

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



**DEPARTMENT OF REVENUE**  
**Office of Revenue Analysis**

**Cash Collections Report February 2014 Summary**

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

FY 2014 total general revenue cash collections through February were \$2.055 billion, up \$39.3 million or 2.0 percent from the same period in FY 2013. The breakdown by major revenue components is as follows:

<b>Component</b>	<b>FY 2013*</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Personal Income Tax	\$ 691,791,932	\$ 720,383,057	\$ 28,591,125	4.1 %
Sales and Use Taxes	595,790,321	614,327,488	18,537,167	3.1 %
Departmental Receipts	261,199,424	264,763,455	3,564,031	1.4 %
Lottery Transfer	219,408,434	216,587,441	(2,820,993)	-1.3 %
All Other Revenues	247,782,837	239,252,710	(8,530,127)	-3.4%
<b>Total General Revenues</b>	<b>\$ 2,015,972,948</b>	<b>\$ 2,055,314,151</b>	<b>\$ 39,341,203</b>	<b>2.0%</b>

\* FY 2013 figures include \$22.3 million received through the 2012 Tax Amnesty program. Net of FY 2013 tax amnesty receipts, the growth rate is 3.1 percent.

***Month of February:***

February 2014 total general revenue cash collections were \$172.2 million, up \$17.2 million or 11.1 percent from February 2013. The breakdown by major revenue components is as follows:

<b>Component</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Personal Income Tax	\$ 22,841,255	\$ 27,535,606	\$ 4,694,351	20.6 %
Sales and Use Taxes	63,084,573	64,675,927	1,591,354	2.5 %
Departmental Receipts	15,534,267	14,756,260	(778,007)	-5.0 %
Lottery Transfer	29,597,731	28,904,746	(692,985)	-2.3 %
All Other Revenues	23,955,504	36,297,217	12,341,713	51.5 %
<b>Total General Revenues</b>	<b>\$ 155,013,330</b>	<b>\$ 172,169,756</b>	<b>\$ 17,156,426</b>	<b>11.1%</b>

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State of Rhode Island Cash Collections Report  
 February 2014 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**

<b>February</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 2.016 Billion	\$ 2.055 Billion	\$ 39.3 Million	2.0 %
Month	\$ 155.0 Million	\$ 172.2 Million	\$ 17.2 Million	11.1 %

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

The Rhode Island Department of Revenue reports that total general revenue cash collections in FY 2014 through February increased 2.0 percent over total general revenue cash collections through February of FY 2013. FY 2014 total general revenue cash collections through February were \$2.055 billion compared to \$2.016 billion collected for the same period last fiscal year, an increase of \$39.3 million.

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

**FY 2013**

- The Division of Taxation collected a total of \$22.3 million in overdue taxes and interest owed on overdue taxes from the 2012 tax amnesty program which ran from September 2, 2012 through November 15, 2012, for the fiscal year-to-date period through January.

The following table provides the FY 2013 year-to-date breakdown of overdue taxes and interest owed on overdue taxes collected through the 2012 tax amnesty program by tax type.

<b>Tax Type</b>	<b>Overdue Taxes</b>	<b>Interest Owed</b>
Personal Income Taxes Final Payments	\$ 5,738,533	\$ -- *
Personal Income Taxes Withholding	371,468	-- *
Business Corporation Taxes	1,553,317	-- *
Public Utilities Gross Earnings Taxes	3,526,220	1,635,471
Financial Institutions Taxes	106,096	22,651
Insurance Companies	151,797	48,258
Health Care Provider	17,871	2,002
Sales and Use Taxes	2,996,775	-- *
Motor Vehicle Licenses and Fees	16,976	7,179
Motor Carrier Fuel Use Taxes	4,293	1,257
Cigarette Excise Taxes	40,901	26,208
Estate and Transfer	432,873	-- *
Imaging Service Surcharge	59,724	15,003
E-911 Prepaid Wireless Fees	--	8
E-911 Wireless Surcharge	31,473	4,614
Hotel Taxes – State’s share	3,075	1,886
Litter Control Participation Permit Fees	--	7
Hard to Dispose	57,118	21,115
Interest transferred to Departmental Receipts	<u>n/a</u>	<u>5,389,346</u>
<b>TOTAL TAXES AND INTEREST</b>	<b>\$ 15,108,509</b>	<b>\$ 7,175,004</b>
Hotel Taxes (less State’s share) – Pass-through^	14,499	8,892
Meals and Beverage – Pass-through^	18,786	7,923
Gas Taxes^	2,114	862
Payroll Taxes^	34,231	6,440
* Interest Owed on overdue taxes collected in September 2012 was transferred to departmental receipts in October 2012. Interest Owed on overdue taxes collected in October, November and December 2012 was transferred to departmental receipts in January 2013.		
^ Overdue taxes and interest owed on overdue taxes that are not deposited into the State’s general revenues.		

- 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.
- 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 \$141,008, 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.
- The fines and penalties category of departmental receipts includes a life insurance settlement of \$246,136 collected in August 2012.

- The sales and services component of departmental receipts include \$283,451 for Rhode Island Veterans Home maintenance fees that was received in the prior fiscal year, but not posted until January 2013.
- The miscellaneous revenues component of departmental receipts includes \$1.0 million received in July 2012, \$2.4 million received in November 2012, \$1.1 million received in December 2012 and \$582,950 received in February 2013 to settle claims against pharmaceutical manufacturers brought by the Office of the Attorney General.
- 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. Other miscellaneous revenues also include \$1.3 million received in October 2012 from a settlement reached in FY 2012 from a large pharmaceutical manufacturer.
- Other miscellaneous revenues include \$964,658 for motor vehicle registration fees paid by the International Registration Program (IRP) that were received in FY 2012, but not posted until February 2013.
- The November lottery transfer includes receipts of \$2.5 million that were accrued back to FY 2012.

#### FY 2014

- Estate and transfer tax cash collections include a large infrequently occurring payment of \$4.2 million received in August 2013.
- The hospital licensing fee for the fiscal year-to-date period through February has generated \$10.7 million more than during the same period in the prior fiscal year. Fiscal year-to-date cash collections include \$7.1 million received from delinquent taxpayers for the FY 2012 hospital licensing fee. 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 \$163,299 collected as compassion center surcharges through January. The first compassion center opened in Providence on April 19, 2013.
- Miscellaneous departmental receipts include \$850,000 received in July 2013 in indirect cost recovery fees from the Office of the Attorney General. Miscellaneous departmental receipts cash collections also include receipt of a \$2.6 million settlement brought by the Office of the Attorney General against a pharmaceutical manufacturer which was accrued back to FY 2013.
- Other miscellaneous revenues include \$160,411 received in July 2013, \$86,338 received in September 2013, \$10,749 received in October 2013, \$56,450 received in December 2013, and \$86,286 received in February 2014 in settlements associated with the State's Medicaid Fraud program.
- The November lottery transfer includes receipts of \$847,359 that were accrued back to FY 2013.

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

<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>YTD FY 2013</b>	<b>YTD FY 2014</b>
Personal Income Taxes	2012 Tax Amnesty Program <sup>^</sup>	\$6,440,001	\$0
Business Corp. Taxes	2012 Tax Amnesty Program	\$1,553,317	\$0
Public Utilities	2012 Tax Amnesty Program	\$5,161,691	\$0
Financial Institutions	2012 Tax Amnesty Program	\$128,747	\$0
Insurance Companies	Insurance settlement	\$1,722,000	\$0
Insurance Companies	2012 Tax Amnesty Program	\$200,055	\$0
Health Care Provider	2012 Tax Amnesty Program	\$19,873	\$0
Sale and Use Taxes	2012 Tax Amnesty Program	\$2,996,775	\$0
Motor Fuel Taxes	2012 Tax Amnesty Program	\$5,550	\$0
Cigarette Excise Taxes	Cigarette floor stock	\$141,008	\$0
Cigarette Excise Taxes	2012 Tax Amnesty Program	\$67,109	\$0
Estate and Transfer	2012 Tax Amnesty Program	\$432,873	\$0
Estate and Transfer	Large infrequent tax payment	\$0	\$4,156,721
Departmental Receipts	2012 Tax Amnesty Program-Hotel Taxes	\$4,962	\$0
Departmental Receipts	Hospital licensing fee difference	\$0	\$10,652,464
Departmental Receipts	Compassion Center surcharge receipts	\$0	\$163,299
Departmental Receipts	2012 Tax Amnesty – Prepaid Wireless	\$8	\$0
Departmental Receipts	2012 Tax Amnesty – Wireless Surcharge	\$36,086	\$0
Departmental Receipts	2012 Tax Amnesty – Litter Control	\$7	\$0
Departmental Receipts	2012 Tax Amnesty – Hard to Dispose	\$78,233	\$0
Departmental Receipts	2012 Tax Amnesty – Imaging Surcharge	\$74,727	\$0
Departmental Receipts	2012 Tax Amnesty – Interest owed	\$5,389,345	\$0
Departmental Receipts	Prior FY Veterans Home maint. fees	\$283,451	\$0
Departmental Receipts	Insurance settlement	\$246,136	\$0
Departmental Receipts	AG settlements/cost recoveries	\$5,131,780	\$3,413,132
Other Misc. Revenues	Medicaid Fraud settlements	\$2,218,208	\$400,234
Other Misc. Revenues	Medicaid pharmaceutical settlements	\$1,258,630	\$0
Other Misc. Revenues	FY 2012 IRP Registration Fees	\$964,658	\$0
Lottery Transfer	Cash accrued to prior fiscal year	\$2,533,343	\$847,359

<sup>^</sup> Personal Income Taxes - 2012 Tax Amnesty Program revenues include receipts for both the final payments and withholding tax components.

***Month of February:***

Total general revenue cash collections in February 2014 increased 11.1 percent over total general revenue cash collections in February 2013. February 2014 total general revenue cash collections were \$172.2 million compared to \$155.0 million collected in February 2013, an increase of \$17.2 million.

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

**February 2013**

- The licenses and fees component of departmental receipts includes cash collections of \$1,219,374 in registration fees paid in February 2013 by the State of Indiana as host of the Unified Carrier Registration System (UCR) to the Rhode Island Division of Public Utilities and Carriers for registering the operators of commercial motor vehicles engaged in interstate travel.
- The miscellaneous revenues component of departmental receipts includes cash collections of \$582,950 received in February 2013 to settle claims brought by the Office of the Attorney General against a major pharmaceutical company.
- Other miscellaneous revenues include \$964,658 for motor vehicle registration fees paid by the IRP that were received in FY 2012, but not posted until February 2013.

**February 2014**

- Motor vehicle license and registration fees include a late payment of \$290,478 received in February 2014, normally received in January 2014 for rental vehicle surcharge.

The following table displays the differences in cash flows for February 2013 and February 2014.

<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>February FY 2013</b>	<b>February FY 2014</b>
Motor Vehicle Fees	Rental Vehicle late payment	\$0	\$290,478
Departmental Receipts	UCR registration fees	\$1,219,374	\$68,508
Departmental Receipts	AG Pharmaceutical settlements	\$582,950	\$0
Departmental Receipts	Prior FY MV license and reg. fees	\$964,658	\$0

**Taxes and Departmental Receipts**

<b>February</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 1.792 Billion	\$ 1.838 Billion	\$ 46.5 Million	2.6 %
Month	\$ 124.4 Million	\$ 143.2 Million	\$ 18.7 Million	15.1 %

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

Taxes and departmental receipts collected in FY 2014 through February increased 2.6 percent over taxes and departmental receipts collected through February of FY 2013. FY 2014 taxes and departmental receipts collected through February were \$1.838 billion compared to \$1.792 billion

collected for the same period last fiscal year, an increase of \$46.5 million. FY 2013 taxes and departmental receipts collected through February include \$22.3 million of tax amnesty cash collections.

***Month of February:***

Taxes and departmental receipts collected in February 2014 increased 15.1 percent over taxes and departmental receipts collected in February 2013. February 2014 taxes and departmental receipts collected were \$143.2 million compared to \$124.4 million collected in February 2013, an increase of \$18.7 million.

**Other General Revenue Sources**

<b>February</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 224.2 Million	\$ 217.0 Million	\$ (7.2 Million)	-3.2 %
Month	\$ 30.6 Million	\$ 29.0 Million	\$ (1.6 Million)	-5.1 %

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

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. Fiscal year-to-date other general revenue sources collected through February of \$217.0 million decreased \$7.2 million, or 3.2 percent compared to the \$224.2 million collected for the same period last fiscal year.

***Month of February:***

Other general revenue sources collected in February 2014 decreased 5.1 percent from other general revenue sources collected in February 2013. February 2014 other general revenue sources collected were \$29.0 million compared to \$30.6 million collected in February 2013, a decrease of \$1.6 million.

**Total Taxes**

<b>February</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 1.531 Billion	\$ 1.574 Billion	\$ 43.0 Million	2.8 %
Month	\$ 108.9 Million	\$ 128.4 Million	\$ 19.5 Million	17.9 %

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

Total taxes collected in FY 2014 through February increased 2.8 percent over total taxes collected through February of FY 2013. FY 2014 total taxes collected through February were \$1.574 billion compared to \$1.531 billion collected for the same period last fiscal year, an increase of \$43.0 million. FY 2013 total taxes collected through February include \$21.3 million of tax amnesty cash collections.

***Month of February:***

Total taxes collected in February 2014 increased 17.9 percent over total taxes collected in February 2013. February 2014 total taxes collected were \$128.4 million compared to \$108.9 million collected in February 2013, an increase of \$19.5 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 February totaled \$5.2 million compared to \$7.4 million reimbursed in FY 2013 through February, a decrease of 29.2 percent. February 2014 total historic structure tax credit redemptions/reimbursements for all taxes were \$44,309 vs. \$33,483 in February 2013, an increase of \$10,826 or 32.3 percent.

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

<b>Tax Type</b>	<b>Year-to-Date</b>		<b>Monthly</b>	
	<b>FY 2013</b>	<b>FY 2014</b>	<b>February 2013</b>	<b>February 2014</b>
Personal Income	\$ 2,286,865	\$ 5,083,613	\$ 33,483	\$ 44,309
Business Corporations	0	141,883	0	0
Financial Institutions	5,094,709	0	0	0
Insurance/Non-HMOs	0	0	0	0
Insurance/HMOs	0	0	0	0
<b>Total</b>	<b>\$ 7,381,574</b>	<b>\$ 5,225,496</b>	<b>\$ 33,483</b>	<b>\$ 44,309</b>

**Personal Income Taxes**

<b>February</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 691.8 Million	\$ 720.4 Million	\$ 28.6 Million	4.1 %
Month	\$ 22.8 Million	\$ 27.5 Million	\$ 4.7 Million	20.6 %

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

Personal income taxes collected in FY 2014 through the eighth month of the fiscal year increased 4.1 percent over personal income taxes collected for the same period last fiscal year. FY 2014 personal income taxes collected through February were \$720.4 million compared to \$691.8 million collected for the same period last fiscal year, an increase of \$28.6 million. It should be noted that FY 2013 personal income tax receipts include \$6.1 million collected through the 2012 tax amnesty program. The interest owed on overdue personal income taxes collected in October through December through the 2012 tax amnesty program of \$2.2 million was transferred to departmental receipts in January 2013. Further, FY 2014 year-to-date personal income tax cash collections include historic structures tax credit reimbursements of \$5.1 million compared to the \$2.3 million in historic structures tax credit reimbursements through February of FY 2013, an increase of \$2.8 million or 122.3 percent.

***Month of February:***

Personal income taxes collected in February 2014 increased 20.6 percent over personal income taxes collected in February 2013. February 2014 personal income taxes collected were \$27.5 million compared to \$22.8 million collected in February 2013, an increase of \$4.7 million. February 2014 personal income tax cash collections include historic structures tax credit reimbursements of \$44,309 compared to \$33,483 of historic structures tax credit reimbursements collected in February 2013, an increase of \$10,826 or 32.3 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 February:***

<b>Component</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 122,657,852	\$ 120,360,219	\$ (2,297,632)	-1.9 %
Final Payments*^	36,659,225	36,353,583	(305,642)	-0.8 %
Refunds/Adjustments^	(111,601,527)	(105,773,606)	5,827,921	-5.2 %
Withholding Tax Payments^	644,076,381	669,442,862	25,366,481	3.9 %
* Final Payments include historic structures tax credit reimbursements of \$2,286,865 in year-to-date FY 2013 and \$5,083,613 in year-to-date FY 2014.				
^ The FY 2013 figures include tax amnesty receipts of \$8.1 million in final payments and \$505,835 in withholding taxes. FY 2013 refunds and adjustments are increased by \$2.5 million in interest owed on overdue taxes collected through the tax amnesty program that was transferred to departmental receipts in October and January.				

Within the components of personal income tax, estimated payments in FY 2014 through February were down \$2.3 million or -1.9 percent compared to the same period in FY 2013. FY 2014 final payments through February were down \$305,642 or -0.8 percent over the same period last fiscal year. FY 2013 final payments include \$8.1 million of tax amnesty cash collections. FY 2014 year-to-date final payments also include \$5.1 million in reimbursed historic structures tax credits versus \$2.3 million for the same period in FY 2013. FY 2014 refunds and adjustments through February are less by \$5.8 million or -5.2 percent compared to refunds and adjustments through February of FY 2013. FY 2013 refunds and adjustments include \$2.5 million for the interest owed on overdue personal income taxes collected through the 2012 tax amnesty program that was transferred to departmental receipts in October 2012 and January 2013. For the January through February period, 161,523 income tax refunds were paid in FY 2014 at an average of \$572.00. For the same period in the prior year, 259,473 income tax refunds were paid in FY 2013 at an average of \$535.70. Finally, FY 2014 withholding tax payments through February were up \$25.4 million or 3.9 percent relative to the same period in the prior fiscal year. FY 2013 withholding tax payments include \$505,835 of tax amnesty cash collections.

*Month of February:*

<b>Component</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 1,563,694	\$ 1,811,904	\$ 248,210	15.9 %
Final Payments*	3,759,909	4,206,719	446,810	11.9 %
Refunds/Adjustments	(67,039,810)	(70,100,075)	(3,060,265)	4.6 %
Withholding Tax Payments	84,557,461	91,617,058	7,059,597	8.3 %
* Final Payments include historic structures tax credit reimbursements of \$33,483 in FY 2013 and \$44,309 in FY 2014.				

Within the components of personal income tax, February 2014 estimated payments are up \$248,210 or 15.9 percent compared to February 2013. Final payments are up \$446,810 in February 2014 or 11.9 percent relative to February 2013. February 2014 final payments include \$44,309 in reimbursed historic structures tax credits versus \$33,483 in February 2013. February 2014 refunds and adjustments are greater by \$3.1 million or 4.6 percent compared to refunds and adjustments for February 2013. For February 2014, 150,449 income tax refunds were paid at an average of \$557.61. For February 2013, 134,674 income tax refunds were paid at an average of \$525.52. Finally, February 2014 withholding tax payments are up \$7.1 million or 8.3 percent relative to February 2013.

**Sales and Use Taxes**

<b>February</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 595.8 Million	\$ 614.3 Million	\$ 18.5 Million	3.1 %
Month	\$ 63.1 Million	\$ 64.7 Million	\$ 1.6 Million	2.5 %

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

Sales and use taxes collected in FY 2014 through February increased 3.1 percent over sales and use taxes collected through February of FY 2013. FY 2014 sales and use taxes collected through February were \$614.3 million compared to \$595.8 million collected for the same period last fiscal year, an increase of \$18.5 million. It should be noted that FY 2013 sales and use tax receipts include tax amnesty payments of \$3.0 million in overdue sales and use taxes. The interest owed on overdue sales and use taxes collected in October through December through the 2012 tax amnesty program of \$1.3 million was transferred to departmental receipts in January 2013. FY 2014 sales and use tax receipts include an unknown amount of additional receipts collected in July through September 2013 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. FY 2014 sales and use tax receipts are also less an unknown actual amount due to the elimination of the sales and use tax on objets d'art and wine and spirits beginning on December 1, 2013.

***Month of February:***

Sales and use taxes collected in February 2014 increased 2.5 percent over sales and use taxes collected in February 2013. February 2014 sales and use taxes collected were \$64.7 million compared to \$63.1 million collected in February 2013, an increase of \$1.6 million. February 2014 sales and use tax receipts are also less an unknown actual amount due to the elimination of the sales and use tax on objets d'art and wine and spirits beginning on December 1, 2013.

**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 February:***

<b>Component</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Net Taxation <sup>^</sup>	\$ 530,682,244	\$ 544,834,772	\$ 14,152,528	2.7 %
Registry Receipts	55,588,742	60,102,923	4,514,180	8.1 %
Providence Place Mall	9,672,340	9,343,750	(328,590)	-3.4 %
<sup>^</sup> Tax amnesty receipts of \$2,996,775 are included in the FY 2013 net taxation figure. It also reflects the transfer of \$1.3 million of tax amnesty interest owed on overdue sales and use taxes collected in October through December to departmental receipts in January 2013.				

Within the sales tax components, net sales tax receipts remitted directly to the Division of Taxation increased by \$14.2 million or 2.7 percent through February of FY 2014 compared to the same period in FY 2013. FY 2013 net sales tax receipts include tax amnesty collections of \$3.0 million. FY 2014 registry receipts through February were up \$4.5 million or 8.1 percent compared to the same period last fiscal year. Providence Place Mall (PPM) sales tax receipts

through the eighth month of FY 2014 were down \$328,590 or -3.4 percent relative to the same period in FY 2013.

*Month of February:*

<b>Component</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Net Taxation	\$ 56,226,824	\$ 57,525,943	\$ 1,299,119	2.3 %
Registry Receipts	5,597,266	6,104,951	507,685	9.1 %
Providence Place Mall	993,765	929,284	(64,482)	-6.5 %

Within the sales tax components, net sales tax receipts remitted directly to the Division of Taxation increased by \$1.3 million or 2.3 percent in February 2014 over February 2013. February 2014 registry receipts were up \$507,685 or 9.1 percent compared to February 2013. February 2014 Providence Place Mall (PPM) sales tax receipts were down \$64,482 or -6.5 percent relative to February 2013.

**General Business Taxes**

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.

<b>February</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 93.0 Million	\$ 71.6 Million	\$ (21.4 Million)	-23.0 %
Month	\$ 7.6 Million	\$ 15.9 Million	\$ 8.3 Million	108.8 %

*Fiscal Year-to-Date through February:*

General business taxes collected through February of FY 2014 decreased 23.0 percent over general business taxes collected through February of FY 2013. FY 2014 general business taxes collected through February were \$71.6 million compared to \$93.0 million collected for the same period in FY 2013, a decrease of \$21.4 million. Total general business tax cash collections attributable to the tax amnesty program in FY 2013 through January are \$5.4 million in overdue taxes and \$1.7 million of interest owed on overdue taxes. For business corporations taxes, the interest owed on overdue taxes collected in October through December through the 2012 tax amnesty program of \$732,044 was transferred to departmental receipts in January 2013.

FY 2014 business corporations taxes collected through February were \$26.9 million, a decrease of \$13.9 million or -34.1 percent over the same period in the previous year. FY 2013 business

corporations tax receipts include \$1.6 million collected through the 2012 tax amnesty program.

Health care provider assessments collected through February of FY 2014 were \$28.1 million, an increase of \$501,238 or 1.8 percent over the same period in FY 2013. FY 2013 health care provider assessments tax receipts include \$19,873 collected through the 2012 tax amnesty program. Bank deposit taxes tend to post irregularly until March, when the first 40.0 percent of estimated total tax liability is due. Bank deposit taxes received through the eighth month of FY 2014 were \$79,645 versus \$602,786 received through the eighth month of FY 2013. Public utilities gross earnings taxes collected in FY 2014 through February were \$7.7 million, a decrease of \$719,726 or -8.6 percent compared to the \$8.4 million collected through February of FY 2013. This decrease in public utilities gross earnings taxes is partially due to the receipt of \$5.2 million collected through the 2012 tax amnesty program in FY 2013. Financial institutions taxes collected through February of FY 2014 were \$2.5 million compared to the \$8.6 million collected through February in FY 2013, a decrease of \$6.1 million or -71.4 percent. The decrease in financial institutions taxes is partially due to historic structures tax credit reimbursements of \$5.1 million collected in FY 2013 through February, while no HSTC reimbursements were received in FY 2014 through February. FY 2013 financial institutions taxes also include \$128,747 collected through the 2012 tax amnesty program. Insurance companies gross premiums tax cash collections through February of FY 2014 were \$6.4 million compared to the \$7.0 million through February of FY 2013, a decrease of \$611,082 or -8.8 percent. This decrease is partially attributed to the receipt of \$1.7 million in July of FY 2013 to settle an outstanding tax liability for the prior year. FY 2013 insurance companies gross premiums tax receipts also include \$200,055 collected through the 2012 tax amnesty program.

### ***Month of February:***

General business taxes collected in February 2014 increased 108.8 percent over general business taxes collected in February 2013. February 2014 general business taxes collected were \$15.9 million compared to \$7.6 million collected in February 2013, an increase of \$8.3 million.

Business corporations taxes collected in February 2014 were \$1.7 million compared to \$(11,596) collected in February 2013, an increase of 14,828.8 percent.

Health care provider assessments collected in February 2014 were \$3.4 million or 5.8 percent less than the \$3.7 million collected in February 2013. Public utilities gross earnings taxes collected in February 2014 were \$6.8 million, an increase of \$5.9 million or 649.4 percent over the cash collections in February 2013 of \$904,120. Insurance companies gross premiums taxes collected in February 2014 were \$4.0 million compared to \$3.1 million collected in February 2013, an increase of \$941,247 or 30.8 percent. Bank deposits taxes collected in February 2014 were \$(21,175) while no bank deposits taxes were collected in February 2013. Financial institutions taxes collected in February 2014 were \$100, a decrease of \$15,368 or -99.4 percent over the \$15,468 collected in February 2013.

### **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 February:*

<b>Component</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 35,336,948	\$ 29,875,810	\$(5,461,139)	-15.5 %
Final Payments <sup>*^</sup>	18,030,329	18,065,856	35,527	0.2 %
Refunds/Adjustments <sup>^</sup>	(12,693,717)	(21,041,363)	(8,347,645)	65.8 %
* FY 2013 final payments do not include any historic structures tax credit reimbursements and FY 2014 final payments include \$141,883 of historic structures tax credit reimbursements.				
<sup>^</sup> FY 2013 final payments include tax amnesty receipts of \$2.5 million. FY 2013 refunds and adjustments are increased by \$897,345 in interest owed on overdue taxes collected through the tax amnesty program that was transferred to departmental receipts in October 2012 and January 2013.				

Within the components of business corporations tax, estimated payments in FY 2014 through February were down \$5.5 million or -15.5 percent compared to the same period in FY 2013. FY 2014 final payments through February increased \$35,527 or 0.2 percent relative to the same period last fiscal year. FY 2013 final payments included \$2.5 million in tax amnesty receipts. Final payments for FY 2014 include \$141,883 in historic structures tax credit reimbursements compared to no historic structures tax credit reimbursements in FY 2013. FY 2014 refunds and adjustments through February were greater by \$8.3 million or 65.8 percent compared to refunds and adjustments through February of FY 2013. FY 2013 year-to-date refunds and adjustments was increased by \$897,345 for the interest owed on overdue business corporations taxes that was transferred to departmental receipts in October 2012 and January 2013.

*Month of February:*

<b>Component</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 914,859	\$ 1,015,278	\$ 100,419	11.0 %
Final Payments <sup>*</sup>	1,648,093	2,305,321	657,227	39.9 %
Refunds/Adjustments	(2,577,991)	(1,625,050)	952,940	-37.0 %
* February 2013 final payments do not include any historic structures tax credit reimbursements and February 2014 final payments do not include any historic structures tax credit reimbursements.				

Within the components of business corporations tax, February 2014 estimated payments were up \$100,419 or 11.0 percent compared to February 2013 estimated payments. February 2014 final payments increased by \$657,227 or 39.9 percent compared to February 2013 final payments. Both February 2014 and February 2013 final payments do not include any historic structures tax credit reimbursements. February 2014 refunds and adjustments were less by \$952,940 or 37.0 percent compared to February 2013 refunds and adjustments.

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

<b>February</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 124.3 Million	\$ 135.1 Million	\$ 10.8 Million	8.7 %
Month	\$ 13.8 Million	\$ 16.2 Million	\$ 2.4 Million	17.2 %

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

Excise taxes other than sales and use taxes collected in FY 2014 through February increased 8.7 percent over excise taxes other than sales and use taxes collected through February of FY 2013. FY 2014 excise taxes other than sales and use taxes collected through February were \$135.1 million compared to \$124.3 million collected for the same period last fiscal year, an increase of \$10.8 million. FY 2013 excise taxes other than sales and use taxes cash collections include \$96,815 received through the 2012 tax amnesty program.

Motor vehicle license and registration fees collected in FY 2014 through February were \$29.9 million or \$3.7 million more than the \$26.2 million collected in FY 2013 through February. FY 2013 year-to-date motor vehicle license and registration fee cash collections through February include \$24,155 collected through the 2012 tax amnesty program. Motor carrier fuel use taxes collected in FY 2014 through February totaled \$372,250, a decrease of \$103,906 or -21.8 percent from cash collections of \$476,156 through February of FY 2013. FY 2013 motor carrier fuel use tax receipts also include \$5,550 collected through the 2012 tax amnesty program. Alcohol excise taxes collected in FY 2014 through February were up 45.3 percent or \$3.6 million over the \$7.9 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 was increased on beer and malt from \$3.00 per barrel to \$3.30 per barrel, on spirits from \$3.75 per gallon to \$5.40 per gallon, and on 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, which yielded cigarette floor stock tax revenues of \$141,008 through February of FY 2013. Total cigarette tax receipts through February of FY 2014 were up \$3.7 million or 4.1 percent compared to the \$89.6 million collected for the same period last fiscal year. It should be noted that FY 2013 cigarettes tax receipts include \$67,109 collected through the 2012 tax amnesty program.

Finally, the percentage change in cigarette sales is determined. Cigarette floor stock tax, other tobacco products tax and tax amnesty cash collections are netted out of the data, yielding only cigarette tax cash collections. Through February of FY 2014, Rhode Island cigarette sales increased by 4.1 percent compared to the same period last fiscal year.

***Month of February:***

Excise taxes other than sales and use taxes collected in February 2014 increased 17.2 percent over the excise taxes other than sales and use taxes collected in February 2013. February 2014 excise taxes other than sales and use taxes collected totaled \$16.2 million compared to \$13.8 million collected in February 2013, an increase of \$2.4 million.

Motor vehicle license and registration fees collected in February 2014 totaled \$5.8 million or \$2.0 million greater than the \$3.8 million collected in February 2013. It should be noted that motor vehicle license and registration fees include a late payment of \$290,478 received in February 2014, normally received in January 2014, for rental vehicle surcharge.

Motor carrier fuel use taxes collected in February 2014 were \$66,438, a decrease of 22.8 percent from the February 2013 cash collections of \$86,038. Alcohol excise taxes collected in February 2014 were up 17.2 percent or \$131,882 higher than the \$768,133 collected in February 2013. This increase is mainly attributed to the increased alcohol excise tax rates that went into effect on July 1, 2013.

February 2014 cigarette excise tax receipts were \$9.4 million, an increase of \$256,245 or 2.8 percent from the \$9.1 million collected in February 2013. Finally, the percentage change in cigarette sales is determined. Cigarette floor stock tax and other tobacco products tax are netted out of the data, yielding only cigarette tax cash collections. For February 2014, Rhode Island cigarette sales increased by 1.6 percent compared to February 2013.

**Other Taxes**

<b>February</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 25.7 Million	\$ 32.2 Million	\$ 6.4 Million	24.9 %
Month	\$ 1.6 Million	\$ 4.1 Million	\$ 2.6 Million	163.0 %

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

Other taxes collected in FY 2014 through February increased 24.9 percent over other taxes collected through February of FY 2013. FY 2014 other taxes collected through February were \$32.2 million compared to the \$25.7 million collected in the same period last fiscal year, an increase of \$6.4 million. Fiscal year-to-date estate and transfer tax receipts through February include tax amnesty payments of \$432,873 in overdue taxes. The interest owed on overdue estate and transfer taxes collected in October through December through the 2012 tax amnesty program of \$357,037 was transferred to departmental receipts in January 2013.

FY 2014 estate and transfer tax cash collections through February totaled \$25.7 million, an increase of \$5.8 million or 29.1 percent from the \$19.9 million collected through February of FY 2013. The increase is partially attributed to the receipt of a large infrequently occurring payment of \$4.2 million in FY 2014. FY 2014 realty transfer taxes collected through February were \$5.7 million, an increase of \$628,637 or 12.4 percent compared to the same period last fiscal year. Racing and athletics tax cash collections through February of FY 2014 were down \$13,744 or -1.8 percent relative to the \$770,617 collected for the same period in FY 2013.

***Month of February:***

Other taxes collected in February 2014 increased 163.0 percent over the other taxes collected in February 2013. February 2014 other taxes collected totaled \$4.1 million compared to \$1.6 million collected in February 2013, an increase of \$2.6 million.

February 2014 estate and transfer tax cash collections totaled \$3.5 million, an increase of \$2.4 million or 224.4 percent from February 2013 cash collections of \$1.1 million. Realty transfer taxes collected in February 2014 were up \$99,028 or 24.6 percent from the \$401,844 collected in February 2013. Racing and athletics tax cash collections were up \$9,445 or 12.6 percent in February 2014 relative to the \$75,229 collected in February 2013.

**Total Departmental Receipts**

<b>February</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 261.2 Million	\$ 264.8 Million	\$3.6 Million	1.4 %
Month	\$ 15.5 Million	\$ 14.8 Million	\$(778,007)	-5.0 %

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

Total departmental receipts collected in FY 2014 through February increased 1.4 percent over total departmental receipts collected through February of FY 2013. FY 2014 total departmental receipts collected through February were \$264.8 million compared to \$261.2 million collected for the same period last fiscal year, an increase of \$3.6 million.

The licenses and fees category of departmental receipts through February of FY 2014 was up 5.6 percent or \$11.7 million over the \$208.4 million collected through February of FY 2013. Hospital licensing fees collected in FY 2014 totaled \$136.0 million or \$10.7 million greater than the \$125.4 million received in FY 2013. This increase is partly due to the receipt of \$1.4 million in July 2013 and the receipt of \$5.7 million in January 2014 for the FY 2012 hospital licensing fee from delinquent taxpayers. 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 should be noted that the FY 2013 licenses and fees category includes \$189,061 collected through the 2012 tax amnesty program. 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 February was down \$7.0 million or -32.2 percent over the \$21.7 million collected through February of FY 2013. Interest on overdue taxes received for personal income taxes, business corporations taxes, sales and use taxes and inheritance taxes are transferred to the fines and penalties component of departmental receipts in October, January, April and June of each fiscal year. It should be noted that the FY 2013 fines and penalties category includes \$5.4 million of tax amnesty interest owed on overdue personal income, business corporations, sales and use, and estate and transfer taxes that was transferred in October 2012 and January 2013.

The sales and services category of departmental receipts in FY 2014 increased by \$91,031 or 1.3 percent through February compared to the \$6.8 million collected through February of FY 2013. This surplus is partially due to an additional \$219,512 in Rhode Island Veterans Cemetery Plot Allowance fees collected in fiscal year-to-date 2014 compared to fiscal year-to-date 2013.

Finally, FY 2014 miscellaneous departmental receipts were down \$1.3 million or -5.3 percent through February compared to the same period the last fiscal year. This deficit is partially due to receipts of \$1.0 million in July 2012, \$2.4 million received in November 2012, \$1.1 million received in December 2012, and \$582,950 received in February 2013 to settle claims against pharmaceutical manufacturers brought by the Office of the Attorney General. It should also be noted that the FY 2013 miscellaneous departmental receipts includes \$4,962 collected through the 2012 tax amnesty program. FY 2014 year-to-date miscellaneous departmental receipts include \$850,000 in indirect cost recovery assessments on the Office of the Attorney General and \$2.6 million in a settlement with a pharmaceutical manufacturer that will be accrued back to FY 2013.

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 was down \$205,926 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 \$102,484 in FY 2014 through February. Previously, bank fees were deducted from this revenue account, but they 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 February:***

Total departmental receipts in February 2014 decreased 5.0 percent over total departmental receipts in February 2013. February 2014 total departmental receipts cash collections were \$14.8 million compared to \$15.5 million collected in February 2013, a decrease of \$778,007.

The licenses and fees category of departmental receipts was down 2.6 percent in February 2014 or \$286,000 less than the \$10.8 million collected in February 2013. This decrease is partially attributed to the receipt of \$1.2 million in registration fees paid in February 2013 by the State of Indiana as host of the Unified Carrier Registration System (UCR) to the Rhode Island Division of Public Utilities and Carriers for registering the operators of commercial motor vehicles engaged in interstate travel. The fines and penalties category of departmental receipts was down 35.2 percent in February 2014 or \$622,669 less than the \$1.8 million collected in February 2013. The sales and services category of departmental receipts was down 13.1 percent in February 2014 or \$124,796 less than the \$953,516 collected in February 2013. Finally, miscellaneous departmental receipts were up 12.7 percent in February 2014 or \$255,458 more than the \$2.0 million collected in February 2013.

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

<b>February</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 2.811 Million	\$ 2.848 Million	\$ 37,718	1.3 %
Month	\$ 333,695	\$ 335,041	\$ 1,346	0.4 %

*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 February:***

The per penny yield of the State's motor fuel tax collected in FY 2014 through February is \$37,718 greater than FY 2013 through February. This represents an increase of 1.3 percent between the two fiscal year-to-date periods. For FY 2014 through February, the per penny yield was \$2.848 million versus \$2.811 million for FY 2013 through February.

#### ***Month of February:***

The per penny yield of the State's motor fuel tax collected in February 2014 totaled \$335,041, an increase of \$1,346 or 0.4 percent over the \$333,695 collected in February 2013.

### **Other Miscellaneous Revenues**

<b>February</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 4.8 Million	\$ 431,017	\$ (4.4 Million)	-91.1 %
Month	\$ 967,035	\$ 86,574	\$ (880,461)	-91.0 %

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

Other miscellaneous revenues collected in FY 2014 decreased 91.1 percent through February over other miscellaneous revenues collected through February of FY 2013. FY 2014 other miscellaneous revenues collected through February were \$431,017 compared to \$4.8 million collected through February of the prior fiscal year, a decrease of \$4.4 million. This variance is mainly attributed to the receipt of three settlements received in FY 2013 from pharmaceutical manufacturers identified in the cash flow differences section of Total General Revenues above totaling \$3.5 million as well as \$964,658 for motor vehicle registration fees paid by the International Registration Program (IRP) that were received in FY 2012, but not posted until February 2013.

#### ***Month of February:***

Other miscellaneous revenues collected in February 2014 decreased 91.0 percent compared to other miscellaneous revenues collected in February 2013. February 2014 other miscellaneous

revenues collected were \$86,574 compared to \$967,035 collected in February 2013, a decrease of \$880,461. This variance is attributed to the receipt of \$964,658 for motor vehicle registration fees paid by the International Registration Program (IRP) that were received in FY 2012, but not posted until February 2013.

### **Lottery Transfer**

<b>February</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 219.4 Million	\$ 216.6 Million	\$ (2.8 Million)	-1.3 %
Month	\$ 29.6 Million	\$ 28.9 Million	\$ (692,985)	-2.3 %

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

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 February totaled \$216.6 million compared to the lottery transfer through February of FY 2013 of \$219.4 million, a decrease of 1.3 percent or \$2.8 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 February:***

The lottery transfer in February 2014 was down \$692,985 or -2.3 percent compared to the lottery transfer in February 2013. The February 2014 lottery transfer totaled \$28.9 million compared to \$29.6 million transferred in February 2013.

### **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 February:***

<b>Component</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Difference</b>	<b>% Change</b>
Traditional Games	\$ 27,089,001	\$ 24,652,803	\$ (2,436,198)	-9.0 %
Keno	10,354,869	9,634,892	(719,977)	-7.0 %
Twin River VLTs	163,615,240	161,492,630	(2,122,610)	-1.3 %
Twin River Table Games	0	6,183,151	6,183,151	n/a
Newport Grand VLTs	17,131,974	15,064,971	(2,067,003)	-12.1 %

Within the lottery transfer components, fiscal year-to-date traditional games through February were down by \$2.4 million or -9.0 percent compared to same period last fiscal year. Fiscal year-to-date Keno cash collections through February were down \$719,977 or -7.0 percent compared

February 2014 Cash Collections Report

to same period last fiscal year. The fiscal year-to-date transfer through February from Twin River's video lottery terminals (VLTs) totaled \$161.5 million, a decrease of \$2.1 million or -1.3 percent compared to the same period last fiscal year. It should be noted that in order to make space for table games, Twin River had 216 fewer VLTs operating in fiscal year-to-date 2014 compared to the same period the last fiscal year. The FY 2014 year-to-date transfer from Twin River Table Games through February was \$6.2 million. The FY 2014 year-to-date transfer from Newport Grand's VLTs totaled \$15.1 million compared to \$17.1 million transferred through February of FY 2013. This translates into a decrease of \$2.1 million or -12.1 percent. 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 February:*

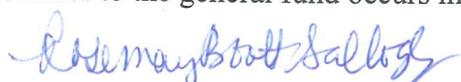
Component	FY 2013	FY 2014	Difference	% Change
Traditional Games	\$ 3,790,886	\$ 2,922,455	\$ (868,431)	-22.9 %
Keno	1,470,752	1,536,135	65,383	4.4 %
Twin River VLTs	22,335,196	21,772,540	(562,656)	-2.5 %
Twin River Table Games	0	1,092,380	1,092,380	n/a
Newport Grand VLTs	2,197,838	1,777,300	(420,538)	-19.1 %

Within the lottery transfer components, the February 2014 transfer for traditional games was down \$868,431 or -22.9 percent compared to same period last fiscal year. The February 2014 Keno transfer was up \$65,383 or 4.4 percent compared to same period last fiscal year. The February 2014 transfer from Twin River's video lottery terminals (VLTs) totaled \$21.8 million, a decrease of \$562,656 or -2.5 percent compared to the same period last fiscal year. In order to make space for table games, Twin River had 226 fewer VLTs operating in February 2014 compared to the same period the last fiscal year. The February 2014 transfer from Twin River Tables Games was \$1.1 million. It should be noted that effective November 29, 2013 14 tables were added to the existing 66 tables at Twin River. The February 2014 transfer from Newport Grand's VLTs totaled \$1.8 million compared to \$2.2 million for February 2013. This translates into a decrease of \$420,538 or -19.1 percent. 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.

**Unclaimed Property Transfer**

February	FY 2013	FY 2014	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 March 12, 2014

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

	FY 2013 YTD February	FY 2014 YTD February	Nominal Difference	Change
<b><u>Personal Income Tax</u></b>	691,791,932	720,383,057	28,591,125	4.1%
<b><u>General Business Taxes</u></b>				
Business Corporations	40,773,133	26,860,477	(13,912,656)	-34.1%
Public Utilities Gross Earnings	8,413,763	7,694,037	(719,726)	-8.6%
Financial Institutions	8,574,465	2,450,499	(6,123,966)	-71.4%
Insurance Companies	6,967,548	6,356,466	(611,082)	-8.8%
Bank Deposits	602,786	79,645	(523,141)	-86.8%
Health Care Provider Assessment	27,620,580	28,121,818	501,238	1.8%
<b><u>Excise Taxes</u></b>				
Sales and Use	595,790,321	614,327,488	18,537,167	3.1%
Motor Vehicle	26,202,879	29,875,410	3,672,531	14.0%
Motor Carrier Fuel Use	476,156	372,250	(103,906)	-21.8%
Cigarettes	89,637,220	93,295,340	3,658,120	4.1%
Alcohol	7,948,631	11,549,367	3,600,736	45.3%
<b><u>Other Taxes</u></b>				
Estate and Transfer	19,922,807	25,726,328	5,803,521	29.1%
Racing and Athletics	770,617	756,873	(13,744)	-1.8%
Realty Transfer	5,054,546	5,683,183	628,637	12.4%
<b>Total Taxes</b>	<b>\$ 1,530,547,384</b>	<b>\$ 1,573,532,238</b>	<b>\$ 42,984,854</b>	<b>2.8%</b>
<b><u>Departmental Receipts</u></b>				
Licenses and Fees	208,398,676	220,144,692	11,746,016	5.6%
Fines and Penalties	21,693,875	14,703,396	(6,990,479)	-32.2%
Sales and Services	6,826,514	6,917,545	91,031	1.3%
Miscellaneous	24,280,359	22,997,822	(1,282,537)	-5.3%
<b>Total Departmental Receipts</b>	<b>\$ 261,199,424</b>	<b>\$ 264,763,455</b>	<b>\$ 3,564,031</b>	<b>1.4%</b>
<b>Taxes and Departmentals</b>	<b>\$ 1,791,746,808</b>	<b>\$ 1,838,295,693</b>	<b>\$ 46,548,885</b>	<b>2.6%</b>
<b><u>Other General Revenue Sources</u></b>				
Other Miscellaneous Revenues	4,817,706	431,017	(4,386,689)	-91.1%
Lottery Transfer	219,408,434	216,587,441	(2,820,993)	-1.3%
Unclaimed Property	-	-	-	-
<b>Total Other Sources</b>	<b>\$ 224,226,140</b>	<b>\$ 217,018,458</b>	<b>\$ (7,207,682)</b>	<b>-3.2%</b>
<b>Total General Revenues</b>	<b>\$ 2,015,972,948</b>	<b>\$ 2,055,314,151</b>	<b>\$ 39,341,203</b>	<b>2.0%</b>

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

	FY 2013 February	FY 2014 February	Nominal Difference	% Change
<b><u>Personal Income Tax</u></b>	22,841,255	27,535,606	4,694,351	20.6%
<b><u>General Business Taxes</u></b>				
Business Corporations	(11,596)	1,707,946	1,719,542	-14828.8%
Public Utilities Gross Earnings	904,120	6,775,311	5,871,191	649.4%
Financial Institutions	15,468	100	(15,368)	-99.4%
Insurance Companies	3,055,925	3,997,172	941,247	30.8%
Bank Deposits	-	(21,175)	(21,175)	-
Health Care Provider Assessment	3,651,082	3,439,887	(211,195)	-5.8%
<b><u>Excise Taxes</u></b>				
Sales and Use	63,084,573	64,675,927	1,591,354	2.5%
Motor Vehicle	3,806,835	5,819,004	2,012,169	52.9%
Motor Carrier Fuel Use	86,038	66,438	(19,600)	-22.8%
Cigarettes	9,144,016	9,400,261	256,245	2.8%
Alcohol	768,133	900,015	131,882	17.2%
<b><u>Other Taxes</u></b>				
Estate and Transfer	1,091,375	3,540,138	2,448,763	224.4%
Racing and Athletics	75,229	84,674	9,445	12.6%
Realty Transfer	401,844	500,872	99,028	24.6%
<b>Total Taxes</b>	<b>\$ 108,914,297</b>	<b>\$ 128,422,176</b>	<b>\$ 19,507,879</b>	<b>17.9%</b>
<b><u>Departmental Receipts</u></b>				
Licenses and Fees	10,800,378	10,514,378	(286,000)	-2.6%
Fines and Penalties	1,768,384	1,145,715	(622,669)	-35.2%
Sales and Services	953,516	828,720	(124,796)	-13.1%
Miscellaneous	2,011,989	2,267,447	255,458	12.7%
<b>Total Departmental Receipts</b>	<b>\$ 15,534,267</b>	<b>\$ 14,756,260</b>	<b>\$ (778,007)</b>	<b>-5.0%</b>
<b>Taxes and Departmentals</b>	<b>\$ 124,448,564</b>	<b>\$ 143,178,436</b>	<b>\$ 18,729,872</b>	<b>15.1%</b>
<b><u>Other General Revenue Sources</u></b>				
Other Miscellaneous Revenues	967,035	86,574	(880,461)	-91.0%
Lottery Transfer	29,597,731	28,904,746	(692,985)	-2.3%
Unclaimed Property	-	-	-	-
<b>Total Other Sources</b>	<b>\$ 30,564,766</b>	<b>\$ 28,991,320</b>	<b>\$ (1,573,446)</b>	<b>-5.1%</b>
<b>Total General Revenues</b>	<b>\$ 155,013,330</b>	<b>\$ 172,169,756</b>	<b>\$ 17,156,426</b>	<b>11.1%</b>