

*STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS*  
**GOVERNOR LINCOLN D. CHAFEE**



**DEPARTMENT OF REVENUE**  
**Office of Revenue Analysis**  
**Cash Collections Report August 2012 Summary**

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

FY 2013 year-to-date total general revenue cash collections through August were \$551.2 million, up \$1.1 million or 0.2 percent, from the same period last fiscal year. The breakdown by major revenue components is as follows:

<b>Component</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>	<b>% Change</b>
Personal Income Tax	\$ 150,050,419	\$ 150,388,854	\$ 338,435	0.2 %
Sales and Use Taxes	154,671,729	158,335,787	3,664,058	2.4 %
Departmental Receipts	153,607,135	148,601,857	(5,005,278)	-3.3 %
Lottery Transfer	32,313,837	31,392,155	(921,682)	-2.9 %
All Other Revenues	59,430,783	62,503,718	3,072,935	5.2 %
<b>Total General Revenues</b>	<b>\$ 550,073,903</b>	<b>\$ 551,222,371</b>	<b>\$ 1,148,468</b>	<b>0.2 %</b>

***Month of August:***

Total general revenue cash collections for August 2012 were \$236.2, up \$3.7 million or 1.6 percent, compared to August 2011. The breakdown by major revenue components is as follows:

<b>Component</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>	<b>% Change</b>
Personal Income Tax	\$ 79,615,661	\$ 80,553,410	\$ 937,749	1.2 %
Sales and Use Taxes	77,714,434	77,958,175	243,741	0.3 %
Departmental Receipts	14,504,806	15,136,182	631,376	4.4 %
Lottery Transfer	32,313,837	31,392,155	(921,682)	-2.9 %
All Other Revenues	28,386,743	31,184,549	2,797,806	9.9 %
<b>Total General Revenues</b>	<b>\$ 232,535,481</b>	<b>\$ 236,224,471</b>	<b>\$ 3,688,990</b>	<b>1.6 %</b>

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**DEPARTMENT OF REVENUE**  
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**State of Rhode Island Cash Collections Report**  
**August 2012 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 RI General Law § 35-16-1). *Users of the 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.*

**Total General Revenues**

<b>August</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$550.1 Million	\$551.2 Million	\$1.1 Million	0.2 %
Month	\$232.5 Million	\$236.2 Million	\$3.7 Million	1.6 %

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

Fiscal Year 2013 total general revenues collected through August 2012 have increased by 0.2 percent as compared to Fiscal Year 2012 total general revenues collected through August of FY 2012. For the fiscal year-to-date period through August 2012, total general revenues were \$551.2 million as compared to \$550.1 million for the same period last year, an increase of \$1.1 million.

The following cash flow differences between FY 2012 and FY 2013 should be noted:

FY 2012

- The licenses and fees component of departmental receipts was \$839,301 greater from imaging service surcharge fees. This increase is due to an audit recovery for the payment of bills for prior fiscal years. Miscellaneous revenues within departmental receipts

include \$508,053 received in July 2011 for a settlement agreement between the Office of the Attorney General and a major pharmaceutical manufacturer.

- Other miscellaneous revenues in August 2012 include a \$2.0 million transfer from the Tobacco Settlement Financing Corporation. This payment is the result of a court ordered settlement associated with the investment of the escrow fund for the 2002 refunding of the State's debt when the State received the bond proceeds from the TSFC.

### FY 2013

- Insurance companies gross premiums tax cash collections are greater by \$1.7 million due to the transfer of cash from escrow to the State of Rhode Island for the settlement of an outstanding tax liability. Insurance companies gross premiums tax cash collections are also greater by \$196,922 which is the amount of a refund that was processed in August but will not be posted until September.
- Sales and use tax cash collections are \$1.4 million greater in August 2012 due to a refund that was processed in August but will not be posted until September.
- Motor carrier fuel use tax cash collections are greater by \$21,474 in August 2012 due to a refund that was processed in August but will not be posted until September.
- On July 1, 2012, the cigarette excise tax rate increased by \$0.04 per pack of 20 cigarettes. As a result, cigarette excise tax cash collections increased by \$138,196 due to the imposition of the higher rate of tax on the stock of cigarettes held by wholesalers and dealers at midnight on July 1, 2012. Cigarette and other tobacco products taxes are also greater by \$26,110 due to a refund that was processed in August but will not be posted until September.
- In FY 2013, the hospital licensing fee generated \$7.2 million less through August 2012 than August 2011. This decrease was the result of two taxpayers currently in receivership not paying the fee as prescribed by law. Due to the financial condition of these taxpayers, the hospital licensing fee generated \$10.0 million less in cash receipts in July 2012 than expected. In addition, the hospital licensing fee rate decreased from 5.465 percent of hospital FY 2009 net patient revenues to 5.430 percent of hospital FY 2010 net patient revenues. The licenses and fees component of departmental receipts was \$629,705 more for teacher certification fees due to the implementation of a restructured fee schedule. This fee schedule was implemented in January 2012, with receipts being remitted to the State for the first time in February 2012. Departmental licenses and fees were \$308,630 less for the late posting of driving record abstracts fees which should have been posted in the month of August. Departmental fines and penalties include a life insurance settlement of \$246,136. Additionally, departmental miscellaneous revenues were greater by \$1.0 million in July 2012 as a result of a settlement agreement between the Office of the Attorney General and a major pharmaceutical manufacturer.
- FY 2013 other miscellaneous revenues include a cash flow difference of \$2,218,208 from settlements associated with the State's Medicaid program and a pharmaceutical manufacturer.

The table below displays the differences in cash flows for FY 2012 and FY 2013.

<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>YTD FY 2012</b>	<b>YTD FY 2013</b>
Insurance Companies	Insurance Settlements	\$0	\$1,722,000
Insurance Companies	Refund processed but not posted	\$0	\$196,922
Sales and Use Taxes	Refund processed but not posted	\$0	\$1,449,082
Motor Fuel Taxes	Refund processed but not posted	\$0	\$21,474
Cigarette Excise Taxes	Cigarette Floor Stock	\$0	\$138,196
Cigarette Excise Taxes	Refund processed but not posted	\$0	\$26,110
Departmental Receipts	Imaging service surcharge receipts	\$839,301	\$0
Departmental Receipts	AG pharmaceutical settlements	\$508,053	\$1,026,551
Departmental Receipts	Hospital licensing fee difference	\$0	\$(7,237,893)
Departmental Receipts	Teacher certification fee restructuring	\$0	\$629,705
Departmental Receipts	Driving record abstracts late posting	\$0	\$(308,630)
Departmental Receipts	Insurance settlement	\$0	\$246,136
Other Misc. Revenues	TSFC general fund transfer	\$1,951,166	\$0
Other Misc. Revenues	Medicaid pharmaceutical settlements	\$0	\$2,218,208

***Month of August:***

Total general revenues collected in August 2012 have increased by 1.6 percent as compared to August 2011 total general revenue collections. August 2012 total general revenues were \$236.2 million as compared to August 2011 cash collections of \$232.5 million, an increase of \$3.7 million.

The following cash flow differences between August 2012 and August 2013 should be noted:

- In August 2011 the licenses and fees component of departmental receipts was \$839,301 greater from imaging service surcharge fees. This increase was due to an audit recovery for the payment of bills for prior fiscal years. Other miscellaneous revenues in August 2011 include a \$2.0 million transfer from the Tobacco Settlement Financing Corporation
- In August 2012, several refunds were processed by the Division of Taxation but will not be posted by the Office of Accounts and Controls until September. The late posting of these refunds increases August 2012 cash collections for the following taxes by the noted amount: insurance companies gross premiums taxes, \$196,922; sales and use tax cash collections, \$1.4 million; motor carrier fuel use taxes, \$21,474; and cigarettes and other tobacco products taxes, \$26,110. Departmental licenses and fees were \$308,630 less in August 2012 due to the late posting of driving record abstracts fees which should have been posted in the month of August. Departmental fines and penalties were greater by \$246,630 from the receipt of an insurance settlement. Finally, other miscellaneous

revenues include a cash flow difference of \$2.2 million from Medicaid settlements with pharmaceutical manufacturers.

<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>YTD FY 2012</b>	<b>YTD FY 2013</b>
Insurance Companies	Refund processed but not posted	\$0	\$196,922
Sales and Use Taxes	Refund processed but not posted	\$0	\$1,449,082
Motor Fuel Taxes	Refund processed but not posted	\$0	\$21,474
Cigarette Excise Taxes	Refund processed but not posted	\$0	\$26,110
Departmental Receipts	Imaging service surcharge receipts	\$839,301	\$0
Departmental Receipts	Driving record abstracts late posting	\$0	\$(308,630)
Departmental Receipts	Insurance settlement	\$0	\$246,136
Other Misc. Revenues	TSFC general fund transfer	\$1,951,166	\$0
Other Misc. Revenues	Medicaid pharmaceutical settlements	\$0	\$2,218,208

### **Taxes and Departmental Receipts**

<b>August</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$515.8 Million	\$517.6 Million	\$1.8 Million	0.4 %
Month	\$198.3 Million	\$202.6 Million	\$4.3 Million	2.2 %

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

The Rhode Island Department of Revenue reports that FY 2013 taxes and departmental receipts collected through August 2012 have increased by 0.4 percent as compared to FY 2012 cash collections for the comparable period a year ago. For the fiscal year-to-date period ending August, total taxes and departmental receipts were \$517.6 million in FY 2013 as compared to \$515.8 million for the same period last fiscal year, an increase of \$1.8 million.

#### ***Month of August:***

August 2012 taxes and departmental receipts increased by \$4.3 million, or 2.2 percent compared to cash collections in August 2011. August 2012 taxes and departmental receipts totaled \$202.6 million compared to \$198.3 million in August 2011.

### **Other General Revenue Sources**

<b>August</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$34.3 Million	\$33.6 Million	\$(673,229)	-2.0 %
Month	\$34.3 Million	\$33.6 Million	\$(639,637)	-1.9 %

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

FY 2013 other general revenue sources collected through August have decreased by 2.0 percent as compared to cash collections through August of FY 2012. Other general revenue sources include other miscellaneous revenues, the lottery transfer to the general fund, and unclaimed property that is transferred to the State in June of each fiscal year. For the fiscal year-to-date period ending in August, total other general revenue sources were \$33.6 million in FY 2013 as compared to \$34.3 million for the same period last year, a decrease of \$673,229.

***Month of August:***

Other general revenue sources cash collections totaled \$33.6 million in August 2012 compared to \$34.3 million in August 2011, a decrease of \$639,637. This decrease translates into a growth rate of -1.9 percent.

**Total Taxes**

<b>August</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$362.2 Million	\$369.0 Million	\$6.8 Million	1.9 %
Month	\$183.8 Million	\$187.5 Million	\$3.7 Million	2.0 %

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

Total tax revenues for the fiscal year-to-date period through August 2012 were \$369.0 million, or 1.9 percent more than the \$362.2 million in total tax cash collections through August 2011.

***Month of August:***

August 2012 total tax revenues of \$187.5 million increased by \$3.7 million or 2.0 percent compared to August 2011 cash collections of \$183.8 million.

**Historic Structure Tax Credit Reimbursements:**

It is important to note that any historic structures tax credits redeemed from FY 2009 onward are reimbursed from the Historic Tax Credit Fund's bond proceeds upon receipt of the tax credit certificate. Prior to FY 2009, the redemption of Historic Structures Tax Credit (HSTC) certificates were deducted directly from realized tax receipts. Thus, the actual revenues for the tax types that had HSTCs redeemed to offset an actual tax liability were net revenues (i.e., total collection *less* HSTC redemptions). Since FY 2009, the actual revenues for the tax types that have HSTCs redeemed to offset an actual tax liability are gross revenues (i.e., total collections *plus* HSTC reimbursements).

In FY 2013, total historic structure tax credit redemptions/reimbursements for all taxes through August totaled \$59,701 versus \$123,759 in FY 2012.

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

Tax Type	Year-to-Date		Monthly	
	FY 2012	FY 2013	August 2011	August 2012
Personal Income	\$ 123,759	\$ 59,701	\$ 42,437	\$ 19,403
Business Corporations	0	0	0	0
Financial Institutions	0	0	0	0
Insurance/Non-HMOs	0	0	0	0
Insurance/HMOs	0	0	0	0
<b>Total</b>	<b>\$ 123,759</b>	<b>\$ 59,701</b>	<b>\$ 42,437</b>	<b>\$ 19,403</b>

### Personal Income Taxes

August	FY 2012	FY 2013	Difference	% Change
Fiscal YTD	\$150.1 Million	\$150.4 Million	\$ 338,435	0.2 %
Month	\$79.6 Million	\$80.6 Million	\$ 937,749	1.2 %

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

Actual personal income tax cash collections for FY 2013 through the second month of the fiscal year were up \$338,435 or 0.2 percent compared to the same period last fiscal year. Total personal income tax cash collections for FY 2013 through August were \$150.4 million versus FY 2012 cash collections of \$150.1 million through August.

The FY 2013 year-to-date personal income tax cash collections include historic structures tax credit reimbursements through August of \$59,701 versus the \$123,759 through August of FY 2012. FY 2013 year-to-date HSTC reimbursements for personal income taxes are \$64,058 less than the same period in FY 2012, a decrease of 51.8 percent.

#### *Month of August:*

Personal income tax collections for August 2012 totaled \$80.6 million compared to August 2011 cash collections of \$79.6 million, an increase of \$937,749 or 1.2 percent.

August 2012 cash collections include historic structures tax credit reimbursement of \$19,403 vs. \$42,437 for August 2011. August 2012 HSTC reimbursements for personal income taxes are 54.3 percent less than August 2011, a decrease of \$23,034.



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 slight 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 revenues.

*Fiscal Year-to-Date through August:*

<b>Component</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 5,823,973	\$ 6,935,193	\$ 1,111,220	19.1 %
Final Payments*	5,471,756	6,301,675	829,919	15.2 %
Refunds/Adjustments	(7,801,020)	(9,876,283)	(2,075,263)	26.6 %
Withholding	146,555,710	147,028,269	472,559	0.3 %
* Final Payments include historic structures tax credit reimbursements of \$123,759 in fiscal year-to-date 2012 and \$59,701 in fiscal year-to-date FY 2013.				

Within the components of personal income tax, FY 2013 estimated payments are up \$1.1 million or 19.1 percent on a fiscal year-to-date basis through August versus the same period last fiscal year. Final payments are up \$829,919 or 15.2 percent through the first two months of FY 2013 relative to FY 2012 through the first two months. Fiscal year-to-date FY 2013 final payments cash collections include \$59,701 in reimbursed historic structures tax credits versus \$123,759 in fiscal year-to-date FY 2012. Refunds and adjustments are greater by \$2,075,263 in FY 2013 through August versus FY 2012 through August. Finally, FY 2013 withholding tax cash collections through the second month of the fiscal year are greater by \$472,559, or 0.3 percent relative to FY 2012 withholding tax cash collections through the second month of the fiscal year.

*Month of August:*

<b>Component</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 2,831,153	\$ 3,516,463	\$ 685,310	24.2 %
Final Payments*	2,742,453	2,797,841	55,387	2.0 %
Refunds/Adjustments	(3,942,509)	(4,710,288)	(767,779)	19.5 %
Withholding	77,984,564	78,949,395	964,831	1.2 %
* Final Payments include historic structures tax credit reimbursements of \$42,437 in August 2011 and \$19,403 in August 2012.				

Within the components of personal income tax, estimated payments received in August 2012 are up \$685,310 or 24.2 percent compared to August 2011. Final payments are up \$55,387 or 2.0 percent in the second month of FY 2013 relative to the second month of FY 2012. August 2012



final payments cash collections include \$19,403 in reimbursed historic structures tax credits vs. \$42,437 in August 2011. Refunds and adjustments are greater by \$767,779 in August 2012 vs. August 2011. Finally, August 2012 withholding tax cash collections are \$964,831, or 1.2 percent, greater than August 2011 withholding tax cash collections.

### **Sales and Use Taxes**

<b>August</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$154.7 million	\$158.3 million	\$3.7 million	2.4 %
Month	\$77.7 million	\$78.0 million	\$ 243,741	0.3 %

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

Actual sales and use tax cash collections for FY 2013 through the second month of the fiscal year were up \$3.7 million, or 2.4 percent, compared to the same period last fiscal year. Total sales and use tax cash collections for FY 2013 through August were \$158.3 million versus FY 2012 cash collections of \$154.7 million through August. It should be noted that fiscal year to date FY 2013 sales and use taxes include an unknown amount of additional revenue from the sales and use tax base expansion signed into law by Governor Chafee on June 30, 2011.

#### ***Month of August:***

Sales and use tax cash collections in August 2012 were \$243,741, or 0.3 percent, greater than August 2011 cash collections. Sales and use tax cash collections totaled \$78.0 million in August 2012 vs. cash collections of \$77.7 million in August 2011. It should be noted that August 2012 sales and use taxes include an unknown amount of additional revenue from the sales and use tax base expansion signed into law by Governor Chafee on June 30, 2011.

#### **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 slight 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 revenues.

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

<b>Component</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>	<b>% Change</b>
Net Taxation	\$ 138,728,455	\$ 140,469,464	\$ 1,741,010	1.3 %
Registry Receipts	14,134,033	14,417,297	283,263	2.0 %
Providence Place Mall	2,184,150	2,189,342	5,192	0.2 %

Within the sales tax components, registry receipts were up 2.0 percent or \$283,263 through the second month of FY 2013 when compared to same period last fiscal year. Net sales tax receipts remitted directly to the Division of Taxation posted an increase of \$1,741,010 or 1.3 percent during FY 2013's first two months versus the first two months of FY 2012. Providence Place Mall (PPM) sales tax receipts were 0.2 percent higher or \$5,192 through August of FY 2013 versus the same period in FY 2012.

*Month of August:*

<b>Component</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>	<b>% Change</b>
Net Taxation	\$ 68,703,090	\$ 67,235,725	\$(1,467,365)	-2.1 %
Registry Receipts	7,412,606	8,266,974	854,368	11.5%
Providence Place Mall	1,133,232	1,087,848	(45,384)	-4.0 %

Within the sales tax components, registry receipts were up 11.5 percent or \$854,368 in August 2012 when compared to August 2011. Net sales tax receipts remitted directly to the Division of Taxation posted a decrease of \$1.5 million or 2.1 percent in August 2012 vs. August 2011. Providence Place Mall (PPM) sales tax receipts were 4.0 percent lower or \$45,384 in August 2012 versus August 2011.

**General Business Taxes**

<b>August</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$14.9 Million	\$19.1 Million	\$ 4.2 Million	28.6 %
Month	\$ 4.9 Million	\$ 6.2 Million	\$ 1.3 Million	26.9 %

In general, businesses with Rhode Island tax liabilities make estimated payments of their tax year liabilities in March and June of the fiscal year, with 40.0 percent of the estimated total tax liability due in March and 60.0 percent of the estimated total tax liability due in June. There is one exception to this payment pattern, namely Health Care Provider Assessments, payments of which are made on a monthly basis. Business Corporations, or corporate income, tax payments are also received more consistently over the course of the fiscal year due to the number of filers that are on extension at any given point in time and the varying fiscal years of corporations. As a result, both business corporation taxes and health care provider assessments flow more evenly into the general fund over the course of a fiscal year.

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

FY 2013 total general business taxes collected through August 2012 of the fiscal year-to-date were \$19.1 million or \$4.2 million more than the \$14.9 million collected for the same period in FY 2012. Year-to-date growth in FY 2013 is 28.6 percent.

Health care provider assessment taxes through August 2012 were \$6.9 million, a decrease of 1.2 percent over the same period in FY 2012. Bank deposit taxes tend to post irregularly until

March, when the first 40.0 percent of estimated total tax liability is due. No bank deposit taxes were received through the second month of FY 2013 or through the second month of FY 2012. The insurance companies gross premiums tax is up 854.9 percent year-to-date. FY 2013 insurance companies gross premiums tax cash collections through August 2012 total \$1.9 million compared to collections of \$203,820 in FY 2012 through August 2011. This difference is due to the receipt of \$1.7 million in July 2012 from the settlement of a prior year outstanding tax liability. In general, insurance companies gross premiums taxes tend to post irregularly until March, when the first 40.0 percent of total tax liability is due. The financial institutions tax is up \$11,249 on a fiscal year-to-date cash basis in FY 2013 versus FY 2012 through August. Financial institutions tax collections totaled \$13,349 through August 2012 versus \$2,100 through August 2011. Public utilities gross earnings taxes were \$1.2 million through August 2012, a decrease of 3.6 percent from FY 2012 cash collections through August 2011.

***Month of August:***

Total general business taxes collected in August 2012 were \$6.2 million or \$1.3 million more than the \$4.9 million collected in August 2011. This translates into an increase of 26.9 percent in total general business taxes.

The health care provider assessment for August 2012 was \$3.5 million, a decrease of 1.0 percent over August 2011 cash collections. The state did not receive any bank deposit taxes nor financial institutions taxes in August 2012 and August 2011. The insurance companies gross premiums tax is \$47,438 less in August 2012 vs. the \$66,947 in August 2011 cash collections. August 2012 insurance companies gross premiums tax cash collections totaled \$19,509. Public utilities gross earnings tax receipts were \$213,888 in August 2012, a decrease of \$263,536 from collections of \$477,424 in August 2011.

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

The tables below are based on data provided by the Division of Taxation and break down business corporations tax 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 Taxation and those reported by the Controller due to timing differences in the posting of revenues.

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

<b>Component</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 4,959,963	\$6,235,676	\$ 1,275,713	25.7 %
Final Payments	3,198,663	3,025,676	(172,987)	-5.4 %
Refunds/Adjustments	(1,733,098)	(203,283)	1,529,815	-88.3 %

Within the business corporations tax components, estimated payments were up by \$1.3 million or 25.7 percent through August of FY 2013 when compared to same period last fiscal year. Final payments posted a decrease of \$172,987 or 5.4 percent during FY 2013's first two months versus

the first two months of FY 2012. Refunds and adjustments were greater by \$1.5 million through August of FY 2013 versus the same period in FY 2012.

*Month of August:*

Component	FY 2012	FY 2013	Difference	% Change
Estimated Payments	\$ 805,982	\$ 1,115,975	\$ 309,992	38.5 %
Final Payments	1,628,003	1,427,482	(200,521)	-12.3 %
Refunds/Adjustments	(1,628,786)	(68,765)	1,560,021	-95.8 %

Within the business corporations tax components, estimated payments were up \$309,992 in August 2012 vs. August 2011 an increase of 38.5 percent. Final payments posted a decrease of \$200,521 or -12.3 percent in August 2012 when compared to August 2011. Refunds and adjustments were fewer by \$1.6 million or -95.8 percent in August 2012 versus August 2011.

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

August	FY 2012	FY 2013	Difference	% Change
Fiscal YTD	\$32.6 Million	\$34.1 Million	\$1.5 Million	4.5 %
Month	\$16.7 Million	\$18.0 Million	\$1.3 Million	7.9 %

*Fiscal Year-to-Date through August:*

Excise taxes other than sales and use taxes collected in the fiscal year-to-date August 2012 period totaled \$34.1 million or \$1.5 million more than the \$32.6 million collected for the same period in FY 2012. The actual year-to-date growth rate in excise taxes other than the sales and use tax is 4.5 percent.

Motor vehicle licenses and fees revenues are \$247,043 less in FY 2013 through August than in FY 2012 through August. This difference yields a fiscal year-to-date growth rate for motor vehicle licenses and fees cash collections of -3.6 percent. Motor carrier fuel use tax cash collections total \$162,963 in FY 2013 through August of the fiscal year. This is a decrease of 11.2 percent over FY 2012 cash collections through August of \$183,553. FY 2013 alcohol excise taxes collected through August 2012 are down 7.2 percent, or \$161,517 from the \$2.2 million collected in FY 2012 through August.

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 on cigarettes. On July 1, 2012, the cigarette excise tax was increased from \$3.46 per pack of 20 cigarettes to \$3.50 per pack of 20 cigarettes. This yielded cigarette floor stock tax revenues of \$138,196 through August of FY 2013. Total cigarette tax receipts through the second month of FY 2013 were up \$1.9 million, or 8.1 percent compared to the first two months of FY 2012.

Finally, the change in cigarette sales is determined. Cigarette floor stock tax and smokeless tobacco products tax collections are netted out of the data, yielding only cigarette tax collections. The result is an increase in Rhode Island cigarette sales of 6.1 percent through August of FY 2013 versus through August of FY 2012. It is too early in the fiscal year to be able to make any definitive statements as to the cause of this increase.

***Month of August:***

Excise taxes other than sales and use taxes collected in August 2012 period totaled \$18.0 million or \$1.3 million more than the \$16.7 million collected in August 2011. This translates into a growth rate in excise taxes other than the sales and use tax 7.9 percent.

Motor vehicle operator license and registration fees cash collections totaled \$4.2 million, or \$966,991, more in August 2012 than in August 2011. Motor carrier fuel use tax cash collections totaled \$123,866 in August 2012. This is an increase of \$35,308 over August 2011 cash collections of \$88,558. Alcohol excise taxes in August 2012 are up 8.6 percent, or \$78,823, from the \$917,706 collected in August 2011.

Total cigarette tax receipts in August 2012 were up \$230,252, or 1.8 percent compared to August 2011. This translates into an increase in Rhode Island cigarette sales of 0.3 percent in August 2012 versus August 2011.

**Other Taxes**

<b>August</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$10.0 Million	\$7.1 Million	\$(2.9 Million)	-28.9 %
Month	\$4.9 Million	\$4.8 Million	\$ (107,051)	-2.2 %

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

Other taxes collected through August of FY 2013 totaled \$7.1 million versus \$10.0 million in other taxes collected during the same period last fiscal year, a decrease of \$2.9 million or -28.9 percent. Inheritance tax collections totaled \$5.6 million through August of FY 2013, a decrease of 34.5 percent from the \$8.6 million collected through the first two months of FY 2012. Racing and athletics tax collections through August of FY 2013 were up 3.5 percent, or \$7,367, relative to the same period in FY 2012. Realty transfer taxes were up by 4.7 percent through August of FY 2013 versus August of FY 2012, totaling \$1.3 million in FY 2013 versus \$1.2 million in FY 2012.

***Month of August:***

Other taxes collected in August 2012 totaled \$4.8 million versus \$4.9 million in other taxes collected in August 2011, a decrease of \$107,051. Inheritance tax collections totaled \$4.1 million in August 2012, a decrease of \$44,862 from August 2011 cash collections. Racing and

athletics tax cash collections in August 2012 were up \$7,049 relative to August 2011. Realty transfer taxes were down by \$69,238 in August 2012 versus the \$686,055 collected in August 2011.

### **Total Departmental Receipts**

<b>August</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$153.6 million	\$148.6 million	\$(5.0 million)	-3.3 %
Month	\$14.5 million	\$15.1 million	\$631,376	4.4 %

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

FY 2013 year-to-date departmental receipts total \$148.6 million, a decrease of \$5.0 million from the amount that was collected last fiscal year at this time. Actual departmental receipts for FY 2013 were down 3.3 percent when compared to receipts collected during the same period a year ago. FY 2013 year-to-date growth in the licenses and fees category of departmental receipts is -5.4 percent or \$8.0 million less than FY 2012 through August 2011. The hospital licensing fee for FY 2012 was received in July of FY 2013 and totaled \$121.2 million, or \$7.3 million less than received in July of FY 2012 for FY 2011. This decrease was due to the fact that two taxpayers are currently in receivership and have not paid the fee. The hospital licensing fee generated \$10.0 million less in cash receipts than expected. Fines and penalties were up 27.7 percent through the second month of FY 2013 versus the second month of FY 2012, or \$373,006 more than fiscal year-to-date cash collections through August 2011. In the sales and services category of departmental receipts, FY 2013 year-to-date growth is 14.4 percent from FY 2012 cash collections of \$1.3 million through August 2011. Finally, miscellaneous departmental revenues were up \$2.4 million, or 73.4 percent, through the first two months of FY 2013 versus the first two months of FY 2012.

In the enacted FY 2013 budget, signed into law by Governor Chafee on June 15, 2012, several departmental receipt fees were increased, newly established or decreased. The changed fees include various Department of Health licenses and renewal fees that were effective July 1, 2012. The fiscal impact of these fee changes, however, is not determinable at this point. Additionally, beverage container and litter participation fees were down \$60,024 through August in spite of the application of the \$0.04 per case fee to all containers containing non-alcoholic beverages, except milk. New fees implemented for this fiscal year include the re-inspection of any school bus that has previously failed a safety inspection, which has collected \$9,000 through August, and a 4.0 percent surcharge on net patient revenues of newly reconstituted compassion centers, which has seen no cash collections through July 2012. Finally, the state applied the 10.0 percent indirect cost recovery to the Department of Administration's Regional Greenhouse Gas Initiative restricted receipt account. No deposits have been made to this account and thus no indirect cost recovery receipts have been generated.

***Month of August:***

Departmental receipts total \$15.1 million, an increase of \$631,376 from the amount that was collected in August 2011. Actual departmental receipts for August 2012 were up 4.4 percent when compared to August 2011. August 2012 growth in the licenses and fees category of departmental receipts is -11.0 percent or \$1.2 million less than cash receipts in August 2011. Fines and penalties were up 28.0 percent, or \$354,732, in August 2012 versus August 2011. In the sales and services category of departmental receipts, August 2012 cash collections were \$144,308 or 20.2 percent more than August 2011 cash collections of \$715,850. Finally, miscellaneous departmental revenues were up \$1.3 million, or 86.9 percent in August 2012 vs. August 2011.

**Motor Fuel Tax, Per Penny Yield**

<b>July</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 739,666	\$ 731,623	\$ (8,043)	-1.1 %
Month	\$ 377,090	\$ 368,832	\$ (8,258)	-2.2 %

*The State's motor fuel tax consists of a \$0.32 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. 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 August:***

The per penny yield of the state's motor fuel tax is \$8,043 less in FY 2013 through August than in FY 2012 through August. This represents a decrease of 1.1 percent between the two fiscal year-to-date periods. For FY 2013, the per penny yield through August was \$731,623 versus \$739,666 for FY 2012 through August.

***Month of August:***

The per penny yield of the state's motor fuel tax totaled \$368,832 in August 2012, a decrease of \$8,258, or 2.2 percent from August 2011 monthly cash collections of \$377,090.

**Other Miscellaneous Revenues**

<b>August</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$2.0 Million	\$2.2 Million	\$248,453	12.5 %
Month	\$2.0 Million	\$2.2 Million	\$282,045	14.5 %



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

Other Miscellaneous Revenues were up 12.5 percent in FY 2013 through August when compared to the same period one year ago. FY 2013 year-to-date collections total \$2.2 million compared to \$2.0 million collected at this time last fiscal year.

In FY 2012, \$2.0 million was deposited as a result of the transfer from the Tobacco Settlement Financing Corporation in August 2011. In FY 2013, \$2.2 million was deposited as a result of two Medicaid settlements from pharmaceutical manufacturers.

***Month of August:***

August 2012 cash collections for other miscellaneous revenues were up \$282,045 compared to August 2011 cash collections of \$2.0 million. August 2012 receipts include \$2.2 million in Medicaid settlements from pharmaceutical manufacturers. August 2011 include \$2.0 million which was deposited as a result of a transfer from the Tobacco Settlement Financing Corporation.

**Lottery Transfer**

<b>August</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$32.3 Million	\$31.4 Million	\$ (921,682)	-2.9 %
Month	\$32.3 Million	\$31.4 Million	\$ (921,682)	-2.9 %

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

The Lottery Transfer to the general fund does not commence until August of each fiscal year when July lottery receipts are transferred. The lottery transfer was down 2.9 percent in FY 2013 through August when compared to FY 2012 through August. FY 2013 year-to-date collections totaled \$31.4 million or \$921,682 less than cash collections through the second month of FY 2012.

***Month of August:***

Given that the lottery transfer to the general fund does not commence until August of each fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

**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 revenues.

*Fiscal Year-to-Date through August:*

<b>Component</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>	<b>% Change</b>
Traditional Games	\$ 2,726,061	\$ 2,664,363	\$ (61,698)	-2.3 %
Keno	1,550,511	1,432,328	(118,183)	-7.6 %
Twin River VLTs	25,328,829	24,722,239	(606,590)	-2.4 %
Newport Grand VLTs	2,879,283	2,768,552	(110,731)	-3.9 %

Within the lottery transfer components, traditional games were down by \$61,698 or 2.3 percent through the second month of FY 2013 when compared to same period last fiscal year. Keno cash collections posted a decrease of \$118,183 or 7.6 percent during FY 2013's first two months versus the first two months of FY 2012. The transfer from Twin River's video lottery terminals (VLTs) totaled \$24.7 million through the first two months of FY 2013 a decrease of \$606,590, or 2.4 percent, from FY 2012 cash collections for the comparable period a year ago. The FY 2013 year-to-date transfer from Newport Grand's VLTs totaled \$2.8 million versus the \$2.9 million collected through the second month of FY 2012. This translates into a decrease of \$110,731, or 3.9 percent. It should be noted that both Twin River and Newport Grand VLT cash collections do not reflect unclaimed prizes, distressed receipts and the state's payment to either Newport Grand's or Twin River's marketing program.

*Month of August:*

Given that the lottery transfer to the general fund does not commence until August of each fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

**Unclaimed Property Transfer**

<b>August</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	N/A	N/A	N/A	N/A
Month	N/A	N/A	N/A	N/A

The Unclaimed Property Transfer to the general fund occurs in June of every fiscal year.



Rosemary Booth Gallogly, Director  
Rhode Island Department of Revenue

September 14, 2012

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

	FY 2012 YTD August	FY 2013 YTD August	Nominal Difference	Change
<b><u>Personal Income Tax</u></b>	150,050,419	150,388,854	338,435	0.2%
<b><u>General Business Taxes</u></b>				
Business Corporations	6,442,262	9,066,952	2,624,690	40.7%
Public Utilities Gross Earnings	1,226,828	1,182,608	(44,220)	-3.6%
Financial Institutions	2,100	13,349	11,249	535.7%
Insurance Companies	203,820	1,946,212	1,742,392	854.9%
Bank Deposits	-	-	-	-
Health Care Provider Assessment	6,980,005	6,892,782	(87,223)	-1.2%
<b><u>Excise Taxes</u></b>				
Sales and Use	154,671,729	158,335,787	3,664,058	2.4%
Motor Vehicle	6,797,504	6,550,461	(247,043)	-3.6%
Motor Carrier Fuel Use	183,553	162,963	(20,590)	-11.2%
Cigarettes	23,376,855	25,274,959	1,898,104	8.1%
Alcohol	2,242,401	2,080,884	(161,517)	-7.2%
Controlled Substances	-	-	-	-
<b><u>Other Taxes</u></b>				
Inheritance and Gift	8,557,139	5,600,970	(2,956,169)	-34.5%
Racing and Athletics	209,308	216,675	7,367	3.5%
Realty Transfer	1,221,174	1,278,616	57,442	4.7%
<b>Total Taxes</b>	<b>\$ 362,165,097</b>	<b>\$ 368,992,072</b>	<b>\$ 6,826,975</b>	<b>1.9%</b>
<b><u>Departmental Receipts</u></b>				
Licenses and Fees	147,687,879	139,702,033	(7,985,846)	-5.4%
Fines and Penalties	1,348,080	1,721,086	373,006	27.7%
Sales and Services	1,264,450	1,446,024	181,574	14.4%
Miscellaneous	3,306,726	5,732,714	2,425,988	73.4%
<b>Total Departmental Receipts</b>	<b>\$ 153,607,135</b>	<b>\$ 148,601,857</b>	<b>\$ (5,005,278)</b>	<b>-3.3%</b>
<b>Taxes and Departmentals</b>	<b>\$ 515,772,232</b>	<b>\$ 517,593,929</b>	<b>\$ 1,821,697</b>	<b>0.4%</b>
<b><u>Other General Revenue Sources</u></b>				
Gas Tax Transfer	-	-	-	-
Other Miscellaneous Revenues	1,987,834	2,236,287	248,453	12.5%
Lottery Transfer	32,313,837	31,392,155	(921,682)	-2.9%
Unclaimed Property	-	-	-	-
<b>Total Other Sources</b>	<b>\$ 34,301,671</b>	<b>\$ 33,628,442</b>	<b>\$ (673,229)</b>	<b>-2.0%</b>
<b>Total General Revenues</b>	<b>\$ 550,073,903</b>	<b>\$ 551,222,371</b>	<b>\$ 1,148,468</b>	<b>0.2%</b>

**STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS**  
**Month of August**

	FY 2012 August	FY 2013 August	Nominal Difference	% Change
<b>Personal Income Tax</b>	79,615,661	80,553,410	937,749	1.2%
<b>General Business Taxes</b>				
Business Corporations	821,388	2,478,277	1,656,889	201.7%
Public Utilities Gross Earnings	477,424	213,888	(263,536)	-55.2%
Financial Institutions	-	-	-	-
Insurance Companies	66,947	19,509	(47,438)	-70.9%
Bank Deposits	-	-	-	-
Health Care Provider Assessment	3,513,980	3,479,503	(34,477)	-1.0%
<b>Excise Taxes</b>				
Sales and Use	77,714,434	77,958,175	243,741	0.3%
Motor Vehicle	3,184,897	4,151,888	966,991	30.4%
Motor Carrier Fuel Use	88,558	123,866	35,308	39.9%
Cigarettes	12,470,438	12,700,690	230,252	1.8%
Alcohol	917,706	996,529	78,823	8.6%
Controlled Substances	-	-	-	-
<b>Other Taxes</b>				
Inheritance and Gift	4,096,066	4,051,204	(44,862)	-1.1%
Racing and Athletics	111,530	118,579	7,049	6.3%
Realty Transfer	686,055	616,817	(69,238)	-10.1%
<b>Total Taxes</b>	<b>\$ 183,765,084</b>	<b>\$ 187,462,335</b>	<b>\$ 3,697,251</b>	<b>2.0%</b>
<b>Departmental Receipts</b>				
Licenses and Fees	10,983,687	9,778,794	(1,204,893)	-11.0%
Fines and Penalties	1,266,006	1,620,738	354,732	28.0%
Sales and Services	715,850	860,158	144,308	20.2%
Miscellaneous	1,539,263	2,876,492	1,337,229	86.9%
<b>Total Departmental Receipts</b>	<b>\$ 14,504,806</b>	<b>\$ 15,136,182</b>	<b>\$ 631,376</b>	<b>4.4%</b>
<b>Taxes and Departmentals</b>	<b>\$ 198,269,890</b>	<b>\$ 202,598,517</b>	<b>\$ 4,328,627</b>	<b>2.2%</b>
<b>Other General Revenue Sources</b>				
Other Miscellaneous Revenues	1,951,754	2,233,799	282,045	14.5%
Lottery Transfer	32,313,837	31,392,155	(921,682)	-2.9%
Unclaimed Property	-	-	-	-
<b>Total Other Sources</b>	<b>\$ 34,265,591</b>	<b>\$ 33,625,954</b>	<b>\$ (639,637)</b>	<b>-1.9%</b>
<b>Total General Revenues</b>	<b>\$ 232,535,481</b>	<b>\$ 236,224,471</b>	<b>\$ 3,688,990</b>	<b>1.6%</b>