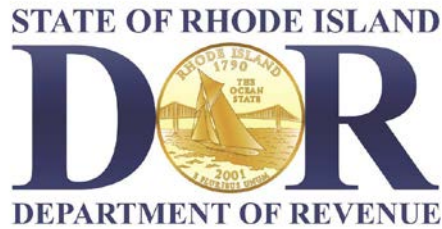


STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
GOVERNOR GINA M. RAIMONDO



Office of Revenue Analysis

Cash Collections Report as of November 2015 Summary

Fiscal Year-to-Date through November:

FY 2016 total general revenue cash collections through November were \$1.4 billion, up \$52.6 million or 3.9 percent from the same period in FY 2015. The breakdown by major revenue components is as follows:

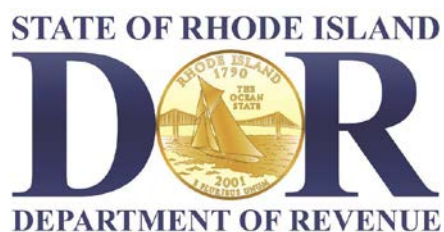
Component	FY 2016	FY 2015	Difference	% Change
Personal Income Tax	\$ 492,321,652	\$ 456,015,284	\$ 36,306,368	8.0 %
Sales and Use Taxes	431,359,224	417,311,373	14,047,851	3.4 %
Departmental Receipts	209,017,292	216,277,946	(7,260,654)	-3.4 %
Lottery Transfer	121,245,667	127,644,405	(6,398,738)	-5.0 %
All Other Revenues	161,536,901	145,637,005	15,899,896	10.9 %
Total General Revenues	\$ 1,415,480,736	\$ 1,362,886,013	\$ 52,594,723	3.9%

Month of November:

November 2015 total general revenue cash collections were \$239.1 million, up \$12.8 million or 5.7 percent from November 2014. The breakdown by major revenue components is as follows:

Component	November 2015	November 2014	Difference	% Change
Personal Income Tax	\$ 94,652,585	\$ 81,966,619	\$ 12,685,966	15.5 %
Sales and Use Taxes	80,030,024	79,206,593	823,431	1.0 %
Departmental Receipts	6,214,596	10,294,459	(4,079,863)	-39.6 %
Lottery Transfer	31,380,217	30,979,648	400,569	1.3 %
All Other Revenues	26,805,548	23,801,097	3,004,451	12.6 %
Total General Revenues	\$ 239,082,970	\$ 226,248,416	\$ 12,834,554	5.7 %

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



Office of Revenue Analysis

**State of Rhode Island Cash Collections Report
November 2015 Detail**

The Rhode Island Department of Revenue cash collections report is a comprehensive analysis of fiscal year-to-date and monthly cash collections on all revenue sources estimated by the principals of the Revenue Estimating Conference (see Rhode Island General Laws § 35-16-1). *Users of this report should be cautious when comparing year-to-date growth rates for Other Miscellaneous Revenues and Unclaimed Property as the receipt of these revenues occurs at discrete points in time over the course of a fiscal year. Further complicating matters is the fact that the discrete pattern of receipts varies so that payments received do not necessarily occur at the same point in time in each fiscal year.*

The Office of Revenue Analysis has modified the Cash Collections Report to shorten its length without sacrificing any detailed information that might be of interest to users of the report. Specifically, the fiscal year-to-date and monthly cash collections tables that used to appear at the end of the report will now immediately follow the front page cash collections summary tables. Following the fiscal year-to-date and monthly cash collections tables will be presentations and discussions of cash collections that are not contained in or easily discerned from these tables. Thus, the year-to-date and monthly cash flow differences between the two fiscal years, the utilization of historic structures tax credits by tax type for both the year-to-date and monthly periods, the year-to-date and monthly break down of personal income tax cash collections by component, etc. will be contained in this section of the report.

Much of the verbiage included in previous editions of this report will be missing as the information that was included is readily available from the tables provided in the report. Comments about this new format of the report are welcome and should be addressed to Paul L. Dion, Ph.D. at paul.dion@revenue.ri.gov.

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Fiscal Year To Date

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	FY 2016 YTD November	FY 2015 YTD November	Nominal Difference	Change
<u>Personal Income Tax</u>	\$ 492,321,652	\$ 456,015,284	\$ 36,306,368	8.0%
<u>General Business Taxes</u>				
Business Corporations	28,893,517	17,834,277	11,059,240	62.0%
Public Utilities Gross Earnings	1,491,491	2,055,965	(564,474)	-27.5%
Financial Institutions	494,272	982,859	(488,587)	-49.7%
Insurance Companies	6,582,179	2,833,884	3,748,295	132.3%
Bank Deposits	28,802	-	28,802	-
Health Care Provider Assessment	18,469,394	18,299,589	169,805	0.9%
<u>Excise Taxes</u>				
Sales and Use	431,359,224	417,311,373	14,047,851	3.4%
Motor Vehicle	12,748,780	17,160,996	(4,412,216)	-25.7%
Motor Carrier Fuel Use	86,282	(97,694)	183,976	-188.3%
Cigarettes	62,351,436	60,641,285	1,710,151	2.8%
Alcohol	8,341,330	8,485,530	(144,200)	-1.7%
<u>Other Taxes</u>				
Estate and Transfer	16,860,978	12,504,209	4,356,769	34.8%
Racing and Athletics	434,384	453,911	(19,527)	-4.3%
Realty Transfer	4,642,092	4,170,738	471,354	11.3%
Total Taxes	\$ 1,085,105,813	\$ 1,018,652,206	\$ 66,453,607	6.5%
<u>Departmental Receipts</u>				
Licenses and Fees	\$ 189,645,360	\$ 188,037,209	\$ 1,608,151	0.9%
Fines and Penalties	7,490,822	8,137,031	(646,209)	-7.9%
Sales and Services	4,384,228	4,691,082	(306,854)	-6.5%
Miscellaneous	7,496,882	15,412,624	(7,915,742)	-51.4%
Total Departmental Receipts	\$ 209,017,292	\$ 216,277,946	\$ (7,260,654)	-3.4%
Taxes and Departmentals	\$ 1,294,123,105	\$ 1,234,930,152	\$ 59,192,953	4.8%
<u>Other General Revenue Sources</u>				
Other Miscellaneous Revenues	\$ 111,964	\$ 311,456	\$ (199,492)	-64.1%
Lottery Transfer	121,245,667	127,644,405	(6,398,738)	-5.0%
Unclaimed Property	-	-	-	-
Total Other Sources	\$ 121,357,631	\$ 127,955,861	\$ (6,598,230)	-5.2%
Total General Revenues	\$ 1,415,480,736	\$ 1,362,886,013	\$ 52,594,723	3.9%

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Month of November

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	FY 2016 Month of November		FY 2015 Month of November	Nominal Difference	% Change
<u>Personal Income Tax</u>	\$ 94,652,585		\$ 81,966,619	\$ 12,685,966	15.5%
<u>General Business Taxes</u>					
Business Corporations	8,016		974,101	(966,085)	-99.2%
Public Utilities Gross Earnings	148,945		479,874	(330,929)	-69.0%
Financial Institutions	-		-	-	-
Insurance Companies	269,848		940,311	(670,463)	-71.3%
Bank Deposits	95		-	95	-
Health Care Provider Assessment	3,758,104		3,888,456	(130,352)	-3.4%
<u>Excise Taxes</u>					
Sales and Use	80,030,024		79,206,593	823,431	1.0%
Motor Vehicle	2,227,856		2,374,711	(146,855)	-6.2%
Motor Carrier Fuel Use	175,288		(134,810)	310,098	-230.0%
Cigarettes	10,411,869		10,256,807	155,062	1.5%
Alcohol	1,680,666		1,870,359	(189,693)	-10.1%
<u>Other Taxes</u>					
Estate and Transfer	6,851,410		2,239,441	4,611,969	205.9%
Racing and Athletics	81,126		85,642	(4,516)	-5.3%
Realty Transfer	1,090,065		761,112	328,953	43.2%
Total Taxes	\$ 201,385,897		\$ 184,909,216	\$ 16,476,681	8.9%
<u>Departmental Receipts</u>					
Licenses and Fees	\$ 8,179,306		\$ 7,209,120	\$ 970,186	13.5%
Fines and Penalties	148,509		449,389	(300,880)	-67.0%
Sales and Services	722,457		690,807	31,650	4.6%
Miscellaneous	(2,835,676)		1,945,143	(4,780,819)	-245.8%
Total Departmental Receipts	\$ 6,214,596		\$ 10,294,459	\$ (4,079,863)	-39.6%
Taxes and Departmentals	\$ 207,600,493		\$ 195,203,675	\$ 12,396,818	6.4%
<u>Other General Revenue Sources</u>					
Other Miscellaneous Revenues	\$ 102,260		\$ 65,093	\$ 37,167	57.1%
Lottery Transfer	31,380,217		30,979,648	400,569	1.3%
Unclaimed Property	-		-	-	-
Total Other Sources	\$ 31,482,477		\$ 31,044,741	\$ 437,736	1.4%
Total General Revenues	\$ 239,082,970		\$ 226,248,416	\$ 12,834,554	5.7%

Cash Flow Differences

Fiscal Year-To-Date through November:

The following cash flow differences between FY 2016 and FY 2015 should be noted:

FY 2016

- Fiscal year-to-date personal income tax refund and adjustment cash collections include \$1.4 million of reimbursed historic structure tax credits which were recorded in July 2015 but accrued back to FY 2015.
- Fiscal year-to-date personal income tax refund and adjustment cash collections include \$2.0 million of receipts that were moved in October 2015 from business corporations' tax to personal income tax to properly record tax payments that were incorrectly recorded in prior months.
- Fiscal year-to-date business corporations tax refund and adjustment cash collections include a transfer of \$(2.0 million) of receipts in October 2015 from business corporations tax to personal income tax to properly record tax payments that were incorrectly recorded in prior months.
- Fiscal year-to-date insurance companies' gross premiums tax cash collections include \$4.5 million of reimbursed historic structure tax credits which were recorded in July 2015 but accrued back to FY 2015.
- For the fiscal year-to-date period through November, hospital licensing fee cash collections are \$3.0 million more than the same period in FY 2015. The increase in hospital licensing fee cash collections is due to an increase in the hospital licensing fee rate from 5.418 percent for FY 2014 to 5.745 percent for FY 2015 and the advancement of the hospital licensing fee base from hospital FY 2012 net patient revenues in FY 2014 to hospital FY 2013 net patient revenues in FY 2015. The prior fiscal year hospital licensing fee is received in July of the current year.
- Effective July 1, 2015 the real estate conveyance tax was expanded to apply to the transfer of a controlling interest in a limited liability company, corporation, partnership, or other entity that owns real estate in Rhode Island. To date this expansion has resulted in the receipt of an additional \$91,186.
- The miscellaneous revenues component of departmental receipts includes the transfer of \$(4.8 million) of refunds written off by the Office of the Treasurer and the Division of Taxation to unclaimed property.
- Miscellaneous departmental receipts include \$484,394 in indirect cost recovery cash collections as a result of the transfer in November 2015 of refund check write-offs to unclaimed property.
- The FY 2016 year-to-date lottery transfer includes receipts of \$1.1 million that were accrued back to FY 2015.

FY 2015

- Fiscal year-to-date 2015 personal income tax final payments include \$665,861 in Historic Structures Tax Credit (HSTC) reimbursements. The reimbursed amount of HSTCs of \$665,861 is less than the fiscal year-to-date HSTCs redemption amount of \$1,120,800, leaving \$454,939 in unreimbursed HSTCs.
- Business corporation taxes included \$5.1 million for refunds disbursed in August 2014 that were accrued to the prior fiscal year.
- Motor vehicle license and registration fees through November of FY 2015 were greater by \$4.5 million compared to the current fiscal year. This difference is comprised of three items, operator control license and vehicle registration fees, the rental vehicle surcharge, and a misposting of funds.
 - As of July 1, 2014, rental vehicle surcharge cash receipts were no longer deposited as general revenues but rather were deposited in the Rhode Island Highway Maintenance Account (RIHMA). In FY 2015, \$755,850 of rental vehicle surcharge cash receipts were deposited as general revenues since these payments reflected the rental of vehicles prior to July 1, 2014 and accrued back to FY 2014.
 - As of July 1, 2015, 25.0 percent of cash receipts collected as motor vehicle license and registration fees are transferred to RIHMA. As a result, FY 2015 motor vehicle license and registration fees cash collections are \$3.7 million more than FY 2016 motor vehicle license and registration fees. It should be noted that the transfer of 25.0 percent of motor vehicle license and registration fees to RIHMA reduced FY 2016 cash receipts by \$4.2 million.
 - Fiscal year-to-date motor vehicle registrations fees collected through November of FY 2015 are understated by \$92,486 for November 2014 receipts that were not posted until December 2014.
- Effective July 1, 2015 the imaging services surcharge and the outpatient healthcare facility surcharge were repealed. In license and fees departmental receipts, imaging services surcharge receipts through November of FY 2015 were \$574,744 greater than the same period in FY 2016. Outpatient health care facility surcharge receipts through November of FY 2015 were \$225,141 more than receipts received through November of FY 2016.
- The fines and penalties category of departmental receipts includes \$328,980 received from participating municipalities in November 2014 for red light camera violations.
- In miscellaneous departmental receipts, the Treasury Department and the Department of Elementary and Secondary Education indirect cost recovery receipts through November of FY 2015 were \$141,142 more than the same period in FY 2016. Effective July 1, 2015, the Treasury Department's defined contribution restricted receipt account and the Department of Elementary and Secondary Education's Davies national school breakfast and lunch program restricted receipt account became fully exempt from the 10.0 percent indirect cost recovery charge.
- The miscellaneous revenues component of departmental receipts includes \$1.1 million received in July 2014 from a settlement brought by the Office of the Attorney General against a pharmaceutical manufacturer that was accrued back to FY 2014.

- The fiscal year-to-date miscellaneous component of departmental receipts was \$488,954 higher for the Urban Institute Work Strategies grant within the Department of Human Services due to the reclassification of these revenues as restricted receipts in FY 2016.
- In year-to-date FY 2015 miscellaneous departmental receipts, the state hotel tax receipts received were \$1.9 million greater than the same period in FY 2016. Effective July 1, 2015 the state's share and the statewide tourism district's share of the state 5.0 percent hotel tax was transferred from general revenues to the Rhode Island Commerce Corporation (RICC) for a state level tourism promotion and business attraction campaign.
- The FY 2015 year-to-date lottery transfer includes \$270,580 that was accrued back to FY 2014.

The following table displays the differences in cash flows for FY 2016 through November and FY 2015 through November.

Revenue Source	Cash Flow Differences	YTD FY 2016	YTD FY 2015
Personal Income Tax	Unreimbursed HSTCs	\$0	\$(454,939)
Personal Income Tax	Late reimbursement of HSTCs	\$1,355,142	\$0
Personal Income Tax	Transfer of funds incorrectly deposited	\$2,049,477	\$0
Business Corp. Taxes	Transfer of funds incorrectly deposited	\$(2,049,477)	\$0
Business Corp. Taxes	Refunds accrued to prior fiscal year	\$0	\$(5,121,199)
Ins Gross Premiums Tax	Late reimbursement of HSTCs	\$4,450,735	\$0
Rental Vehicle Surcharge	Prior year accrual	\$0	\$755,850
MV License & Reg Fees	25% transfer to RIHMA a/o 7/1/2016	\$0	\$4,249,593
Motor Vehicle	Late posting of registration fees	\$0	\$(92,486)
Other Taxes	Real estate conveyance tax	\$91,186	\$0
Departmental Receipts	Hospital licensing fee difference	\$3,013,349	\$0
Departmental Receipts	Imaging services surcharge repeal	\$0	\$574,744
Departmental Receipts	Red light camera violations	\$0	\$328,980
Departmental Receipts	Outpatient health care facility surcharge repeal	\$0	\$225,141
Departmental Receipts	Cost recovery exemption/unclaimed property	\$484,394	\$141,142
Departmental Receipts	Pharmaceutical manufacturer settlement	\$0	\$1,095,031
Departmental Receipts	Urban Institute grant receipts	\$0	\$488,954
Departmental Receipts	FY 2016 state hotel tax transfer to RICC	\$0	\$1,869,289
Departmental Receipts	Transfer of refund checks to Unclaimed Prop.	\$(4,843,938)	\$0
Lottery Transfer	Receipt of prior year revenues	\$1,062,175	\$270,580

Month of November:

The following cash flow differences between November 2015 and November 2014 should be noted:

November 2015

- Effective July 1, 2015 the real estate conveyance tax was expanded to apply to the transfer of a controlling interest in a limited liability company, corporation, partnership, or other entity that owns real estate in Rhode Island. In November 2015, \$41,736 was collected due to this expansion.
- November 2015 miscellaneous revenues component of departmental receipts includes the transfer of \$(4.8 million) of refunds written off by the Office of the Treasurer and the Division of Taxation to unclaimed property.
- Miscellaneous departmental receipts include \$484,394 in indirect cost recovery cash collections as a result of the transfer in November 2015 of refund check write offs to unclaimed property.
- Departmental receipts are understated by \$1.3 million in November 2015 for various court-related fines and fees posted in October by the Judiciary that should have been posted in November.
- The November lottery transfer includes receipts of \$1,062,175 that were accrued back to FY 2015. This transfer was inadvertently attributed to October in last month's report.

November 2014

- November 2014 personal income tax final payments cash collections include \$212,879 in Historic Structures Tax Credit (HSTC) reimbursements. The reimbursed amount of HSTCs of \$212,879 is less than the HSTCs redemption amount of \$667,818 for the month, leaving \$454,939 in unreimbursed HSTCs.
- November 2014 motor vehicle license and registration fees cash collections are \$146,855 more than November 2015 motor vehicle license and registration fees cash collections. This is in spite of a misposting of \$92,486 for November 2014 receipts that were not posted until December 2014. It should be noted that the transfer of 25.0 percent of FY 2016 motor vehicle license and registration fee to RIHMA reduced November 2015 cash receipts by \$742,619.
- Effective July 1, 2015 the imaging services surcharge and the outpatient healthcare facility surcharge were repealed. In license and fees departmental receipts, imaging services surcharge receipts in November of FY 2015 were \$144,666 greater than in November of FY 2016. Outpatient health care facility surcharge receipts in November of FY 2015 were \$48,376 more than receipts received in November of FY 2016.
- The fines and penalties category of departmental receipts includes \$328,980 received from participating municipalities in November 2014 for red light camera violations.
- In miscellaneous departmental receipts, November 2014 Treasury Department and the Department of Elementary and Secondary Education indirect cost recovery receipts were

\$227,429 less than the same period in November 2015 due to the numerous components involved in the accounts and the timing of payments. Effective July 1, 2015, the Treasury Department's defined contribution account and the Department of Elementary and Secondary Education's Davies national school breakfast and lunch program became fully exempt from the 10.0 percent indirect cost recovery charge.

- In miscellaneous departmental receipts, the state hotel tax receipts received in November 2014 were \$428,470 greater than the same period in November 2015. Effective July 1, 2015 the state's share and the statewide tourism district's share of the state 5.0 percent hotel tax was transferred from general revenues to the Rhode Island Commerce Corporation (RICC) for a state level tourism promotion and business attraction campaign.
- November 2014 departmental receipts cash collections are understated by \$1.6 million for various court-related fines and fees posted by the Judicial Department in October 2014 that should have been posted in November 2014.

The following table displays the differences in cash flows for November 2015 and November 2014.

Revenue Source	Cash Flow Differences	Nov. 2015	Nov. 2014
Personal Income Tax	Unreimbursed HSTCs	\$0	\$(454,939)
MV License & Reg Fees	25% Transfer to RIHMA a/o 7/1/2016	\$0	\$742,619
Motor Vehicle	Late posting of registration fees	\$0	\$(92,486)
Other Taxes	Real estate conveyance tax	\$41,736	\$0
Departmental Receipts	Imaging services surcharge repeal	\$0	\$144,666
Departmental Receipts	Red light camera violations	\$0	\$328,980
Departmental Receipts	Outpatient health care facility surcharge repeal	\$0	\$48,376
Departmental Receipts	Cost recovery exemption/unclaimed property	\$484,394	\$(227,429)
Departmental Receipts	FY 2016 state hotel tax transfer to RICC	\$0	\$428,470
Departmental Receipts	Early posting of court fines and fees	\$(1,311,010)	\$(1,634,616)
Departmental Receipts	Transfer of refund checks to Unclaimed Prop.	\$(4,843,938)	\$0
Lottery Transfer	Receipt of prior year revenues	\$1,062,175	\$270,580

Historic Structure Tax Credit Reimbursements:

FY 2016 total historic structure tax credit redemptions/reimbursements for all taxes through November totaled \$4,927,637 compared to \$2,319,698 reimbursed in FY 2015 through November, an increase of 112.4 percent. It should be noted that \$454,939 of Historic Structures Tax Credits (HSTCs) were redeemed but not reimbursed in FY 2015 through November. The same amount of HSTCs were redeemed but not reimbursed in November 2014.

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

Tax Type	Year-to-Date		Monthly	
	FY 2016	FY 2015	November 2015	November 2014
Personal Income	\$ 2,962,500	\$ 665,861*	\$ 186,934	\$ 212,879*
Business Corporations	432,162	823,225	0	0
Financial Institutions	0	0	0	0
Insurance/Non-HMOs	1,532,975	830,611	0	830,611
Insurance/HMOs	0	0	0	0
Total	\$ 4,927,637	\$ 2,319,698	\$ 186,934	\$ 1,043,490

* It should be noted that an additional \$454,939 of historic structures tax credits were redeemed against the personal income tax in November 2014, however, since the bond proceeds had been depleted, these credits were not reimbursed until July 2015.

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 November:

Component	FY 2016	FY 2015	Difference	% Change
Estimated Payments	\$ 64,357,095	\$ 59,361,312	\$ 4,995,783	8.4 %
Final Payments *	24,803,648	22,017,722	2,785,925	12.7 %
Refunds/Adjustments	(16,611,950) †	(32,312,740)	15,700,790	-48.6 %
Withholding Tax Payments	419,778,854	406,948,989	12,829,864	3.2 %

* Final Payments include historic structures tax credit reimbursements of \$2,962,500 in year-to-date FY 2016 and \$665,861 in year-to-date FY 2015. It should be noted that the fiscal year-to-date total of \$665,861 for historic structures tax credit reimbursements in FY 2015 does not include \$454,939 of unreimbursed HSTCs.

† Refunds and adjustments include an adjustment of \$1,355,142 for reimbursed FY 2015 HSTCs which were recorded in July 2015 but accrued back to FY 2015. FY 2016 YTD refunds and adjustments also include a transfer of \$2,049,477 received in October 2015 from corporate business tax revenues due to incorrect posting of payments received.

Month of November:

Component	November 2015	November 2014	Difference	% Change
Estimated Payments	\$ 3,102,150	\$ 2,870,825	\$ 231,325	8.1 %
Final Payments *	3,435,880	2,894,542	541,339	18.7 %
Refunds/Adjustments	(3,915,740)	(12,313,768)	8,398,028	-68.2 %
Withholding Tax Payments	92,028,619	88,515,021	3,513,598	4.0 %
* Final Payments include \$186,934 of historic structures tax credit (HSTC) reimbursements which were recorded in November 2015 versus \$212,879 of November 2014 HSTC reimbursements which were recorded in November 2014. It should be noted that the November 2014 total of \$212,879 for historic structures tax credit reimbursements in FY 2015 does not include \$454,939 of unreimbursed HSTCs.				

Sales and Use Taxes 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 November:

Component	FY 2016	FY 2015	Difference	% Change
Net Taxation	\$ 379,522,672	\$ 369,982,342	\$ 9,540,330	2.6 %
Registry Receipts	46,066,110	41,472,255	4,593,855	11.1 %
Providence Place Mall	5,714,354	5,666,388	47,966	0.8 %

Month of November:

Component	November 2015	November 2014	Difference	% Change
Net Taxation	\$ 70,028,749	\$ 70,717,239	\$ (688,490)	-1.0 %
Registry Receipts	8,604,344	7,226,898	1,377,446	19.1 %
Providence Place Mall	1,199,030	1,109,240	89,790	8.1 %

General Business Taxes

November	FY 2016	FY 2015	Difference	% Change
Fiscal YTD	\$ 56.0 Million	\$ 42.0 Million	\$ 14.0 Million	33.2 %
Month	\$ 4.2 Million	\$ 6.3 Million	\$ (2.1 Million)	-33.4 %

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 the health care provider assessment, 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 November:

General business taxes collected through November of FY 2016 increased by 33.2 percent over general business taxes collected through November of FY 2015. FY 2016 general business taxes collected through November were \$56.0 million compared to \$42.0 million collected for the same period in FY 2015, an increase of \$14.0 million. It should be noted that insurance companies' gross premiums tax cash collections for July 2015 include \$4.5 million of reimbursed historic structure tax credits which were recorded in July 2015 but accrued back to FY 2015. It should also be noted that FY 2016 business corporations tax cash collections include \$432,162 in HSTC reimbursements versus \$823,225 received for the same period last year. Finally, business corporations tax cash collections are lower by \$2,049,477 for revenues transferred to personal income tax cash collections in October 2015 for previous incorrect deposits.

Month of November:

General business taxes collected in November 2015 decreased by 33.4 percent compared to general business taxes collected in November 2014. November 2015 general business taxes collected were \$4.2 million compared to \$6.3 million collected during the same period last fiscal year, a decrease of \$2.1 million.

Business Corporations Tax Cash Collections by Component:

The tables below are based on data provided by the Division of Taxation and break down business corporation tax cash collections by component on both a fiscal year-to-date and monthly basis. It should be noted that 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 November:

Component	FY 2016	FY 2015	Difference	% Change
Estimated Payments	\$ 23,550,328	\$ 19,562,389	\$ 3,987,939	20.4 %
Final Payments *	14,223,161	14,143,486	79,675	0.6 %
Refunds/Adjustments	(9,010,461) ^	(15,904,208) †	6,893,747	-43.3 %

* Final Payments includes historic structures tax credit reimbursements of \$432,162 in year-to-date FY 2016 and \$823,225 in year-to-date FY 2015.

† FY 2015 year-to-date refunds and adjustments cash collections include a refund of \$5,121,199 in August 2014 which was accrued to FY 2014.

^ FY 2016 year-to-date refunds and adjustments include a transfer of \$(2,049,477) in October 2015 to personal income tax revenues due to incorrect posting of payments received

Month of November:

Component	November 2015	November 2014	Difference	% Change
Estimated Payments	\$ 1,139,872	\$ 1,636,073	\$ (496,201)	-30.3 %
Final Payments *	1,583,744	1,853,333	(269,588)	-14.5 %
Refunds/Adjustments	(2,719,714)	(2,536,963)	(182,750)	7.2 %

Excise Taxes Other Than the Sales and Use Tax

November	FY 2016	FY 2015	Difference	% Change
Fiscal YTD	\$ 83.5 Million	\$ 86.2 Million	\$ (2.7 Million)	-3.1 %
Month	\$ 14.5 Million	\$ 14.4 Million	\$ 128,612	0.9 %

Fiscal Year-to-Date through November:

Excise taxes other than sales and use taxes collected in FY 2016 through November decreased by 3.1 percent over excise taxes other than sales and use taxes collected through November of FY 2015. FY 2016 excise taxes other than sales and use taxes collected through November were \$83.5 million compared to \$86.2 million collected for the same period last fiscal year, a decrease of \$2.7 million. It is important to note that, during the 2014 session, the General Assembly enacted legislation to transfer 25.0 percent of revenues derived from motor vehicle license and registration fees from general revenues to the Rhode Island Highway Maintenance Account (RIHMA) effective July 1, 2015. To date, this transfer has totaled \$4.2 million.

Rhode Island cigarettes tax receipts are comprised of excise taxes collected on the sale of cigarettes and smokeless tobacco (which also includes cigars and pipe tobacco), and a one-time cigarette floor stock tax. The cigarette floor stock tax is imposed only when there is an increase in the excise tax rate on cigarettes. Total cigarette excise tax cash receipts through November of FY 2016 were up \$1.7 million, including \$752,309 of cigarette floor stock tax receipts, or 2.8

percent compared to the \$60.6 million collected for the same period last fiscal year. Finally, the change in cigarette sales is determined. Cigarette floor stock tax and other tobacco products tax cash collections are netted out of the cigarettes tax cash receipts data, yielding only cigarette excise tax cash collections. Through November of FY 2016, Rhode Island cigarette sales decreased by 3.0 percent compared to the same period last fiscal year.

Month of November:

Excise taxes other than sales and use taxes collected in November 2015 increased 0.9 percent from excise taxes other than sales and use taxes collected in November 2014. November 2015 excise taxes other than sales and use taxes collected totaled \$14.5 million compared to \$14.4 million collected in November 2014, an increase of \$128,612. It is important to note that during the 2014 session the General Assembly enacted legislation to transfer 25.0 percent of revenues derived from motor vehicle license and registration fees from general revenues to the Rhode Island Highway Maintenance Account (RIHMA) effective July 1, 2015. This transfer totaled \$742,619 in November 2015.

November 2015 cigarette excise tax receipts were \$10.4 million, including \$12,175 of cigarette floor stock tax receipts, an increase of \$155,062 or 1.5 percent from the \$10.3 million collected in November 2014. After accounting for any cigarette floor stock receipts and other tobacco products tax cash collections, the percentage change in Rhode Island cigarette sales is determined. For November 2015, Rhode Island cigarette sales decreased by 6.7 percent compared to November 2014.

Other Taxes

November	FY 2016	FY 2015	Difference	% Change
Fiscal YTD	\$ 21.9 Million	\$ 17.1 Million	\$ 4.8 Million	28.1 %
Month	\$ 8.0 Million	\$ 3.1 Million	\$ 4.9 Million	160.0 %

Fiscal Year-to-Date through November:

Other taxes collected in FY 2016 through November increased 28.1 percent over other taxes collected through November of FY 2015. FY 2016 other taxes collected through November were \$21.9 million compared to the \$17.1 million collected in the same period last fiscal year, an increase of \$4.8 million.

Effective July 1, 2015 the real estate conveyance tax was extended to include the transfer of a controlling interest in a limited liability company (LLC), corporation, partnership, or other entity that owns real estate in Rhode Island. FY 2016 realty transfer taxes collected through November were up \$471,354 or 11.3 percent compared with the same period last fiscal year. To date, \$91,186 of cash receipts have been received from the extension of the real estate conveyance tax to the transfer of a controlling interest in real estate.

Month of November:

Other taxes collected in November 2015 increased 160.0 percent over other taxes collected in November 2014. November 2015 other taxes collected totaled \$8.0 million compared to \$3.1 million collected in November 2014, an increase of \$4.9 million. In November 2015, \$41,736 of cash receipts were received as a result of the extension of the real estate conveyance tax to the transfer of a controlling interest in real estate.

Departmental Receipts Cash Collections by Component

The tables below are based on data provided by the Controller and break down departmental receipts cash collections by component on both a fiscal year-to-date and monthly basis.

Fiscal Year-to-Date through November:

Component	FY 2016	FY 2015	Difference	% Change
Licenses and Fees *	\$ 189,645,360	\$ 188,037,209	\$ 1,608,151	0.9 %
Fines and Penalties	7,490,822	8,137,031	(646,209)	-7.9 %
Sales and Services	4,384,228	4,691,082	(306,854)	-6.5 %
Miscellaneous	7,496,882	15,412,624	(7,915,742)	-51.4 %
Total	\$ 209,017,292	\$ 216,277,946	\$ (7,260,654)	-3.4%
* Licenses and fees cash collections include hospital licensing fees of \$147,223,849 in year-to-date FY 2016 and \$144,210,500 in year-to-date FY 2015.				

The licenses and fees category of departmental receipts through November of FY 2016 was up 0.9 percent or \$1.6 million over the \$188.0 million collected through November of FY 2015. In the enacted FY 2016 budget, signed into law by Governor Raimondo on June 25, 2015, numerous license fees were eliminated for select occupations and the outpatient health care facility and imaging services surcharges were repealed. Through November 2015 imaging services surcharge fees were down \$574,744. Outpatient health care facility surcharge receipts through November of FY 2016 were \$225,141 less than the previous fiscal year. In licenses and fees, the E-911 Wireless and E-911 Wireline surcharges were down \$243,127 year-to-date through November. 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.

FY 2016 miscellaneous departmental receipts through November are down \$7.9 million or 51.4 percent compared to cash collections through November of FY 2015. FY 2016 through November miscellaneous revenues includes the transfer of \$(4.8 million) of refunds written off by the Office of the Treasurer and the Division of Taxation to unclaimed property. In the enacted FY 2016 budget, one restricted receipt account under the Treasury Department and one restricted receipt account under the Department of Elementary and Secondary Education were exempted from the 10.0 percent indirect cost recovery charge. These two cost recovery receipts were \$141,142 greater in fiscal year 2015. Included in the Treasury Department's cost recovery

cash collections is the deposit of \$484,394 from the transfer of refund check write-offs from the Office of the Treasurer and the Division of Taxation to unclaimed property. Also enacted in the FY 2016 budget, the Urban Institute Work Strategies grant received by the Department of Human Services (DHS) has been transferred from miscellaneous departmental receipts in general revenues to a restricted receipt account. As a result, cash collections for this grant are down \$488,954 compared to the prior fiscal year. During the 2015 session, the General Assembly accepted the Governor's proposal to transfer the state's share and the statewide tourism district's share of the state 5.0 percent hotel tax from general revenues to the Rhode Island Commerce Corporation (RICC) for a state level tourism promotion and business attraction campaign. Due to this transfer, state hotel tax revenues are down \$1,869,289 through November 2015 compared to the same period last fiscal year.

Month of November:

Component	November 2015	November 2014	Difference	% Change
Licenses and Fees *	\$ 8,179,306	\$ 7,209,120	\$ 970,186	13.5 %
Fines and Penalties	148,509	449,389	(300,880)	-67.0 %
Sales and Services	722,457	690,807	31,650	4.6 %
Miscellaneous	(2,835,676)	1,945,143	(4,780,819)	-245.8 %
Total	\$ 6,214,596	\$ 10,294,459	\$ (4,079,863)	-39.6%
* Licenses and fees include \$508,779 of hospital licensing fees in November 2015 versus \$248,729 in November 2014.				

Total departmental receipts in November 2015 decreased by 39.6 percent compared to total departmental receipts in November 2014. November 2015 total departmental receipts collected were \$6.2 million compared to \$10.3 million collected in November 2014, a decrease of \$4.1 million.

The licenses and fees category of departmental receipts for November 2015 was up 13.5 percent or \$970,186 from the \$7.2 million collected in November of 2014. In licenses and fees, the November 2015 E-911 Wireless and E-911 Wireline surcharges are up \$303,809 compared to last November. It should also be noted that the hospital licensing fee cash collections are \$260,050 more than November 2014. The increase in hospital licensing fee cash collections is due to an increase in the hospital licensing fee rate from 5.418 percent for FY 2014 to 5.745 percent for FY 2015 and a change in the timing of payments compared to the prior fiscal year. It should be noted that imaging services surcharge fees and outpatient health care facility surcharge fees were repealed as part of the enacted FY 2016 budget. November 2015 imaging services surcharge fees were down \$144,666. Outpatient health care facility surcharge receipts in November 2015 were \$48,376 less than the previous year.

The fines and penalties category of departmental receipts was down 67.0 percent in November 2015, or \$300,880 less than the \$449,389 collected in November 2014. It should be noted that the November 2015 fines and penalties category are understated by \$1.3 million for court-related fines and penalties posted by the Judiciary in October 2015, which should have been posted in

November 2015. Similarly, November 2014 fines and penalties category of departmental receipts are understated by \$1.6 million in court-related fines and penalties posted in October 2014 by the Judiciary that should have been posted in November. In November 2014, the fines and penalties category included collections of \$328,980 for red light camera violations from participating municipalities, whereas no such collections were received in November 2015.

FY 2016 miscellaneous departmental receipts in November 2015 are down \$4.8 million or 245.8 percent compared to cash collections in November of 2014. Due to the transfer of the state's share and the statewide tourism district's share of the state 5.0 percent hotel tax from general revenues to the RICC for a state level tourism promotion and business attraction campaign, state hotel tax revenues are down \$428,470 in November compared to the previous November. The decrease in miscellaneous departmental receipts is largely due to the transfer of \$4.8 million of refunds written off by the Office of the Treasurer and the Division of Taxation to unclaimed property.

Motor Fuel Tax, Per Penny Yield

November	FY 2016	FY 2015	Difference	% Change
Fiscal YTD	\$ 1,891,694	\$ 1,924,252	\$ (32,558)	-1.7 %
Month	\$ 389,931	\$ 420,290	\$ (30,359)	-7.2 %

In FY 2016, the State's motor fuel tax consists of a \$0.33 per gallon excise tax on the distribution of motor fuel in the State and an additional \$0.01 per gallon surcharge for motor fuel that is delivered to an underground storage tank, while in FY 2015 the same tax rates were \$0.32 per gallon and \$0.01 per gallon respectively. Increased revenues from the increase in the motor fuel excise tax, if any, will be realized in August 2015 and thereafter. 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 November:

The per penny yield of the state's motor fuel tax collected in FY 2016 through November is \$32,558 less than in FY 2015 through November. This represents a decrease of 1.7 percent between the two fiscal year-to-date periods. For FY 2016 through November, the per penny yield was \$1,891,694 versus \$1,924,252 for FY 2015 through November.

Month of November:

The per penny yield of the state's motor fuel tax collected in November 2015 totaled \$389,931, a decrease of \$30,359 or 7.2 percent compared to the \$420,290 collected in November 2014.

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 November:

Component	FY 2016	FY 2015	Difference	% Change
Traditional Games	\$ 12,493,337	\$ 12,674,938	\$ (181,601)	-1.4 %
Keno	6,121,664	5,898,082	223,582	3.8 %
Twin River VLTs	89,416,553	96,824,157	(7,407,604)	-7.7 %
Twin River Table Games	4,546,133	3,828,456	717,677	18.7 %
Newport Grand VLTs	9,185,705	9,487,099	(301,394)	-3.2 %

In fiscal year-to-date 2015, Twin River could deploy an average maximum of 80 table games through November, twelve fewer than the average maximum of 87 table games that could be open in fiscal year 2016 through November. It should be noted that in order to make space for additional table games and a poker room, Twin River had 256 fewer VLTs operating in fiscal year-to-date 2016 compared to the same period last fiscal year. Both Twin River and Newport Grand VLT cash collections do not reflect unclaimed prizes, distressed communities relief program receipts, or the state's contribution to either Newport Grand's or Twin River's marketing programs.

Month of November:

Component	November 2015	November 2014	Difference	% Change
Traditional Games	\$ 3,106,651	\$ 3,396,323	\$ (289,672)	-8.5 %
Keno	1,653,844	1,519,671	134,173	8.8 %
Twin River VLTs	22,459,187	23,247,133	(787,946)	-3.4 %
Twin River Table Games	1,187,857	876,025	311,832	35.6 %
Newport Grand VLTs	2,287,805	2,287,926	(121)	0.0 %

It should be noted that Twin River could deploy a maximum of 80 table games in November 2014 versus operating a maximum of 92 table games in November 2015. Twin River had 272 fewer VLTs operating in November 2015 compared to November 2014. Both Twin River and Newport Grand VLT cash collections do not reflect unclaimed prizes, distressed communities relief program receipts, or the State's contribution to either Newport Grand's or Twin River's marketing programs.



Marilyn S. McConaghy, Acting Director
Rhode Island Department of Revenue
December 28, 2015