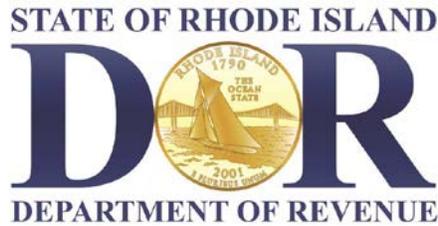


STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
GOVERNOR GINA M. RAIMONDO



Office of Revenue Analysis

Cash Collections Report as of June 2016 Summary

Fiscal Year-to-Date through June:

FY 2016 total general revenue cash collections through June were \$3.7 billion, up \$16.4 million or 0.5 percent over the same period in FY 2015. The breakdown by major revenue components are as follows:

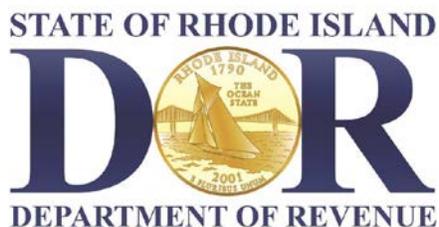
Component	FY 2016	FY 2015	Difference	% Change
Personal Income Tax	\$ 1,236,193,779	\$ 1,215,367,670	\$ 20,826,109	1.7 %
Sales and Use Taxes	973,484,387	959,856,182	13,628,205	1.4 %
Departmental Receipts	355,927,142	350,477,801	5,449,341	1.6 %
Lottery Transfer	369,414,090	381,143,915	(11,729,825)	-3.1 %
All Other Revenues	716,187,329	727,938,728	(11,751,399)	-1.6 %
Total General Revenues	\$ 3,651,206,727	\$ 3,634,784,296	\$ 16,422,431	0.5 %

Month of June:

June 2016 total general revenue cash collections were \$490.3 million, down \$48.5 million or -9.0 percent from June 2015. The breakdown by major revenue components are as follows:

Component	June 2016	June 2015	Difference	% Change
Personal Income Tax	\$110,398,132	\$125,095,002	\$(14,696,870)	-11.7 %
Sales and Use Taxes	85,814,029	88,183,094	(2,369,065)	-2.7 %
Departmental Receipts	38,834,284	38,697,403	136,881	0.4 %
Lottery Transfer	61,001,463	66,011,490	(5,010,027)	-7.6 %
All Other Revenues	194,271,553	220,346,910	\$(26,075,357)	-11.8 %
Total General Revenues	\$ 490,319,461	\$ 538,333,899	\$ (48,014,438)	-8.9 %

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



Office of Revenue Analysis

State of Rhode Island Cash Collections Report
June 2016 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 June	FY 2015 YTD June	Nominal Difference	Change
<u>Personal Income Tax</u>	\$ 1,236,193,779	\$ 1,215,367,670	\$ 20,826,109	1.7%
<u>General Business Taxes</u>				
Business Corporations	130,322,774	147,283,139	(16,960,365)	-11.5%
Public Utilities Gross Earnings	103,098,817	104,421,250	(1,322,433)	-1.3%
Financial Institutions	14,139,312	29,125,150	(14,985,838)	-51.5%
Insurance Companies	113,993,082	119,485,198	(5,492,116)	-4.6%
Bank Deposits	2,544,372	2,259,880	284,492	12.6%
Health Care Provider Assessment	43,444,560	44,213,471	(768,911)	-1.7%
<u>Excise Taxes</u>				
Sales and Use	973,484,387	959,856,182	13,628,205	1.4%
Motor Vehicle	39,702,583	49,857,646	(10,155,063)	-20.4%
Motor Carrier Fuel Use	(101,576)	(36,971)	(64,605)	174.7%
Cigarettes	144,402,468	137,980,458	6,422,010	4.7%
Alcohol	19,438,091	18,626,227	811,864	4.4%
<u>Other Taxes</u>				
Estate and Transfer	75,287,424	42,230,969	33,056,455	78.3%
Racing and Athletics	1,071,139	1,104,055	(32,916)	-3.0%
Realty Transfer	10,575,310	8,898,112	1,677,198	18.8%
Total Taxes	\$ 2,907,596,521	\$ 2,880,672,436	\$ 26,924,085	0.9%
<u>Departmental Receipts</u>				
Licenses and Fees	\$ 282,264,342	\$ 274,040,226	\$ 8,224,116	3.0%
Fines and Penalties	36,006,572	30,375,902	5,630,670	18.5%
Sales and Services	12,939,191	13,178,828	(239,637)	-1.8%
Miscellaneous	24,717,037	32,882,845	(8,165,808)	-24.8%
Total Departmental Receipts	\$ 355,927,142	\$ 350,477,801	\$ 5,449,341	1.6%
Taxes and Departmentals	\$ 3,263,523,663	\$ 3,231,150,237	\$ 32,373,426	1.0%
<u>Other General Revenue Sources</u>				
Other Miscellaneous Revenues	\$ 4,102,234	\$ 8,778,364	\$ (4,676,130)	-53.3%
Lottery Transfer	369,414,090	381,143,915	(11,729,825)	-3.1%
Unclaimed Property	14,166,740	13,711,780	454,960	3.3%
Total Other Sources	\$ 387,683,064	\$ 403,634,059	\$ (15,950,995)	-4.0%
Total General Revenues	\$ 3,651,206,727	\$ 3,634,784,296	\$ 16,422,431	0.5%

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS

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Month of June

	FY 2016 Month of June	FY 2015 Month of June	Nominal Difference	% Change
Personal Income Tax	\$ 110,398,132	\$ 125,095,002	\$ (14,696,870)	-11.7%
General Business Taxes				
Business Corporations	27,524,943	42,792,380	(15,267,437)	-35.7%
Public Utilities Gross Earnings	57,331,410	56,291,326	1,040,084	1.8%
Financial Institutions	4,965,521	12,295,142	(7,329,621)	-59.6%
Insurance Companies	51,232,256	63,696,943	(12,464,687)	-19.6%
Bank Deposits	1,501,354	1,435,919	65,435	4.6%
Health Care Provider Assessment	3,585,046	4,396,356	(811,310)	-18.5%
Excise Taxes				
Sales and Use	85,814,029	88,183,094	(2,369,065)	-2.7%
Motor Vehicle	3,445,305	4,224,350	(779,045)	-18.4%
Motor Carrier Fuel Use	50,933	(35,212)	86,145	-244.6%
Cigarettes	12,737,087	13,768,028	(1,030,941)	-7.5%
Alcohol	1,937,219	1,592,250	344,969	21.7%
Other Taxes				
Estate and Transfer	11,612,908	1,927,496	9,685,412	502.5%
Racing and Athletics	110,261	96,994	13,267	13.7%
Realty Transfer	1,039,070	835,420	203,650	24.4%
Total Taxes	\$ 373,285,473	\$ 416,595,488	\$ (43,310,015)	-10.4%
Departmental Receipts				
Licenses and Fees	\$ 21,022,775	\$ 20,202,159	\$ 820,616	4.1%
Fines and Penalties	8,476,645	8,312,595	164,050	2.0%
Sales and Services	3,165,484	3,078,151	87,333	2.8%
Miscellaneous	6,169,380	7,104,498	(935,118)	-13.2%
Total Departmental Receipts	\$ 38,834,284	\$ 38,697,403	\$ 136,881	0.4%
Taxes and Departmentals	\$ 412,119,757	\$ 455,292,891	\$ (43,173,134)	-9.5%
Other General Revenue Sources				
Other Miscellaneous Revenues	\$ 3,031,501	\$ 3,317,738	\$ (286,237)	-8.6%
Lottery Transfer *	61,001,463	66,011,490	(5,010,027)	-7.6%
Unclaimed Property	14,166,740	13,711,780	454,960	3.3%
Total Other Sources	\$ 78,199,704	\$ 83,041,008	\$ (4,841,304)	-5.8%
Total General Revenues	\$ 490,319,461	\$ 538,333,899	\$ (48,014,438)	-8.9%

* The lottery transfer is for the months of May and June.

Cash Flow Differences

Fiscal Year-To-Date through June:

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

FY 2016

- Fiscal year-to-date personal income tax refunds and adjustments cash collections include \$1.4 million of reimbursed Historic Structures Tax Credits (HSTC) which were recorded in July 2015 but accrued back to FY 2015.
- Fiscal year-to-date personal income tax refunds and adjustments cash collections include \$2.0 million of receipts that were moved in October 2015 from business corporations tax cash collections to properly record tax payments that were incorrectly recorded in prior months.
- Fiscal year-to-date personal income tax refunds and adjustments cash collections include a transfer of \$389,300 of receipts from business corporations tax cash collections in February 2016 for receipts that were incorrectly recorded in prior months.
- Fiscal year-to-date personal income tax refunds and adjustments cash collections include \$(1.1 million) from a year-end transfer of use tax payments from personal income taxes to sales and use tax cash collections, which is \$108,046 greater than the year-end use tax transfer of \$(972,835) made in FY 2015 through June.
- Fiscal year-to-date business corporations tax cash collections include a transfer of \$(2.0 million) of receipts to personal income tax refunds and adjustments in October 2015 to properly record tax payments that were incorrectly recorded in prior months.
- Fiscal year-to-date business corporations tax cash collections include a transfer of \$(389,300) of receipts to personal income tax refunds and adjustments cash collections in February 2016 for receipts that were incorrectly recorded in prior months.
- Fiscal year-to-date business corporations tax estimated payments cash collections includes a transfer of \$(403,840) in February 2016 and \$(270,409) in May 2016 to public utilities gross earnings tax cash collections for receipts that were incorrectly recorded in prior months.
- Fiscal year-to-date business corporations tax cash collections include a transfer of \$(170,000) in May 2016 to financial institutions tax cash collections for receipts that were incorrectly recorded in prior months.
- Fiscal year-to-date public utilities gross earnings tax cash collections include a transfer of \$403,840 in February 2016 and \$270,409 in May 2016 from business corporations tax cash collections to correct for receipts that were incorrectly recorded in prior months.
- Fiscal year-to-date public utilities gross earnings tax cash collections include a transfer of \$113,439 from sales and use tax cash collections in February 2016 that were incorrectly recorded in prior months.
- Fiscal year-to-date financial institutions tax cash collections include a transfer of \$170,000 in May 2016 from business corporations tax cash collections for receipts that were incorrectly recorded in prior months.

- Fiscal year-to-date insurance companies gross premiums tax cash collections include \$4.5 million of reimbursed HSTCs, which were recorded in July 2015 but accrued back to FY 2015.
- Fiscal year-to-date sales and use tax cash collections include a transfer of \$(113,439) of receipts to public utilities gross earnings tax in February 2016 that were incorrectly recorded in prior months.
- Fiscal year-to-date sales and use tax cash collections include \$1.1 million from a year-end transfer of use tax payments from personal income taxes to sales and use tax cash collections made in June 2016. The FY 2016 use tax transfer is \$108,046 greater than the year-end use tax transfer of \$972,835 made in FY 2015 through June.
- Fiscal year-to-date motor vehicle license and registration fees through June include a total of \$1.4 million of funds that were deposited but not recorded in previous months. This includes \$368,841 of funds that were transferred to the Rhode Island Highway Maintenance Account (RHIMA), yielding a net deposit of \$1.1 million.
- Fiscal year-to-date estate and transfer tax cash collections include two large, infrequently occurring payments of \$41.4 million received in May 2016 and \$11.0 million received in June 2016.
- 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 generated \$123,923 in real estate conveyance taxes.
- Fiscal year-to-date realty transfer tax cash collections through June include \$329,347 of receipts that are designated for the Housing Resources Commission (HRC) and will be transferred in July 2016.
- For the fiscal year-to-date period through June, hospital licensing fee cash collections are \$5.1 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 hospital licensing fees collected in FY 2015 year-to-date include an overdue FY 2013 hospital licensing fee payment of \$5.5 million. The prior fiscal year hospital licensing fee is received in July of the current year.
- The miscellaneous revenues component of departmental receipts includes the transfer of \$(4.8 million) of refund and other checks written off by the Office of the Treasurer and the Division of Taxation to unclaimed property in November 2015.
- Miscellaneous departmental receipts include \$484,394 in indirect cost recovery cash collections as a result of the transfer in November 2015 of refund and other check write offs to unclaimed property.
- Miscellaneous departmental receipts include \$215,960 received in July 2015 from a settlement between the Office of the Attorney General and a credit card provider, \$118,609 in July 2015 from a settlement with a mobile telephone provider for placing third-party service charges on consumers' bills, known as "mobile cramming", and \$685,467 in October 2015 from a settlement with a pharmaceutical manufacturer.

- 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 personal income tax estimated payments include a large, infrequently occurring payment of \$10.0 million received in December 2014.
- Fiscal year-to-date 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 \$1,907,083, leaving \$1,355,142 in unreimbursed HSTCs.
- Business corporations tax cash collections include \$5.1 million in refunds disbursed in August 2014 that were accrued to the prior fiscal year.
- Financial institutions tax cash collections through June include \$10.4 million from prior year overpayments that were used for FY 2015 tax payments.
- Fiscal year-to-date insurance companies gross premiums tax receipts do not include \$4.5 million in unreimbursed HSTCs that were reimbursed in July 2015.
- Sales and use tax cash collections through June of FY 2015 include \$3.0 million for payments associated with a prior year audit.
- Motor vehicle license and registration fees through June of FY 2015 were greater by \$11.4 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 mispostings 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, \$669,142 of rental vehicle surcharge cash receipts were recorded 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 \$9.5 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 \$13.2 million.
 - Motor vehicle license and registration fees through June of FY 2015 include \$1.2 million collected from the IRP Clearinghouse in FY 2010 and FY 2011 that were posted in January 2015.
- Estate and transfer tax cash collections include large, infrequently occurring payments of \$3.9 million, \$6.1 million and \$4.2 million received in December 2014, March 2015, and May 2015 respectively.
- In the licenses and fees category of departmental receipts, motor carrier registration fees collected from the Unified Carrier Registration System (UCR) were higher by \$1.6 million through June of FY 2015 compared to the same period in FY 2016. FY 2015

through June motor carrier registration fees collected from UCR include \$1.5 million in receipts for prior year payments that were posted in June 2015.

- Effective July, 1 2015, the imaging services surcharge and the outpatient healthcare facility surcharge were repealed. In the license and fees component of departmental receipts, imaging services surcharge receipts through June of FY 2015 were \$1.5 million greater than the same period in FY 2016. Outpatient health care facility surcharge receipts through June of FY 2015 were \$758,394 more than receipts received through June of FY 2016.
- The licenses and fees category of departmental receipts in FY 2015 through June includes \$304,438 in marina dredging tipping fees versus \$79,441 in FY 2016 through June.
- The fines and penalties category of departmental receipts includes \$381,195 received in FY 2015 through June from participating municipalities for red light camera violations, \$338,207 more than the \$42,988 collected in FY 2016 through June.
- 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. At this time, ORA is unable to calculate the impact of this change.
- The fiscal year-to-date miscellaneous component of departmental receipts was \$181,686 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 \$3.3 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.
- Miscellaneous departmental receipts include \$1.1 million received in July 2014 from a settlement between the Office of the Attorney General and a pharmaceutical manufacturer, \$197,962 received in October 2014 and \$178,466 received in January 2015 from settlements with mobile telephone providers for placing third-party service charges on consumers’ bills, known as “mobile cramming.”
- 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 June and FY 2015 through June:

Revenue Source	Cash Flow Differences	YTD FY 2016	YTD FY 2015
Personal Income Tax	Late reimbursement of HSTCs	\$1,355,142	\$0
Personal Income Tax	Trnsfr of funds from bus corp tax in Oct 2015	\$2,049,477	\$0
Personal Income Tax	Trnsfr of funds from bus corp tax in Feb 2016	\$389,300	\$0
Personal Income Tax	Use tax transfer	\$(1,080,881)	\$(972,835)
Personal Income Tax	Large PIT estimated tax payment	\$0	\$10,000,000

Revenue Source	Cash Flow Differences	YTD FY 2016	YTD FY 2015
Personal Income Tax	Unreimbursed HSTCs	\$0	\$(1,355,142)
Business Corp. Taxes	Transfer of funds to PIT in Oct 2015	\$(2,049,477)	\$0
Business Corp. Taxes	Transfer of funds to PIT in Feb 2016	\$(389,300)	\$0
Business Corp Taxes	Transfer to public utilities in Feb & May 2016	\$(674,249)	\$0
Business Corp Taxes	Transfer to financial institutions in May 2016	\$(170,000)	\$0
Business Corp. Taxes	Refunds accrued to prior fiscal year	\$0	\$(5,121,199)
Public Utilities	Transfer from bus corp tax in Feb & May 2016	\$674,249	\$0
Public Utilities	Transfer of funds from sales tax in Feb 2016	\$113,439	\$0
Financial Inst. Tax	Transfer from bus corp tax in May 2016	\$170,000	\$0
Financial Inst. Tax	Prior year overpayment used for FY 2015 tax	\$0	\$10,443,786
Ins Gross Premiums Tax	Late reimbursement of HSTCs	\$4,450,735	\$0
Ins Gross Premiums Tax	Unreimbursed HSTCs	\$0	\$(4,450,735)
Sales and Use Tax	Transfer of funds to pub utilities in Feb 2016	\$(113,439)	\$0
Sales and Use Tax	Use tax transfer	\$1,080,881	\$972,835
Sales and Use Taxes	Audit payment	\$0	\$3,002,414
Rental Vehicle Surcharge	Prior year accrual	\$0	\$669,142
MV License & Reg Fees	Funds deposited but not recorded until Dec 2015	\$1,106,524	\$0
MV License & Reg Fees	25% transfer to RIHMA a/o 7/1/2016	\$0	\$9,485,921
MV License & Reg Fees	IRP Clearinghouse	\$0	\$1,238,369
Estate/Transfer Taxes	Large, infrequent tax payments	\$52,365,745	\$14,176,270
Realty Transfer	Controlling interest transfer tax	\$123,923	\$0
Realty Transfer	Delayed transfer to Housing Resources Comm.	\$329,347	\$0
Departmental Receipts	UCR registration fees difference	\$0	\$1,629,662
Departmental Receipts	Hospital licensing fee difference	\$5,064,462	\$0
Departmental Receipts	Imaging services surcharge repeal	\$0	\$1,539,673
Departmental Receipts	Outpatient health care facility surcharge repeal	\$0	\$758,394
Departmental Receipts	Marina Dredging Fees	\$79,441	\$304,438
Departmental Receipts	Red light camera violations	\$42,988	\$381,195
Departmental Receipts	Transfer of refund checks to Unclaimed Prop.	\$(4,843,938)	\$0
Departmental Receipts	Cost recovery from unclaimed property	\$484,394	\$0
Departmental Receipts	Defined contribution acct ICR exemption	\$0	\$?
Departmental Receipts	Davies school lunch program ICR exemption	\$0	\$?

Revenue Source	Cash Flow Differences	YTD FY 2016	YTD FY 2015
Departmental Receipts	Urban Institute grant receipts	\$0	\$181,686
Departmental Receipts	FY 2016 state hotel tax transfer to RICC	\$0	\$3,336,537
Departmental Receipts	AG settlements/recoveries	\$1,153,182	\$1,739,640
Lottery Transfer	Receipt of prior year revenues	\$1,062,175	\$270,580

Month of June:

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

June 2016

- June 2016 personal income tax refunds and adjustments include \$(1.1 million) from a year-end transfer of use tax payments from personal income taxes to sales and use tax cash collections, which is \$108,046 greater than the year-end use tax transfer of \$(972,835) made in June 2015.
- June 2016 sales and use tax cash collections include \$1.1 million from a year-end transfer of use tax payments from personal income taxes to sales and use tax cash collections, which is \$108,046 greater than the year-end use tax transfer of \$972,835 made in June 2015.
- Estate and transfer tax cash collections include a large, infrequently occurring payment of \$11.0 million received in June 2016.
- June 2016 realty transfer tax includes \$(57,383) of funds designated for the Housing Resources Commission. The amount reflects the difference between the May 2016 transfer that occurred in June 2016 and the June 2016 transfer that will occur in July 2016.

June 2015

- June 2015 personal income tax cash collections do not include reimbursement of HSTCs usage of \$113,920 that were reimbursed in July 2015.
- June 2015 insurance companies gross premiums tax cash collections do not include reimbursement of HSTCs usage of \$479,863 that were reimbursed in July 2015.
- June 2015 sales and use tax cash collections include \$3.0 million for payments associated with a prior year audit.
- 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, June 2015 motor vehicle license and registration fees cash collections are \$779,046 more than June 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 June 2016 cash receipts by \$1.1 million.

- In the licenses and fees category of departmental receipts, June 2015 motor carrier registration fees collected from the Unified Carrier Registration System (UCR) include \$1.5 million in receipts for prior year payments.
- 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 June of FY 2015 were \$153,096 greater than in June of FY 2016. Outpatient health care facility surcharge receipts in June of FY 2015 were \$129,998 more than receipts received in June of FY 2016.
- 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 account became fully exempt from the 10.0 percent indirect cost recovery charge. At this time, ORA is unable to calculate the impact of this change.
- In miscellaneous departmental receipts, the state hotel tax receipts received in June 2015 were \$248,533 greater than the same period in June 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 following table displays the differences in cash flows for June 2016 and June 2015:

Revenue Source	Cash Flow Differences	June 2016	June 2015
Personal Income Tax	Unreimbursed HSTCs	\$0	\$(113,920)
Personal Income Tax	Use Tax Transfer	\$(1,080,881)	\$(972,835)
Ins Gross Premiums Tax	Unreimbursed HSTCs	\$0	\$(479,863)
Sales and Use Tax	Use Tax Transfer	\$1,080,881	\$972,835
Sales and Use Taxes	Audit Payment	\$0	\$3,002,414
MV License & Reg Fees	25% Transfer to RIHMA a/o 7/1/2016	\$0	\$779,046
Estate/Transfer Taxes	Large infrequently occurring payment	\$11,000,000	\$0
Realty Transfer	Delayed transfer to Housing Resources Comm.	\$(57,383)	\$0
Departmental Receipts	UCR registration fees	\$0	\$1,513,172
Departmental Receipts	Imaging services surcharge repeal	\$0	\$153,096
Departmental Receipts	Outpatient health care surcharge repeal	\$0	\$129,998
Departmental Receipts	Defined contribution acct ICR exemption	\$0	\$?
Departmental Receipts	Davies school lunch program ICR exemption	\$0	\$?
Departmental Receipts	FY 2016 state hotel tax transfer to RICC	\$0	\$248,533

Historic Structures Tax Credit Reimbursements:

FY 2016 total Historic Structures Tax Credit redemptions/reimbursements for all taxes through June were \$14.9 million compared to \$2.3 million reimbursed in FY 2015 through June, an

increase of 541.6 percent. It should be noted that \$5.8 million of Historic Structures Tax Credits (HSTCs) were redeemed but not reimbursed in FY 2015 through June. Including the amount of redeemed HSTCs that were not reimbursed, the adjusted year-to-date 2016 growth rate in HSTCs is 83.2 percent. In June 2015, \$593,783 of HSTCs were redeemed but not reimbursed compared to \$1.8 million of HSTCs that were redeemed and reimbursed in June 2016. Including the amount of redeemed HSTCs that were not reimbursed in June 2015, the adjusted monthly growth rate for June 2016 in HSTCs is 199.5 percent.

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

Tax Type	Year-to-Date		Monthly	
	FY 2016	FY 2015 †	June 2016	June 2015 *
Personal Income	\$ 5,751,448	\$ 665,861	\$ 80,465	\$ 0
Business Corporations	432,162	823,225	0	0
Financial Institutions	0	0	0	0
Insurance/Non-HMOs	5,723,023	830,611	0	0
Insurance/HMOs	476,488	0	0	0
Non-Profit Refund	2,500,027	0	1,697,945	0
Total	\$14,883,148	\$ 2,319,698	\$1,778,410	\$ 0
† In FY 2015 year-to-date \$1,355,142 of Historic Structures Tax Credits (HSTCs) were redeemed against the personal income tax, \$2,656,535 of HSTCs were redeemed against the non-health insurance gross premiums tax, and \$1,794,200 of HSTCs were redeemed against the health insurance gross premiums tax. These credits were not reimbursed until July 2015.				
* In June 2015, \$113,920 of HSTCs were redeemed against the personal income tax and \$479,863 were redeemed against non-health insurance gross premiums tax. 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 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. For the January through June 2016 period, 408,597 income tax refunds were paid for TY 2015 at an average of \$572.08. For the same period in 2015, 426,853 income tax refunds were paid for TY 2014 at an average of \$537.63.

Fiscal Year-to-Date through June:

Component	FY 2016	FY 2015	Difference	% Change
Estimated Payments	\$ 230,555,951	\$ 225,905,795 ^a	\$ 4,650,156	2.1 %
Final Payments *	183,823,532	204,249,099	(20,425,567)	-10.0 %
Refunds/Adjustments	(266,648,551) ^b	(276,243,773) ^c	9,595,223	-3.5 %
Withholding Tax Payments	1,088,462,846	1,061,456,549	27,006,297	2.5 %
* Final Payments include Historic Structures Tax Credit (HSTC) reimbursements of \$5,751,448 in year-to-date FY 2016 and \$2,021,004 in year-to-date FY 2015.				
^a Includes a large, infrequently occurring estimated payment of \$10.0 million received in December 2014.				
^b Fiscal 2016 YTD 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 include a transfer of \$2,049,477 received in October 2015 and a transfer of \$389,300 received in February 2016 from business corporations tax revenues due to incorrect posting of payments received. Fiscal 2016 YTD refunds and adjustments also include \$(1,080,881) from the transfer of safe harbor use tax payments to sales and use tax cash collections in June 2016.				
^c Fiscal 2015 YTD 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, as well as \$(972,935) from the transfer of safe harbor use tax payments to sales and use tax cash collections in June 2015.				

Month of June:

Component	June 2016	June 2015	Difference	% Change
Estimated Payments	\$ 41,538,470	\$ 43,727,052	\$ (2,188,582)	-5.0 %
Final Payments *	4,509,473	6,411,711	(1,902,238)	-29.7 %
Refunds/Adjustments	(22,990,355) ^a	(14,300,637) ^b	(8,689,718)	60.8 %
Withholding Tax Payments	87,340,545	89,256,876	(1,916,331)	-2.1 %
* Final Payments include \$80,465 of Historic Structures Tax Credit (HSTC) reimbursements that were recorded in June 2016 and \$1,355,142 that were recorded in June 2015.				
^a June 2016 refunds and adjustments include \$(1,080,881) for the transfer of safe harbor use tax payments to sales and use tax cash collections.				
^b June 2015 refunds and adjustments include \$(1,355,142) for HSTC reimbursements that were recorded in June 2015 but received in July 2015 and \$(972,835) for the transfer of safe harbor use tax payments to sales and use tax cash collections.				

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 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 June:

Component	FY 2016	FY 2015	Difference	% Change
Net Taxation	\$ 850,592,639 ^a	\$ 845,359,512 ^b	\$ 5,233,127	0.6 %
Registry Receipts	108,747,516	100,068,715	8,678,801	8.7 %
Providence Place Mall	14,022,158	14,165,892	(143,734)	-1.0 %
^a FY 2016 through June net taxation receipts include \$1,080,881 from use tax safe harbor receipts that were transferred from personal income tax in June 2016. ^b FY 2015 through June net taxation receipts include \$3,002,414 from a prior year audit, as well as \$972,835 from use tax safe harbor receipts that were transferred from personal income tax in June 2015.				

Month of June:

Component	June 2016	June 2015	Difference	% Change
Net Taxation	\$ 72,804,802 ^a	\$ 76,002,699 ^b	\$ (3,197,897)	-4.2 %
Registry Receipts	11,508,172	10,867,739	640,432	5.9 %
Providence Place Mall	1,094,025	1,112,579	(18,555)	-1.7 %
^a June 2016 net taxation receipts include \$1,080,881 from use tax safe harbor receipts that were transferred from personal income tax. ^b June 2015 net taxation receipts include \$3,002,414 from a prior year audit, as well as \$972,835 from use tax safe harbor receipts that were transferred from personal income tax.				

General Business Taxes

June	FY 2016	FY 2015	Difference	% Change
Fiscal YTD	\$ 407.5 million	\$ 446.8 million	\$ (39.2 million)	-8.8 %
Month	\$ 146.1 million	\$ 180.9 million	\$ (34.8 million)	-19.2 %

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 June:

General business taxes collected through June of FY 2016 decreased by 8.8 percent over general business taxes collected through June of FY 2015. FY 2016 general business taxes collected through June were \$407.5 million compared to \$446.8 million collected for the same period in FY 2015, a decrease of \$11.8 million.

FY 2016 business corporations tax cash collections through June are \$17.0 million below the \$147.3 million of business corporations tax cash collections received in FY 2015 through June. FY 2016 year-to-date business corporations tax cash collections include \$432,162 in HSTC reimbursements versus \$823,225 received for the same period last year. Fiscal year-to-date business corporations tax cash collections are lower by \$2.4 million for receipts transferred to personal income tax cash collections in October 2015 and February 2016, are lower by \$674,249 for receipts transferred to public utilities gross earnings tax cash collections in February 2016 and May 2016, and are lower by \$170,000 for receipts transferred to financial institutions tax cash collections in May 2016. Each of these transfers were executed to correct previous incorrect deposits.

FY 2016 insurance companies taxes collected through June decreased by \$5.5 million or -4.6 percent from the \$119.5 million collected through June of 2015. It should be noted that insurance companies gross premiums tax cash collections for FY 2016 through June include \$4.5 million of reimbursed Historic Structures Tax Credits (HSTC) which were recorded in July 2015 but accrued back to FY 2015. Fiscal year-to-date through June 2015 insurance companies gross premiums tax cash collections do not include \$4.5 million in unreimbursed HSTCs.

Finally, FY 2016 financial institutions tax cash collections through June were \$14.1 million, a decrease of \$15.0 million or -51.5 percent compared to the same period last year. Included in the FY 2015 year-to-date cash collections for financial institutions tax is \$10.4 million from prior year overpayments that were used as FY 2015 tax payments.

Month of June:

General business taxes collected in June 2016 decreased by 19.2 percent compared to general business taxes collected in June 2015. June 2016 general business taxes collected were \$146.1 million compared to \$180.9 million collected during the same period last fiscal year, a decrease of \$34.8 million. This decrease is due in large part to June 2016 business corporations tax cash collections being down 35.7 percent or \$15.3 million from June 2015 and June 2016 insurance companies gross premiums tax cash collections lagging June 2015 receipts by \$12.5 million or -19.6 percent. June 2015 insurance companies gross premiums tax cash collections do not include \$479,863 in unreimbursed HSTCs. June 2016 financial intuitions cash collections were down 59.6 percent, or \$7.3 million, from \$12.3 million in June 2015.

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 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 June:

Component	FY 2016	FY 2015	Difference	% Change
Estimated Payments	\$ 106,190,223	\$ 107,819,341	\$ (1,629,118)	-1.5 %
Final Payments *	75,559,448	72,808,093	2,751,355	3.8 %
Refunds/Adjustments	(51,620,187) ^	(33,416,337) †	(18,203,850)	54.5 %

* Final Payments include Historic Structures Tax Credit reimbursements of \$432,162 in year-to-date FY 2016 and \$823,225 in year-to-date FY 2015.

^ FY 2016 year-to-date refunds and adjustments include a transfer of \$(2,049,477) in October 2015 and a transfer of \$(389,300) in February 2016 to personal income tax receipts due to incorrect posting of payments received. FY 2016 year-to-date refunds and adjustments payments include a transfer of \$(403,840) and a transfer of \$(270,409) in May 2016 to public utilities gross earnings tax in February 2016 due to incorrect posting of payments. FY 2016 year-to-date refunds and adjustments include a transfer of \$(170,000) to financial institutions tax in May 2016 due to incorrect posting of payments.

† 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.

Month of June:

Component	June 2016	June 2015	Difference	% Change
Estimated Payments	\$ 36,915,927	\$ 42,766,690	\$ (5,850,763)	-13.7 %
Final Payments	3,463,254	2,254,668	1,208,586	53.6 %
Refunds/Adjustments	(12,858,864)	(2,254,663)	(10,604,201)	470.3 %

Excise Taxes Other Than the Sales and Use Tax

June	FY 2016	FY 2015	Difference	% Change
Fiscal YTD	\$ 203.4 million	\$ 206.4 million	\$ (3.0 million)	-1.4 %
Month	\$ 18.2 million	\$ 19.5 million	\$ (1.4 million)	-7.1 %

Fiscal Year-to-Date through June:

Excise taxes other than sales and use taxes collected in FY 2016 through June decreased by 1.4 percent over excise taxes other than sales and use taxes collected through June of FY 2015. FY 2016 excise taxes other than sales and use taxes collected through June were \$203.4 million compared to \$206.4 million collected for the same period last fiscal year, a decrease of \$3.0 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 operator 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 \$13.2 million. It should also be noted that fiscal year-to-date 2015 motor vehicle operator license and registration fee cash collections include \$1.2 million collected from the IRP Clearinghouse in FY 2010 and FY 2011 that were deposited in January 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 rate on cigarettes. Total cigarettes excise tax cash receipts through June of FY 2016 were \$144.4 million, including \$756,296 of cigarette floor stock tax receipts and \$6.1 million of other tobacco products tax cash collections, which is up \$6.4 million, or 4.7 percent, compared to the \$138.0 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 June of FY 2016, Rhode Island cigarette sales decreased 2.1 percent compared to the same period last fiscal year.

Month of June:

Excise taxes other than sales and use taxes collected in June 2016 decreased 7.1 percent over excise taxes other than sales and use taxes collected in June 2015. June 2016 excise taxes other than sales and use taxes collected totaled \$18.2 million compared to \$19.5 million collected in June 2015, a decrease of \$1.4 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. This transfer totaled \$1.1 million in June 2016.

June 2016 cigarettes excise tax receipts were \$12.7 million, including no cigarette floor stock tax receipts and \$491,133 of other tobacco products tax cash collections, a decrease of \$1.0 million, or -7.5 percent, from the \$13.8 million collected in June 2015. After accounting for any cigarette floor stock tax receipts and other tobacco products tax cash collections, the percentage change in Rhode Island cigarette sales is determined. For June 2016, Rhode Island cigarette sales decreased by 14.1 percent compared to June 2015.

Other Taxes

June	FY 2016	FY 2015	Difference	% Change
Fiscal YTD	\$ 86.9 million	\$ 52.2 million	\$ 34.7 million	66.4 %
Month	\$ 12.8 million	\$ 2.9 million	\$ 9.9 million	346.2 %

Fiscal Year-to-Date through June:

Other taxes collected in FY 2016 through June increased 66.4 percent from other taxes collected through June of FY 2015. FY 2016 other taxes collected through June were \$86.9 million compared to the \$52.2 million collected in the same period last fiscal year, an increase of \$34.7 million. FY 2016 estate and transfer taxes collected through June are up \$33.1 million, or 78.3 percent, compared to the same period in FY 2015. Year-to-date estate and transfer tax cash collections include large, infrequently occurring payments of \$41.4 million received in May 2016 and \$11.0 million received in June 2016.

Effective July 1, 2015 the real estate conveyance tax was extended to subject the transfer of a controlling interest in a limited liability company (LLC), corporation, partnership, or other entity that owns real estate in Rhode Island to the real estate conveyance tax. FY 2016 realty transfer taxes collected through June were up \$1.7 million or 18.8 percent compared to the same period last fiscal year. To date, \$123,923 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. It should be noted that fiscal year-to-date realty transfer tax through June includes \$329,347 of receipts designated for the Housing Resources Commission (HRC) that will be transferred in July 2016.

Month of June:

Other taxes collected in June 2016 increased 346.2 percent over other taxes collected in June 2015. June 2016 other taxes collected totaled \$12.8 million compared to \$2.9 million collected in June 2015, an increase of \$9.9 million. Estate and transfer taxes collected in June 2016 were up \$9.7 million or 502.5 percent. June 2016 estate and transfer tax cash collections include a large, infrequently occurring payment of \$11.0 million. Realty transfer taxes collected in June were up \$203,651 or 24.4 percent compared to last June. In June 2016, no cash receipts were received from the extension of the real estate conveyance tax to the transfer of a controlling interest in real estate. It should be noted that June 2016 realty transfer tax includes \$(57,383) of receipts that are designated for the Housing Resources Commission (HRC). The amount reflects the difference between the May 2016 transfer that occurred in June 2016 and the June 2016 transfer that will occur in July of 2016.

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 June:

Component	FY 2016	FY 2015	Difference	% Change
Licenses and Fees *	\$ 282,264,342	\$ 274,040,226	\$ 8,224,116	3.0 %
Fines and Penalties	36,006,572	30,375,902	5,630,670	18.5 %
Sales and Services	12,939,191	13,178,828	(239,637)	-1.8 %
Miscellaneous	24,717,037	32,882,845	(8,165,808)	-24.8 %
Total	\$ 355,927,142	\$ 350,477,801	\$ 5,449,341	1.6 %
* Licenses and fees cash collections include hospital licensing fees of \$157,528,835 in year-to-date FY 2016 and \$152,464,373 in year-to-date FY 2015.				

Total departmental receipts in FY 2016 through June increased by 1.6 percent compared to total departmental receipts in FY 2015 through June. Fiscal year-to-date total departmental receipts collected in FY 2016 were \$355.9 million compared to \$350.5 million collected for the same period last year, an increase of \$5.4 million.

The licenses and fees category of departmental receipts through June of FY 2016 was up 3.0 percent or \$8.2 million over the \$274.0 million collected through June of FY 2015. For the fiscal year-to-date period through June, hospital licensing fee cash collections are \$5.1 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 hospital licensing fees collected in FY 2015 year-to-date include an overdue FY 2013 hospital licensing fee payment of \$5.5 million. Additionally, part of the increase in the licenses and fees category is due to the increase of \$5.0 million in cash collections from physician licensing fees in FY 2016 through June 2016 compared to FY 2015 through June.

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. In FY 2016 through June, imaging services surcharge fees were down \$1.5 million. Outpatient health care facility surcharge receipts through June of FY 2016 were \$758,394 less than the previous fiscal year. In licenses and fees, the E-911 wireless surcharge, E-911 wireline surcharge, E911 prepaid telephone fees, and the GIS and technical fund are down \$939,471 year-to-date through June. Additionally, the FY 2016 through June cash collections for registration fees for commercial motor vehicles engaged in interstate commerce received from the Unified Carrier Registration System (UCR) were lower by \$1.6 million compared to the same period last fiscal year, due to \$1.5 million in funds generated by activity in prior years being included in FY 2015 cash collections. 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 through June of FY 2016 was up \$5.6 million or 18.5 percent over the \$30.4 million collected through June of FY 2015. Much of this increase can be accounted for by cash collections for interest and penalty on overdue taxes being up \$5.3 million in FY 2016 through June compared to FY 2015 through June.

FY 2016 miscellaneous departmental receipts through June are down \$8.2 million or -24.8 percent compared to cash collections through June of FY 2015. FY 2016 through June miscellaneous departmental receipts include the transfer of \$(4.8 million) of refund and other checks written off by the Office of the Treasurer and the Division of Taxation to unclaimed property. Included in the Treasury Department's cost recovery cash collections is the deposit of \$484,394 from the transfer of refund and other check write-offs from the Office of the Treasurer and the Division of Taxation to unclaimed property in November 2015. 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 \$181,686 compared to the prior fiscal year. Additionally, fiscal year-to-date through June 2016 cash collections from insurance examination fees are down \$828,765 compared to fiscal year-to-date through June 2015.

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 \$3.3 million through June 2016 compared to the same period last fiscal year. FY 2015 miscellaneous departmental receipts include \$1.1 million from a pharmaceutical settlement payment to the Office of the Attorney General that was accrued back to the prior fiscal year and \$376,428 from two settlements with mobile telephone providers for placing third-party service charges on consumers' bills, also known as "mobile cramming."

Month of June:

Component	June 2016	June 2015	Difference	% Change
Licenses and Fees *	\$ 21,022,775	\$ 20,202,159	\$ 820,616	4.1 %
Fines and Penalties	8,476,645	8,312,595	164,050	2.0 %
Sales and Services	3,165,484	3,078,151	87,333	2.8 %
Miscellaneous	6,169,380	7,104,498	(935,118)	-13.2 %
Total	\$ 38,834,284	\$ 38,697,403	\$ 136,881	0.4 %
* Licenses and fees include \$7,252,312 of hospital licensing fees in June 2016 versus \$6,762,594 in June 2015.				

Total departmental receipts in June 2016 increased by 0.4 percent compared to total departmental receipts in June 2015. June 2016 total departmental receipts collected were \$38.8 million compared to \$38.7 million collected in June 2015, an increase of \$136,881.

The licenses and fees category of departmental receipts for June 2016 was up 4.1 percent or \$820,616 from the \$20.2 million collected in June of 2015. For June 2016, hospital licensing fee cash collections are \$4.9 million more than in June 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. Physician licensing fees were up \$2.5 million in June 2016 over June 2015. In licenses and fees, the E-911 wireless surcharge, E-911 wireline surcharge, E911 prepaid telephone fees, and the GIS and technical fund were down \$135,084 compared to last June. 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. June 2016 imaging services surcharge fees were down \$153,096. Outpatient health care facility surcharge receipts in June 2016 were \$129,998 less than the previous year. Additionally, June 2016 cash collections for registration fees for commercial motor vehicles engaged in interstate commerce received from the Unified Carrier Registration System (UCR) were lower by \$1.6 million compared to June 2015, due to \$1.5 million in funds generated by activity in prior years being included in FY 2015 cash collections.

FY 2016 miscellaneous departmental receipts in June 2016 are down \$935,118 or -13.2 percent compared to cash collections in June of 2015. Part of the decrease is due to income tax refunds checks being written off by the Treasury Department, which are down \$547,159 from June 2015. Miscellaneous refunds from the Treasury Department are also down \$111,558 in June 2016 compared to the previous June. Additionally, child support enforcement collections are down \$213,969 in June 2016 from June 2015. Finally, 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 \$248,533 in June 2016 compared to the previous June.

Motor Fuel Tax, Per Penny Yield

June	FY 2016	FY 2015	Difference	% Change
Fiscal YTD	\$ 4,464,423	\$ 4,388,735	\$ 75,688	1.7 %
Month	\$ 397,054	\$ 378,535	\$ 18,519	4.9 %

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 June:

The per penny yield of the state's motor fuel tax collected in FY 2016 through June is \$75,688 more than in FY 2015 through June. This represents an increase of 1.7 percent between the two fiscal year-to-date periods. For FY 2016 through June, the per-penny yield was \$4.5 million versus \$4.4 million for FY 2015 through June.

Month of June:

The per penny yield of the State's motor fuel tax collected in June 2016 totaled \$397,054, an increase of \$18,519 or 4.9 percent compared to the \$378,535 collected in June 2015.

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. Data on lottery transfer cash collections reflect the prior month's gaming activity.

Fiscal Year-to-Date through June:

Component	FY 2016	FY 2015	Difference	% Change
Traditional Games	\$ 42,634,679	\$ 38,917,736	\$ 3,716,943	9.6 %
Keno	18,358,968	17,969,906	389,062	2.2 %
Twin River VLTs	270,354,162	287,365,854	(17,011,692)	-5.9 %
Twin River Traditional Table Games	15,065,258	12,758,825	2,283,762	18.1 %
Twin River Poker Tables	540,089	0	540,089	n/a
Newport Grand VLTs	27,575,288	27,030,241	545,047	2.0 %

In fiscal year-to-date 2015, Twin River could operate an average maximum of 80 traditional table games through June, ten fewer than the average maximum of 90 traditional table games that could be operated in fiscal year 2016 through June. On December 1, 2015, Twin River began operating 16 poker tables. It should be noted that in order to make space for additional table games and a poker room, Twin River had 267 fewer VLTs operating in fiscal year-to-date 2016 compared to the same period last fiscal year. Newport had one less VLT operating in fiscal year-to-date 2016 compared to fiscal year-to-date 2015. 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 May and June:

Component	May/June 2016	May/June 2015	Difference	% Change
Traditional Games	\$ 7,056,588	\$ 6,505,849	\$ 550,739	8.5 %
Keno	3,023,532	3,094,717	(71,185)	-2.3 %
Twin River VLTs	45,598,251	50,891,544	(5,293,293)	-10.4 %
Twin River Traditional Table Games	2,504,784	2,138,689	366,095	17.1 %
Twin River Poker Tables	144,852	0	144,852	n/a
Newport Grand VLTs	4,865,739	4,749,149	116,590	2.5 %

It should be noted that Twin River could operate a maximum of 80 traditional table games for the months of May and June 2015 versus operating a maximum of 92 traditional table games for the months of May and June 2016. For the months of May and June 2016, Twin River operated 16 poker tables. Twin River had 273 fewer VLTs operating on average for the months of May and June 2016 compared to the same months in 2015. Newport had on average five fewer VLTs operating in May and June 2016 compared to May and June 2015. 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

June	FY 2016	FY 2015	Difference	% Change
Fiscal YTD	\$ 14.2 Million	\$ 13.7 Million	\$ 454,960	3.3 %
Month	\$ 13.7 Million	\$ 12.7 Million	\$ 454,960	3.3 %

The unclaimed property transfer to the general fund occurs in June of every fiscal year. The FY 2016 unclaimed property transfer was \$14.2 million compared to the unclaimed property transfer in FY 2015 of \$13.7 million, an increase of \$454,960 or 3.3 percent.

Robert S. Hull, Director
Rhode Island Department of Revenue
September 15, 2016