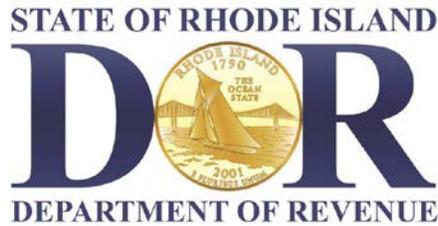


STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
GOVERNOR GINA M. RAIMONDO



Office of Revenue Analysis

FY 2019 Cash Collections Report as of September 2018 Summary

Fiscal Year-to-Date through September:

FY 2019 total general revenue cash collections through September were \$1.1 billion, up \$91.7 million, or 9.1 percent, over the same period in FY 2018. The breakdown by major revenue components is as follows:

Component	FY 2019	FY 2018	Difference	% Change
Personal Income Tax	\$ 333,393,868	\$ 323,083,209	\$ 10,310,659	3.2 %
Sales and Use Taxes	298,602,321	280,708,977	17,893,344	6.4 %
Departmental Receipts	214,307,560	191,193,217	23,114,343	12.1 %
Lottery Transfer	95,787,350	63,295,585	32,491,765	51.3 %
All Other Revenues	157,371,308	149,529,658	7,841,650	5.2 %
Total General Revenues	\$ 1,099,462,407	\$ 1,007,810,646	\$ 91,651,761	9.1 %

Month of September:

September 2018 total general revenue cash collections were \$391.3 million, up \$74.8 million, or 23.6 percent, over September 2017. The breakdown by major revenue components is as follows:

Component	FY 2019	FY 2018	Difference	% Change
Personal Income Tax	\$ 145,977,912	\$ 136,782,679	\$ 9,195,233	6.7 %
Sales and Use Taxes	96,954,612	94,133,591	2,821,021	3.0 %
Departmental Receipts	17,487,012	14,678,067	2,808,945	19.1 %
Lottery Transfer	31,687,350	31,896,402	(209,052)	-0.7 %
All Other Revenues	99,191,517	39,031,443	60,160,074	154.1 %
Total General Revenues	\$ 391,298,403	\$ 316,522,182	\$ 74,776,221	23.6 %

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Fiscal Year To Date

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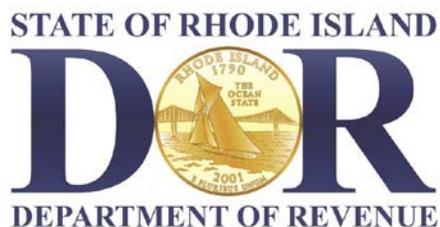
	FY 2019 YTD September	FY 2018 YTD September	Nominal Difference	Change
<u>Personal Income Tax</u>	\$ 333,393,868	\$ 323,083,209	\$ 10,310,659	3.2%
<u>General Business Taxes</u>				
Business Corporation	39,196,521	22,609,207	16,587,314	73.4%
Public Utilities Gross Earnings	22,232,104	1,482,895	20,749,209	1,399.2%
Financial Institutions	4,868,231	246,583	4,621,648	1,874.3%
Insurance Companies	21,398,834	1,591,399	19,807,435	1,244.7%
Bank Deposits	775,032	-	775,032	-
Health Care Provider Assessment	11,602,525	11,138,032	464,493	4.2%
<u>Excise Taxes</u>				
Sales and Use	298,602,321	280,708,977	17,893,344	6.4%
Motor Vehicle	291,679	1,946,174	(1,654,495)	-85.0%
Cigarettes	38,580,100	39,461,894	(881,794)	-2.2%
Alcohol	5,500,999	5,228,606	272,393	5.2%
Controlled Substances	1,500	-	1,500	-
<u>Other Taxes</u>				
Estate and Transfer	7,514,374	61,614,174	(54,099,800)	-87.8%
Racing and Athletics	253,488	259,721	(6,233)	-2.4%
Realty Transfer	5,167,765	3,726,718	1,441,047	38.7%
Total Taxes	\$ 789,379,341	\$ 753,097,589	\$ 36,281,752	4.8%
<u>Departmental Receipts</u>				
Licenses and Fees	\$ 201,425,350	\$ 180,490,289	\$ 20,935,061	11.6%
Fines and Penalties	3,138,274	3,140,454	(2,180)	-0.1%
Sales and Services	2,312,097	1,879,885	432,212	23.0%
Miscellaneous	7,431,839	5,682,589	1,749,250	30.8%
Total Departmental Receipts	\$ 214,307,560	\$ 191,193,217	\$ 23,114,343	12.1%
Taxes and Departmentals	\$ 1,003,686,901	\$ 944,290,806	\$ 59,396,095	6.3%
<u>Other General Revenue Sources</u>				
Other Miscellaneous Revenues	\$ (11,844)	\$ 224,255	\$ (236,099)	-105.3%
Lottery Transfer	95,787,350	63,295,585	32,491,765	51.3%
Unclaimed Property	-	-	-	-
Total Other Sources	\$ 95,775,506	\$ 63,519,840	\$ 32,255,666	50.8%
Total General Revenues	\$ 1,099,462,407	\$ 1,007,810,646	\$ 91,651,761	9.1%

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Month of September

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	FY 2019 Month of September		FY 2018 Month of September	Nominal Difference	% Change
<u>Personal Income Tax</u>	\$ 145,977,912		\$ 136,782,679	\$ 9,195,233	6.7%
<u>General Business Taxes</u>					
Business Corporation	30,912,643		14,723,210	16,189,433	110.0%
Public Utilities Gross Earnings	21,653,349		731,429	20,921,920	2,860.4%
Financial Institutions	3,986,663		118,583	3,868,080	3,261.9%
Insurance Companies	21,367,476		11,460	21,356,016	186,352.7%
Bank Deposits	786,634		-	786,634	-
Health Care Provider Assessment	3,883,333		3,599,654	283,679	7.9%
<u>Excise Taxes</u>					
Sales and Use	96,954,612		94,133,591	2,821,021	3.0%
Motor Vehicle	200,638		899,729	(699,091)	-77.7%
Cigarettes	12,038,369		14,412,753	(2,374,384)	-16.5%
Alcohol	1,808,229		1,524,672	283,557	18.6%
Controlled Substances	500		-	500	-
<u>Other Taxes</u>					
Estate and Transfer	3,248,515		1,550,387	1,698,128	109.5%
Racing and Athletics	67,729		73,861	(6,132)	-8.3%
Realty Transfer	(749,668)		1,220,054	(1,969,722)	-161.4%
Total Taxes	\$ 342,136,934		\$ 269,782,062	\$ 72,354,872	26.8%
<u>Departmental Receipts</u>					
Licenses and Fees	\$ 13,070,746		\$ 10,965,225	\$ 2,105,521	19.2%
Fines and Penalties	1,183,167		944,190	238,977	25.3%
Sales and Services	865,506		484,447	381,059	78.7%
Miscellaneous	2,367,593		2,284,205	83,388	3.7%
Total Departmental Receipts	\$ 17,487,012		\$ 14,678,067	\$ 2,808,945	19.1%
Taxes and Departmentals	\$ 359,623,946		\$ 284,460,129	\$ 75,163,817	26.4%
<u>Other General Revenue Sources</u>					
Other Miscellaneous Revenues	\$ (12,893)		\$ 165,651	\$ (178,544)	-107.8%
Lottery Transfer	31,687,350		31,896,402	(209,052)	-0.7%
Unclaimed Property	-		-	-	-
Total Other Sources	\$ 31,674,457		\$ 32,062,053	\$ (387,596)	-1.2%
Total General Revenues	\$ 391,298,403		\$ 316,522,182	\$ 74,776,221	23.6%

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



Office of Revenue Analysis

FY 2019 State of Rhode Island Cash Collections Report
September 2018 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 (ORA) has modified the Cash Collections Report to shorten it without sacrificing any detailed information that might be of interest to users of the report. Specifically, ORA has moved the written portion of the cash flow differences section into the individual revenue item sections. For example, cash flow differences for personal income tax are listed under the personal income tax by component table. ORA has provided a linked page number in the cash flow differences table to assist readers in finding these disaggregated cash flow differences sections within the body of the report. Additionally, ORA was able to determine the amount of sales and use tax generated by meals and beverages prepared away from home and sold for immediate consumption. This information is now included in the sales and use tax cash collections by component table, along with total non-motor vehicle sales and use taxes less the sales and use tax collections from meals and beverages. Finally, ORA has decided to provide figures for the general business taxes less business corporation tax. Data on business corporation tax cash collections by component immediately follows the sales and use tax cash collections by component section.

Cash Flow Differences

Fiscal Year-To-Date through September:

The following table displays the differences in cash flows for FY 2019 through September and FY 2018 through September:

Page Number	Revenue Source	Cash Flow Differences	YTD FY 2019	YTD FY 2018
8	Personal Income Tax	FY 2019 correction for prior period payments transferred from bus corp tax	\$288,275	\$(163,000)
8	Personal Income Tax	Large estimated payment(s) in Sept 2017	\$0	\$2,511,323
8	Personal Income Tax	FY 2018 correction for prior period payments transferred from bus corp tax	\$0	\$579,873
10	Business Corp Tax	FY 2019 correction for prior period payments transferred to pers inc tax	\$(288,275)	\$163,000
10	Business Corp Tax	FY 2019 correction for prior period payments transferred to financial inst tax	\$(2,375,000)	\$0
10	Business Corp Tax	FY 2018 correction for prior period payments transferred to pers inc tax	\$0	\$(579,873)
12	Financial Inst Tax	FY 2019 correction for prior period payments transferred from bus corp tax	\$2,375,000	\$0
12	Ins Gross Premiums Tax	Jul 2017 reimbursement of redeemed HSTCs accrued to FY 2017	\$0	\$1,297,387
9	Sales and Use Tax	Audit payment(s)	\$0	\$500,000
14	MV License & Reg Fees	State's share of June 2018 receivable	\$36,568	\$0
14	MV License & Reg Fees	Change in transfer to RIHMA of MV license and reg fees	\$0	\$791,334
16	Estate and Transfer	Large, infrequent payment(s) received in Jul 2017 and accrued to FY 2017	\$0	\$57,989,738
16	Realty Transfer Tax	Large, infrequent controlling interest payment(s) received in Aug 2018	\$1,166,958	\$0
18	Departmental Receipts	Hospital licensing fee incr. from 5.652% to 5.856 % and advance base	\$15,725,471	\$0
18	Departmental Receipts	Payment made to Providence in Aug 2018 that accrued to FY 2018	\$(537,270)	\$0
18	Departmental Receipts	Late posting of Vets Home related payment(s)	\$0	\$(320,548)
21	Lottery Transfer	Overpayment to the general fund	\$30,834,451	\$0

Month of September:

The following table displays the differences in cash flows for September 2018 and September 2017:

Page Number	Revenue Source	Cash Flow Differences	September 2018	September 2017
<u>8</u>	Personal Income Tax	Sept 2018 correction for FY 2018 payments transferred from bus corp tax	\$288,275	\$(163,000)
<u>8</u>	Personal Income Tax	Large estimated payment(s) in Sept 2017	\$0	\$2,511,323
<u>11</u>	Business Corp Tax	Sept 2018 correction for FY 2018 payments transferred to pers inc tax	\$(288,275)	\$163,000
<u>11</u>	Business Corp Tax	Sept 2018 transfer to financial inst tax for prior period payments	\$(1,575,000)	\$0
<u>13</u>	Financial Inst Tax	Sept 2018 transfer from bus corp tax for prior period payments	\$1,575,000	\$0
<u>9</u>	Sales and Use Tax	Late posting of Providence Place Mall payment(s)	\$0	\$229,724
<u>9</u>	Sales and Use Tax	Audit payment(s)	\$0	\$500,000
<u>15</u>	MV License & Reg Fees	Transfer of July and Aug 2018 duplicate license and license update fees	\$174,040	\$0
<u>15</u>	MV License & Reg Fees	Transfer to RIHMA of 60.0 percent of June 2018 receivable	\$(54,852)	
<u>15</u>	MV License & Reg Fees	Change in transfer to RIHMA of MV license and reg fees	\$0	\$639,854
<u>16</u>	Realty Transfer Tax	Transfers due to large, infrequent Aug 2018 controlling interest payment(s)	\$1,815,269	\$0
<u>19</u>	Departmental Receipts	Sept 2018 posting of cash received in Aug 2018	\$2,190,166	\$0
<u>19</u>	Departmental Receipts	Late posting of Vets Home related payment(s)	\$0	\$(320,548)

Historic Structures Tax Credit Reimbursements:

FY 2019 total Historic Structures Tax Credit (HSTC) redemptions/reimbursements for all taxes through September were \$392,591 compared to \$3.8 million reimbursed in FY 2018 through September, a decrease of 89.6 percent. September 2018 HSTC redemptions/reimbursements for all taxes were \$47,708, \$928,433 less than the \$976,141 reimbursed in September 2017, which is a decrease of 95.1 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 2019	FY 2018	September 2018	September 2017
Personal Income	\$ 189,212	\$ 1,561,410	\$ 47,708	\$ 976,141
Business Corporation	0	0	0	0
Financial Institutions	0	0	0	0
Insurance/Non-HMOs	0	0	0	0
Insurance/HMOs	0	1,297,387	0	0
Non-Profit Refund	203,379	900,000	0	0
Total	\$ 392,591	\$ 3,758,797	\$ 47,708	\$ 976,141

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 receipts. Please see the cash flow differences table below for information on cash flow anomalies between year-to-date FY 2019 and year-to-date FY 2018.

Fiscal Year-to-Date through September:

Component	FY 2019	FY 2018	Difference	% Change
Estimated Payments	\$ 58,760,491	\$ 53,174,966	\$ 5,585,525	10.5 %
Final Payments *	12,816,545	12,048,332	768,213	6.4 %
Refunds/Adjustments	(18,287,037)	(23,154,807)	4,867,770	-21.0 %
Withholding Tax Payments	280,103,869	281,014,718	(910,849)	-0.3 %
* Includes HSTC reimbursements of \$189,212 in FY 2019 YTD and \$1.6 million in FY 2018 YTD.				

Cash Flow Differences:

FY 2019

- Refunds and adjustments include \$288,275 for transfers from business corporation tax to correct for payments received in September 2017 and March 2018.

FY 2018

- September 2017 personal income tax cash collections include large, infrequent estimated payment(s) of \$2.5 million.
- Refunds and adjustments include \$579,873 for transfers from business corporation tax to correct for payments received in prior periods as listed below:
 - \$120,564 for a July 2017 transfer to correct for payment(s) received in July 2016;
 - \$459,309 for an August 2017 transfer to correct for payments received in March and April 2016.

Month of September:

Component	September 2018	September 2017	Difference	% Change
Estimated Payments	\$ 49,841,049	\$ 44,189,260	\$ 5,651,789	12.8 %
Final Payments *	5,624,890	5,362,119	262,771	4.9 %
Refunds/Adjustments	(4,929,105)	(5,536,144)	607,039	-11.0 %
Withholding Tax Payments	95,441,077	92,767,443	2,673,634	2.9 %
* Includes HSTC reimbursements of \$47,708 in September 2018 and \$976,141 in September 2017.				

Cash Flow Differences:

September 2018

- Refunds and adjustments include \$288,275 for transfers from business corporation tax to correct for payments received in September 2017 and March 2018.

September 2017

- Estimated payments do not include \$163,000 in payment(s) incorrectly paid to business corporation tax. A transfer was completed in September 2018 to correct for these payment(s).
- September 2017 personal income tax cash collections include large, infrequent estimated payment(s) of \$2.5 million.

Sales and Use Tax Cash Collections by Component

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

Fiscal Year-to-Date through September:

Component	FY 2019	FY 2018	Difference	% Change
Net Taxation	\$ 265,753,102	\$ 250,592,458	\$ 15,160,644	6.0 %
Providence Place Mall	3,513,873	3,249,193	264,681	8.1 %
Total Non-Motor Vehicle (MV)	\$ 269,266,975	\$ 253,841,650	\$ 15,425,325	6.1 %
Meals and Beverage (M&B)	60,050,375	57,964,309	2,086,066	3.6 %
Total Non-MV Less M&B	\$ 209,216,601	\$ 195,877,341	\$ 13,339,260	6.8 %
Motor Vehicle Use Tax Receipts*	\$ 29,438,028	\$ 26,944,664	\$ 2,493,364	9.3 %
* Previously referred to as Registry Receipts.				

Cash Flow Differences:**FY 2018**

- FY 2018 year-to-date sales and use tax cash collections include payment(s) of \$500,000 associated with the audit of prior year sales and use taxes incurred.

Month of September:

Component	September 2018	September 2017	Difference	% Change
Net Taxation	\$ 86,018,332	\$ 82,054,686	\$ 3,963,646	4.8 %
Providence Place Mall	1,081,348	1,323,331	(241,893)	-18.3 %
Total Non-Motor Vehicle (MV)	\$ 87,099,680	\$ 83,378,017	\$ 3,721,664	4.5 %
Meals and Beverage (M&B)	20,631,841	18,639,307	1,992,534	10.7 %
Total Non-MV Less M&B	\$ 66,467,839	\$ 64,738,710	\$ 1,729,129	2.7 %
Motor Vehicle Use Tax Receipts*	\$ 9,958,279	\$ 10,780,549	\$ (822,270)	-7.6 %
* Previously referred to as Registry Receipts.				

Cash Flow Differences:**September 2017**

- September 2017 sales and use tax cash collections include payment(s) of \$229,724 from the Providence Place Mall that were received in August but not posted until September 2017.
- September 2017 sales and use tax cash collections include payment(s) of \$500,000 associated with the audit of prior year sales and use taxes incurred.

Business Corporation Tax Cash Collections by Component:

Effective for tax years beginning on or after January 1, 2018, businesses with Rhode Island tax liabilities will make estimated payments equal to 25 percent of their expected tax year liabilities in April, June, September, and December. This estimated payments schedule is in contrast to the estimated payments schedule of 40 percent of expected total tax liability due in March and 60 percent of expected total tax liability due in June that was in place for tax years ending on or before December 31, 2017.

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 receipts. Please see the cash flow differences table below for information on cash flow anomalies between year-to-date FY 2019 and year-to-date FY 2018.

Fiscal Year-to-Date through September:

Component	FY 2019	FY 2018	Difference	% Change
Estimated Payments	\$ 24,530,301	\$ 20,438,325	\$ 4,091,977	20.0 %
Final Payments	18,421,453	9,462,499	8,958,954	94.7 %
Refunds/Adjustments	(3,762,817)	(7,329,914)	3,567,097	-48.7 %

Cash Flow Differences:

FY 2019

- Refunds and adjustments include transfers of \$288,275 to personal income tax to correct for payments received in September 2017 and March 2018.
- Refunds and adjustments include transfers of \$2.4 million to financial institutions tax to correct for payments received in prior periods as listed below:
 - \$800,000 for an August 2018 transfer to correct for payment(s) received in January 2018;
 - \$1,575,000 for a September 2018 transfer to correct for payments received in FY 2016 – FY 2018.

FY 2018

- Refunds and adjustments include transfers to personal income tax of \$579,873 to correct for payments received in prior periods as listed below:
 - \$120,564 for a July 2017 transfer to correct for payment(s) received in July 2016;
 - \$459,309 for an August 2017 transfer to correct for payments received in March and April 2016.

Month of September:

Component	September 2018	September 2017	Difference	% Change
Estimated Payments	\$ 19,464,371	\$ 11,476,631	\$ 7,987,740	69.6 %
Final Payments	13,275,345	3,632,790	9,642,556	265.4 %
Refunds/Adjustments	(1,833,354)	(413,096)	(1,420,257)	343.8 %

Cash Flow Differences:**September 2018**

- Refunds and adjustments include a transfer of \$288,275 to personal income tax to correct for payments received in September 2017 and March 2018.
- Refunds and adjustments include a transfer of \$1.6 million to financial institutions tax to correct for payments received in FY 2016 – FY 2018.

General Business Taxes Other than Business Corporation Tax

September	FY 2019	FY 2018	Difference	% Change
Fiscal YTD	\$ 60,876,726	\$ 14,458,909	\$ 46,417,817	321.0 %
Month	\$ 51,677,455	\$ 4,461,126	\$ 47,216,329	1,058.4 %

Effective for tax years beginning on or after January 1, 2018, businesses with Rhode Island tax liabilities will make estimated payments equal to 25 percent of their expected tax year liabilities in April, June, September, and December. The current estimated payments schedule is in contrast to the estimated payments schedule of 40 percent of expected total tax liability due in March and 60 percent of expected total tax liability due in June that was in place for tax years ending on or before December 31, 2017. There is one exception to this payment pattern, namely the health care provider assessment, payments of which are made on a monthly basis. As a result, health care provider assessments flow more evenly into the general fund over the course of a fiscal year. Please see the cash flow differences table below for information on cash flow anomalies between year-to-date FY 2019 and year-to-date FY 2018.

Fiscal Year-to-Date through September:

General business taxes other than business corporation tax collected through September of FY 2019 increased by 321.0 percent over general business taxes other than business corporation tax collected through September of FY 2018. FY 2019 general business taxes other than business corporation tax collected through September were \$60.9 million compared to \$14.5 million collected for the same period in FY 2018, an increase of \$46.4 million.

The following general business taxes categories showed significant increases in cash collections on a fiscal year-to-date basis. These increases are believed to be due largely to the change in the estimated payments schedule noted above.

- Public utilities gross earnings tax cash collections were \$20.8 million more than the \$1.5 million collected in FY 2018 through September;
- Financial institutions tax cash collections were \$4.6 million more than the \$246,583 collected during the same period last fiscal year;
- Insurance company gross premiums tax cash collections were \$19.8 million more than the \$1.6 million received on a year-to-date basis in FY 2018;
- Bank deposits tax cash collections were \$775,032 more than in FY 2018 through September when no cash was received from bank deposits taxpayers.

The FY 2019 year-to-date through September health care provider assessment cash collections were \$11.6 million, \$464,493 more than the \$11.1 million collected in the same period last fiscal year. This is an increase of 4.2 percent on a fiscal year-to-date-over-fiscal year-to-date basis.

Cash Flow Differences:

FY 2019

- Financial institutions tax cash collections include transfers from business corporation tax to correct for payments received in prior periods as listed below:
 - \$800,000 for an August 2018 transfer to correct for payment(s) received in January 2018.
 - \$1,575,000 for a September 2018 transfer to correct for payments received in FY 2016 – FY 2018.

FY 2018

- Insurance company gross premiums tax includes \$1.3 million of reimbursed HSTCs that were received in July 2017 and accrued back to FY 2017.

Month of September:

General business taxes other than business corporation tax collected in September 2018 increased by 1,058.4 percent over general business taxes other than business corporation tax collected in September 2017. September 2018 general business taxes other than business corporation tax were \$51.7 million compared to \$4.5 million collected for September 2017, an increase of \$47.2 million.

The following general business taxes categories showed significant increases in cash collections on a year-over-year basis for September. These increases are believed to be due largely to the change in the estimated payments schedule noted above.

- Public utilities gross earnings tax cash collections were \$20.9 million more than the \$731,429 collected in September 2017;
- Financial institutions tax cash collections were \$3.9 million more than the \$118,583 collected during the same month last fiscal year;
- Insurance company gross premiums tax cash collections were \$21.4 million more than the \$11,460 received in September of FY 2018;

- Bank deposits tax cash collections were \$786,634 more than in September of FY 2018 when no cash was received from bank deposits taxpayers.

September 2018 health care provider assessment cash collections were \$3.9 million, \$283,679 more than the \$3.6 million collected in the same period last fiscal year. This is an increase of 7.9 percent on a fiscal year-over-year basis.

Cash Flow Differences:

September 2018

- Financial institutions tax cash collections include a transfer of \$1.6 million from business corporation tax to correct for payment(s) received in FY 2016 – FY 2018.

Excise Taxes Other Than the Sales and Use Tax

September	FY 2019	FY 2018	Difference	% Change
Fiscal YTD	\$ 44,374,278	\$ 46,636,674	\$ (2,262,396)	-4.9 %
Month	\$ 14,047,736	\$ 16,837,154	\$ (2,789,418)	-16.6 %

Fiscal Year-to-Date through September:

Excise taxes other than sales and use taxes collected in FY 2019 through September decreased by 4.9 percent from excise taxes other than sales and use taxes collected through September of FY 2018. FY 2019 excise taxes other than sales and use taxes collected through September were \$44.4 million compared to the \$46.6 million collected for the same period last fiscal year, a decrease of \$2.3 million.

Motor vehicle license and registration fees were \$291,679 in FY 2019 through September, which is \$1.7 million, or 85.0 percent, less than motor vehicle license and registration fees in FY 2018 through September of \$1.9 million. Except for adjustments, motor vehicle license and registration fees in FY 2019 year-to-date include only duplicate license and license update fees. Additionally, the duplicate license and license update fee was increased from \$5 to \$25, effective July 1, 2018.

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 September of FY 2019 were \$38.6 million, down \$881,794 compared to the \$39.5 million collected for the same period last fiscal year, a decrease of 2.2 percent. Included in year-to-date FY 2019 cigarettes excise tax cash collections is \$30,997 in cigarette floor stock receipts and \$2.5 million of other tobacco products taxes. 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 September of FY 2019, Rhode Island cigarette sales decreased 7.6 percent compared to the same period last fiscal year.

Alcohol excise tax cash collections increased \$272,393, or 5.2 percent, in FY 2019 through September compared to FY 2018 through September.

Cash Flow Differences:

FY 2019

- Motor vehicle license and registration fees include \$36,568 from a June 2018 receivable. This figure is the portion due to the general fund at the final enacted transfer rate of 60.0 percent of FY 2018 motor vehicle license and registration fees. The originally enacted FY 2018 transfer rate was 80.0 percent.

FY 2018

- After accounting for the State's portion of the June 2018 receivable, motor vehicle license and registration fees were greater by \$791,334 in year-to-date FY 2018 compared to year-to-date FY 2019. Effective July 1, 2018, all motor vehicle license and registration fees are transferred to RIHMA except duplicate license and license update fees. In FY 2018 year-to-date, only 80.0 percent of motor vehicle license and registration fees were transferred to RIHMA. In FY 2018 through September, the transfer to RIHMA was \$10.4 million compared to the transfer of \$7.7 million in FY 2019 through September, which is an increase of \$2.8 million. The FY 2019 year-to-date RIHMA transfer includes \$54,852 from the June 2018 receivable noted above. This transfer was done at the final enacted rate of 60.0 percent of FY 2018 motor vehicle license and registration fees.

Month of September:

Excise taxes other than sales and use taxes collected in September 2018 decreased by 16.6 percent from excise taxes other than sales and use taxes collected in September 2017. September 2018 excise taxes other than sales and use taxes were \$14.0 million compared to the \$16.8 million collected for the same period last fiscal year, a decrease of \$2.8 million.

Motor vehicle license and registration fees in September 2018 were \$200,638, which is 77.7 percent less than motor vehicle license and registration fees in September 2017 of \$899,729. Except for adjustments, September 2018 motor vehicle license and registration fees include only duplicate license and license update fees. Additionally, duplicate license and license update fee was increased from \$5 to \$25, effective July 1, 2018.

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 in September 2018 were \$12.0 million, down \$2.4 million compared to the \$14.4 million collected for the same period last fiscal year, a decrease of 16.5 percent. Included in September 2018 cigarettes excise tax cash collections is \$2,890 in cigarette floor stock receipts and \$885,992 of other tobacco products taxes. 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. In September 2018, Rhode Island cigarette sales decreased 11.2 percent compared to September 2017.

Alcohol excise tax cash collections increased 18.6 percent in September 2018 compared to September 2017.

Cash Flow Differences:

September 2018

- In September 2018, \$174,040 in duplicate license and license update fees were transferred from the Rhode Island Highway Maintenance Account (RIHMA) to general revenues to correct for errors made in July and August 2018.
- Motor vehicle license and registration fees in September 2018 include a transfer of \$54,852 to RIHMA from a June receivable. This receivable was included in the July 2018 cash collections. The transfer was completed at the final enacted rate of 60.0 percent of FY 2018 motor vehicle license and registration fees.

September 2017

- After accounting for the FY 2019 year-to-date adjustments as noted above, motor vehicle license and registration fees were greater by \$639,854 in September 2018 compared to September 2017. Effective July 1, 2018, all motor vehicle license and registration fees are transferred to RIHMA except duplicate license and license update fees. In September 2017, only 80.0 percent of motor vehicle license and registration fees were transferred to RIHMA. In September 2017, the transfer to RIHMA was \$3.5 million compared to the transfer of \$3.6 million in September 2018, which is a decrease of \$62,569. As noted, the RIHMA transfer includes \$54,852 that accrued to FY 2018.

Other Taxes

September	FY 2019	FY 2018	Difference	% Change
Fiscal YTD	\$ 12,935,627	\$ 65,600,613	\$ (52,664,986)	-80.3 %
Month	\$ 2,566,576	\$ 2,844,302	\$ (277,726)	-9.8 %

Fiscal Year-to-Date through September:

Other taxes collected in FY 2019 through September decreased 80.3 percent from other taxes collected through September of FY 2018. FY 2019 other taxes collected through September were \$12.9 million compared to the \$65.6 million collected in the same period last fiscal year, a decrease of \$52.7 million. FY 2019 estate and transfer taxes collected through September were \$7.5 million, down \$54.1 million compared to the same period in FY 2018, a decrease of 87.8 percent. FY 2019 realty transfer taxes collected through September were \$5.2 million, up \$1.4 million, or 38.7 percent, compared to the same period last fiscal year.

Cash Flow Differences:

FY 2019

- Year-to-date FY 2019 realty transfer tax cash collections include large, infrequently occurring controlling interest payment(s) of \$1.2 million received in August 2018.

FY 2018

- Year-to-date FY 2018 estate and transfer tax cash collections include large, infrequently occurring payment(s) of \$58.0 million received in July 2017 that were accrued back to FY 2017.

Month of September:

Other taxes collected in September 2018 decreased 9.8 percent from other taxes collected in September 2017. September 2018 other taxes cash collections were \$2.6 million compared to the \$2.8 million collected in September 2017, a decrease of \$277,726. Estate and transfer taxes collected in September 2018 were \$3.2 million, up \$1.7 million compared to the same period in FY 2018, an increase of 109.5 percent. Realty transfer taxes collected in September 2018 were \$(749,668), down \$2.0 million, or 161.4 percent, compared to September 2017.

Cash Flow Differences:

September 2018

- September 2018 realty transfer tax cash collections include transfers of \$1.8 million to the municipalit(ies) and the Housing Resources Commission due to large, infrequently occurring controlling interest payment(s) of \$3.0 million received in September 2018.

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. *For all accounts noted by an asterisk (*), please see the departmental receipts fiscal year-to-date cash flow differences section for more information on cash flow anomalies between the two fiscal periods.*

Fiscal Year-to-Date through September:

As is apparent from the *State of Rhode Island Monthly Cash Collections: Fiscal Year-to-Date* table, total departmental receipts in FY 2019 through September increased by 12.1 percent compared to total departmental receipts in FY 2018 through September. Fiscal year-to-date total departmental receipts collected in FY 2019 were \$214.3 million compared to \$191.2 million collected for the same period last year, an increase of \$23.1 million.

The licenses and fees category of departmental receipts through September of FY 2019 was up \$20.9 million, or 11.6 percent, over the \$180.5 million collected through September of FY 2018. The three licenses and fees accounts with the largest nominal increases / decreases greater than \$100,000 in year-to-date FY 2019 versus year-to-date FY 2018 are listed below:

Licenses and Fees	Nominal Increase / Decrease
Hospital licensing fee *	\$ 15,725,471
Registration fees for securities ^	1,878,330
Insurance claim adjusters license fees †	941,595
Wholesale fee on hard-to-dispose items	(173,144)
Professional regulation licensing	(125,216)
Teacher certification fees	(124,500)
^ The mutual funds registration fee increased from \$1,000 to \$1,750 in FY 2019.	
† The license fee for insurance claim adjusters increased from \$150 to \$250 in FY 2019.	

The *finer and penalties* category of departmental receipts through September of FY 2019 was down \$2,180, or 0.1 percent, from the \$3.1 million collected through September of FY 2018. The accounts with nominal increases or decreases greater than \$100,000 in year-to-date FY 2019 compared to year-to-date FY 2018 are listed below:

Fines and Penalties	Nominal Increase / Decrease
Insurance verification license reinstatement fees	\$ 113,050
Banking enforcement fees	107,875
Utility fines	(266,700)

The *sales and services* category of departmental receipts through September of FY 2019 was up \$432,212 over the \$1.9 million collected through September of FY 2018, an increase of 23.0 percent. The accounts with nominal increases or decreases greater than \$100,000 in year-to-date FY 2019 compared to year-to-date FY 2018 are listed below:

Sales and Services	Nominal Increase
Rhode Island Veterans Home Board and Support *	\$ 353,491

Miscellaneous departmental receipts through September of FY 2019 were up \$1.7 million, or 30.8 percent, over the \$5.7 million collected through September of FY 2018. The accounts with nominal increases or decreases greater than \$100,000 in year-to-date FY 2019 compared to year-to-date FY 2018 are listed below:

Miscellaneous Departmental Receipts	Nominal Increase / Decrease
Miscellaneous refunds – Treasury Department	\$ 1,058,540
Miscellaneous revenues – Office of the Attorney General	635,911
Cost recovery account – Department of Health	262,897
Drinking water protection fund	(180,065)
Cost recovery account – Treasury Department	(148,462)

Cash Flow Differences:

FY 2019

- In licenses and fees, cash collections from the hospital licensing fee were \$15.7 million more in year-to-date FY 2019 compared to year-to-date FY 2018. In general, the prior fiscal year hospital licensing fee is received in July of the current year. The hospital licensing fee rate for FY 2017 was 5.652 percent compared to 5.856 percent for FY 2018, and the hospital licensing fee base advanced from hospital FY 2015 net patient revenues in FY 2017 to hospital FY 2016 net patient revenues in FY 2018. Not included in FY 2019 YTD or FY 2018 YTD cash collections from the hospital licensing fee is the payment from Eleanor Slater Hospital, which is received in June of the fiscal year for which it is due.
- Licenses and fees include a payment of \$537,270 to the City of Providence for the city's share of the Wexford Innovation Center building permit fees that was made in August 2018 but accrued back to FY 2018.

FY 2018

- The sales and services category of departmental receipts for FY 2018 through September does not include payment(s) of \$320,548 intended for board and support for the Rhode Island Veterans Home in September 2017 but not posted until October 2017.

Month of September:

As is apparent from the *State of Rhode Island Monthly Cash Collections: Month of September* table, total departmental receipts in September 2018 increased by 19.1 percent compared to total departmental receipts in September 2017. Departmental receipts collected in September 2018 were \$17.5 million compared to \$14.7 million collected for the same period last fiscal year, an increase of \$2.8 million.

The *licenses and fees* category of departmental receipts in September 2018 was up \$2.1 million, or 19.2 percent, over the \$11.0 million collected in September 2017. The accounts with the largest nominal increases / decreases greater than \$100,000 in September 2018 versus September 2017 are listed below:

Licenses and Fees	Nominal Increase / Decrease
Insurance claim adjusters license fees [^] *	\$ 1,448,610
Building permits – State properties	1,128,397
Insurance agents license fees *	637,780
<hr style="border-top: 1px dashed black;"/>	
Expense recovery account – Public Utilities	(1,869,426)
Beach parking fees	(209,671)
Food service fees	(116,047)
^ The license fee for insurance claim adjusters increased from \$150 to \$250 in FY 2019.	

The *finer and penalties* category of departmental receipts in September 2018 was up \$238,977, or 25.3 percent, over the \$944,190 collected in September 2017. The accounts with the largest

nominal increases / decreases greater than \$100,000 in September 2018 versus September 2017 are listed below:

Fines and Penalties	Nominal Increase
Rhode Island Traffic Tribunal	\$ 127,800
Banking enforcement fees	117,875

The *sales and services* category of departmental receipts in September 2018 was up \$381,059 over the \$484,447 collected in September 2017, an increase of 78.7 percent. The accounts with the largest nominal increases / decreases greater than \$100,000 in September 2018 versus September 2017 are listed below:

Fines and Penalties	Nominal Increase
Rhode Island Veterans Home Board and Support *	\$ 342,028

Miscellaneous departmental receipts in September 2018 were up \$83,388, or 3.7 percent, over the \$2.3 million collected in September 2017. The accounts with the largest nominal increases / decreases greater than \$100,000 in September 2018 versus September 2017 are listed below:

Miscellaneous Departmental Receipts	Nominal Increase / Decrease
Cost recovery account – Department of Labor and Training	\$ 624,612
Miscellaneous refunds – Treasury Department	450,854
Central Falls repayment	(600,000)
Cost recovery account – Treasury Department	(157,773)

Cash Flow Differences:

September 2018

- In licenses and fees and fines and penalties, the state posted cash payments in the month of September that were received in July and August 2018. These payments included, but were not limited to, insurance agents license fees and insurance claim adjusters license fees. These accounts in total were up \$2.2 million in FY 2019 in September 2018 compared to September 2017.

September 2017

- The sales and services category of departmental receipts does not include payment(s) of \$320,548 intended for board and support for the Rhode Island Veterans Home in September 2017 but not posted until October 2017.

Motor Fuel Tax, Per Penny Yield

September	FY 2019	FY 2018	Difference	% Change
Fiscal YTD	\$ 1,205,906	\$ 1,178,567	\$ 27,339	2.3 %
Month	\$ 411,031	\$ 404,720	\$ 6,311	1.6 %

In FY 2019, 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. These tax rates were the same in FY 2018. 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 September:

The per penny yield of the state's motor fuel tax collected in FY 2019 through September was \$27,339 more than in FY 2018 through September. This represents an increase of 2.3 percent between the two fiscal year-to-date periods. For FY 2019 through September, the per-penny yield was \$1.21 million versus \$1.18 million for FY 2018 through September.

Month of September:

The per penny yield of the state's motor fuel tax collected in September 2018 was \$6,311 more than in September 2017. This represents an increase of 1.6 percent between the two periods. For September 2018, the per-penny yield was \$411,031 versus \$404,720 for September 2017.

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

Fiscal Year-to-Date through September:

Component	FY 2019	FY 2018	Difference	% Change
Traditional Games	\$ 6,648,801	\$ 7,771,229	\$ (1,122,428)	-14.4 %
Keno	2,892,948	3,026,652	(133,704)	-4.4 %
Twin River VLTs	47,116,491	45,058,628	2,057,863	4.6 %
Twin River Traditional Table Games	2,656,697	2,903,248	(246,551)	-8.5 %
Twin River Poker Tables	168,391	176,956	(8,565)	-4.8 %
Newport Grand/Tiverton VLTs *	4,797,281	5,173,495	(376,214)	-7.3 %
* Newport Grand ceased operations on August 28, 2018, and Tiverton Casino commenced operations on August 29, 2018.				

In fiscal year-to-date 2019, Twin River operated a maximum of 97 traditional table games and 22 poker tables. In the same period in FY 2018, Twin River operated a maximum of 97 traditional table games and 22 poker tables. 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.

Cash Flow Differences:

FY 2019

- In year-to-date FY 2019, Division of Lottery overpaid the general fund \$30,834,451. This overpayment is made up of two components:
 - At the end of FY 2018, the general fund owed the Division of Lottery \$1,480,823. The Division of Lottery withheld \$784,726 of the August lottery transfer to offset the general fund's outstanding payable, reducing it to \$696,097.
 - Total lottery transfers in year-to-date FY 2019 were \$97,787,350. Based on lottery activity, the transfer should have been \$63,472,076. This is a difference of \$32,315,274.

Month of September:

Component	September 2018	September 2017	Difference	% Change
Traditional Games	\$ 3,255,797	\$ 4,708,586	\$ (1,452,789)	-30.9 %
Keno	1,517,079	1,501,799	15,280	1.0 %
Twin River VLTs	23,624,953	21,968,919	1,656,034	7.5 %
Twin River Traditional Table Games	1,349,187	1,487,386	(138,199)	-9.3 %
Twin River Poker Tables	82,549	85,046	(2,497)	-2.9 %
Newport Grand/Tiverton VLTs *	2,249,611	2,568,199	(318,588)	-12.4 %
* Newport Grand ceased operations on August 28, 2018, and Tiverton Casino commenced operations on August 29, 2018.				

In September 2018, Twin River operated a maximum of 97 traditional table games and 22 poker tables. In September 2017, Twin River operated a maximum of 97 traditional table games and 22 poker tables. 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.



Mark A. Furcolo, Director
Rhode Island Department of Revenue
November 9, 2018