

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



DEPARTMENT OF REVENUE
Office of Revenue Analysis

Cash Collections Report August 2013 Summary

Fiscal Year-to-Date through August:

FY 2014 total general revenue cash collections through August were \$564.5 million, up \$13.3 million or 2.4 percent from the same period in FY 2013. The breakdown by major revenue components is as follows:

Component	FY 2013	FY 2014	Difference	% Change
Personal Income Tax	\$ 150,388,854	\$ 154,432,707	\$ 4,043,853	2.7 %
Sales and Use Taxes	158,335,787	163,645,822	5,310,035	3.4 %
Departmental Receipts	148,601,857	154,875,611	6,273,754	4.2 %
Lottery Transfer	31,392,155	32,924,233	1,532,078	4.9%
All Other Revenues	62,503,718	58,596,889	(3,906,829)	-6.3%
Total General Revenues	\$ 551,222,371	\$ 564,475,262	\$ 13,252,891	2.4%

Month of August:

August 2013 total general revenue cash collections were \$236.6 million, up \$337,913 or 0.1 percent from August 2012. The breakdown by major revenue components is as follows:

Component	FY 2013	FY 2014	Difference	% Change
Personal Income Tax	\$ 80,553,410	\$ 81,902,006	\$ 1,348,596	1.7 %
Sales and Use Taxes	77,958,175	80,258,546	2,300,371	3.0 %
Departmental Receipts	15,136,182	13,261,699	(1,874,483)	-12.4 %
Lottery Transfer	31,392,155	32,924,233	1,532,078	4.9%
All Other Revenues	31,184,549	28,215,900	(2,968,649)	-9.5%
Total General Revenues	\$ 236,224,471	\$ 236,562,384	\$ 337,913	0.1%

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State of Rhode Island Cash Collections Report
August 2013 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.*

Total General Revenues

August	FY 2013	FY 2014	Difference	% Change
Fiscal YTD	\$ 551.2 Million	\$ 564.5 Million	\$ 13.3 Million	2.4 %
Month	\$ 236.2 Million	\$ 236.6 Million	\$ 337,913	0.1 %

Fiscal Year-to-Date through August:

The Rhode Island Department of Revenue reports that total general revenues collected in fiscal year 2014 through August increased 2.4 percent over total general revenues collected through August of FY 2013. FY 2014 total general revenues collected through August were \$564.5 million compared to \$551.2 million collected for the same period last fiscal year, an increase of \$13.3 million.

The following cash flow differences between FY 2013 and FY 2014 should be noted:

FY 2013

- Insurance companies gross premiums tax cash collections include \$1.7 million transferred from escrow to the State of Rhode Island in July 2012 for the settlement of an

outstanding tax liability.

- Insurance companies gross premiums tax cash collections are greater by \$196,922 for a refund that was processed in August but was not 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 was not 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 was not posted until September.
- Effective July 1, 2012, the cigarette excise tax rate increased by \$0.04 per pack of 20 cigarettes. As a result, fiscal year-to-date cigarette excise tax cash collections include \$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 was greater by \$26,110 due to a refund that was processed in August but was not posted until September.
- The licenses and fees category of departmental receipts were \$308,630 less for the late posting of driving record abstracts fees which should have been posted in August 2012.
- The fines and penalties category of departmental receipts includes a life insurance settlement of \$246,136 collected in August 2012.
- Miscellaneous departmental receipts 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.
- Other miscellaneous revenues include cash collections of \$2.2 million collected in August 2012 to settle claims filed against pharmaceutical manufacturers through the State's Medicaid Fraud program.

FY 2014

- Estate and transfer tax cash collections include one large payment of \$4.2 million received in August 2013.
- The licenses and fees category of departmental receipts includes \$688,205 in registration fees received through August in from the State of Indiana. Indiana is host of the Unified Carrier Registration System (UCR) and registers the operators of commercial motor vehicles engaged in interstate commerce. The cash collections reflect Rhode Island's share of these registration fees. The State first received these payments in February 2013.
- For the fiscal year-to-date period through August, the hospital licensing fee has generated \$6.2 million more than the prior fiscal year through August. July 2013 cash collections include \$1.4 million received from a delinquent taxpayer for the FY 2012 hospital licensing fee. The same delinquent taxpayer paid the full amount of the FY 2013 hospital licensing fee in July 2013. The hospital licensing fee rate decreased from 5.430 percent of hospital FY 2010 net patient revenues to 5.350 percent of hospital FY 2011 net patient revenues.
- The licenses and fees category of departmental receipts includes \$28,968 from compassion center surcharges received through August 2013. The first compassion center opened in Providence on April 19, 2013.

- Miscellaneous departmental receipts include cash collections of \$850,011 received in July 2013 in indirect cost recovery fees from the Office of the Attorney General.
- Other miscellaneous revenues include \$160,411 received in July 2013 in settlements associated with the State's Medicaid program.

The following table displays the differences in cash flows for FY 2013 through August and FY 2014 through August.

Revenue Source	Cash Flow Differences	YTD FY 2013	YTD FY 2014
Insurance Companies	Insurance settlements	\$1,722,000	\$0
Insurance Companies	Refund processed but not posted	\$196,922	\$0
Sales and Use Taxes	Refund processed but not posted	\$1,449,082	\$0
Motor Fuel Taxes	Refund processed but not posted	\$21,474	\$0
Estate and transfer	Infrequent large tax payments	\$0	\$4,156,721
Cigarette Excise Taxes	Cigarette floor stock	\$138,196	\$0
Cigarette Excise Taxes	Refund processed but not posted	\$26,110	\$0
Departmental Receipts	UCR registration fees	\$0	\$688,205
Departmental Receipts	Hospital licensing fee difference	\$0	\$6,243,070
Departmental Receipts	Driving record abstracts late posting	\$(308,630)	\$0
Departmental Receipts	DBR Insurance settlement	\$246,136	\$0
Departmental Receipts	Attorney General settlements	\$1,026,551	\$850,011
Departmental Receipts	Compassion Center surcharge receipts	\$0	\$28,968
Other Misc. Revenues	Medicaid settlements	\$2,218,208	\$160,411

Month of August:

Total general revenues collected in August 2013 increased 0.1 percent over total general revenues collected in August 2012. August 2013 total general revenues collected were \$236.6 million compared to \$236.2 million collected in August 2012, an increase of \$337,913.

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

- Insurance companies gross premiums tax cash collections are greater by \$196,922 for a refund that was processed in August 2012 but was not posted until September 2012.
- Sales and use tax cash collections are \$1.4 million greater in August 2012 due to a refund that was processed in August 2012 but was not posted until September 2012.
- Motor carrier fuel use tax cash collections are greater by \$21,474 in August 2012 due to a refund that was processed in August 2012 but was not posted until September 2012.
- Cigarette and other tobacco products taxes was greater by \$26,110 due to a refund that was processed in August 2012 but was not posted until September 2012.

- In August 2012, the licenses and fees category of departmental receipts was \$308,630 less due to the late posting of driving record abstracts fees which should have been posted in the month of August.
- In August, 2012, the fines and penalties category of departmental receipts was greater by \$246,630 from the receipt of an insurance settlement.
- Other miscellaneous revenues include \$2.2 million received in August 2012 from a settlement associated with the State's Medicaid program.
- Estate and transfer tax cash collections include one large payment of \$4.2 million received in August 2013.
- The licenses and fees category of departmental receipts for August 2013 includes \$15,380 cash collections from the compassion center surcharge. The first compassion center opened in Providence on April 19, 2013.

The following table displays the differences in cash flows for August 2012 and August 2013.

Revenue Source	Cash Flow Differences	August FY 2013	August FY 2014
Insurance Companies	Refund processed but not posted	\$196,922	\$0
Sales and Use Taxes	Refund processed but not posted	\$1,449,082	\$0
Motor Fuel Taxes	Refund processed but not posted	\$21,474	\$0
Cigarette Excise Taxes	Refund processed but not posted	\$26,110	\$0
Estate and transfer	Infrequent large tax payments	\$0	\$4,156,721
Departmental Receipts	Driving record abstracts late posting	\$(308,630)	\$0
Departmental Receipts	Compassion Center surcharge revenue	\$0	\$15,380
Departmental Receipts	Insurance settlement	\$246,136	\$0
Other Misc. Revenues	Medicaid pharmaceutical settlements	\$2,218,208	\$0

Taxes and Departmental Receipts

August	FY 2013	FY 2014	Difference	% Change
Fiscal YTD	\$ 517.6 Million	\$ 531.4 Million	\$ 13.8 Million	2.7 %
Month	\$ 202.6 Million	\$ 203.6 Million	\$ 1.0 Million	0.5 %

Fiscal Year-to-Date through August:

Taxes and departmental receipts collected in FY 2014 through August increased 2.7 percent over taxes and departmental receipts collected through August of FY 2013. FY 2014 taxes and departmental receipts collected through August were \$531.4 million compared to \$517.6 million collected for the same period last fiscal year, an increase of \$13.8 million.

Month of August:

Taxes and departmental receipts collected in August 2013 increased 0.5 percent over taxes and departmental receipts collected in August 2012. August 2013 taxes and departmental receipts collected were \$203.6 million compared to \$202.6 million collected in August 2012, an increase of \$1.0 million.

Other General Revenue Sources

August	FY 2013	FY 2014	Difference	% Change
Fiscal YTD	\$ 33.6 Million	\$ 33.1 Million	\$ (520,564)	-1.5 %
Month	\$ 33.6 Million	\$ 32.9 Million	\$ (680,519)	-2.0 %

Fiscal Year-to-Date through August:

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. Other general revenue sources collected in FY 2014 through August decreased 1.5 percent over other general revenue sources collected through August of FY 2013. FY 2014 other general revenue sources collected through August were \$33.1 million compared to \$33.6 million collected for the same period last fiscal year, a decrease of \$520,564.

Month of August:

Other general revenue sources collected in August 2013 decreased 2.0 percent over other general revenue sources collected in August 2012. August 2013 other general revenue sources collected were \$32.9 million compared to \$33.6 million collected in August 2012, a decrease of \$680,519.

Total Taxes

August	FY 2013	FY 2014	Difference	% Change
Fiscal YTD	\$ 369.0 Million	\$ 376.5 Million	\$ 7.5 Million	2.0 %
Month	\$ 187.5 Million	\$ 190.4 Million	\$ 2.9 Million	1.5 %

Fiscal Year-to-Date through August:

Total taxes collected in FY 2014 through August increased 2.0 percent over total taxes collected through August of FY 2013. FY 2014 total taxes collected through August were \$376.5 million compared to \$369.0 million collected for the same period last fiscal year, an increase of \$7.5 million.

Month of August:

Total taxes collected in August 2013 increased 1.5 percent over total taxes collected in August 2012. August 2013 total taxes collected were \$190.4 million compared to \$187.5 million collected in August 2012, an increase of \$2.9 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 cash collections for the tax types that had HSTCs redeemed to offset an actual tax liability were net cash receipts (i.e., total collection *less* HSTC redemptions). Since FY 2009, the actual cash collections for the tax types that have HSTCs redeemed to offset an actual tax liability are gross cash receipts (i.e., total cash collections *plus* HSTC reimbursements).

FY 2014 total historic structure tax credit redemptions/reimbursements for all taxes through August totaled \$30,533 compared to \$59,701 reimbursed in FY 2013 through August, a decrease of 48.9 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 2013	FY 2014	August 2012	August 2013
Personal Income	\$ 59,701	\$ 28,646	\$ 19,403	\$ 24,388
Business Corporations	0	1,887	0	1,887
Financial Institutions	0	0	0	0
Insurance/Non-HMOs	0	0	0	0
Insurance/HMOs	0	0	0	0
Total	\$ 59,701	\$ 30,533	\$ 19,403	\$ 26,275

Personal Income Taxes

August	FY 2013	FY 2014	Difference	% Change
Fiscal YTD	\$ 150.4 Million	\$ 154.4 Million	\$ 4.0 Million	2.7 %
Month	\$ 80.6 Million	\$ 81.9 Million	\$ 1.3 Million	1.7 %

Fiscal Year-to-Date through August:

Personal income taxes collected in FY 2014 through the second month of the fiscal year increased 2.7 percent over personal income taxes collected through the same period last fiscal year. FY 2014 personal income taxes collected through August were \$154.4 million compared to \$150.4 million collected for the same period last fiscal year, an increase of \$4.0 million. It should be noted that FY 2014 year-to-date historic structures tax credit reimbursements for personal income taxes decreased 52.0 percent over the same period in FY 2013. The FY 2014 year-to-date personal income tax cash collections include historic structures tax credit reimbursements of \$28,646 compared to the \$59,701 in historic structures tax credit reimbursements through August of FY 2013, a decrease of \$31,055.

Month of August:

Personal income taxes collected in August 2013 increased 1.7 percent over personal income taxes collected in August 2012. August 2013 personal income taxes collected were \$81.9 million compared to \$80.6 million collected in August 2012, an increase of \$1.3 million.

August 2013 personal income tax cash collections include historic structures tax credit reimbursements of \$24,388 compared to \$19,403 of historic structures tax credit reimbursements collected in August 2012, an increase of \$4,985 or 25.7 percent.

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:

Component	FY 2013	FY 2014	Difference	% Change
Estimated Payments	\$ 6,935,193	\$ 6,047,140	\$ (888,053)	-12.8 %
Final Payments*	6,301,675	5,416,022	(885,653)	-14.1 %
Refunds/Adjustments	(9,876,283)	(8,778,457)	1,097,826	-11.1 %
Withholding Tax Payments	147,028,269	151,748,002	4,719,733	3.2 %
* Final Payments include historic structures tax credit reimbursements of \$59,701 in year-to-date FY 2013 and \$28,646 in year-to-date FY 2014.				

Within the components of personal income tax, estimated payments in FY 2014 through August were down \$888,053 or 12.8 percent compared to the same period in FY 2013. FY 2014 final payments through August were down \$885,653 or 14.1 percent over the same period last fiscal year. Fiscal year-to-date final payments include \$28,646 in reimbursed historic structures tax credits versus \$59,701 for the same period in FY 2013. FY 2014 refunds and adjustments

through August are less by 1.1 million or -11.1 percent compared to refunds and adjustments through August of FY 2013. Finally, FY 2014 withholding tax payments through August were up \$4.7 million or 3.2 percent relative to the same period in the prior fiscal year.

Month of August:

Component	FY 2013	FY 2014	Difference	% Change
Estimated Payments	\$ 3,516,463	\$ 3,094,137	\$ (422,326)	-12.0 %
Final Payments*	2,797,841	2,495,252	(302,588)	-10.8 %
Refunds/Adjustments	(4,710,288)	(3,536,988)	1,173,300	-24.9 %
Withholding Tax Payments	78,949,395	79,849,605	900,210	1.1 %
* Final Payments include historic structures tax credit reimbursements of \$19,403 in FY 2013 and \$24,388 in FY 2014.				

Within the components of personal income tax, August 2013 estimated payments are down \$422,326 or 12.0 percent compared to August 2012. Final payments are down \$302,588 in August 2013 or -10.8 percent relative to August 2012. August 2013 final payments include \$24,388 in reimbursed historic structures tax credits versus \$19,403 in August 2012. August 2013 refunds and adjustments are less by \$1.2 million or -24.9 percent compared to refunds and adjustments for August 2012. Finally, August 2013 withholding tax payments are up \$900,210 or 1.1 percent relative to August 2012.

Sales and Use Taxes

August	FY 2013	FY 2014	Difference	% Change
Fiscal YTD	\$ 158.3 Million	\$ 163.6 Million	\$ 5.3 Million	3.4 %
Month	\$ 78.0 Million	\$ 80.3 Million	\$ 2.3 Million	3.0 %

Fiscal Year-to-Date through August:

Sales and use taxes collected in FY 2014 through August increased 3.4 percent over sales and use taxes collected through August of FY 2013. FY 2014 sales and use taxes collected through August were \$163.6 million compared to \$158.3 million collected for the same period last fiscal year, an increase of \$5.3 million. It should be noted that FY 2014 sales and use tax receipts include an unknown amount of additional revenue from the sales and use tax base expansion, signed into law by Governor Chafee on June 15, 2012, which did not take effect until October 1, 2012.

Month of August:

Sales and use taxes collected in August 2013 increased 3.0 percent over sales and use taxes collected in August 2012. August 2013 sales and use taxes collected were \$80.3 million compared to \$78.0 million collected in August 2012, an increase of \$2.3 million. The August

2013 sales and use tax cash collections includes an unknown amount of added revenue from the sales and use tax base expansion signed into law by Governor Chafee on June 15, 2012.

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:

Component	FY 2013	FY 2014	Difference	% Change
Net Taxation	\$ 140,697,410	\$ 145,530,156	\$ 4,832,746	3.4 %
Registry Receipts	14,417,297	15,935,262	1,517,965	10.5 %
Providence Place Mall	2,189,342	2,121,887	(67,455)	-3.1 %

Within the sales tax components, net sales tax receipts remitted directly to the Division of Taxation increased by \$4.8 million or 3.4 percent through August of FY 2014 compared to the same period in FY 2013. FY 2014 registry receipts through August were up \$1.5 million or 10.5 percent compared to the same period last fiscal year. Providence Place Mall (PPM) sales tax receipts through the second month of FY 2014 were down by \$67,455 or -3.1 percent relative to the same period in FY 2013.

Month of August:

Component	FY 2013	FY 2014	Difference	% Change
Net Taxation	\$ 67,463,671	\$ 70,952,550	\$ 3,488,879	5.2 %
Registry Receipts	8,266,974	8,233,574	(33,400)	-0.4 %
Providence Place Mall	1,087,848	1,049,147	(38,701)	-3.6 %

Within the sales tax components, net sales tax receipts remitted directly to the Division of Taxation increase by \$3.5 million or 5.2 percent in August 2013 over August 2012. August 2013 registry receipts were down \$33,400 or -0.4 percent compared to August 2012. August 2013 Providence Place Mall (PPM) sales tax receipts were down \$38,701 or -3.6 percent relative to August 2012.

General Business Taxes

August	FY 2013	FY 2014	Difference	% Change
Fiscal YTD	\$ 19.1 Million	\$ 12.3 Million	\$ (6.8 Million)	-35.4 %
Month	\$ 6.2 Million	\$ 4.5 Million	\$ (1.7 Million)	-27.6 %

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 varying fiscal years of corporations and the number of filers that are on extension at any given point in time. As a result, both business corporation taxes and health care provider assessments flow more evenly into the general fund over the course of a fiscal year.

Fiscal Year-to-Date through August:

General business taxes collected through August of FY 2014 decreased 35.4 percent over general business taxes collected through August of FY 2013. FY 2014 general business taxes collected through August were \$12.3 million compared to \$19.1 million collected for the same period in FY 2013, a decrease of \$6.8 million.

Health care provider assessments collected through August of FY 2014 were \$6.9 million, an increase of \$47,748 or 0.7 percent over the same period in FY 2013. 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 2014 or through the second month of FY 2013. Public utilities gross earnings taxes collected in FY 2014 through August were \$(229,252), a decrease of \$1.4 million or -119.4 percent less than the \$1.2 million collected through August of FY 2013. No financial institutions taxes have been collected in FY 2014 through August compared to the \$13,349 collected through August of FY 2013. Insurance companies gross premiums tax cash collections through August of FY 2014 were \$486,338 compared to the \$1.9 million through August of FY 2013, a decrease of \$1.5 million or -75.0 percent. This decrease is partially due to the receipt of \$1.7 million in July of FY 2013 to settle an outstanding tax liability for the prior year. Business corporations taxes collected through August of FY 2014 were \$5.1 million, a decrease of 43.3 percent or \$3.9 million over the same period in the previous year.

Month of August:

General business taxes collected in August 2013 decreased 27.6 percent over general business taxes collected in August 2012. August 2013 general business taxes collected were \$4.5 million compared to \$6.2 million collected in August 2012, a decrease of \$1.7 million.

Health care provider assessments collected in August 2013 were \$3.6 million or 2.3 percent more than the \$3.5 million collected in August 2012. Public utilities gross earnings taxes collected in August 2013 were \$(358,109), a decrease of \$571,997 or -267.4 percent over the cash collections in August 2012 of \$213,888. Insurance companies gross premiums taxes collected in August 2013 were \$9,581 compared to \$19,509 collected in August 2012, a decrease of \$9,928. No bank deposits taxes or financial institutions taxes were collected in both August 2013 and August

2012. Business corporations taxes collected in August 2013 were \$1.3 million compared to \$2.5 million collected in August 2012, a decrease of 48.6 percent.

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:

Component	FY 2013	FY 2014	Difference	% Change
Estimated Payments	\$ 6,235,676	\$ 4,694,008	\$ (1,541,667)	-24.7 %
Final Payments*	3,025,676	3,338,274	312,598	10.3 %
Refunds/Adjustments	(203,283)	(2,898,661)	(2,695,378)	1,325.9 %
* Final payments for FY 2013 do not include any historic structures tax credit reimbursements and FY 2014 includes \$1,887 of historic structures tax credit reimbursements.				

Within the components of business corporations tax, estimated payments in FY 2014 through August were down \$1.5 million or -24.7 percent compared to the same period in FY 2013. FY 2014 final payments through August increased \$312,598 or 10.3 percent relative to the same period last fiscal year. Final payments for FY 2014 include \$1,887 in historic structures tax credit reimbursements compared to no historic structures tax credit reimbursements in FY 2013. FY 2014 refunds and adjustments through August were greater by \$2.7 million or 1,325.9 percent compared to refunds and adjustments through August of FY 2013.

Month of August:

Component	FY 2013	FY 2014	Difference	% Change
Estimated Payments	\$ 1,115,975	\$ 966,434	\$ (149,541)	-13.4 %
Final Payments*	1,427,482	1,781,258	353,776	24.8 %
Refunds/Adjustments	(68,765)	(1,477,708)	(1,408,943)	2,048.9 %
* Final payments for August of FY 2013 do not include any historic structures tax credit reimbursements and August of FY 2014 includes \$1,887 of historic structures tax credit reimbursements.				

Within the components of business corporations tax, August 2013 estimated payments are down \$149,541 or -13.4 percent compared to August 2012 estimated payments. August 2013 final payments increased by \$353,776 or 24.8 percent compared to August 2012 final payments. August 2013 final payments include \$1,887 in historic structures tax credit reimbursements.

August 2013 refunds and adjustments increased by \$1.4 million or 2,048.9 percent compared to August 2012 refunds and adjustments.

Excise Taxes Other Than the Sales and Use Tax

August	FY 2013	FY 2014	Difference	% Change
Fiscal YTD	\$ 34.1 Million	\$ 35.1 Million	\$ 1.1 Million	3.1 %
Month	\$ 18.0 Million	\$ 16.6 Million	\$ (1.4) Million	-7.9 %

Fiscal Year-to-Date through August:

Excise taxes other than sales and use taxes collected in FY 2014 through August increased 3.1 percent over excise taxes other than sales and use taxes collected through August of FY 2013. FY 2014 excise taxes other than sales and use taxes collected through August were \$35.1 million compared to \$34.1 million collected for the same period last fiscal year, an increase of \$1.1 million.

Motor vehicle license and registration fees collected in FY 2014 through August were \$7.4 million or \$866,761 more than the \$6.6 million collected in FY 2013 through August. Fiscal year-to-date motor vehicle license and registration fee cash collections through August include \$323,729 received from the International Registration Program (IRP) Clearing House. Motor carrier fuel use taxes collected in FY 2014 through August totaled \$171,048, an increase of 5.0 percent from cash collections of \$162,963 through August of FY 2013. Alcohol excise taxes collected in FY 2014 through August were up 43.1 percent or \$897,087 greater than the \$2.1 million collected for the same period last fiscal year. It should be noted that as of July 1, 2013, alcohol excise tax rates were increased from the previous year. The excise tax on beer was increased from \$3.00 per barrel to \$3.30 per barrel, spirits from \$3.75 per gallon to \$5.40 per gallon, and still wine from \$0.60 per gallon to \$1.40 per gallon. These new rates are in effect until March 31, 2015.

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 August of FY 2014 were down \$714,796 or -2.8 percent compared to the \$25.3 million collected for the same period last fiscal year.

Finally, the change in cigarette sales is determined. Cigarette floor stock tax and smokeless tobacco products tax cash collections are netted out of the data, yielding only cigarette tax cash collections. Through August of FY 2014, Rhode Island cigarette sales decreased by 2.2 percent compared to the same period last fiscal year.

Month of August:

Excise taxes other than sales and use taxes collected in August 2013 decreased 7.9 percent over the excise taxes other than sales and use taxes collected in August 2012. August 2013 excise taxes other than sales and use taxes collected totaled \$16.6 million compared to 18.0 million collected in August 2012, a decrease of \$1.4 million.

Motor vehicle license and registration fees collected in August 2013 totaled \$3.2 million or \$969,141 less than the \$4.2 million collected in August 2012. August 2013 motor vehicle license and registration fee cash collections include \$243,071 received from the IRP Clearing House for August 2013. Motor carrier fuel use taxes collected in August 2013 were \$137,275, an increase of 10.8 percent from the August 2012 cash collections of \$123,866. Alcohol excise taxes collected in August 2013 were up 63.4 percent or \$631,966 greater than the 1.0 million collected in August 2012. The increase can be mainly attributed to the increased alcohol excise tax rates that went into effect on July 1, 2013.

August 2013 cigarette excise tax receipts were \$11.6 million, a decrease of \$1.1 million or -8.6 percent from the \$12.7 million collected in August 2012. After accounting for cigarette floor stock receipts and other tobacco products tax cash collections, the percentage change in Rhode Island cigarette sales is determined. For August 2013, Rhode Island cigarette sales decreased by 8.9 percent compared to August 2012.

Other Taxes

August	FY 2013	FY 2014	Difference	% Change
Fiscal YTD	\$ 7.1 Million	\$ 10.9 Million	\$ 3.9 Million	54.3 %
Month	\$ 4.8 Million	\$ 7.2 Million	\$ 2.4 Million	49.5 %

Fiscal Year-to-Date through August:

Other taxes collected in FY 2014 through August increased 54.3 percent over other taxes collected through August of FY 2013. FY 2014 other taxes collected through August were \$10.9 million compared to the \$7.1 million collected in the same period last fiscal year, an increase of \$3.9 million.

FY 2014 estate and transfer tax cash collections through August totaled \$9.2 million, an increase of 64.4 percent from the \$5.6 million collected through August of FY 2013. Fiscal year-to-date 2014 estate and transfer tax cash collections include a large one time payment of \$4.2 million received in August 2013. FY 2014 realty transfer taxes collected through August were \$1.5 million, an increase of \$258,875 or 20.2 percent compared to the same period last fiscal year. Racing and athletics tax cash collections through August of FY 2014 were down \$17,170 or 7.9 percent relative to the \$216,675 collected for the same period in FY 2013.

Month of August:

Other taxes collected in August 2013 increased 49.5 percent over the other taxes collected in August 2012. August 2013 other taxes collected totaled \$7.2 million compared to 4.8 million collected in August 2012, an increase of \$2.4 million.

August 2013 estate and transfer tax cash collections totaled \$6.2 million, an increase of \$2.1 million or 52.1 percent from August 2012 cash collections of \$4.1 million. August 2013 estate and transfer tax cash collections include a large one time payment of \$4.2 million.

Realty transfer taxes collected in August 2013 were up \$276,059 or 44.8 percent from the \$616,817 collected in August 2012. Racing and athletics tax cash collections were down \$18,375 or -15.5 percent in August 2013 relative to the \$118,579 collected in August 2012.

Total Departmental Receipts

August	FY 2013	FY 2014	Difference	% Change
Fiscal YTD	\$ 148.6 Million	\$ 154.9 Million	\$ 6.3 Million	4.2 %
Month	\$ 15.1 Million	\$ 13.3 Million	\$ (1.9) Million	-12.4 %

Fiscal Year-to-Date through August:

Total departmental receipts collected in FY 2014 through August increased 4.2 percent over total departmental receipts collected through August of FY 2013. FY 2014 total departmental receipts collected through August were \$154.9 million compared to \$148.6 million collected for the same period last fiscal year, an increase of \$6.3 million.

The licenses and fees category of departmental receipts through August of FY 2014 was up 4.3 percent or \$6.0 million over the \$139.7 million collected through August of FY 2013. The FY 2013 hospital licensing fees received in July 2013 were \$128.0 million or \$6.2 million greater than the \$121.8 million received in July 2012 for FY 2012. This increase is partly due to the receipt of \$1.4 million in July 2013 for the FY 2012 hospital licensing fee from a delinquent taxpayer. The same taxpayer also paid the FY 2013 hospital licensing fee in full in July. In general, the prior fiscal year's hospital licensing fee is due and payable in July. The FY 2013 hospital licensing fee rate is 5.350 percent of hospital FY 2011 net patient revenues compared to the FY 2012 hospital licensing fee rate of 5.430 percent of hospital FY 2010 net patient revenues. It is also important to note that numerous licenses included in the licenses and fees category of departmental receipts are renewed on a biennial or triennial basis, which skews the fiscal year-to-date comparisons.

The fines and penalties category of departmental receipts in FY 2014 through August was down \$319,605 or -18.6 percent over the \$1.7 million collected through August of FY 2013.

The sales and services category of departmental receipts in FY 2014 increased by \$147,381 or 10.2 percent through August compared to the \$1.4 million collected through August of FY 2013.

This surplus is due to an additional \$160,398 in Rhode Island Veterans Cemetery Plot Allowance fees collected in fiscal year-to-date 2014 compared to fiscal year-to-date 2013.

Finally, fiscal year-to-date miscellaneous departmental receipts were up \$396,145 or 6.9 percent through August compared to the same period the last fiscal year. Fiscal year-to-date miscellaneous departmental receipts include \$850,011 in indirect cost recovery assessments on the Office of the Attorney General.

In the enacted FY 2014 budget, signed into law by Governor Chafee on July 3, 2013, several departmental receipt fees were newly established, increased or eliminated. The eliminated fees include the Division of Motor Vehicles' accident reporting fee beginning July 1, 2013. Also eliminated beginning July 1, 2013 was the Department of Labor and Training's hazardous substances right to know fee which is down \$15,792 in year to date cash collections. New fees implemented for this fiscal year include the collection of the State's share of fines imposed on red light camera violations. Finally, investment earnings on idle cash in the general fund were up \$34,719 in FY 2014 through August. Previously, bank fees were deducted from this revenue account, but are now shown as an expenditure in the Treasurer's budget. This change is the result of an audit finding in the FY 2012 Consolidated Annual Financial Report.

Month of August:

Total departmental receipts in August 2013 decreased 12.4 percent over total departmental receipts in August 2012. August 2013 total departmental receipts collected were \$13.3 million compared to \$15.1 million collected in August 2012, a decrease of \$1.9 million.

The licenses and fees category of departmental receipts was down 10.7 percent in August 2013 or \$1.0 million less than the \$9.8 million collected in August 2012. The fines and penalties category of departmental receipts was down 20.3 percent in August 2013 or \$328,601 less than the \$1.6 million collected in August 2012. The sales and services category of departmental receipts was down 17.8 percent in August 2013 or \$152,904 less than the \$860,158 collected in August 2012. Finally, miscellaneous departmental receipts were down 12.0 percent in August 2013 or \$343,815 less than the \$2.9 million collected in August 2012.

Motor Fuel Tax, Per Penny Yield

August	FY 2013	FY 2014	Difference	% Change
Fiscal YTD	\$ 731,623	\$ 726,994	\$ (4,629)	-0.6 %
Month	\$ 368,832	\$ 368,130	\$ (702)	-0.2 %

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 collected in FY 2014 through August is \$4,630 less than FY 2013 through August. This represents a decrease of 0.6 percent between the two fiscal year-to-date periods. For FY 2014 through August, the per penny yield was \$726,993 versus \$731,623 for FY 2013 through August.

Month of August:

The per penny yield of the State's motor fuel tax collected in August 2013 totaled \$368,130, a decrease of \$702 or -0.2 percent over the \$368,832 collected in August 2012.

Other Miscellaneous Revenues

August	FY 2013	FY 2014	Difference	% Change
Fiscal YTD	\$ 2.2 million	\$ 183,645	\$ (2.1) Million	-91.8 %
Month	\$ 2.2 million	\$ 21,202	\$ (2.2) Million	-99.1 %

Fiscal Year-to-Date through August:

Other miscellaneous revenues collected in FY 2014 decreased 91.8 percent through August over other miscellaneous revenues collected through August of FY 2013. FY 2013 other miscellaneous revenues collected through August were \$183,645 compared to \$2.2 million collected through August of the prior fiscal year, a decrease of \$2.1 million. This decrease is mainly due to the receipt in FY 2013 of \$2.2 million for two Medicaid settlements from pharmaceutical manufacturers identified in the cash flow differences section of Total General Revenues above.

Month of August:

Other miscellaneous revenues collected in August 2013 decreased 99.1 percent compared to other miscellaneous revenues collected in August 2012. August 2013 other miscellaneous revenues collected were \$21,202 compared to \$2.2 million collected in August 2012, a decrease of \$2.2 million. This decrease is mainly due to the receipt in August 2013 of \$2.2 million for two Medicaid settlements from pharmaceutical manufacturers.

Lottery Transfer

August	FY 2013	FY 2014	Difference	% Change
Fiscal YTD	\$ 31.4 Million	\$ 32.9 Million	\$ 1.5 Million	4.9 %
Month	\$ 31.4 Million	\$ 32.9 Million	\$ 1.5 Million	4.9 %

Fiscal Year-to-Date through August:

The lottery transfer to the general fund does not commence until August of each fiscal year when the July lottery receipts are transferred. The fiscal year-to-date lottery transfer through August totaled \$32.9 million compared to the lottery transfer through August of FY 2012 of \$31.4 million, an increase of 4.9 percent or \$1.5 million. It should be noted that the FY 2014 year-to-date lottery transfer includes a share of revenue from table games which were available at Twin River Casino beginning in June 2013.

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:

Component	FY 2013	FY 2014	Difference	% Change
Traditional Games	\$ 2,664,363	\$ 3,569,902	\$ 905,539	34.0 %
Keno	1,432,328	1,364,632	(67,696)	-4.7 %
Twin River VLTs	24,722,239	24,891,666	169,427	0.7 %
Twin River Table Games	0	725,439	725,439	n/a
Newport Grand VLTs	2,768,552	2,567,247	(201,305)	-7.3 %

Within the lottery transfer components, fiscal year-to-date traditional games through August were up by \$905,539 or 34.0 percent compared to same period last fiscal year. Fiscal year-to-date Keno cash collections through August were down \$67,696 or -4.7 percent compared to same period last fiscal year. The fiscal year-to-date transfer through August from Twin River's video lottery terminals (VLTs) totaled \$24.9 million, an increase of \$169,427 or 0.7 percent compared to the same period last fiscal year. Twin River had 208 fewer VLTs operating in FY 2014 through August than in FY 2013 through August. The FY 2014 year-to-date transfer from Twin River Tables Games through August was \$725,439. The FY 2013 year-to-date transfer from Newport Grand's VLTs totaled \$2.6 million compared to \$2.8 million through August of FY 2012. This translates into a decrease of \$201,305 or -7.3 percent. It should be noted that both Twin River and Newport Grand VLT cash collections do not reflect unclaimed prizes, distressed communities relief program receipts, or the State's payment to either Newport Grand's or Twin River's marketing program.

Month of 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

May	FY 2011	FY 2012	Difference	% Change
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 13, 2013

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Fiscal Year To Date

	FY 2013 YTD August	FY 2014 YTD August	Nominal Difference	Change
<u>Personal Income Tax</u>	150,388,854	154,432,707	4,043,853	2.7%
<u>General Business Taxes</u>				
Business Corporations	9,066,952	5,141,653	(3,925,299)	-43.3%
Public Utilities Gross Earnings	1,182,608	(229,252)	(1,411,860)	-119.4%
Financial Institutions	13,349	-	(13,349)	-
Insurance Companies	1,946,212	486,338	(1,459,874)	-75.0%
Bank Deposits	-	-	-	-
Health Care Provider Assessment	6,892,782	6,940,530	47,748	0.7%
<u>Excise Taxes</u>				
Sales and Use	158,335,787	163,645,822	5,310,035	3.4%
Motor Vehicle	6,550,461	7,417,222	866,761	13.2%
Motor Carrier Fuel Use	162,963	171,048	8,085	5.0%
Cigarettes	25,274,959	24,560,163	(714,796)	-2.8%
Alcohol	2,080,884	2,977,971	897,087	43.1%
<u>Other Taxes</u>				
Estate and Transfer	5,600,970	9,210,575	3,609,605	64.4%
Racing and Athletics	216,675	199,505	(17,170)	-7.9%
Realty Transfer	1,278,616	1,537,491	258,875	20.2%
Total Taxes	\$ 368,992,072	\$ 376,491,773	\$ 7,499,701	2.0%
<u>Departmental Receipts</u>				
Licenses and Fees	139,702,033	145,751,866	6,049,833	4.3%
Fines and Penalties	1,721,086	1,401,481	(319,605)	-18.6%
Sales and Services	1,446,024	1,593,405	147,381	10.2%
Miscellaneous	5,732,714	6,128,859	396,145	6.9%
Total Departmental Receipts	\$ 148,601,857	\$ 154,875,611	\$ 6,273,754	4.2%
Taxes and Departmentals	\$ 517,593,929	\$ 531,367,384	\$ 13,773,455	2.7%
<u>Other General Revenue Sources</u>				
Other Miscellaneous Revenues	2,236,287	183,645	(2,052,642)	-91.8%
Lottery Transfer	31,392,155	32,924,233	1,532,078	4.9%
Unclaimed Property	-	-	-	-
Total Other Sources	\$ 33,628,442	\$ 33,107,878	\$ (520,564)	-1.5%
Total General Revenues	\$ 551,222,371	\$ 564,475,262	\$ 13,252,891	2.4%

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Month of August

	FY 2013 August	FY 2014 August	Nominal Difference	% Change
<u>Personal Income Tax</u>	80,553,410	81,902,006	1,348,596	1.7%
<u>General Business Taxes</u>				
Business Corporations	2,478,277	1,274,231	(1,204,046)	-48.6%
Public Utilities Gross Earnings	213,888	(358,109)	(571,997)	-267.4%
Financial Institutions	-	-	-	-
Insurance Companies	19,509	9,581	(9,928)	-50.9%
Bank Deposits	-	-	-	-
Health Care Provider Assessment	3,479,503	3,558,991	79,488	2.3%
<u>Excise Taxes</u>				
Sales and Use	77,958,175	80,258,546	2,300,371	3.0%
Motor Vehicle	4,151,888	3,182,747	(969,141)	-23.3%
Motor Carrier Fuel Use	123,866	137,275	13,409	10.8%
Cigarettes	12,700,690	11,606,219	(1,094,471)	-8.6%
Alcohol	996,529	1,628,495	631,966	63.4%
<u>Other Taxes</u>				
Estate and Transfer	4,051,204	6,162,188	2,110,984	52.1%
Racing and Athletics	118,579	100,204	(18,375)	-15.5%
Realty Transfer	616,817	892,876	276,059	44.8%
Total Taxes	\$ 187,462,335	\$ 190,355,250	\$ 2,892,915	1.5%
<u>Departmental Receipts</u>				
Licenses and Fees	9,778,794	8,729,631	(1,049,163)	-10.7%
Fines and Penalties	1,620,738	1,292,137	(328,601)	-20.3%
Sales and Services	860,158	707,254	(152,904)	-17.8%
Miscellaneous	2,876,492	2,532,677	(343,815)	-12.0%
Total Departmental Receipts	\$ 15,136,182	\$ 13,261,699	\$ (1,874,483)	-12.4%
Taxes and Departmentals	\$ 202,598,517	\$ 203,616,949	\$ 1,018,432	0.5%
<u>Other General Revenue Sources</u>				
Other Miscellaneous Revenues	2,233,799	21,202	(2,212,597)	-99.1%
Lottery Transfer	31,392,155	32,924,233	1,532,078	4.9%
Unclaimed Property	-	-	-	-
Total Other Sources	\$ 33,625,954	\$ 32,945,435	\$ (680,519)	-2.0%
Total General Revenues	\$ 236,224,471	\$ 236,562,384	\$ 337,913	0.1%