b>	<b>5.9 %</b>
Meals and Beverage (M&B)	107,614,203	107,971,705	(357,502)	-0.3 %
<b>Total Non-MV Less M&amp;B</b>	<b>\$ 406,348,904</b>	<b>\$ 377,279,423</b>	<b>\$ 29,069,481</b>	<b>7.7 %</b>
Motor Vehicle Use Tax Receipts*	\$ 58,336,390	\$ 54,079,089	\$ 4,257,301	7.9 %
* Previously referred to as Registry Receipts.				

***Cash Flow Differences:*****FY 2019**

- FY 2019 year-to-date sales and use tax cash collections include transfer(s) of \$535,423 from meals and beverage tax in October 2018 associated with prior year audit(s).

**FY 2018**

- FY 2018 year-to-date sales and use tax cash collections include payment(s) of \$500,000 associated with the audit of prior year sales and use taxes incurred.
- Net taxation receipts in year-to-date FY 2018 include \$727,313 received from the 2017 Tax Amnesty program in December 2017. Of that figure, \$145,040 was collected in interest on overdue taxes and transferred to departmental receipts fines and penalties in January 2018.

***Month of December:***

<b>Component</b>	<b>December 2018</b>	<b>December 2017</b>	<b>Difference</b>	<b>% Change</b>
Net Taxation	\$ 77,160,255	\$ 70,962,926	\$ 6,197,329	8.7 %
Providence Place Mall	1,434,195	1,457,216	(23,021)	-1.6 %
<b>Total Non-Motor Vehicle (MV)</b>	<b>\$ 78,594,451</b>	<b>\$ 72,420,142</b>	<b>\$ 6,174,309</b>	<b>8.5 %</b>
Meals and Beverage (M&B)	14,703,102	14,511,942	191,160	1.3 %
<b>Total Non-MV Less M&amp;B</b>	<b>\$ 63,891,348</b>	<b>\$ 57,908,200</b>	<b>\$ 5,983,149</b>	<b>10.3 %</b>
Motor Vehicle Use Tax Receipts*	\$ 9,241,673	\$ 8,837,584	\$ 404,089	4.6 %
* Previously referred to as Registry Receipts.				

**December 2017**

- Net taxation receipts include \$727,313 from the 2017 Tax Amnesty program. Of that figure, \$145,040 was collected in interest on overdue taxes and transferred to departmental receipts fines and penalties in January 2018.

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

Effective for tax years beginning on or after January 1, 2018, businesses with Rhode Island tax liabilities will make estimated payments equal to 25 percent of their expected tax year liabilities in April, June, September, and December. This estimated payments schedule is in contrast to the estimated payments schedule of 40 percent of expected total tax liability due in March and 60 percent of expected total tax liability due in June that was in place for tax years ending on or before December 31, 2017.

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. Please see the cash flow differences table below for information on cash flow anomalies between year-to-date FY 2019 and year-to-date FY 2018.

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

<b>Component</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 55,151,948	\$ 36,605,769	\$ 18,546,179	50.7 %
Final Payments *	35,602,761	17,549,145	18,053,615	102.9 %
Refunds/Adjustments	(17,785,023)	(18,038,759)	253,736	-1.4 %
* Includes HSTC reimbursements of \$16,357 in FY 2019 YTD and \$504,080 in FY 2018 YTD.				

#### ***Cash Flow Differences:***

##### **FY 2019**

- Refunds and adjustments include net transfers from business corporation tax to personal income tax of \$3.5 million to correct for payments received in prior periods as listed below:
  - \$288,275 for a September 2018 transfer to correct for payments paid in September 2017 and March 2018 to business corporation tax instead of personal income tax;
  - \$3.3 million for an October 2018 transfer to correct for payments paid in FY 2017 – FY 2018 to business corporation tax instead of personal income tax;
  - \$150,000 for a December 2018 transfer to correct for payment(s) made in June 2015 to personal income tax instead of business corporation tax.
- Refunds and adjustments include transfers of \$3.0 million to financial institutions tax to correct for payments received in prior periods as listed below:
  - \$800,000 for an August 2018 transfer to correct for payment(s) received in January 2018;
  - \$1,575,000 for a September 2018 transfer to correct for payments received in FY 2016 – FY 2018;

- \$575,000 for a December 2018 transfer to correct for payment(s) received in March 2017.
- Refunds and adjustments include a transfer of \$164,000 to insurance company gross premiums tax to correct for payment(s) received in March 2017.

#### FY 2018

- Year-to-date FY 2018 finals and estimated payments include \$2,430,470 in payments incorrectly paid to business corporation tax instead of personal income tax. These payments were corrected for in September and October 2018 as follows:
  - \$163,000 in September 2018 to correct for payment(s) received in September 2017;
  - \$2,267,470 in October 2018 to correct for payment(s) received in September and December 2017.
- Year-to-date FY 2018 estimated payments include \$500,000 in payment(s) incorrectly paid to business corporation tax instead of financial institutions tax in December 2018. These payment(s) were corrected for in September 2018.
- Refunds and adjustments include transfers to personal income tax of \$3.4 million to correct for payments received in prior periods as listed below:
  - \$120,564 for a July 2017 transfer to correct for payment(s) received in July 2016;
  - \$459,309 for an August 2017 transfer to correct for payments received in March and April 2016;
  - \$2.9 million for November 2017 transfers to correct for payments received in FY 2015 – FY 2017.
- Refunds and adjustments include transfers to financial institutions tax of \$985,000 to correct for payments received in prior periods as listed below:
  - \$500,000 for a November 2017 transfer to correct for payment(s) received in January 2017.
  - \$485,000 for a December 2017 transfer to correct for payment(s) of \$275,000 received in June 2015 and payment(s) of \$210,000 received in March 2017.
- Final payments in year-to-date FY 2018 include \$517,563 received from the 2017 Tax Amnesty program in December 2017. Of that figure, \$133,797 was collected in interest on overdue taxes and transferred to departmental receipts fines and penalties in January 2018.

#### ***Month of December:***

<b>Component</b>	<b>December 2018</b>	<b>December 2017</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 24,283,089	\$ 13,099,770	\$ 11,183,319	85.4 %
Final Payments	4,296,349	2,752,014	1,544,334	56.1 %
Refunds/Adjustments	(3,530,474)	(2,376,549)	(1,153,925)	48.6 %

Cash Flow Differences:

## December 2018

- Refunds and adjustments include a transfer of \$150,000 from personal income tax to correct for estimated payment(s) received in June 2015.
- Refunds and adjustments include a transfer of \$575,000 to financial institutions tax to correct for extension payment(s) received in March 2017.
- Refunds and adjustments include a transfer of \$164,000 to insurance company gross premiums tax to correct for estimated payment(s) received in March 2017.

## December 2017

- December 2017 estimated payments include \$1.8 million in payment(s) incorrectly paid to business corporation tax instead of personal income tax. These payments were corrected for in October 2018.
- December 2017 estimated payments include \$500,000 in payment(s) incorrectly paid to business corporation tax instead of financial institutions tax. These payment(s) were corrected for in September 2018.
- 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.
- Final payments include \$517,563 received from the 2017 Tax Amnesty program in December 2017. Of that figure, \$133,797 was collected in interest on overdue taxes and transferred to departmental receipts fines and penalties in January 2018.

**General Business Taxes Other than Business Corporation Tax**

<b>December</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 118,408,328	\$ 33,137,593	\$ 85,270,735	257.3 %
Month	\$ 47,201,617	\$ 8,238,020	\$ 38,963,597	473.0 %

Effective for tax years beginning on or after January 1, 2018, businesses with Rhode Island tax liabilities will make estimated payments equal to 25 percent of their expected tax year liabilities in April, June, September, and December. The current 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. As a result, health care provider assessments flow more evenly into the general fund over the course of a fiscal year. Please see the cash flow differences table below for information on cash flow anomalies between year-to-date FY 2019 and year-to-date FY 2018.

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

General business taxes other than business corporation tax collected through December of FY 2019 increased by 257.3 percent over general business taxes other than business corporation tax

collected through December of FY 2018. FY 2019 general business taxes other than business corporation tax collected through December were \$118.4 million compared to \$33.1 million collected for the same period in FY 2018, an increase of \$85.3 million.

The following general business taxes categories showed significant increases in cash collections on a fiscal year-to-date basis. These increases are believed to be due largely to the change in the estimated payments schedule noted above:

- Public utilities gross earnings tax cash collections were \$41.8 million more than the \$2.9 million collected in FY 2018 through December;
- Financial institutions tax cash collections were \$2.2 million more than the \$3.9 million collected during the same period last fiscal year;
- Insurance company gross premiums tax cash collections were \$39.7 million more than the \$4.6 million received on a year-to-date basis in FY 2018;
- Bank deposits tax cash collections were \$1.4 million more than in FY 2018 through December when no cash was received from bank deposits taxpayers.

The FY 2019 year-to-date through December health care provider assessment cash collections were \$22.1 million, \$317,675 more than the \$21.8 million collected in the same period last fiscal year. This is an increase of 1.5 percent on a fiscal year-to-date-over-fiscal year-to-date basis.

#### Cash Flow Differences:

##### FY 2019

- Financial institutions tax cash collections include transfers of \$3.0 million from business corporation tax to correct for payments received in prior periods as listed below:
  - \$800,000 in August 2018 to correct for payment(s) received in January 2018;
  - \$1,575,000 in September 2018 to correct for payments received in FY 2016 – FY 2018;
  - \$575,000 in December 2018 to correct for payment(s) received in March 2017.
- Insurance company gross premiums tax cash collections include a transfer of \$164,000 from business corporation tax to correct for payment(s) received in March 2017.

##### FY 2018

- Financial institutions tax cash collections do not include \$500,000 of funds that were incorrectly paid to business corporation tax in December 2017. This was corrected for in December 2018.
- Financial institutions tax cash collections include transfers of \$985,000 from business corporation tax to correct for payments received in prior periods as listed below:
  - \$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.
- Financial institutions tax received \$104,605 from the 2017 Tax Amnesty program in year-to-date FY 2018. Please see the appendix for information on the other general

business taxes other than business corporation tax that received payments via the 2017 Tax Amnesty program.

- Insurance company gross premiums tax includes \$1.3 million of reimbursed HSTCs that were received in July 2017 and accrued back to FY 2017.

### ***Month of December:***

General business taxes other than business corporation tax collected in December 2018 increased by 473.0 percent from general business taxes other than business corporation tax collected in December 2017. December 2018 general business taxes other than business corporation tax were \$47.2 million compared to \$8.2 million collected for December 2017, an increase of \$39.0 million.

The following general business taxes categories showed significant increases in cash collections on a year-over-year basis. These increases are believed to be due largely to the change in the estimated payments schedule noted above:

- Public utilities gross earnings tax cash collections were up \$21.3 million on a year-over-year basis, a difference of 7,532.8 percent.
- Insurance company gross premiums tax cash collections were up \$18.9 million, or 1,217.1 percent, in December 2018 vs December 2017.
- Bank deposits tax cash collections were up \$596,363 in December 2018 compared to no cash collections in December 2017.

Financial institutions tax cash collections were down \$1.8 million in December 2018 compared to December 2017, a difference of -60.2 percent.

There were no significant year-over-year cash flow differences for health care provider assessment cash collections in December 2018.

### **Cash Flow Differences:**

#### December 2018

- Financial institutions tax cash collections include a transfer of \$575,000 from business corporation tax to correct for payment(s) received in March 2017.
- Insurance company gross premiums tax cash collections include a transfer of \$164,000 from business corporation tax to correct for payment(s) received in March 2017.

#### December 2017

- Financial institutions tax cash collections do not include payment(s) of \$500,000 paid to business corporation tax instead of financial institutions tax in December 2017. This was corrected for in September 2018.
- Financial institutions tax cash collections include a transfer of \$485,000 from business corporation 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.



- Financial institutions tax received \$104,605 from the 2017 Tax Amnesty program in December 2017. Please see the appendix for information on the other general business taxes other than business corporation tax that received payments via the 2017 Tax Amnesty program.

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

<b>December</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 84,552,202	\$ 89,009,479	\$ (4,457,277)	-5.0 %
Month	\$ 12,948,900	\$ 12,385,520	\$ 563,380	4.5 %

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

Excise taxes other than sales and use taxes collected in FY 2019 through December decreased by 5.0 percent from excise taxes other than sales and use taxes collected through December of FY 2018. FY 2019 excise taxes other than sales and use taxes collected through December were \$84.6 million compared to the \$89.0 million collected for the same period last fiscal year, a decrease of \$4.5 million.

Motor vehicle license and registration fees were \$540,704 in FY 2019 through December, which is \$3.2 million, or 85.7 percent, less than motor vehicle license and registration fees in FY 2018 through December of \$3.8 million. Except for adjustments, motor vehicle license and registration fees in FY 2019 year-to-date include only duplicate license and license update fees. Additionally, duplicate license and license update fees increased from \$5 to \$25, effective July 1, 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. Total cigarettes excise tax cash receipts through December of FY 2019 were \$73.6 million, down \$1.2 million compared to the \$74.8 million collected for the same period last fiscal year, a decrease of 1.6 percent. Included in year-to-date FY 2019 cigarettes excise tax cash collections is \$37,405 in cigarette floor stock receipts and \$4.9 million of other tobacco products taxes. In year-to-date FY 2018, these amounts are \$1.4 million and \$4.4 million, respectively. Also included in year-to-date FY 2018 is \$1,064 of cigarette tax receipts received from the 2017 Tax Amnesty program.

Finally, the change in Rhode Island 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 December of FY 2019, Rhode Island cigarette sales decreased 4.1 percent compared to the same period last fiscal year.

There were no significant year-over-year differences in cash collections for the alcohol excise tax in FY 2018 through December.

Cash Flow Differences:

## FY 2019

- Motor vehicle license and registration fees include \$36,568 from a June 2018 receivable. This figure is the portion due to the general fund at the final enacted rate of 60.0 percent of FY 2018 motor vehicle license and registration fees.

## FY 2018

- After accounting for the State's portion of the June 2018 receivable, motor vehicle license and registration fees were greater by \$3.3 million in year-to-date FY 2018 compared to year-to-date FY 2019. Effective July 1, 2018, all motor vehicle license and registration fees are transferred to RIHMA except duplicate license and license update fees. In FY 2018 year-to-date, only 80.0 percent of motor vehicle license and registration fees were transferred to RIHMA. In FY 2018 through December, the transfer to RIHMA was \$15.0 million compared to the transfer of \$19.7 million in FY 2019 through December, which is a difference of \$4.7 million. The FY 2019 year-to-date RIHMA transfer includes \$54,852 from the June 2018 receivable noted above. This transfer was done at the final enacted rate of 60.0 percent of FY 2018 motor vehicle license and registration fees.

***Month of December:***

Excise taxes other than sales and use taxes collected in December 2018 increased by 4.5 percent over excise taxes other than sales and use taxes collected in December 2017. December 2018 excise taxes other than sales and use taxes were \$12.9 million compared to the \$12.4 million collected for the same period last fiscal year, an increase of \$563,380.

Motor vehicle license and registration fees in December 2018 were \$78,150, which is 80.8 percent less than motor vehicle license and registration fees in December 2017 of \$407,805. December 2018 motor vehicle license and registration fees include only duplicate license and license update fees. Additionally, duplicate license and license update fees increased from \$5 to \$25, effective July 1, 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. Total cigarettes excise tax cash receipts in December 2018 were \$11.2 million, up \$1.2 million compared to the \$10.1 million collected for the same period last fiscal year, an increase of 11.5 percent. Included in December 2018 cigarettes excise tax cash collections is \$4,087 in cigarette floor stock receipts and \$751,670 of other tobacco products taxes. For December 2017, the comparable figures were \$1,873 in cigarette floor stock receipts and \$719,866 in other tobacco products tax receipts. Additionally, in December 2018 \$1,064 in cigarettes tax receipts were received from the 2017 Tax Amnesty program.

Finally, the change in Rhode Island 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. In December 2018, Rhode Island cigarette sales increased 12.0 percent compared to December 2017.

Cash Flow Differences:

December 2017

- Motor vehicle license and registration fees were greater by \$329,655 in December 2017 compared to December 2018. Effective July 1, 2018, all motor vehicle license and registration fees are transferred to RIHMA except duplicate license and license update fees. In December 2017, only 80.0 percent of motor vehicle license and registration fees were transferred to RIHMA. In December 2017, the transfer to RIHMA was \$1.6 million compared to the transfer of \$2.3 million in December 2018, which is a difference of \$647,690.

Other Taxes

<b>December</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 34,585,062	\$ 90,593,425	\$ (56,008,363)	-61.8 %
Month	\$ 4,900,136	\$ 3,260,636	\$ 1,639,500	50.3 %

*Fiscal Year-to-Date through December:*

Other taxes collected in FY 2019 through December decreased 61.8 percent from other taxes collected through December of FY 2018. FY 2019 other taxes collected through December were \$34.6 million compared to the \$90.6 million collected in the same period last fiscal year, a decrease of \$56.0 million. FY 2019 estate and transfer taxes collected through December were \$25.1 million, down \$58.1 million compared to the same period in FY 2018, a decrease of 69.8 percent. FY 2019 realty transfer taxes collected through December were \$9.0 million, up \$2.1 million, or 30.8 percent, compared to the same period last fiscal year.

Cash Flow Differences:

FY 2019

- Year-to-date FY 2019 estate and transfer tax cash collections include large, infrequently occurring payment(s) of \$5.1 million.
- Year-to-date FY 2019 realty transfer tax cash collections include large, infrequently occurring controlling interest payment(s) of \$1.2 million received in August 2018.

FY 2018

- Year-to-date FY 2018 estate and transfer tax cash collections include large, infrequently occurring payment(s) of \$67.2 million.
- Estate and transfer tax cash collections include \$113,323 of December 2017 receipts from the 2017 Tax Amnesty program, all of which was collected in interest on overdue taxes and transferred to departmental receipts fines and penalties in January 2018.

### ***Month of December:***

Other taxes collected in December 2018 increased 50.3 percent from other taxes collected in December 2017. December 2018 other taxes cash collections were \$4.9 million compared to the \$3.3 million collected in December 2017, an increase of \$1.6 million. Estate and transfer taxes collected in December 2018 were \$3.3 million, up \$860,464 compared to the same period in FY 2018, an increase of 35.0 percent. Realty transfer taxes collected in December 2018 were \$1.5 million, up \$761,953, or 103.6 percent, compared to December 2017.

### **Cash Flow Differences:**

December 2017

- Estate and transfer tax cash collections include \$113,323 of December 2017 receipts from the 2017 Tax Amnesty program, all of which was collected in interest on overdue taxes and transferred to departmental receipts fines and penalties in January 2018.

### **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. *For all accounts noted by an asterisk (\*), please see the departmental receipts fiscal year-to-date cash flow differences section for more information on cash flow anomalies between the two fiscal periods.*

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

As is apparent from the *State of Rhode Island Monthly Cash Collections: Fiscal Year-to-Date* table, total departmental receipts in FY 2019 through December increased by 14.0 percent compared to total departmental receipts in FY 2018 through December. Fiscal year-to-date total departmental receipts collected in FY 2019 were \$272.7 million compared to \$239.2 million collected for the same period last year, an increase of \$33.6 million.

The *licenses and fees* category of departmental receipts through December of FY 2019 was up \$31.7 million, or 15.0 percent, over the \$211.6 million collected through December of FY 2018. The accounts with the largest nominal increases / decreases greater than \$100,000 in year-to-date FY 2019 versus year-to-date FY 2018 are listed below:

<b>Licenses and Fees</b>	<b>Nominal Increase / Decrease</b>
Hospital licensing fee *	\$ 14,756,045
License fees for securities *	9,180,440
Registration fees for securities ^	3,813,890
Board for Design Professionals license fees	(254,685)
Wholesale fee on hard-to-dispose items	(216,273)
Recreation activities fund – Parks and Recreation	(215,368)
^ The mutual funds registration fee increased from \$1,000 to \$1,750 in FY 2019.	

The *finances and penalties* category of departmental receipts through December of FY 2019 was up \$393,498, or 3.4 percent, over the \$11.5 million collected through December of FY 2018. In the fines and penalties category, the accounts with the largest nominal increases / decreases greater than \$100,000 in year-to-date FY 2019 compared to year-to-date FY 2018 are listed below.

<b>Fines and Penalties</b>	<b>Nominal Increase / Decrease</b>
Penalty on overdue taxes	\$ 620,670
Insurance administration penalties	187,973
Insurance verification license reinstatement fees	159,550
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Interest on overdue taxes	(391,312)
Utility fines	(270,250)
Fines and costs– Sixth Division Providence District Court	(101,063)

The *sales and services* category of departmental receipts through December of FY 2019 was up \$4,571 over the \$4.8 million collected through December of FY 2018, an increase of 0.1 percent. No sales and services accounts had nominal increases or decreases greater than \$100,000 in FY 2019 through December versus FY 2018 through December.

*Miscellaneous departmental receipts* through December of FY 2019 were up \$1.4 million, or 12.8 percent, over the \$11.2 million collected through December of FY 2018. The accounts with the largest nominal increases / decreases greater than \$100,000 for year-to-date FY 2019 versus year-to-date FY 2018 are listed below:

<b>Miscellaneous Departmental Receipts</b>	<b>Nominal Increase / Decrease</b>
Miscellaneous refunds – Treasury Department	\$ 922,441
Miscellaneous revenues – Office of the Attorney General	635,626
Cost recovery account – Department of Health	447,048
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Cost recovery account – Public Utilities Commission *	(465,937)
Income tax refund checks written off	(449,168)
Cost recovery account – Department of Labor and Training	(321,077)

#### Cash Flow Differences:

##### FY 2019

- In licenses and fees, cash collections from the hospital licensing fee were \$14.8 million more in year-to-date FY 2019 compared to year-to-date FY 2018. In general, the prior fiscal year hospital licensing fee is received in July of the current year. The hospital licensing fee rate for FY 2017 was 5.652 percent compared to 5.856 percent for FY 2018, and the hospital licensing fee base advanced from hospital FY 2015 net patient revenues in FY 2017 to hospital FY 2016 net patient revenues in FY 2018. Not included in FY 2019 YTD or FY 2018 YTD cash collections from the hospital licensing fee is the payment from Eleanor Slater Hospital, which is received in June of the fiscal year for which it is due.

- Licenses and fees include a payment of \$537,270 to the City of Providence for the city's share of the Wexford Innovation Center building permit fees that was made in August 2018 but accrued back to FY 2018.
- In licenses and fees, license fees for securities received \$9.1 million in early payment(s) that were posted in December 2018 instead of January 2019.
- In miscellaneous departmental receipts, a Public Utilities Commission cost recovery account is down \$465,937 in year-to-date FY 2019 compared to year-to-date FY 2018 due to a delay in invoices issued and the subsequent advancement of the due date for these invoices from January 1, 2019 to February 1, 2019 in the corresponding restricted receipt account.

### ***Month of December:***

As is apparent from the *State of Rhode Island Monthly Cash Collections: Month of December* table, total departmental receipts in December 2018 increased by 63.9 percent compared to total departmental receipts in December 2017. Departmental receipts collected in December 2018 were \$22.8 million compared to \$13.9 million collected for the same period last fiscal year, an increase of \$8.9 million.

The *licenses and fees* category of departmental receipts in December 2018 was up \$9.5 million, or 90.8 percent, over the \$10.5 million collected in December 2017. The accounts with the largest nominal increases / decreases greater than \$100,000 in December 2018 versus December 2017 are listed below:

<b>Licenses and Fees</b>	<b>Nominal Increase / Decrease</b>
License fees for securities *	\$ 9,107,555
Registration fees for securities ^	599,090
Insurance claim adjusters license fees †	368,242
<hr style="border-top: 1px dashed black;"/>	
Hospital licensing fee *	(323,142)
Banking licenses	(327,240)
Fire safety fees	(310,866)
^ The mutual funds registration fee increased from \$1,000 to \$1,750 in FY 2019.	
† The license fee for insurance claim adjusters increased from \$150 to \$250 in FY 2019.	

The *finances and penalties* category of departmental receipts in December 2018 was down \$40,410, or 4.6 percent, from the \$872,921 collected in December 2017. In the fines and penalties category, no accounts had nominal increases or decreases greater than \$100,000 in December 2018 compared to December 2017.

The *sales and services* category of departmental receipts in December 2018 was down \$90,179 from the \$771,231 collected in December 2017, a decrease of 11.7 percent. The sales and services category had no accounts with nominal increases or decreases greater than \$100,000 for December 2018 versus December 2017.

*Miscellaneous departmental receipts* in December 2018 were down \$508,970, or 29.0 percent, from the \$1.8 million collected in December 2017. The miscellaneous departmental receipts accounts with nominal increases / decreases greater than \$100,000 for December 2018 versus December 2017 are listed below:

<b>Miscellaneous Departmental Receipts</b>	<b>Nominal Increase / Decrease</b>
Cost recovery account – Department of Health	\$ 187,887
Cost recovery account – Department of Education	119,326
Cost recovery account – Public Utilities Commission *	(437,538)
Cost recovery account - Judiciary	(202,921)

***Cash Flow Differences:***

December 2018

- In licenses and fees, cash collections from the hospital licensing fee were \$323,142 less in December 2018 compared to December 2017. The difference is due to payment plan receipts being higher in December 2017 than in December 2018. In general, the prior fiscal year hospital licensing fee is received in July of the current year. The hospital licensing fee rate for FY 2017 was 5.652 percent compared to 5.856 percent for FY 2018, and the hospital licensing fee base advanced from hospital FY 2015 net patient revenues in FY 2017 to hospital FY 2016 net patient revenues in FY 2018.
- In licenses and fees, license fees for securities received \$9.1 million in early payment(s) that were posted in December 2018 instead of January 2019.
- In miscellaneous departmental receipts, a Public Utilities Commission cost recovery account is down \$437,538 in December 2018 compared to December 2017 due to a delay in invoices issued and the subsequent advancement of the due date for these invoices from January 1, 2019 to February 1, 2019 in the corresponding restricted receipt account.

**Motor Fuel Tax, Per Penny Yield**

<b>December</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 2,748,215	\$ 2,317,827	\$ 430,388	18.6 %
Month	\$ 432,333	\$ 381,876	\$ 50,457	13.2 %

In FY 2019, 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 2018. No portion of the motor fuel tax is designated as general revenues. The data provided in this section of the report is for informational purposes only.

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

The per penny yield of the state's motor fuel tax collected in FY 2019 through December was \$430,388 more than in FY 2018 through December. This represents an increase of 18.6 percent

between the two fiscal year-to-date periods. Much of this increase is attributable to the receipt of large, infrequently occurring payment(s) of \$250,604 in October 2018. For FY 2019 through December, the per-penny yield was \$2.75 million versus \$2.32 million for FY 2018 through December.

***Month of December:***

The per penny yield of the state's motor fuel tax collected in December 2018 was \$50,457 more than in December 2017. This represents an increase of 13.2 percent between the two periods. For December 2018, the per-penny yield was \$432,333 versus \$381,876 for December 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 December (Gaming Activity through November):***

<b>Component</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>Difference</b>	<b>% Change</b>
Traditional Games	\$ 19,162,282	\$ 15,688,598	\$ 3,473,684	22.1 %
Keno	7,146,762	7,607,735	(460,973)	-6.1 %
Twin River Casino Hotel				
VLTs	109,800,830	108,922,609	878,221	0.8 %
Sports Betting *	21,630	0	21,630	n/a
Traditional Table Games	7,044,914	7,129,479	(84,565)	-1.2 %
Poker Tables	449,717	436,991	12,726	2.9 %
Newport Grand/Tiverton Casino Hotel ^				
VLTs	20,030,487	12,043,701	7,986,786	66.3 %
Traditional Table Games	283,798	0	283,798	n/a
* Sports betting at Twin River Casino Hotel began on November 26, 2018.				
^ Newport Grand ceased operations on August 28, 2018, and Tiverton Casino Hotel commenced operations on August 29, 2018.				

In fiscal year-to-date 2019, Twin River Casino Hotel operated a maximum of 97 traditional table games and 22 poker tables. In the same period in FY 2018, Twin River Casino Hotel operated a maximum of 97 traditional table games and 21 poker tables. In year-to-date FY 2019, Tiverton Casino Hotel operated a maximum of 32 traditional table games. Both Twin River Casino Hotel and Newport Grand/Tiverton Casino Hotel VLT cash collections do not reflect unclaimed prizes,



distressed communities relief program receipts, or the State's payment to either Twin River Casino Hotel's or Tiverton Casino Hotel's marketing program.

Cash Flow Differences:

FY 2019

- In year-to-date FY 2019, Division of Lottery overpaid the general fund \$27.2 million.
  - Total lottery transfers in year-to-date FY 2019 were \$189,309,775. Based on lottery activity, the transfers normally would have been \$162,138,348, which is a difference of \$27,171,427.
  - At the end of FY 2018, the general fund owed the Division of Lottery \$1,480,823. Not included in the overpayment is \$784,726 that the Division of Lottery withheld of the August lottery transfer to offset the general fund's outstanding payable, reducing it to \$696,097.

FY 2018

- The FY 2018 lottery transfer includes receipts of \$1.9 million received in October 2017 that were accrued back to FY 2017.

**Month of December (November Gaming Activity):**

<b>Component</b>	<b>December 2018</b>	<b>December 2017</b>	<b>Difference</b>	<b>% Change</b>
Traditional Games	\$ 3,137,843	\$ 2,716,990	\$ 420,853	15.5 %
Keno	1,483,460	1,510,675	(27,215)	-1.8 %
Twin River Casino Hotel				
VLTs	21,076,842	20,470,038	606,804	3.0 %
Sports Betting *	21,630	0	21,630	n/a
Traditional Table Games	1,405,609	1,445,340	(39,731)	-2.7 %
Poker Tables	92,046	88,023	4,023	4.6 %
Tiverton Casino Hotel				
VLTs	4,609,422	2,151,067	2,458,355	114.3 %
Traditional Table Games	160,940	0	160,940	n/a
* Sports betting at Twin River Casino Hotel began on November 26, 2018.				

In November 2018 and November 2017, Twin River Casino Hotel operated a maximum of 97 traditional table games and 22 poker tables. In November 2018, Tiverton Casino Hotel operated a maximum of 32 traditional table games. Both Twin River Casino Hotel and Tiverton Casino Hotel VLT cash collections do not reflect unclaimed prizes, distressed communities relief program receipts, or the State's payment to either Twin River Casino Hotel's or Tiverton Casino Hotel's marketing program.

Cash Flow Differences:

December 2018

- The Division of Lottery overpaid the general fund by \$1.9 million. The December 2018 transfer was \$33,500,000 compared to November lottery activity of \$31,647,917.



Mark A. Furcolo, Director  
Rhode Island Department of Revenue  
January 28, 2019

## Appendix: 2017 Tax Amnesty Cash Collections

### *Fiscal Year-To-Date through December:*

In FY 2018 through December, the Division of Taxation collected a total of \$4.5 million through the 2017 Tax Amnesty program, which began on December 1, 2017 and ran through February 15, 2018. All payments were due by March 31, 2018, but there were small deposits posted in April 2018. 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 that is collected for personal income taxes, business corporation taxes, sales and use tax, and estate and transfer tax 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 of \$1.4 million from the taxes listed above was transferred to departmental receipts in January 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 December 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 *	\$ 1,874,823	\$ 959,994
Personal Income Tax Withholding Payments *	43,429	41,685
Business Corporation Tax *	383,766	133,797
Public Utilities Gross Earnings Tax	31	1,106
Financial Institutions Tax	81,543	23,062
Insurance Companies Gross Premiums Tax	3,481	1,141
Health Care Provider Assessment	6	849
Sales and Use Tax *	582,273	145,040
Cigarette Excise Tax	956	108
Estate and Transfer Tax *	0	113,323
Beverage Container and Litter Control Fees ^	1	79
Compassion Center Surcharge ^	29,013	12,667
E-911 Wireline Surcharge ^	192	9
<b>Total General Revenue Taxes and Interest</b>	<b>\$ 2,999,513</b>	<b>\$ 1,432,862</b>
* Interest collected was transferred to departmental receipts in January 2018.		
^ Departmental Receipt accounts		

***Month of December:***

Given that December 2017 was the first month of collections for the 2017 Tax Amnesty program, there are no differences between fiscal year-to-date and monthly cash collections.