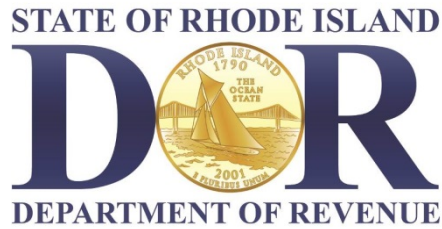


STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
GOVERNOR GINA M. RAIMONDO



Office of Revenue Analysis

**State of Rhode Island Revenue Brief
Special Report on Preliminary FY 2019 Revenues**

This special edition of the State of Rhode Island Revenue Brief is the traditional fiscal year-end report on preliminary revenues. This special report assesses the current fiscal year revenues on an accrual basis. That is, it considers total fiscal year revenues, which are equal to cash collections plus the net accrual between consecutive fiscal years. This report's focus is on preliminary FY 2019 revenues and the fiscal year revenue estimates as adopted in the final enacted FY 2019 budget. Finally, the growth rates cited refer to preliminary FY 2019 revenues compared to final enacted fiscal year revenue estimates or compared to audited FY 2018 revenues.

The data contained in this report is drawn from two sources, the Division of Taxation and the Office of Accounts and Controls. This report makes minimal adjustments to the data that is reported and only to ensure that the Division of Taxation's data is consistent with Office of Accounts and Controls' data.

This report includes three tables. The first table, *Preliminary FY 2019 to Final Enacted FY 2019*, displays the amounts, difference, and variance of preliminary FY 2019 revenues to final enacted FY 2019 revenues. The second table, *Preliminary FY 2019 to Audited FY 2018*, displays the amounts, difference, and year-over-year growth of preliminary FY 2019 revenues to final audited FY 2018 revenues. The last table, *Final Enacted FY 2019 to Audited FY 2018*, displays the amounts, difference, and variance of final enacted FY 2019 revenues to final audited FY 2018 revenues.

STATE OF RHODE ISLAND SPECIAL REPORT ON PRELIMINARY REVENUES
Preliminary FY 2019 vs. Final Enacted FY 2019

	Preliminary Revenues FY 2019	Final Enacted Revenues FY 2019	Difference	Variance
Personal Income Tax	\$ 1,393,763,280	\$ 1,384,000,000	\$ 9,763,280	0.7%
General Business Taxes				
Business Corporations	154,688,085	164,500,000	(9,811,915)	-6.0%
Public Utilities Gross Earnings	101,612,604	102,900,000	(1,287,396)	-1.3%
Financial Institutions	21,145,195	23,300,000	(2,154,805)	-9.2%
Insurance Companies	116,968,195	110,800,000	6,168,195	5.6%
Bank Deposits	2,903,296	3,000,000	(96,704)	-3.2%
Health Care Provider Assessment	43,945,864	44,600,000	(654,136)	-1.5%
Excise Taxes				
Sales and Use *	1,125,664,415	1,117,600,000	8,064,415	0.7%
Motor Vehicle	1,034,994	1,100,000	(65,006)	-5.9%
Cigarettes	138,854,020	139,800,000	(945,980)	-0.7%
Alcohol	20,436,502	20,700,000	(263,498)	-1.3%
Controlled Substances *	6,714	-	6,714	n/a
Other Taxes				
Estate and Transfer	48,019,188	48,000,000	19,188	0.0%
Racing and Athletics	1,151,342	1,100,000	51,342	4.7%
Realty Transfer	12,748,199	12,550,000	198,199	1.6%
Total Taxes	\$ 3,182,941,892	\$ 3,173,950,000	\$ 8,991,892	0.3%
Departmental Receipts	\$ 416,720,537	\$ 422,170,000	\$ (5,449,463)	-1.3%
Taxes and Departmentals	\$ 3,599,662,429	\$ 3,596,120,000	\$ 3,542,429	0.1%
Other General Revenue Sources				
Other Miscellaneous Revenues	12,367,080	11,437,185	929,895	8.1%
Lottery Transfer	397,321,087	400,100,000	(2,778,913)	-0.7%
Unclaimed Property	11,578,604	11,200,000	378,604	3.4%
Total Other Sources	\$ 421,266,771	\$ 422,737,185	\$ (1,470,414)	-0.3%
Total General Revenues	\$ 4,020,929,201	\$ 4,018,857,185	\$ 2,072,016	0.1%

* The Controller's Audited General Fund Revenue Report for FY 2019 includes Controlled Substances Revenues in Sales and Use Tax Revenues. This report treats these revenue sources separately.

PIT Component	Preliminary FY 2019	Final Enacted FY 2019	Difference	Variance
Estimated payments	\$ 232,469,625	\$ 227,000,000	\$ 5,469,625	2.4%
Final payments	272,213,079	273,000,000	(786,921)	-0.3%
Withholding	1,220,200,763	1,226,500,000	(6,299,237)	-0.5%
Refunds	(348,388,840)	(350,000,000)	1,611,160	-0.5%
Net Accrual	17,268,652	7,500,000	9,768,652	130.2%
Total	\$ 1,393,763,280	\$ 1,384,000,000	\$ 9,763,280	0.7%

STATE OF RHODE ISLAND SPECIAL REPORT ON PRELIMINARY REVENUES
Preliminary FY 2019 vs. Audited FY 2018

	Preliminary Revenues FY 2019	Audited Revenues FY 2018	Difference	Year-over-Year Growth
<u>Personal Income Tax</u>	\$ 1,393,763,280	\$ 1,345,272,113	\$ 48,491,166	3.6%
<u>General Business Taxes</u>				
Business Corporations	154,688,085	127,674,418	27,013,667	21.2%
Public Utilities Gross Earnings	101,612,604	109,594,153	(7,981,549)	-7.3%
Financial Institutions	21,145,195	29,176,929	(8,031,734)	-27.5%
Insurance Companies	116,968,195	130,261,721	(13,293,526)	-10.2%
Bank Deposits	2,903,296	1,638,592	1,264,704	77.2%
Health Care Provider Assessment	43,945,864	44,099,790	(153,926)	-0.3%
<u>Excise Taxes</u>				
Sales and Use *	1,125,664,415	1,057,189,921	68,474,493	6.5%
Motor Vehicle	1,034,994	20,821,761	(19,786,767)	-95.0%
Cigarettes	138,854,020	146,877,686	(8,023,666)	-5.5%
Alcohol	20,436,502	19,928,711	507,791	2.5%
Controlled Substances *	6,714	15,466	(8,752)	-56.6%
<u>Other Taxes</u>				
Estate and Transfer	48,019,188	51,401,550	(3,382,362)	-6.6%
Racing and Athletics	1,151,342	1,081,031	70,311	6.5%
Realty Transfer	12,748,199	12,841,566	(93,367)	-0.7%
Total Taxes	\$ 3,182,941,892	\$ 3,097,875,409	\$ 85,066,483	2.7%
<u>Departmental Receipts</u>	416,720,537	397,579,143	19,141,394	4.8%
Taxes and Departmentals	\$ 3,599,662,429	\$ 3,495,454,551	\$ 104,207,877	3.0%
<u>Other General Revenue Sources</u>				
Other Miscellaneous Revenues	12,367,080	37,054,016	(24,686,936)	-66.6%
Lottery Transfer	397,321,087	364,974,286	32,346,801	8.9%
Unclaimed Property	11,578,604	10,901,582	677,022	6.2%
Total Other Sources	\$ 421,266,771	\$ 412,929,884	\$ 8,336,887	2.0%
Total General Revenues	\$ 4,020,929,201	\$ 3,908,384,435	\$ 112,544,765	2.9%

* The Controller's Audited General Fund Revenue Reports for FY 2019 and FY 2018 include Controlled Substances Revenues in Sales and Use Tax Revenues. This report treats these revenue sources separately.

PIT Component	Preliminary FY 2019	Audited FY 2018	Difference	Year-over-Year Growth
Estimated payments	\$ 232,469,625	\$ 261,971,435	\$ (29,501,809)	-11.3%
Final payments	272,213,079	217,412,479	54,800,600	25.2%
Withholding	1,220,200,763	1,189,333,441	30,867,322	2.6%
Refunds	(348,388,840)	(339,565,661)	(8,823,178)	2.6%
<i>Net Accrual</i>	<i>17,268,652</i>	<i>16,120,420</i>	<i>1,148,232</i>	<i>7.1%</i>
Total	\$ 1,393,763,280	\$ 1,345,272,113	\$ 48,491,166	3.6%

STATE OF RHODE ISLAND SPECIAL REPORT ON PRELIMINARY REVENUES
Final Enacted FY 2019 vs. Audited FY 2018

	Final Enacted Revenues FY 2019	Audited Revenues FY 2018	Difference	Variance
Personal Income Tax	\$ 1,384,000,000	\$ 1,345,272,113	\$ 38,727,887	2.9%
General Business Taxes				
Business Corporations	164,500,000	127,674,418	36,825,582	28.8%
Public Utilities Gross Earnings	102,900,000	109,594,153	(6,694,153)	-6.1%
Financial Institutions	23,300,000	29,176,929	(5,876,929)	-20.1%
Insurance Companies	110,800,000	130,261,721	(19,461,721)	-14.9%
Bank Deposits	3,000,000	1,638,592	1,361,408	83.1%
Health Care Provider Assessment	44,600,000	44,099,790	500,210	1.1%
Excise Taxes				
Sales and Use *	1,117,600,000	1,057,189,921	60,410,079	5.7%
Motor Vehicle	1,100,000	20,821,761	(19,721,761)	-94.7%
Cigarettes	139,800,000	146,877,686	(7,077,686)	-4.8%
Alcohol	20,700,000	19,928,711	771,289	3.9%
Controlled Substances *	-	15,466	(15,466)	n/a
Other Taxes				
Estate and Transfer	48,000,000	51,401,550	(3,401,550)	-6.6%
Racing and Athletics	1,100,000	1,081,031	18,969	1.8%
Realty Transfer	12,550,000	12,841,566	(291,566)	-2.3%
Total Taxes	\$ 3,173,950,000	\$ 3,097,875,409	\$ 76,074,591	2.5%
Departmental Receipts	422,170,000	397,579,143	24,590,857	6.2%
Taxes and Departmentals	\$ 3,596,120,000	\$ 3,495,454,551	\$ 100,665,449	2.9%
Other General Revenue Sources				
Other Miscellaneous Revenues	11,437,185	37,054,016	(25,616,831)	-69.1%
Lottery Transfer	400,100,000	364,974,286	35,125,714	9.6%
Unclaimed Property	11,200,000	10,901,582	298,418	2.7%
Total Other Sources	\$ 422,737,185	\$ 412,929,884	\$ 9,807,301	2.4%
Total General Revenues	\$ 4,018,857,185	\$ 3,908,384,435	\$ 110,472,750	2.8%

* The Controller's Audited General Fund Revenue Reports for FY 2019 and FY 2018 include Controlled Substances Revenues in Sales and Use Tax Revenues. This report treats these revenue sources separately.

PIT Component	Final Enacted FY 2019	Audited FY 2018	Difference	Variance
Estimated payments	\$ 227,000,000	\$ 261,971,435	\$ (34,971,435)	-13.3%
Final payments	273,000,000	217,412,479	55,587,521	25.6%
Withholding	1,226,500,000	1,189,333,441	37,166,559	3.1%
Refunds	(350,000,000)	(339,565,661)	(10,434,339)	3.1%
Net Accrual	7,500,000	16,120,420	(8,620,420)	-53.5%
Total	\$ 1,384,000,000	\$ 1,345,272,113	\$ 38,727,887	2.9%

Total General Revenues

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 4,020,929,201	\$ 4,018,857,185	\$ 2,072,016
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	2.9 %	2.8 %	0.1 %

The State of Rhode Island Department of Revenue reports that preliminary FY 2019 total general revenues were 0.1 percent more than the final enacted FY 2019 total general revenue estimate of \$4.019 billion, a surplus of \$2.1 million.

Preliminary FY 2019 total general revenues of \$4.021 billion were up \$112.5 million compared to audited FY 2018 total general revenues of \$3.908 billion, which translates into a growth rate of 2.9 percent.

The General Assembly's final enacted FY 2019 total general revenue estimate was \$110.5 million, or 2.8 percent, more than audited FY 2018 total general revenues.

Total Taxes and Departmental Receipts

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 3,599,662,429	\$ 3,596,120,000	\$ 3,542,429
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	3.0 %	2.9 %	0.1 %

Preliminary FY 2019 total taxes and departmental receipts were 0.1 percent more than the final enacted FY 2019 estimate of \$3.596 billion, a surplus of \$3.5 million.

Preliminary FY 2019 total taxes and departmental receipts of \$3.600 billion were up \$104.2 million compared to audited FY 2018 total taxes and departmental receipts of \$3.495 billion, which translates into a growth rate of 3.0 percent.

The final enacted FY 2019 total taxes and departmental receipts estimate was \$100.7 million, or 2.9 percent, above audited FY 2018 total taxes and departmental receipts.

Other General Revenue Sources

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 421,266,771	\$ 422,737,185	\$ (1,470,414)
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	2.0 %	2.4 %	-0.3 %

Preliminary FY 2019 other general revenue sources were 0.3 percent less than the final enacted FY 2019 estimate of \$422.7 million, a shortage of \$1.5 million.

Preliminary FY 2019 other general revenue sources of \$421.3 million were up \$8.3 million compared to audited FY 2018 other general revenue sources of \$412.9 million, which translates into a growth rate of 2.0 percent.

The final enacted FY 2019 other general revenue sources estimate was \$9.8 million, or a 2.4 percent, more than audited FY 2018 other general revenue sources.

Total Taxes

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 3,182,941,892	\$ 3,173,950,000	\$ 8,991,892
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	2.7 %	2.5 %	0.3 %

Preliminary FY 2019 revenues for total taxes were 0.3 percent more than the final enacted FY 2019 estimate of \$3.174 billion, a surplus of \$9.0 million.

Preliminary FY 2019 total taxes revenues of \$3.183 billion were up \$85.1 million compared to audited FY 2018 total taxes revenues of \$3.098 billion, which translates into a growth rate of 2.7 percent.

The final enacted FY 2019 total taxes estimate was \$76.1 million, or 2.5 percent, above audited FY 2018 total tax revenues.

Historic Structures Tax Credit Reimbursements

In FY 2019, total historic structure tax credit redemptions/reimbursements for all taxes totaled \$25.2 million versus \$13.7 million in FY 2018, an increase of \$11.5 million or a growth rate of 84.7 percent.

The breakdown of the reimbursement of redeemed HSTCs by tax type is shown in the table below:

Historic Structures Tax Credit Reimbursements by Tax Type				
Tax Type	FY 2019	FY 2018	Difference	% Change
Personal Income	\$ 5,072,677	\$ 5,474,538	\$ (401,861)	-7.3 %
Business Corporation	16,357	504,080	(487,723)	-96.8 %
Financial Institutions	0	0	0	n/a
Insurance	1,206,374	11,913,240	(10,706,865)	-89.9 %
Insurance/HMOs	7,000,000	3,247,837	3,752,163	115.5 %
Non-Profit Partner Refund	5,703,379	4,049,067	1,654,312	40.9 %
Total	\$ 18,998,787	\$ 25,188,761	\$ (6,189,974)	-24.6 %

Personal Income Taxes

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 1,393,763,280	\$ 1,384,000,000	\$ 9,763,280
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	3.6 %	2.9 %	0.7 %

According to the Controller's Preliminary General Fund Revenue Report, FY 2019 personal income tax revenues were 0.7 percent more than the final enacted FY 2019 estimate of \$1.384 billion, an excess of \$9.8 million.

Preliminary FY 2019 personal income tax revenues of \$1.394 billion were up \$48.5 million compared to audited FY 2018 personal income tax revenues of \$1.345 billion, which translates into a growth rate of 3.6 percent.

The final enacted FY 2019 personal income tax revenue estimate was \$38.7 million, or 2.9 percent, more than audited FY 2018 personal income tax revenues.

The table below provides the component breakdown of the preliminary FY 2019 personal income tax revenues, as provided by the Division of Taxation, and the final enacted FY 2019 estimates for personal income tax revenues:

Component	FY 2019 Preliminary Close	FY 2019 Final Enacted	Variance	Percentage Change
Estimated Payments	\$ 232,469,625	\$ 227,000,000	\$ 5,469,625	2.4 %
Final Payments	272,213,079	273,000,000	(786,921)	-0.3 %
Withholding	1,220,200,763	1,226,500,000	(6,299,237)	-0.5 %
Refunds/Adjustments	(348,388,840)	(350,000,000)	1,611,160	-0.5 %
Net Accrual	17,268,652	7,500,000	9,768,652	130.2 %
Total	\$ 1,393,763,280	\$ 1,384,000,000	\$ 9,763,280	0.7 %

The table below provides the component breakdown of personal income tax revenues, as provided by the Division of Taxation, and compares preliminary FY 2019 revenues to audited FY 2018 revenues:

Component	FY 2019 Preliminary	FY 2018 Audited	Nominal Difference	Percent Difference
Estimated Payments	\$ 232,469,625	\$ 261,971,435	\$ (29,501,810)	-11.3 %
Final Payments *	272,213,079	217,412,479	54,800,600	25.2 %
Withholding	1,220,200,763	1,189,333,441	30,867,322	2.6 %
Refunds/Adjustments	(348,388,840)	(339,565,661)	(8,823,179)	2.6 %
Net Accrual †	17,268,652	16,120,420	1,148,232	7.1 %
Total	\$ 1,393,763,280	\$ 1,345,272,113	\$ 48,491,167	3.6 %
* Final payments include historic structures tax credit (HSTC) reimbursements of \$5,072,677 in preliminary FY 2019 and \$5,474,538 in audited FY 2018.				
† Net Accrual figures are from the Office of the Controller's Preliminary General Fund Revenue Report for FY 2019 and the Final General Fund Revenue Report for FY 2018.				

It should be noted that the preliminary FY 2019 net accrual was \$1.1 million greater than the audited FY 2018 net accrual of \$16.1 million.

Business Corporation Taxes

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 154,688,085	\$ 164,500,000	\$ (9,811,915)
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	21.2 %	28.8%	-6.0 %

Rhode Island business corporation tax revenues are comprised of taxes collected from the corporate income tax and taxes on nonresident contractors and political organizations. Preliminary FY 2019 business corporation tax revenues were 6.0 percent less than the final enacted FY 2019 estimate of \$164.5 million, a shortfall of \$9.8 million.

Preliminary FY 2019 business corporation tax revenues of \$154.7 million were up \$27.0 million compared to audited FY 2018 business corporation tax revenues of \$127.7 million, which translates into a growth rate of 21.2 percent.

The final enacted FY 2019 business corporation tax revenue estimate was \$36.8 million, or 28.8 percent, more than audited FY 2018 business corporation tax revenues.

The table below provides the component breakdown of corporate income tax revenues, as provided by the Division of Taxation, and compares preliminary FY 2019 revenues to audited FY 2018 revenues:

Component	FY 2019 Preliminary	FY 2018 Audited	Nominal Difference	Percent Difference
Estimated Payments	\$ 114,867,685	\$ 86,035,859	\$ 28,831,826	33.5 %
Final Payments *	98,611,232	63,815,415	34,795,817	54.5 %
Refunds	(40,912,751)	(40,037,773)	(874,978)	2.2 %
Adjustments	(18,208,797)	(14,323,806)	(3,884,991)	27.1 %
Net Accrual †	193,654	32,104,351	(31,910,697)	-99.4 %
Total	\$ 154,551,022	\$ 127,594,046	\$ 26,956,976	21.1 %
* Final payments include historic structures tax credit (HSTC) reimbursements of \$16,357 in preliminary FY 2019 and \$504,080 in audited FY 2018.				
† Net Accrual figures are from the Controller's Preliminary General Fund Revenue Report for FY 2019 and Final General Fund Revenue Report for FY 2018.				

It should be noted that the preliminary FY 2019 net accrual includes a receivable of \$22.5 million and a refund payable of \$37.9 million. In audited FY 2018, the comparable figures were \$18.7 million and \$34.3 million.

Public Utilities Gross Earnings Taxes

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 101,612,604	\$ 102,900,000	\$ (1,287,396)
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	-7.3 %	-6.1 %	-1.3 %

Preliminary FY 2019 public utilities gross earnings tax revenues were 1.3 percent less than the final enacted FY 2019 public utilities gross earnings tax revenue estimate of \$102.9 million, a shortfall of \$1.3 million.

Preliminary FY 2019 public utilities gross earnings tax revenues of \$101.6 million were down \$8.0 million compared to audited FY 2018 public utilities gross earnings tax revenues of \$109.6 million, which translates into a growth rate of -7.3 percent. Preliminary FY 2019 public utilities gross earnings tax revenues include cash collections of \$103.0 million and a net accrual of \$(1.4 million). FY 2019 public utilities gross earnings tax cash collections increased by \$43.4 million from audited FY 2018 cash collections. The public utilities gross earnings tax net accrual decreased by \$51.4 million from the FY 2018 net accrual of \$49.9 million, which represents a growth rate of -102.9 percent.

The final enacted FY 2019 public utilities gross earnings tax revenue estimate was \$6.7 million, or 6.1 percent below audited FY 2018 public utilities gross earnings tax revenues.

Financial Institution Taxes

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 21,145,195	\$ 23,300,000	\$ (2,154,805)
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	-27.5 %	-20.1 %	-9.2 %

Preliminary FY 2019 financial institution tax revenues were 9.2 percent less than the final enacted FY 2019 estimate of \$23.3 million, a shortfall of \$2.1 million.

Preliminary FY 2019 financial institution tax revenues of \$21.1 million were down \$8.0 million compared to audited FY 2018 financial institution tax revenues of \$29.2 million, which translates into a growth rate of -27.5 percent. Neither preliminary FY 2019 financial institution tax revenues nor audited FY 2018 financial institution tax revenues include any historic structures tax credit (HSTC) reimbursements. Preliminary FY 2019 financial institution tax revenues include cash collections of \$21.9 million and a FY 2019 net accrual of \$804,690. FY 2019 financial institution tax cash collections decreased by \$582,652 from FY 2018 cash collections. The preliminary FY 2019 adjusted net accrual decreased by \$7.4 million from the audited FY 2018 adjusted net accrual of \$6.6 million.

The final enacted FY 2019 financial institutions tax revenue estimate was \$23.3 million, a decrease of \$5.9 million, or 20.1 percent, from audited FY 2018 financial institutions tax revenues of \$29.2 million.

Insurance Company Gross Premiums Taxes

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Other Insurance	\$ 66,633,116	\$ 64,500,000	\$ 2,133,116
Health Insurance	50,335,079	46,300,000	4,035,079
Total Revenues	\$ 116,968,195	\$ 110,800,000	\$ 6,168,195
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	-10.2 %	-14.9 %	5.6 %

Preliminary FY 2019 insurance company gross premiums tax revenues were 5.6 percent more than the final enacted FY 2019 estimate of \$110.8 million, a surplus of \$6.2 million.

Preliminary FY 2019 insurance company gross premiums tax revenues of \$117.0 million were down \$13.3 million compared to audited FY 2018 insurance company gross premiums tax revenues of \$130.3 million, which translates into a growth rate of -10.2 percent. Preliminary FY 2019 insurance company gross premiums tax revenues include \$8.2 million of historic structures tax credit (HSTC) reimbursements and audited FY 2018 insurance company gross premiums tax revenues included \$13.9 million of HSTC reimbursements.

The final enacted FY 2019 insurance company gross premiums tax revenue estimate was \$19.5 million, or 14.9 percent, below audited FY 2018 insurance company gross premiums tax revenues.

The table below provides the component breakdown of insurance company gross premiums tax revenues, as provided in the Controller's Preliminary General Fund Revenue Report for FY 2019 and Final General Fund Revenue Report for FY 2018, and compares preliminary FY 2019 revenues to audited FY 2018 revenues:

Component	FY 2019 Preliminary	FY 2018 Audited	Nominal Difference	Percent Difference
<u>Other Insurance</u>				
Cash	\$ 66,108,545	\$ 48,801,698	\$ 17,306,847	35.5 %
Net Accrual	524,571	29,219,728	(28,695,157)	-98.2 %
Total	\$ 66,633,116	\$ 78,021,426	\$ (11,388,310)	-14.6 %
<u>Health Insurance</u>				
Cash *	\$ 51,043,079	\$ 32,716,863	\$ 18,326,216	56.0 %
Net Accrual *	(708,000)	19,523,432	(20,231,432)	-103.6 %
Total	\$ 50,335,079	\$ 52,240,295	\$ (1,905,216)	-3.6 %
* The insurance company gross premiums tax cash collections from health insurance include \$1.3 million in reimbursed HSTCs that were received in July 2017 and accrued back to FY 2017.				

Bank Deposit Taxes

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 2,903,296	\$ 3,000,000	\$ (96,704)
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	77.2 %	83.1 %	-3.2 %

Preliminary FY 2019 bank deposit tax revenues were 3.2 percent less than the final enacted FY 2019 estimate of \$3.0 million, a shortfall of \$96,704.

Preliminary FY 2019 bank deposit tax revenues of \$2.9 million were up \$1.3 million compared to audited FY 2018 bank deposit tax revenues of \$1.6 million, which translates into a growth rate of 77.2 percent. The preliminary FY 2019 net accrual was \$262,500 vs. an audited FY 2018 net accrual of \$(541).

The final enacted FY 2019 bank deposit tax revenue estimate was projected to increase by \$1.4 million, or 83.1 percent, over audited FY 2018 bank deposit tax revenues.

Health Care Provider Assessment

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 43,945,864	\$ 44,600,000	\$ (654,136)
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	-0.3 %	1.1 %	-1.5 %

Preliminary FY 2019 health care provider assessment revenues were 1.5 percent less than the final enacted FY 2019 estimate, a deficit of \$654,136.

Preliminary FY 2019 health care provider assessment revenues of \$43.4 million were down \$153,926 compared to audited FY 2018 health care provider assessment revenues of \$44.1 million, a growth rate of -0.3 percent. Preliminary FY 2019 health care provider assessment revenues include cash collections of \$44.0 million and a net accrual of \$(39,147). FY 2019 health care provider assessment cash collections decreased by \$444,447 from FY 2018 cash collections. The FY 2019 net accrual increased by \$290,521 compared to the FY 2018 net accrual of \$(329,668), a growth rate of -88.1 percent.

The final enacted FY 2019 health care provider assessment revenue estimate was \$44.6 million, an increase of \$500,210, or 1.1 percent, over audited FY 2018 health care provider assessment revenues.

Sales and Use Taxes

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 1,125,664,415	\$ 1,117,600,000	\$ 8,064,415
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	6.5 %	5.7 %	0.7 %

Preliminary FY 2019 sales and use tax revenues were 0.7 percent more than the final enacted FY 2019 estimate of \$1.118 billion, an overage of \$8.1 million.

Preliminary FY 2019 sales and use tax revenues of \$1.126 billion were up \$68.5 million compared to audited FY 2018 sales and use tax revenues of \$1.057 billion, a growth rate of 6.5 percent.

The final enacted FY 2019 sales and use tax revenue estimate was \$60.4 million, or 5.7 percent, over audited FY 2018 sales and use tax revenues.

The table below provides the component breakdown for sales and use tax revenues, as provided by the Division of Taxation, and compares preliminary FY 2019 revenues to audited FY 2018 revenues:

Component	Preliminary FY 2019	Audited FY 2018	Nominal Difference	Percent Difference
Net Taxation *	\$ 988,961,657	\$ 920,691,798	\$ 68,269,859	7.4 %
Registry	120,310,870	113,807,022	6,503,849	5.7 %
Providence Place Mall	10,849,099	14,458,448	(3,609,349)	-25.0 %
Net Accrual †	5,525,481	8,238,676	(2,713,196)	-32.9 %
Total	\$ 1,125,664,415	\$ 1,057,189,921	\$ 68,474,493	6.5 %
* The Net Taxation component includes receipts from meals and beverages of \$199.2 million and non-sufficient funds checks of \$(36,231) in preliminary FY 2019. The comparable audited FY 2018 figures are \$197.7 million and \$18,584, respectively.				
† Net Accrual figures are from the Controller's Preliminary General Fund Revenue Report for FY 2019 and Final General Fund Revenue Report for FY 2018.				

Motor Vehicle License and Fees

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 1,034,994	\$ 1,100,000	\$ (65,006)
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	-95.0%	-94.7 %	-5.9 %

Preliminary FY 2019 motor vehicle operator license and vehicle registration fee revenues were 5.9 percent less than the final enacted FY 2019 estimate of \$1.1 million, a shortage of \$65,006.

Preliminary FY 2019 motor vehicle operator license and vehicle registration fee revenues of \$1.0 million were down \$19.8 million compared to audited FY 2018 motor vehicle operator license and vehicle registration fee revenues of \$20.8 million, which translates into a growth rate of -95.0 percent. For FY 2019, all revenues collected from motor vehicle license and registration fees were transferred from general revenues to the Rhode Island Highway Maintenance Account (RIHMA) in the Intermodal Surface Transportation Fund, except revenues from duplicate license and license update fees. For FY 2018, 60 percent of the revenues collected from motor vehicle license and registration fees were transferred from general revenues to RIHMA.

Preliminary FY 2019 license and registration fees were \$1.0 million, which includes cash collections of \$1.0 million and a net accrual of \$6,170. FY 2019 cash collections were down \$19.7 million, or 95.0 percent, compared to FY 2018 cash collections. The audited FY 2019 net accrual is 90.8 percent below the FY 2018 net accrual of \$67,170.

The final enacted FY 2019 motor vehicle operator license and vehicle registration fee revenues estimate was \$19.7 million, or 94.7 percent, less than audited FY 2018 motor vehicle operator license and vehicle registration fee revenues.

Cigarettes Taxes

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Cigarettes, w/ Floor Stock	\$ 128,960,747	\$ 130,000,000	\$ (1,039,253)
Other Tobacco Products	9,893,273	9,800,000	93,273
Total Revenues	\$ 138,854,020	\$ 139,800,000	\$ (945,980)
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	-5.5 %	-4.8 %	-0.7 %

Rhode Island cigarettes tax revenues are made up of excise taxes collected on the sale of cigarettes, a tax on the wholesale price of other tobacco products such as cigars, pipe tobacco, and smokeless tobacco, and a cigarette floor stock tax, which is imposed when the cigarette excise tax rate is increased. The state's cigarette excise tax was raised from \$3.75 per pack of 20 cigarettes to \$4.25 per pack of 20 cigarettes on August 16, 2017. Preliminary FY 2019 cigarettes tax revenues, including other tobacco products and any cigarette floor stock taxes, were down \$945,980, or 0.7 percent over the final enacted FY 2019 estimate of \$139.8 million.

Preliminary FY 2019 cigarettes tax revenues of \$138.9 million were down \$8.0 million compared to audited FY 2018 cigarettes tax revenues of \$146.9 million, a growth rate of -5.5 percent. Effective August 16, 2017, the cigarette excise tax rate was increased from \$3.75 to \$4.25 per pack of 20 cigarettes.

The final enacted FY 2019 cigarettes tax revenue estimate was \$7.1 million, or 4.8 percent, less than audited FY 2018 cigarettes tax revenues.

The table below provides the component breakdown for cigarettes tax revenues, as provided in the Controller's Preliminary General Fund Revenue Report for FY 2019 and Final General Fund Revenue Report for FY 2018, and compares preliminary FY 2019 revenues to audited FY 2018 revenues:

Component	FY 2019 Preliminary	FY 2018 Audited	Nominal Difference	Percent Difference
<u>Cigarettes, including Floor Stock</u>				
Cash	\$ 127,831,873	\$ 137,822,804	\$ (9,990,931)	-7.2 %
Net Accrual	1,128,874	73,467	1,055,407	1,436.6 %
Total Cigarettes	\$ 128,960,747	\$ 137,896,271	\$ (8,935,524)	-6.5 %
<u>Other Tobacco Products</u>				
Cash	\$ 9,490,041	\$ 8,868,215	\$ 621,826	7.0 %
Net Accrual	403,232	113,200	290,032	256.2 %
Total Other Tobacco	\$ 9,893,273	\$ 8,981,415	\$ 911,858	10.2 %

Finally, the change in Rhode Island cigarette sales between preliminary FY 2019 and audited FY 2018 is determined by netting out the value of cigarette floor stock tax and other tobacco products tax revenues in each fiscal year. After netting out these receipts, it is determined that the sale of packs of cigarettes in Rhode Island fell by 2.2 percent in FY 2019.

Alcohol Taxes

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 20,436,502	\$ 20,700,000	\$ (263,498)
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	2.5 %	3.9 %	-1.3 %

Preliminary FY 2019 alcohol excise tax revenues were 1.3 percent less than the final enacted FY 2019 estimate, a deficit of \$263,498.

Preliminary FY 2019 alcohol tax revenues of \$20.4 million were up \$507,791 compared to audited FY 2018 alcohol excise tax revenues, a growth rate of 2.5 percent. Preliminary FY 2019 alcohol excise tax revenues include cash collections of \$20.7 million and a net accrual of \$(290,704). FY 2019 alcohol tax cash collections increased by \$808,743 over FY 2018 cash collections. The FY 2019 alcohol excise tax preliminary net accrual is 2,936.7 percent, or \$300,952, less than the audited FY 2018 net accrual of \$10,248.

The final enacted FY 2019 alcohol excise tax revenue estimate was \$20.7 million, an increase of \$771,289, or 3.9 percent, over audited FY 2018 alcohol tax revenues of \$19.9 million.

Controlled Substances

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 6,714	\$ 0	\$ 6,714
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	-56.6 %	n/a	n/a

Preliminary FY 2019 controlled substances revenues consist of \$7,000 in cash collections, which is a decrease of \$7,529 from FY 2018 cash collections of \$14,529, and a net accrual of \$(286), which represents a decrease of 130.5 percent from the audited FY 2018 net accrual of \$937. There was no final enacted FY 2019 controlled substances revenue estimate.

Estate and Transfer Taxes

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 48,019,188	\$ 48,000,000	\$ 19,188
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	-6.6 %	-6.6 %	0.0 %

Preliminary FY 2019 estate and transfer tax revenues were not significantly different from the final enacted FY 2019 estimate of \$48.0 million.

Preliminary FY 2019 estate and transfer tax revenues of \$48.0 million were down \$3.4 million compared to audited FY 2018 estate and transfer tax revenues of \$51.4 million, a growth rate of -6.6 percent. Preliminary FY 2019 estate and transfer tax revenues include cash collections of \$43.5 million and a net accrual of \$4.5 million. FY 2019 estate and transfer tax cash collections decreased by \$59.5 million from FY 2018 cash collections, and the preliminary FY 2019 estate and transfer tax net accrual increased by \$56.1 million over the audited FY 2018 net accrual of \$(51.6 million), which is a variance of -108.7 percent.

The final enacted FY 2019 estate and transfer tax revenue estimate was \$3.4 million, or 6.6 percent, less than audited FY 2018 estate and transfer tax revenues.

Racing and Athletics Taxes

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 1,151,342	\$ 1,100,000	\$ 51,342
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	6.5 %	1.8 %	4.7 %

Preliminary FY 2019 racing and athletics tax revenues were 4.7 percent more than the final enacted FY 2019 estimate of \$1.10 million, a surplus of \$51,342.

Preliminary FY 2019 racing and athletics tax revenues of \$1.15 million were up \$70,311 compared to audited FY 2018 racing and athletics tax revenues of \$1.08 million, which translates into a growth rate of 6.5percent. Preliminary FY 2019 racing and athletics tax revenues include cash collections of \$1.15 million and a net accrual of \$5,347. FY 2019 racing and athletics tax cash collections are \$72,131 more than FY 2018 cash collections. The preliminary FY 2019 racing and athletics tax net accrual decreased by \$1,820 from the audited FY 2018 net accrual of \$7,167, a variance of -25.4 percent.

The final enacted FY 2019 racing and athletics tax revenue estimate was \$18,969, or 1.8 percent above audited FY 2018 racing and athletics tax revenues.

Realty Transfer Taxes

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 12,748,199	\$ 12,550,000	\$ 198,199
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	-0.7 %	-2.3 %	1.6 %

Preliminary FY 2019 realty transfer tax revenues were 1.6 percent more than the final enacted FY 2019 estimate of \$12.6 million, a surplus of \$198,199.

Preliminary FY 2019 realty transfer tax revenues of \$12.7 million were down \$93,367 compared to audited FY 2018 realty transfer tax revenues of \$12.8 million, which translates into a growth rate of -0.7 percent. Preliminary FY 2019 realty transfer tax revenues include cash collections of

\$14.4 million and a net accrual of \$(1.6 million). FY 2019 realty transfer tax cash collections increased by \$1.6 million over FY 2018 cash collections. The preliminary FY 2019 realty transfer tax net accrual decreased by \$1.7 million from the audited FY 2018 net accrual of \$89,899, which translates to a growth rate of -1,907.3 percent.

The final enacted FY 2019 realty transfer tax revenue estimate was \$291,566, or 2.3 percent, less than audited FY 2018 realty transfer tax revenues.

Total Departmental Receipts

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 416,720,537	\$ 422,170,000	\$ (5,449,463)
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	4.8 %	6.2 %	-1.3 %

Preliminary FY 2019 total departmental receipts were 1.3 percent less than the final enacted FY 2019 estimate of \$422.2 million, a deficit of \$5.5 million.

Preliminary FY 2019 total departmental receipts of \$416.7 million were up \$19.1 million compared to audited FY 2018 total departmental receipts of \$397.6 million, which translates into a growth rate of 4.8 percent.

The final enacted FY 2019 total departmental receipts estimate was \$24.6 million, or 6.2 percent, above audited FY 2018 total departmental receipts.

The table below provides the breakdown of total departmental receipts by category, as provided in the Controller's Preliminary General Fund Revenue Report for FY 2019 and Final General Fund Revenue Report for FY 2018, and compares preliminary FY 2019 revenues to audited FY 2018 revenues:

Category	FY 2019 Preliminary	FY 2018 Audited	Nominal Difference	Percent Difference
<u>Licenses and Fees</u>				
Cash	\$ 327,153,631	\$ 301,843,053	\$ 25,310,578	8.4 %
Net Accrual	(114,948)	12,305,647	(12,420,594)	-100.9 %
Total Licenses and Fees	\$ 327,038,683	\$ 314,148,700	\$ 12,889,984	4.1 %
<u>Fines and Penalties</u>				
Cash	\$ 49,587,118	\$ 46,108,806	\$ 3,478,312	7.5 %
Net Accrual	(272,415)	660,168	(932,583)	-141.3 %
Total Fines and Penalties	\$ 49,314,703	\$ 46,768,974	\$ 2,545,729	5.4 %

Category	FY 2019 Preliminary	FY 2018 Audited	Nominal Difference	Percent Difference
<u>Sales and Services</u>				
Cash	\$ 10,802,042	\$ 10,775,310	\$ 26,732	0.2 %
Net Accrual	(8,460)	(92,008)	83,548	-90.8 %
Total Sales and Services	\$ 10,793,582	\$ 10,683,302	\$ 110,280	1.0 %
<u>Miscellaneous Departmental Receipts</u>				
Cash	\$ 29,569,969	\$ 25,962,017	\$ 3,607,952	13.9 %
Net Accrual	3,600	16,150	(12,550)	-77.7 %
Total Misc. Dept. Receipts	\$ 29,573,569	\$ 25,978,167	\$ 3,595,402	13.8 %

It should be noted that, in the licenses and fees component of departmental receipts, the hospital licensing fee rate increased from 5.856 percent of hospital FY 2016 net patient revenues in FY 2018 to 6.0 percent of hospital FY 2017 net patient revenues in FY 2019. As a result, FY 2019 hospital licensing fee revenues were \$180.8 million, a decrease of \$1.1 million from FY 2018 hospital licensing fee revenues of \$182.0 million. The preliminary FY 2019 hospital licensing fee receivable was \$174.0 million, and the audited FY 2018 hospital licensing fee receivable was \$175.2 million, which translates into a hospital licensing fee net accrual of \$(1.1 million) in FY 2019.

Per Penny Motor Fuel Tax Yield

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>ORA Estimated</u>	<u>Variance</u>
Revenues	\$ 4,887,828	\$ 4,899,062	\$ (11,234)
	From FY 2018 Audited	From ORA Estimated	
Percentage Change	8.8 %	9.0 %	-0.2 %

The State's \$0.33 per gallon motor fuel tax is dedicated to the funding of transportation. The State's motor fuel tax is allocated to the Rhode Island Department of Transportation which receives \$0.1925 of the \$0.33 per gallon motor fuel tax, the Rhode Island Public Transit Authority which receives \$0.0925 of the \$0.33 per gallon motor fuel tax, the Department of Human Services which receives \$0.01 of the \$0.33 per gallon motor fuel tax for its elderly transportation program and the Rhode Island Turnpike and Bridge Authority which receives \$0.035 of the \$0.33 per gallon motor fuel tax for the maintenance and repair of the Jamestown Verrazano Bridge, the Mount Hope Bridge, the Newport Pell Bridge, and the Sakonnet River Bridge. The ORA Estimated figure above is the Office of Revenue Analysis' projection of the motor fuel tax per penny yield as it was computed in May 2019.

Based on information provided by the Office of Accounts and Controls, the preliminary FY 2019 per penny yield of the State's motor fuel tax was \$4.9 million, a decrease of \$(11,234) from the Office of Revenue Analysis' projection of the per penny yield. This increase translates into a -0.2 percent growth rate. The preliminary FY 2019 per penny yield was up \$394,587, or 8.8 percent, compared to the audited FY 2018 per penny yield. The projected per penny yield of \$4.9 million

was \$405,821 more than the audited FY 2018 motor fuel tax per penny yield of \$4.5 million, or a growth rate of 9.0 percent.

Other Miscellaneous Revenues

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 12,367,080	\$ 11,437,185	\$ 929,895
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	-66.6 %	-69.1 %	8.1 %

Preliminary FY 2019 other miscellaneous revenues were 8.1 percent more than the final enacted FY 2019 estimate of \$11.4 million, a surplus of \$929,895.

Preliminary FY 2019 other miscellaneous revenues of \$12.4 million were down \$24.7 million compared to audited FY 2018 other miscellaneous revenues of \$37.1 million, a growth rate of -66.6 percent. Preliminary FY 2019 other miscellaneous revenues include approximately \$5.6 million in non-recurring revenue transfers vs. \$31.6 million in audited FY 2018.

The final enacted FY 2019 other miscellaneous revenue estimate was \$25.6 million, or 69.1 percent, less than audited FY 2018 other miscellaneous revenues.

Lottery Transfer

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Traditional Games	\$ 59,795,046	\$ 59,800,000	\$ (4,954)
VLT	314,481,489	317,500,000	(3,018,511)
Table Games	20,021,278	20,600,000	(578,722)
Sports Betting	3,023,106	2,200,000	823,106
Revenues	\$ 397,321,087	\$ 400,100,000	\$ (2,778,913)
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	8.9 %	9.6 %	-0.7 %

The preliminary FY 2019 lottery transfer to the State's general fund was down 0.7 percent compared to the final enacted FY 2019 estimate of \$400.1 million, a deficit of \$2.8 million. Within the components of the lottery transfer, as provided by the Division of Lottery, the preliminary FY 2019 transfer from instant and monitor games had no significant change from the final enacted FY 2019 instant and monitor games transfer estimate of \$59.8 million. With respect to the State's share of video lottery net terminal income (NTI), the preliminary FY 2019 video lottery transfer was 1.0 percent less than the final enacted FY 2019 video lottery transfer estimate of \$317.5 million, a deficit of \$3.0 million. The preliminary FY 2019 table games transfer was down 2.8 percent from the final enacted FY 2019 table games transfer estimate of \$20.6 million, a shortfall of \$578,722. The preliminary FY 2019 sports betting transfer was up 37.4 percent over the final enacted FY 2019 table games transfer estimate of \$2.2 million, a surplus of \$823,106.

The table below provides the component breakdown of revenues from the lottery transfer, as provided by the Division of Lottery, and compares preliminary FY 2019 revenues to audited FY 2018 revenues:

Component	FY 2019 Preliminary	FY 2018 Audited	Nominal Difference	Percent Difference
Traditional Games	\$ 59,795,046	\$ 58,003,661	\$ 1,791,385	3.1 %
VLT	314,481,489	288,412,153	26,069,336	9.0 %
Table Games	20,021,278	18,558,472	1,462,806	7.9 %
Sports Betting	3,023,106	0	3,023,106	n/a
Total	\$ 397,321,087	\$ 364,974,286	\$ 32,346,801	8.9 %

The preliminary FY 2019 lottery transfer was \$397.3 million, \$32.3 million more than the audited FY 2018 lottery transfer of \$365.0 million, which translates into a growth rate of 8.9 percent. The preliminary FY 2019 lottery transfer includes cash collections of \$393.8 million and a net accrual of \$3.5 million. The FY 2019 lottery transfer cash collections increased by \$25.4 million over FY 2018 cash collections. The preliminary FY 2019 lottery transfer net accrual is 204.1 percent less than the audited FY 2018 net accrual of \$(3.4 million).

Unclaimed Property Transfer

<u>FY 2019</u>	<u>Preliminary Close</u>	<u>Final Enacted</u>	<u>Variance</u>
Revenues	\$ 11,578,604	\$ 11,200,000	\$ 378,604
	<u>From FY 2018 Audited</u>		<u>From Final Enacted</u>
Percentage Change	6.2 %	2.7 %	3.4 %

According to the Controller's Preliminary General Fund Revenue Report, the FY 2019 unclaimed property transfer was 3.4 percent more than the final enacted FY 2019 estimate of \$11.2 million, an excess of \$378,604.

The unclaimed property transfer of \$11.6 million for preliminary FY 2019 was up 6.2 percent, or \$677,022, compared to the audited FY 2018 unclaimed property transfer of \$10.9 million.

The final enacted FY 2019 unclaimed property transfer estimate was \$298,418, or a 2.7 percent, more than the audited FY 2018 unclaimed property transfer.



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Department of Revenue

September 11, 2019