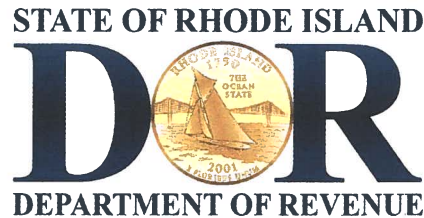


*STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS*  
**GOVERNOR GINA M. RAIMONDO**



**Office of Revenue Analysis**

**FY 2020 Cash Collections Report as of October 2019 Summary**

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

FY 2020 total general revenue cash collections through October were \$1.46 billion, up \$80.8 million, or 5.9 percent, over the same period in FY 2019. The breakdown by major revenue components is as follows:

<b>Component</b>	<b>FY 2020</b>	<b>FY 2019</b>	<b>Difference</b>	<b>% Change</b>
Personal Income Tax	\$ 459,977,228	\$ 435,671,868	\$ 24,305,360	5.6 %
Sales and Use Taxes	423,860,143	392,549,792	31,310,351	8.0 %
Departmental Receipts	240,557,235	234,022,033	6,535,202	2.8 %
Lottery Transfer	123,399,740	128,892,480	(5,492,740)	-4.3 %
All Other Revenues	213,520,012	189,352,472	24,167,540	12.8 %
<b>Total General Revenues</b>	<b>\$ 1,461,314,358</b>	<b>\$ 1,380,488,645</b>	<b>\$ 80,825,713</b>	<b>5.9 %</b>

***Month of October:***

October 2019 total general revenue cash collections were \$360.9 million, up \$79.9 million, or 28.4 percent, over October 2018. The breakdown by major revenue components is as follows:

<b>Component</b>	<b>October 2019</b>	<b>October 2018</b>	<b>Difference</b>	<b>% Change</b>
Personal Income Tax	\$ 112,786,031	\$ 102,278,000	\$ 10,508,031	10.3 %
Sales and Use Taxes	104,270,765	93,947,471	10,323,294	11.0 %
Departmental Receipts	31,002,042	19,714,473	11,287,569	57.3 %
Lottery Transfer	61,668,106	33,105,130	28,562,976	86.3 %
All Other Revenues	51,195,699	31,970,564	19,225,135	60.1 %
<b>Total General Revenues</b>	<b>\$ 360,922,643</b>	<b>\$ 281,015,638</b>	<b>\$ 79,907,005</b>	<b>28.4 %</b>

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

	<b>FY 2020</b>		<b>FY 2019</b>		<b>Nominal</b>		<b>Change</b>
	<b>YTD</b>		<b>YTD</b>		<b>Difference</b>		
	<b>October</b>		<b>October</b>				
<b>Personal Income Tax</b>	\$ 459,977,228		\$ 435,671,868		\$ 24,305,360		5.6%
<b>General Business Taxes</b>							
Business Corporation	38,111,171		47,780,383		(9,669,212)		-20.2%
Public Utilities Gross Earnings	25,009,674		22,776,862		2,232,812		9.8%
Financial Institutions	6,052,864		4,652,119		1,400,745		30.1%
Insurance Companies	28,515,972		22,644,438		5,871,534		25.9%
Bank Deposits	1,202,297		775,032		427,265		55.1%
Health Care Provider Assessment	14,528,993		15,071,590		(542,597)		-3.6%
<b>Excise Taxes</b>							
Sales and Use	423,860,143		392,549,792		31,310,351		8.0%
Motor Vehicle	437,300		379,429		57,871		15.3%
Cigarettes	49,326,083		48,910,677		415,406		0.8%
Alcohol	6,497,433		7,058,802		(561,369)		-8.0%
Controlled Substances	1,500		2,000		(500)		-25.0%
<b>Other Taxes</b>							
Estate and Transfer	37,735,152		11,381,716		26,353,436		231.5%
Racing and Athletics	416,561		348,019		68,542		19.7%
Realty Transfer	5,647,964		6,804,266		(1,156,302)		-17.0%
<b>Total Taxes</b>	<b>\$ 1,097,320,335</b>		<b>\$ 1,016,806,993</b>		<b>\$ 80,513,342</b>		<b>7.9%</b>
<b>Departmental Receipts</b>							
Licenses and Fees	\$ 210,604,481		\$ 212,275,751		\$ (1,671,270)		-0.8%
Fines and Penalties	11,856,382		10,040,292		1,816,090		18.1%
Sales and Services	3,973,413		3,292,824		680,589		20.7%
Miscellaneous	14,122,959		8,413,166		5,709,793		67.9%
<b>Total Departmental Receipts</b>	<b>\$ 240,557,235</b>		<b>\$ 234,022,033</b>		<b>\$ 6,535,202</b>		<b>2.8%</b>
<b>Taxes and Departmentals</b>	<b>\$ 1,337,877,570</b>		<b>\$ 1,250,829,026</b>		<b>\$ 87,048,544</b>		<b>7.0%</b>
<b>Other General Revenue Sources</b>							
Other Miscellaneous Revenues	\$ 37,048		\$ 767,139		\$ (730,091)		-95.2%
Lottery Transfer	123,399,740		128,892,480		(5,492,740)		-4.3%
Unclaimed Property	-		-		-		-
<b>Total Other Sources</b>	<b>\$ 123,436,788</b>		<b>\$ 129,659,619</b>		<b>\$ (6,222,831)</b>		<b>-4.8%</b>
<b>Total General Revenues</b>	<b>\$ 1,461,314,358</b>		<b>\$ 1,380,488,645</b>		<b>\$ 80,825,713</b>		<b>5.9%</b>

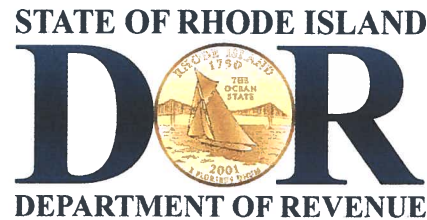
## STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS

3

## Month of October

	FY 2020 Month of October	FY 2019 Month of October	Nominal Difference	% Change
<b>Personal Income Tax</b>	\$ 112,786,031	\$ 102,278,000	\$ 10,508,031	10.3%
<b>General Business Taxes</b>				
Business Corporation	2,331,748	8,573,262	(6,241,514)	-72.8%
Public Utilities Gross Earnings	673,638	544,758	128,880	23.7%
Financial Institutions	114,629	(216,112)	330,741	-153.0%
Insurance Companies	307,298	1,245,604	(938,306)	-75.3%
Bank Deposits	(445)	-	(445)	-
Health Care Provider Assessment	3,615,382	3,469,065	146,317	4.2%
<b>Excise Taxes</b>				
Sales and Use	104,270,765	93,947,471	10,323,294	11.0%
Motor Vehicle	128,175	87,750	40,425	46.1%
Cigarettes	13,320,313	10,330,577	2,989,736	28.9%
Alcohol	1,062,248	1,557,803	(495,555)	-31.8%
Controlled Substances	500	500	-	0.0%
<b>Other Taxes</b>				
Estate and Transfer	28,425,920	3,867,342	24,558,578	635.0%
Racing and Athletics	114,884	94,531	20,353	21.5%
Realty Transfer	1,082,265	1,636,501	(554,236)	-33.9%
<b>Total Taxes</b>	<b>\$ 268,233,351</b>	<b>\$ 227,417,052</b>	<b>\$ 40,816,299</b>	<b>17.9%</b>
<b>Departmental Receipts</b>				
Licenses and Fees	\$ 13,450,064	\$ 10,850,401	\$ 2,599,663	24.0%
Fines and Penalties	8,871,428	6,902,018	1,969,410	28.5%
Sales and Services	1,236,133	980,727	255,406	26.0%
Miscellaneous	7,444,417	981,327	6,463,090	658.6%
<b>Total Departmental Receipts</b>	<b>\$ 31,002,042</b>	<b>\$ 19,714,473</b>	<b>\$ 11,287,569</b>	<b>57.3%</b>
<b>Taxes and Departmentals</b>	<b>\$ 299,235,393</b>	<b>\$ 247,131,525</b>	<b>\$ 52,103,868</b>	<b>21.1%</b>
<b>Other General Revenue Sources</b>				
Other Miscellaneous Revenues	\$ 19,144	\$ 778,983	\$ (759,839)	-97.5%
Lottery Transfer	61,668,106	33,105,130	28,562,976	86.3%
Unclaimed Property	-	-	-	-
<b>Total Other Sources</b>	<b>\$ 61,687,250</b>	<b>\$ 33,884,113</b>	<b>\$ 27,803,137</b>	<b>82.1%</b>
<b>Total General Revenues</b>	<b>\$ 360,922,643</b>	<b>\$ 281,015,638</b>	<b>\$ 79,907,005</b>	<b>28.4%</b>

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



Office of Revenue Analysis

FY 2020 State of Rhode Island Cash Collections Report  
October 2019 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.*

**Cash Flow Differences**

The Office of Revenue Analysis (ORA) has provided a detailed written explanation of each item listed in the following fiscal year-to-date cash flow differences table. These explanations have been placed 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 tables to assist readers in finding these disaggregated cash flow differences sections within the body of the report.

***Fiscal Year-To-Date through October:***

The following table displays the differences in cash flows for FY 2020 through October and FY 2019 through October:

<b>Page Number</b>	<b>Revenue Source</b>	<b>Cash Flow Differences</b>	<b>YTD FY 2020</b>	<b>YTD FY 2019</b>
<u>8</u>	Personal Income Tax	FY 2020 adj for prior period payments transferred from bus corp tax	\$2,638,918	\$0
<u>8</u>	Personal Income Tax	FY 2019 adj for prior period payments transferred from bus corp tax	\$0	\$3,636,675
<u>10</u>	Business Corp Tax	FY 2020 adj for prior period payments transferred to per inc tax	\$(2,638,918)	\$0
<u>11</u>	Business Corp Tax	FY 2019 adj for prior period payments transferred to per inc tax	\$0	\$(3,636,675)
<u>10</u>	Business Corp Tax	FY 2019 adj for prior period payments transferred to fin inst tax	\$0	\$(2,375,000)
<u>12</u>	Financial Inst Tax	FY 2019 adj for prior period payments transferred from bus corp tax	\$0	\$2,375,000
<u>12</u>	Bank Deposits Tax	Late payment(s) received in July 2019 and accrued to FY 2019	\$262,500	\$0
<u>13</u>	MV License & Reg Fees	State's share of June 2018 receivable	\$0	\$36,568
<u>14</u>	Estate and Transfer	Large, infrequent payment(s) received in October 2019	\$25,800,000	\$0
<u>14/15</u>	Realty Transfer Tax	Transfer to the Housing Resources Commission	\$426,416	\$201,173
<u>15</u>	Realty Transfer Tax	Large, infrequent controlling interest payment(s) received in Aug 2018	\$0	\$1,166,958
<u>16</u>	Departmental Receipts	Hospital licensing fee incr. from 5.856% to 6.000% and advance base *	\$(668,816)	\$0

Page Number	Revenue Source	Cash Flow Differences	YTD FY 2020	YTD FY 2019
<u>16</u>	Departmental Receipts	Late beach parking fee payment accrued to FY 2019	\$514,668	\$0
<u>17</u>	Departmental Receipts	Payment made to Providence in Aug 2018 that accrued to FY 2018	\$0	\$(537,270)
<u>21 / 21</u>	Lottery Transfer	Advance payments to the general fund	\$30,000,000	\$32,019,344
<u>21</u>	Lottery Transfer	Payment of FY 2019 revenues in October	\$2,048,319	\$0
* Memorial Hospital was closed in FY 2018, and, as a result, no hospital licensing fee payment was received for FY 2019.				

**Month of October:**

The following table displays the differences in cash flows for October 2019 and October 2018:

Page Number	Revenue Source	Cash Flow Differences	October 2019	October 2018
<u>8</u>	Personal Income Tax	Oct 2019 adj for prior period payment(s) transferred from bus corp tax	\$3,042,449	\$0
<u>8</u>	Personal Income Tax	Oct 2018 adj for prior period payment(s) transferred from bus corp tax	\$0	\$3,348,400
<u>11</u>	Business Corp Tax	Oct 2019 adj for prior period payment(s) transferred to pers inc tax	\$(3,042,449)	\$0
<u>11</u>	Business Corp Tax	Oct 2018 adj for prior period payment(s) transferred to pers inc tax	\$0	\$(3,348,400)
<u>15</u>	Estate and Transfer	Large, infrequent payment(s) received in October 2019	\$25,800,000	\$0
<u>15 / 15</u>	Realty Transfer Tax	Transfer to the Housing Resources Commission	\$9,200	\$269,884
<u>18</u>	Departmental Receipts	Hospital licensing fee rate and base changes from prior year	\$2,075,033	\$0
<u>22 / 22</u>	Lottery Transfer	Advance payments to the general fund	\$30,000,000	\$(295,930)
<u>22</u>	Lottery Transfer	Payment of FY 2019 revenues in October	\$2,048,319	\$0

### Historic Structures Tax Credit Reimbursements:

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

Tax Type	Year-to-Date			Monthly		
	FY 2020	FY 2019	% Change	October 2019	October 2018	% Change
Personal Income	\$1,974,373	\$1,349,773	46.3%	\$1,889,933	\$1,160,560	62.8%
Business Corporation	0	0	–	0	0	–
Financial Institutions	0	0	–	0	0	–
Insurance/Non-HMOs	0	0	–	0	0	–
Insurance/HMOs	0	0	–	0	0	–
Non-Profit Refund	0	203,379	-100.0%	0	0	–
<b>Total</b>	<b>\$1,974,373</b>	<b>\$1,553,152</b>	<b>27.1%</b>	<b>\$1,889,933</b>	<b>\$1,160,560</b>	<b>62.8%</b>

### Personal Income Tax Cash Collections by Component

The table below is based on data provided by the Division of Taxation and breaks down personal income tax cash collections by component on a fiscal year-to-date 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 2020 and year-to-date FY 2019.

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

Component	FY 2020	FY 2019	Difference	% Change
Estimated Payments ^	\$ 73,405,843	\$ 66,133,611	\$ 7,272,232	11.0 %
Final Payments *	32,918,734	26,349,071	6,569,662	24.9 %
Refunds/Adjustments	(34,372,052)	(32,566,987)	(1,805,065)	5.5 %
Withholding Tax Payments	388,002,690	375,756,173	12,246,517	3.3 %
* Includes HSTC reimbursements of \$2.0 million in FY 2020 YTD and \$1.3 million in FY 2019 YTD. Final payments do not include payment(s) of \$154,531 received in September 2019 that were paid to business corporation tax. The October 2019 adjustments for these payment(s) is included in refunds/adjustments.				
^ Estimated payments do not include payment(s) of \$243,109 received in October 2019 that were paid to business corporation tax. The October 2019 adjustments for these payment(s) is included in refunds/adjustments.				

Cash Flow Differences:

## FY 2020

- Refunds and adjustments include \$2.6 million for net transfers between personal income tax and business corporation tax for payment(s) received in prior periods as listed below:
  - \$519,000 for July 2019 transfer(s) to business corporation tax for payment(s) received in March 2017;
  - \$270,000 for September 2019 transfer(s) from business corporation tax for payment(s) received in March 2018;
  - \$2.9 million for October 2019 transfer(s) from business corporation tax for payment(s) received in January 2019.

## FY 2019

- Refunds and adjustments include \$3.6 million for net transfers between personal income tax and business corporation tax for payment(s) received in prior periods as listed below:
  - \$288,275 for payments received in September 2017 and March 2018 and transferred from business corporation tax in September 2018;
  - \$3.3 million for payments received in FY 2017 – FY 2018 and transferred from business corporation tax in October 2018.

**Month of October:**

<b>Component</b>	<b>October 2019</b>	<b>October 2018</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments ^	\$ 8,196,998	\$ 7,373,120	\$ 823,878	11.2 %
Final Payments *	16,233,066	13,532,527	2,700,539	20.0 %
Refunds/Adjustments ^	(8,860,397)	(14,279,950)	5,419,553	-38.0 %
Withholding Tax Payments	97,194,350	95,652,304	1,542,046	1.6 %
* Includes HSTC reimbursements of \$1.9 million in October 2019 and \$1.2 million in October 2018.				
^ Estimated payments do not include \$243,109 transferred from business corporation tax in October 2019. The adjustment for these payment(s) is included in refunds/adjustments.				

Cash Flow Differences:

## October 2019

- Refunds and adjustments include transfers from business corporation tax of \$3.0 million for payments received in January and September 2019.

## October 2018

- Refunds and adjustments include transfers from business corporation tax of \$3.4 million for payments received in prior periods.

**Sales and Use Tax Cash Collections by Component**

The table below is based on data provided by the Division of Taxation and breaks down sales and use tax cash collections by component on a fiscal year-to-date 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 October:***

<b>Component</b>	<b>FY 2020</b>	<b>FY 2019</b>	<b>Difference</b>	<b>% Change</b>
Net Taxation * ^	\$ 379,014,698	\$ 348,076,897	\$ 30,937,801	8.9 %
Providence Place Mall (PPM) *	2,048,314	4,743,540	(2,695,226)	-56.8 %
<b>Total Non-Motor Vehicle (MV)</b>	<b>\$ 381,063,012</b>	<b>\$ 352,820,437</b>	<b>\$ 28,242,575</b>	<b>8.0 %</b>
Meals and Beverage (M&B) ^	82,905,710	75,496,088	7,409,622	9.8 %
<b>Total Non-MV Less M&amp;B</b>	<b>\$ 298,157,302</b>	<b>\$ 277,324,349</b>	<b>\$ 20,832,952</b>	<b>7.5 %</b>
Motor Vehicle Use Tax Receipts	\$ 42,820,327	\$ 39,769,640	\$ 3,050,687	7.7 %
* For FY 2020 from September 2019 and going forward, PPM receipts will no longer be recorded separately from Net Taxation receipts.				
^ FY 2019 Net Taxation receipts do not include \$792,259 of receipts that were incorrectly paid as PPM receipts. Additionally, FY 2019 includes a transfer from M&B to Net Taxation of \$535,423 for prior period audits.				

***Month of October:***

<b>Component</b>	<b>October 2019</b>	<b>October 2018</b>	<b>Difference</b>	<b>% Change</b>
Net Taxation * ^	\$ 92,752,361	\$ 82,323,795	\$ 10,428,565	12.7 %
Providence Place Mall (PPM) *	0	1,229,666	(1,229,666)	-100.0 %
<b>Total Non-Motor Vehicle (MV)</b>	<b>\$ 92,752,361</b>	<b>\$ 83,553,462</b>	<b>\$ 9,198,899</b>	<b>11.0 %</b>
Meals and Beverage (M&B) ^	19,123,873	15,445,713	3,678,160	23.8 %
<b>Total Non-MV Less M&amp;B</b>	<b>\$ 73,628,487</b>	<b>\$ 68,107,749</b>	<b>\$ 5,520,739</b>	<b>8.1 %</b>
Motor Vehicle Use Tax Receipts	\$ 11,313,792	\$ 10,331,612	\$ 982,181	9.5 %
* For October 2019, PPM receipts are included in Net Taxation receipts.				
^ October 2018 Net Taxation receipts do not include \$353,362 of receipts that were incorrectly paid as PPM receipts. Additionally, October 2018 includes a transfer from M&B to Net Taxation of \$535,423 for prior period audits.				

**Business Corporation Tax Cash Collections by Component:**

Businesses with Rhode Island tax liabilities make estimated payments equal to 25 percent of their expected tax year liabilities by the 15<sup>th</sup> day of the fourth, sixth, ninth, and twelfth months of their tax year. For calendar tax year corporations, this equates to April, June, September, and December.

The table below is based on data provided by the Division of Taxation and breaks down business corporation tax cash collections by component on a fiscal year-to-date 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 2020 and year-to-date FY 2019.

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

<b>Component</b>	<b>FY 2020</b>	<b>FY 2019</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 37,592,173	\$ 28,776,202	\$ 8,815,971	30.6 %
Final Payments *	20,678,527	30,070,223	(9,391,697)	-31.2 %
Refunds/Adjustments *	(20,153,048)	(11,173,470)	(8,979,578)	80.4 %
* Final payments include \$397,640 received in September and October 2019 that were transferred to personal income tax in October 2019. The transfer is reflected as \$(397,640) in refunds and adjustments.				

**Cash Flow Differences:**

**FY 2020**

- Refunds and adjustments include \$(2.6 million) for net transfers between personal income tax and business corporation tax for payment(s) received in prior periods as listed below:
  - \$519,000 for payment(s) received in March 2017 and transferred from personal income tax in July 2019;
  - \$270,000 for payment(s) received in March 2018 and transferred to personal income tax in September 2019;
  - \$2.9 million for payment(s) received in January 2019 and transferred to personal income tax in October 2019.

**FY 2019**

- Refunds and adjustments include \$(3.6 million) for net transfers between personal income tax and business corporation tax for payment(s) received in prior periods as listed below:
  - \$288,275 for payments received in September 2017 and March 2018 and transferred to personal income tax in September 2018;
  - \$3.3 million for payments received in FY 2017 – FY 2018 and transferred to personal income tax in October.
- Refunds and adjustments include a transfer of \$2.4 million to financial institutions tax for payments received in prior periods.

***Month of October:***

<b>Component</b>	<b>October 2019</b>	<b>October 2018</b>	<b>Difference</b>	<b>% Change</b>
Estimated Payments	\$ 4,166,550	\$ 4,245,901	\$ (79,351)	-1.9 %
Final Payments *	8,991,108	11,648,770	(2,657,662)	-22.8 %
Refunds/Adjustments *	(10,830,349)	(7,410,653)	(3,419,696)	46.1 %
* Final payments include \$243,109 received in October 2019 that were transferred to personal income tax in October 2019. The transfer is reflected as \$(243,109) in refunds and adjustments.				

***Cash Flow Differences:***

## October 2019

- Refunds and adjustments include transfers to personal income tax of \$3.0 million for payment(s) received in January and September 2019.

## October 2018

- Refunds and adjustments include transfers to personal income tax of \$3.4 million for payment(s) received in prior periods.

**General Business Taxes Other than Business Corporation Tax**

<b>October</b>	<b>FY 2020</b>	<b>FY 2019</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 75,309,799	\$ 65,920,041	\$ 9,389,758	14.2 %
Month	\$ 4,710,502	\$ 5,043,315	\$ (332,813)	-6.6 %

Businesses with Rhode Island tax liabilities make estimated payments equal to 25 percent of their expected tax year liabilities by the 15<sup>th</sup> day of the fourth, sixth, ninth, and twelfth months of their tax year. For calendar tax year corporations, this equates to April, June, September, and December. 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 2020 and year-to-date FY 2019.

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

General business taxes other than business corporation tax collected through October of FY 2020 increased by 14.2 percent over general business taxes other than business corporation tax collected through October of FY 2019. FY 2020 general business taxes other than business corporation tax collected through October were \$75.3 million compared to \$65.9 million collected for the same period in FY 2019, an increase of \$9.4 million.

Public utilities gross earnings tax cash collections of \$25.0 million were \$2.2 million, or 9.8 percent, more than the \$22.8 million collected in FY 2019 through October. Financial

institutions tax cash collections of \$6.1 million in year-to-date FY 2020 were up \$1.4 million, or 30.1 percent, compared to the \$4.7 million collected in year-to-date FY 2019. Insurance company gross premiums tax cash collections of \$28.5 million were \$5.9 million more than the \$22.6 million received on a year-to-date basis in FY 2019, a difference of 25.9 percent. Bank deposits tax cash collections of \$1.2 million in year-to-date FY 2020 were up \$427,265 compared to \$775,032 collected in year-to-date FY 2019.

FY 2020 year-to-date through October health care provider assessment cash collections of \$14.5 million were down \$542,597, or 3.6 percent, from the \$15.1 million received on a year-to-date basis in FY 2019.

*Cash Flow Differences:*

FY 2020

- Bank deposits tax cash collections include \$262,500 in late payment(s) received in July 2019 but accrued back to FY 2019.

FY 2019

- Financial institutions tax cash collections include a transfer from business corporation tax of \$2.4 million for payment(s) received in prior periods.

***Month of October:***

General business taxes other than business corporation tax collected in October 2019 decreased by 6.6 percent from general business taxes other than business corporation tax collected in October 2018. October 2019 general business taxes other than business corporation tax collected were \$4.7 million compared to \$5.0 million collected for the same period in FY 2019, a decrease of \$332,813.

Public utilities gross earnings tax cash collections of \$673,638 were \$128,880, or 23.7 percent, higher than the \$544,758 collected in October 2018. Financial institutions tax cash collections were \$114,629 in October 2019 compared to net cash collections of \$(216,112) in October 2018. Insurance company gross premiums tax cash collections of \$307,298 were \$938,306 less than the \$1.2 million received in October 2018, a difference of 75.3 percent. Bank deposits tax cash collections were \$(445) in October 2019 compared to no cash collections in October 2018.

October 2019 health care provider assessment cash collections increased \$146,317, or 4.2 percent, on a year-over-year basis.

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

<b>October</b>	<b>FY 2020</b>	<b>FY 2019</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 56,262,316	\$ 56,350,908	\$ (88,592)	-0.2 %
Month	\$ 14,511,236	\$ 11,976,630	\$ 2,534,606	21.2 %

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

Excise taxes other than sales and use taxes collected in FY 2020 through October decreased by 0.2 percent from excise taxes other than sales and use taxes collected through October of FY 2019. FY 2020 excise taxes other than sales and use taxes collected through October were \$56.26 million compared to the \$56.35 million collected for the same period last fiscal year, a decrease of \$88,592.

Motor vehicle license and registration fees were \$437,300 in FY 2020 through October, which is \$57,871, or 15.3 percent, more than motor vehicle license and registration fees in FY 2019 through October of \$379,429. Except for adjustments, motor vehicle license and registration fees in FY 2020 year-to-date include only duplicate license and license update fees.

Rhode Island cigarettes tax receipts are comprised of excise taxes collected on the sale of cigarettes and smokeless tobacco (which also includes cigars and pipe tobacco), and a one-time cigarette floor stock tax. The cigarette floor stock tax is imposed only when there is an increase in the excise tax rate on cigarettes. Total cigarette and other tobacco products (OTP) excise tax cash receipts through October of FY 2020 were \$49.3 million, up \$415,406 compared to the \$48.9 million collected for the same period last fiscal year, an increase of 0.8 percent. Included in year-to-date FY 2020 cigarette and OTP excise tax cash collections is \$9,490 in cigarette floor stock receipts and \$3.4 million of OTP taxes. In year-to-date FY 2019, these amounts were \$30,788 and \$3.3 million, respectively.

Finally, the change in Rhode Island cigarette sales is determined. Cigarette floor stock tax and OTP tax cash collections are netted out of the cigarettes tax cash receipts data, yielding only cigarette excise tax cash collections. Through October of FY 2020, Rhode Island cigarette sales increased 0.8 percent compared to the same period last fiscal year.

Alcohol excise tax cash collections in FY 2020 through October decreased \$561,369, or 8.0 percent, from collections in FY 2019 through October.

***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.

***Month of October:***

Excise taxes other than sales and use taxes collected in October 2019 increased by 21.2 percent over excise taxes other than sales and use taxes collected in October 2018. October 2019 excise taxes other than sales and use taxes collected were \$14.5 million compared to the \$12.0 million collected for the same period last fiscal year, an increase of \$2.5 million.

Motor vehicle license and registration fees were \$128,175 in October 2019, which is \$40,425, or 46.1 percent, more than motor vehicle license and registration fees of \$87,750 in October 2018.

Except for adjustments, motor vehicle license and registration fees in October 2019 include only duplicate license and license update fees.

Rhode Island cigarettes tax receipts are comprised of excise taxes collected on the sale of cigarettes and smokeless tobacco (which also includes cigars and pipe tobacco), and a one-time cigarette floor stock tax. The cigarette floor stock tax is imposed only when there is an increase in the excise tax rate on cigarettes. Total cigarette and other tobacco products (OTP) excise tax cash receipts in October 2019 were \$13.3 million, up \$3.0 million compared to the \$10.3 million collected for the same period last fiscal year, an increase of 28.9 percent. Included in October 2019 cigarette and OTP excise tax cash collections were \$802 in cigarette floor stock receipts and \$780,978 of OTP taxes. In October 2018, these amounts were \$(209) and \$792,664, respectively.

Finally, the change in Rhode Island cigarette sales is determined. Cigarette floor stock tax and OTP tax cash collections are netted out of the cigarettes tax cash receipts data, yielding only cigarette excise tax cash collections. In October 2019, Rhode Island cigarette sales increased 31.5 percent compared to the same period last fiscal year.

Alcohol excise tax cash collections in October 2019 decreased \$495,555, or 31.8 percent, from collections in October 2019.

#### Other Taxes

<b>October</b>	<b>FY 2020</b>	<b>FY 2019</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 43,799,677	\$ 18,534,001	\$ 25,265,676	136.3 %
Month	\$ 29,623,069	\$ 5,598,374	\$ 24,024,695	429.1 %

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

Other taxes collected in FY 2020 through October increased 136.3 percent over other taxes collected through October of FY 2019. FY 2020 other taxes collected through October were \$43.8 million compared to the \$18.5 million collected in the same period last fiscal year, an increase of \$25.3 million. FY 2020 estate and transfer taxes collected through October were \$37.7 million, up \$26.4 million compared to the same period in FY 2019, a variance of 231.5 percent. FY 2020 realty transfer taxes collected through October were \$5.6 million, down \$1.2 million, or 17.0 percent, compared to the same period last fiscal year.

#### Cash Flow Differences:

##### FY 2020

- Year-to-date FY 2020 estate and transfer tax cash collections include large, infrequently occurring payment(s) of \$25.8 million.
- Included in realty transfer tax cash collections is \$426,416 of funds designated for the Housing Resources Commission (HRC). This figure is the amount that will be

transferred to HRC in November 2019 for realty transfer tax activity that occurred in October 2019.

#### FY 2019

- Included in realty transfer tax cash collections is \$201,173 of funds designated for HRC. This figure is the difference of the following items:
  - \$335,862 that was transferred to HRC in July 2018 for realty transfer tax activity that occurred in June 2018;
  - \$537,035 that was transferred to HRC in November 2018 for realty transfer tax activity that occurred in October 2018.
- FY 2019 year-to-date realty transfer tax cash collections include large, infrequently occurring controlling interest payment(s) of \$1.2 million.

#### *Month of October:*

Other taxes collected in October 2019 increased 429.1 percent over other taxes collected in October 2018. October 2019 other taxes collected were \$29.6 million compared to the \$5.6 million collected in the same period last fiscal year, an increase of \$24.0 million. October 2019 estate and transfer tax cash collections were \$28.4 million, up \$24.6 million compared to October 2018, an increase of 635.0 percent. Realty transfer taxes collected in October 2019 were \$1.1 million, down \$554,236 compared to October 2018.

#### Cash Flow Differences:

##### October 2019

- Included in estate and transfer tax cash collections is large, infrequently occurring payment(s) of \$25.8 million.
- Included in realty transfer tax cash collections is \$9,200 of funds designated for HRC. This figure is the difference of the following items:
  - \$417,216 that was transferred to HRC in October 2019 for realty transfer tax activity that occurred in September 2019 (includes two transfers of \$402,029 and \$15,187);
  - \$426,416 that will be transferred to HRC in November 2019 for realty transfer tax activity that occurred in October 2019.

##### October 2018

- Included in realty transfer tax cash collections is \$269,884 of funds designated for the HRC. This figure is the difference of the following items:
  - \$267,151 that was transferred to HRC in October 2018 for realty transfer tax activity that occurred in September 2018;
  - \$537,035 that was transferred to HRC in November 2018 for realty transfer tax activity that occurred in October 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 October:***

As is apparent from the *State of Rhode Island Monthly Cash Collections: Fiscal Year-to-Date* table, total departmental receipts in FY 2020 through October increased by 2.8 percent compared to total departmental receipts in FY 2019 through October. Fiscal year-to-date total departmental receipts collected in FY 2020 were \$240.6 million compared to \$234.0 million collected for the same period last year, an increase of \$6.5 million.

The *licenses and fees* category of departmental receipts through October of FY 2020 was down \$1.7 million, or 0.8 percent, from the \$212.3 million collected through October of FY 2019. The three accounts with the largest nominal increases / decreases greater than \$100,000 in year-to-date FY 2020 versus year-to-date FY 2019 are listed below:

<b>Licenses and Fees</b>	<b>Nominal Increase / Decrease</b>
Beach parking fees	\$ 422,011
Beverage container and litter control permit fees	374,425
Recreation activities fund – Parks and Recreation	351,198
Expense recovery account – Public Utilities	(1,882,668)
Hospital licensing fee *	(668,816)
Fire Safety Fees	(453,896)

#### ***Cash Flow Differences:***

FY 2020

- In licenses and fees, cash collections from the hospital licensing fee were \$668,816 less in year-to-date FY 2020 compared to year-to-date FY 2019. In general, the prior fiscal year hospital licensing fee is received in July of the current year. The Memorial Hospital closed in FY 2018, and, as a result, no hospital licensing fee payment was received for FY 2019 from that hospital. The FY 2018 hospital license fee, received in July 2018, was assessed at the rate of 5.856% on hospital fiscal year 2016 net patient revenues. The FY 2019 hospital licensing fee, received in July 2019, was assessed at 6.000% on hospital fiscal year 2017 net patient revenues.
- FY 2020 license and fees cash collections include \$514,668 in late beach parking fee payments that were paid in July 2019 but accrued back to FY 2019.



## FY 2019

- 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.

The *finances and penalties* category of departmental receipts through October of FY 2020 was up \$1.8 million, or 18.1 percent, compared to the \$10.0 million collected through October of FY 2019. The two accounts with nominal increases and one account with a nominal decrease greater than \$100,000 on a fiscal year-to-date over fiscal year-to-date basis are listed below:

<b>Fines and Penalties</b>	<b>Nominal Increase / Decrease</b>
Interest on overdue taxes	\$ 1,334,173
Penalty on overdue taxes	733,227
Traffic tribunal fines and fees	(198,095)

The *sales and services* category of departmental receipts through October of FY 2020 was up \$680,589 over the \$3.3 million collected through October of FY 2019, an increase of 20.7percent. No sales and services accounts had a nominal decrease greater than \$100,000 on a fiscal year-to-date over fiscal year-to-date basis. The two accounts that had nominal increases greater than \$100,000 were:

<b>Sales and Services</b>	<b>Nominal Increase / Decrease</b>
Clinical testing	\$ 198,355
Rentals and other receipts from Galilee and Point Judith	130,653

*Miscellaneous departmental receipts* through October of FY 2020 were up \$5.7 million, or 67.9 percent, over the \$8.4 million collected through October of FY 2019. The three accounts with the largest nominal increases / decreases greater than \$100,000 in year-to-date FY 2020 versus year-to-date FY 2019 are listed below:

<b>Miscellaneous Departmental Receipts</b>	<b>Nominal Increase / Decrease</b>
Miscellaneous revenues – Office of the Attorney General	\$ 5,153,917
Cost recovery account – Department of Health	580,259
Income tax refund checks written off	521,565
Cost recovery account – Judicial Department	(360,137)
Drinking water protection fund	(234,216)
Income on investments	(203,928)

**Month of October:**

As is apparent from the *State of Rhode Island Monthly Cash Collections: Month of October* table, total departmental receipts in October 2019 increased by 57.3 percent compared to total departmental receipts in October 2018. Total departmental receipts collected in October 2019 were \$31.0 million compared to \$19.7 million collected for the same period last year, an increase of \$11.3 million.

The *licenses and fees* category of departmental receipts in October 2019 was up \$2.6 million, or 24.0 percent, over the \$10.9 million collected in October 2018. The three accounts with nominal increases and two accounts with the largest nominal decreases greater than \$100,000 on a year-over-year basis are listed below:

<b>Licenses and Fees</b>	<b>Nominal Increase / Decrease</b>
Hospital licensing fee *	\$ 2,075,033
Recreation activities fund – Parks and Recreation	202,814
Beverage container and litter control permit fees	166,721
Mosquito abatement pesticide surcharge	(116,580)
Pesticide registration fees	(116,559)

*Cash Flow Differences:*

October 2019

- In licenses and fees, cash collections from the hospital licensing fee were \$2.1 million more in October 2019 compared to October 2018. The FY 2018 hospital license fee collections in October 2018 were assessed at the rate of 5.856% on hospital fiscal year 2016 net patient revenues. The FY 2019 hospital licensing fee collections in October 2019 were assessed at 6.000% on hospital fiscal year 2017 net patient revenues.

The *finances and penalties* category of departmental receipts in October 2019 was up \$2.0 million, or 28.5 percent, from the \$6.9 million collected in October 2018. In the fines and penalties category, no accounts had nominal decreases greater than \$100,000 on a year-over-year basis. The two fines and penalties accounts that had nominal increases greater than \$100,000 on a year-over-year basis are listed below:

<b>Fines and Penalties</b>	<b>Nominal Increase</b>
Interest on overdue taxes	\$ 1,334,173
Penalty on overdue taxes	733,227

The *sales and services* category of departmental receipts in October 2019 was up \$225,406 over the \$980,727 collected in October 2018, an increase of 26.0 percent. No sales and services accounts had nominal increases / decreases greater than \$100,000 on a year-over-year basis.

*Miscellaneous departmental receipts* in October 2019 were up \$6.5 million, or 658.6 percent, over the \$981,327 collected in October 2018. The three accounts with the largest nominal increases / decreases greater than \$100,000 on a year-over-year basis are listed below:

<b>Miscellaneous Departmental Receipts</b>	<b>Nominal Increase / Decrease</b>
Miscellaneous revenues – Office of the Attorney General	\$ 5,951,938
Cost recovery account – Department of Health	537,033
Income tax refund checks written off	493,426
Cost recovery account – Judicial Department	(349,072)
Cost recovery account – Treasury Department	(331,667)
Drinking water protection fund	(309,277)

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

<b>October</b>	<b>FY 2020</b>	<b>FY 2019</b>	<b>Difference</b>	<b>% Change</b>
Fiscal YTD	\$ 1,555,890	\$ 1,837,783	\$ (281,893)	-15.3 %
Month	\$ 374,227	\$ 631,878	\$ (257,651)	-40.8 %

In FY 2020, the State's motor fuel tax consisted of a \$0.34 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. The State's motor fuel excise tax rate increased by \$0.01 per gallon on July 1, 2019. The increased revenues from this tax rate increase will be realized in August 2019 and thereafter. This change in the tax rate is accounted for in the use of the per penny yield. 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 October:***

The per penny yield of the state's motor fuel tax collected in FY 2020 through October was \$281,893 less than in FY 2019 through October. This represents a decrease of 15.3 percent between the two fiscal year-to-date periods. Much of this decrease is attributable to the receipt of large, infrequently occurring payment(s) of \$250,604 in October 2018. For FY 2020 through October, the per-penny yield was \$1.56 million versus \$1.84 for FY 2019 through October.

#### ***Month of October:***

The per penny yield of the state's motor fuel tax collected in October 2019 was \$257,651 less than in October 2018. This represents a decrease of 40.8 percent between the two monthly periods. Much of this decrease is attributable to the receipt of large, infrequently occurring payment(s) of \$250,604 in October 2018. For October 2019, the per-penny yield was \$374,227 versus \$631,878 for October 2018.

### 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 October (Gaming Activity through September):*

Component	FY 2020	FY 2019	Difference	% Change
Traditional Games	\$ 8,643,987	\$ 10,013,972	\$ (1,369,985)	-13.7 %
Keno	4,316,726	4,277,168	(18,948)	0.9 %
Remote Sports Betting *	261,497	0	261,497	n/a
<u>Twin River Casino Hotel</u>				
VLTs	57,858,989	68,236,934	(10,377,945)	-15.2 %
On-site Sports Betting *	1,334,972	0	1,334,972	n/a
Traditional Table Games	2,558,780	4,360,045	(1,801,265)	-41.3 %
Poker Tables	162,480	274,401	(111,921)	-40.8 %
<u>Newport Grand/Tiverton Casino Hotel ^</u>				
VLTs	15,833,629	10,799,750	5,033,879	46.6 %
On-site Sports Betting *	426,609	0	426,609	n/a
Traditional Table Games	400,591	27,644	372,947	1,349.1 %
* Sports betting began on November 26, 2018 at the Twin River Casino Hotel and on December 3, 2018 at the Tiverton Casino Hotel. Remote sports betting began in the state on September 4, 2019.				
^ Newport Grand ceased operations on August 28, 2018, and Tiverton Casino Hotel commenced operations on August 29, 2018.				

In fiscal year-to-date 2020, Twin River operated a maximum of 101 traditional table games and 23 poker tables. In the same period in FY 2019, Twin River operated a maximum of 97 traditional table games and 22 poker tables. In fiscal year-to-date FY 2020, Tiverton Casino Hotel operated a maximum of 32 traditional table games. Twin River Casino Hotel operated 117 less VLTs in year-to-date FY 2020 compared to the same period last fiscal year. Tiverton Casino Hotel operated 32 less VLTs than Newport Grand/Tiverton Casino Hotel on a fiscal year-to-date over fiscal year-to-date basis. Both Twin River Casino Hotel and Newport Grand/Tiverton Casino Hotel VLT cash collections do not reflect unclaimed prizes, distressed communities relief program receipts, or the State's payment to either Newport Grand/Tiverton Casino Hotel's or Twin River Casino Hotel's marketing program.

Cash Flow Differences:

## FY 2020

- Year-to-date FY 2020 includes \$30,000,000 from an advance payment of October gaming activity.
- The FY 2020 lottery transfer includes receipts of \$2,048,319 received in October 2019 that were accrued back to FY 2019.

## FY 2019

- In year-to-date FY 2019, Division of Lottery overpaid the general fund \$32,019,344. This overpayment is made up of two components:
  - Total lottery transfers in year-to-date FY 2019 were \$128,892,480. Based on FY 2019 through September gaming activity, the transfer should have been \$96,873,136. This is a difference of \$32,019,344.
  - At the end of FY 2018, the general fund owed the Division of Lottery \$1,480,823. Not included in the overpayment is \$784,726 that the Division of Lottery withheld of the August lottery transfer to offset the general fund's outstanding payable, reducing it to \$696,097.

Month of October (September Gaming Activity):

Component	October 2019	October 2018	Difference	% Change
Traditional Games	\$ 2,671,159	\$ 3,365,171	\$ (694,012)	-20.6 %
Keno	1,442,726	1,384,220	58,506	4.2 %
Remote Sports Betting *	261,497	0	261,497	n/a
<u>Twin River Casino Hotel</u>				
VLTs	18,414,462	21,120,443	(2,705,981)	-12.8 %
On-site Sports Betting *	748,547	0	748,547	n/a
Traditional Table Games	864,703	1,565,177	(700,474)	-44.8 %
Poker Tables	53,154	97,378	(44,224)	-45.4 %
<u>Tiverton Casino Hotel</u>				
VLTs	5,153,415	6,002,469	(849,054)	-14.1 %
On-site Sports Betting *	211,840	0	426,609	n/a
Traditional Table Games	126,858	174,447	(47,589)	-27.3 %
* Sports betting began on November 26, 2018 at the Twin River Casino Hotel and on December 3, 2018 at the Tiverton Casino Hotel. Remote sports betting began in the state on September 4, 2019.				

In October 2019, Twin River operated a maximum of 100 traditional table games and 23 poker tables. In October 2018, the comparable figures were 97 and 22, respectively. In October 2019, Tiverton Casino Hotel operated a maximum of 32 traditional table games. Twin River Casino Hotel operated 114 less VLTs in October 2019 compared to the same period last fiscal year. Both Twin River Casino Hotel and Tiverton Casino Hotel VLT cash collections do not reflect

unclaimed prizes, distressed communities relief program receipts, or the State's payment to either Twin River Casino Hotel's or Tiverton Casino Hotel's marketing program.

Cash Flow Differences:

October 2019

- October 2019 includes \$30,000,000 from an advance payment of October gaming activity.
- The October 2019 lottery transfer includes receipts of \$2,048,319 that were accrued back to FY 2019.

October 2018

- In October 2018, the Division of Lottery withheld from the general fund \$295,930. Total lottery transfers in October 2018 were \$33,105,130. Based on September gaming activity, the transfers normally would have been \$33,401,060, which is a difference of \$295,930.

Mark A. Furcolo, Director  
Rhode Island Department of Revenue  
November 19, 2019