

STATE OF RHODE ISLAND
GOVERNOR GINA M. RAIMONDO

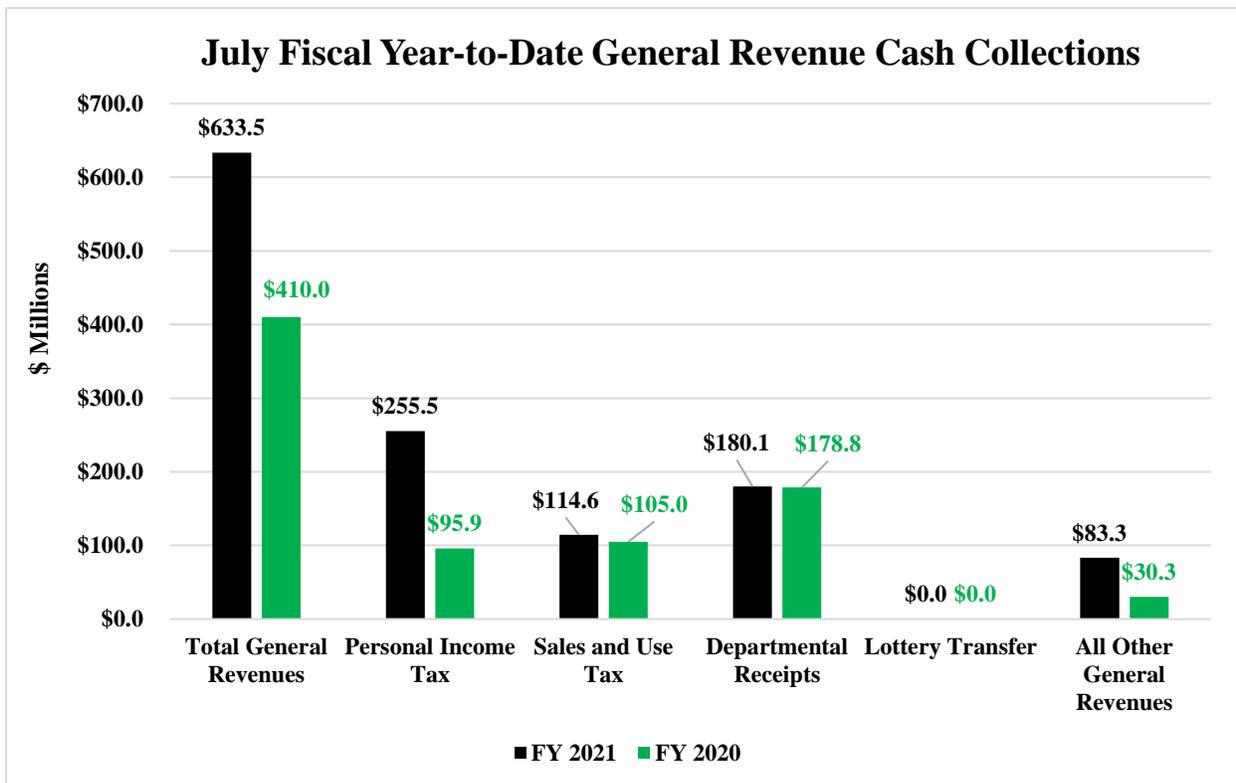


Office of Revenue Analysis

FY 2021 Cash Collections Report as of July 2020 Summary

Fiscal Year-to-Date through July:

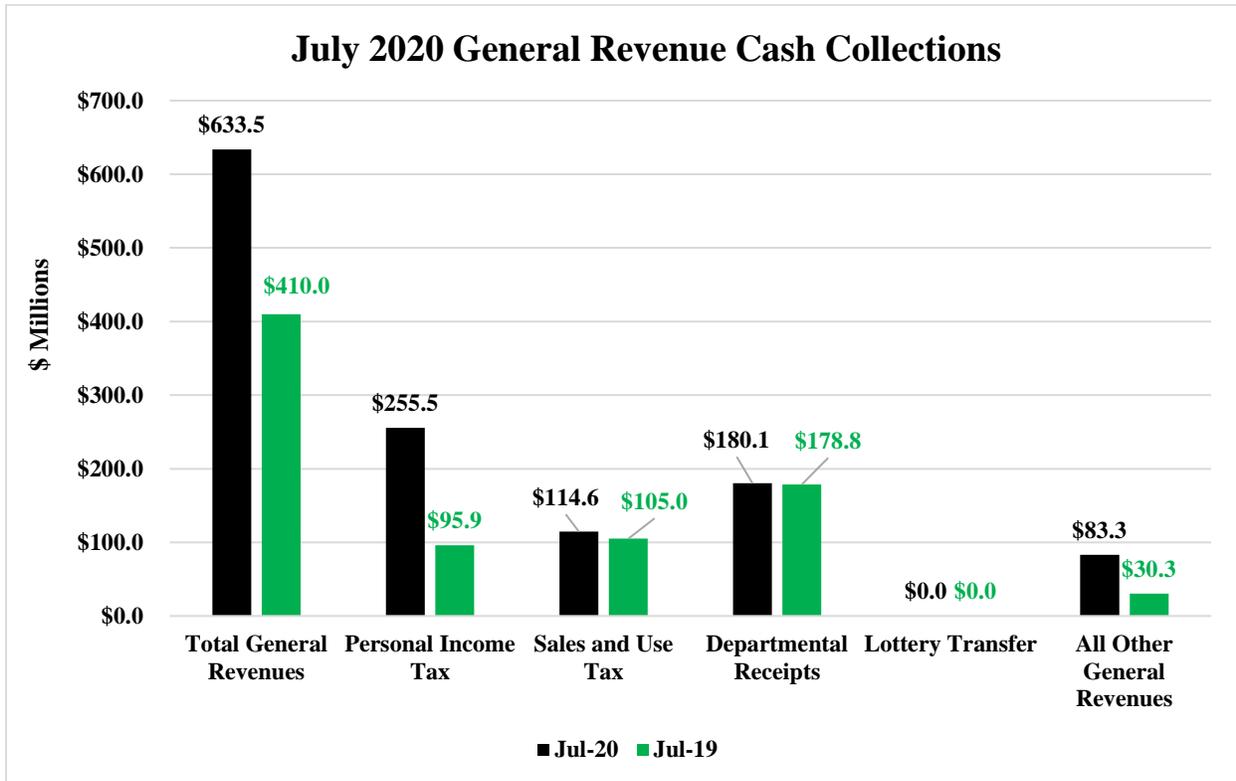
FY 2021 total general revenue cash collections through July were \$633.5 million, up \$223.5 million, or 54.5%, over the same period in FY 2020.



- Personal income tax cash collections were up \$159.6 million, or 166.4%, over FY 2020.
- Sales and use tax collections were \$9.6 million, or 9.1%, more than FY 2020 through July.
- Departmental receipts were greater than the same period in FY 2020 by \$1.4 million, or 0.8%.
- The lottery transfer, in general, does not commence until August of the fiscal year.
- All other general revenues were \$53.3 million, or 174.8%, more than FY 2020 through July.

Month of July:

July 2020 total general revenue cash collections were \$633.5 million, up \$223.5 million, or 54.5%, over July 2019:



- Personal income tax cash collections were up \$159.6 million, or 166.4%, over July 2019.
- Sales and use tax collections were \$9.6 million, or 9.1%, more than July 2019.
- Departmental receipts were greater than July 2019 by \$1.4 million, or 0.8%.
- The lottery transfer, in general, does not commence until August of the fiscal year.
- All other general revenues were \$53.3 million, or 174.8%, more than July 2019.

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Fiscal Year To Date and July 2020

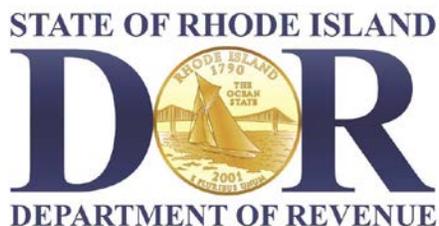
	FY 2021 YTD July	FY 2020 YTD July	Nominal Difference	Change
Personal Income Tax ‡	\$ 255,478,667	\$ 95,906,450	\$ 159,572,217	166.4%
General Business Taxes				
Business Corporation ‡	38,755,605	7,056,674	31,698,931	449.2%
Public Utilities Gross Earnings ‡	921,158	587,582	333,576	56.8%
Financial Institutions ‡	943,184	133,413	809,771	607.0%
Insurance Companies ‡	14,300,053	(724,848)	15,024,901	-2,072.8%
Bank Deposits ‡	109,153	262,380	(153,227)	-58.4%
Health Care Provider Assessment	3,652,683	3,737,206	(84,523)	-2.3%
Excise Taxes				
Sales and Use ◇	114,600,813	105,040,523	9,560,290	9.1%
Motor Vehicle	179,735	196,375	(16,640)	-8.5%
Cigarettes	15,808,581	13,121,446	2,687,135	20.5%
Alcohol	1,975,494	1,856,596	118,898	6.4%
Controlled Substances	-	-	-	-
Other Taxes				
Estate and Transfer	4,513,632	2,278,340	2,235,292	98.1%
Racing and Athletics Δ	-	93,594	(93,594)	-100.0%
Realty Transfer	2,112,567	1,685,760	426,807	25.3%
Total Taxes	\$ 453,351,325	\$ 231,231,491	\$ 222,119,834	96.1%
Departmental Receipts				
Licenses and Fees	\$ 177,327,456	\$ 176,062,254	\$ 1,265,202	0.7%
Fines and Penalties	788,397	980,551	(192,154)	-19.6%
Sales and Services	872,452	654,085	218,367	33.4%
Miscellaneous	1,159,843	1,064,937	94,906	8.9%
Total Departmental Receipts	\$ 180,148,148	\$ 178,761,827	\$ 1,386,321	0.8%
Taxes and Departmentals	\$ 633,499,473	\$ 409,993,318	\$ 223,506,155	54.5%
Other General Revenue Sources				
Other Miscellaneous Revenues	\$ 4,566	\$ 15,978	\$ (11,412)	-71.4%
Lottery Transfer Δ	-	-	-	-
Unclaimed Property	-	-	-	-
Total Other Sources	\$ 4,566	\$ 15,978	\$ (11,412)	-71.4%
Total General Revenues	\$ 633,504,039	\$ 410,009,296	\$ 223,494,743	54.5%

‡ On March 20, 2020, the United States Treasury and Governor Raimondo extended the payment and filing due date for personal income tax and most general business taxes estimated and final payments from June 15, 2020 to July 15, 2020.

◇ Reflects June 2020 activity. Rhode Island entered Phase 2 of ReopeningRI on June 1, 2020 and Phase 3 on June 30, 2020. Phase 2 allowed restaurants to open for dine-in seating at a 50% capacity and for personal service businesses to open at a reduced capacity. Phase 3 allowed for indoor establishments to open at a 66% capacity and allowed for larger crowd sizes at indoor and outdoor entertainment establishments.

Δ The lottery transfer, in general, commences in August of the fiscal year.

STATE OF RHODE ISLAND
GOVERNOR GINA M. RAIMONDO



Office of Revenue Analysis

FY 2020 State of Rhode Island Cash Collections Report
July 2020 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 July 2020 Cash Collections Report includes the impact of the COVID-19 pandemic on State cash flows. For several cash items, such as the sales and use tax, the July cash collections reflect taxable sales activity in June. For others, such as the personal income tax, the July cash collections reflect changes in the timing of the receipt of cash payments due to the extension of filing and payment deadlines from April 15, 2020 to July 15, 2020. It is important the reader not interpret all surpluses in cash collections as realized increases in cash receipts; the delayed receipt of cash payments may also be responsible.

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 July:

The following table displays the differences in cash flows for FY 2021 through July and FY 2020 through July:

Page Number	Revenue Source	Cash Flow Differences	YTD FY 2021	YTD FY 2020
9	Personal Income Tax	TY 2019 final payments received in Jul 2020 and accrued to FY 2020	\$150,386,810	\$0
9	Personal Income Tax	TY 2020 estimated payments received in Jul 2020 and accrued to FY 2020	\$28,981,628	\$0
9	Personal Income Tax	TY 2019 refunds paid in Jul 2020 and accrued to FY 2020	\$(19,311,346)	\$0
9	Personal Income Tax	FY 2021 adj for prior period payments transferred from/to bus corp tax	\$324,288	\$0
9	Personal Income Tax	FY 2020 adj for prior period payments transferred from/to bus corp tax	\$0	\$(519,000)
10	Business Corp Tax	TY 2019 final payments received in Jul 2020 and accrued to FY 2020	\$15,679,486	\$0
10	Business Corp Tax	TY 2020 estimated payments received in Jul 2020 and accrued to FY 2020	\$12,357,209	\$0
10	Business Corp Tax	TY 2019 refunds paid in Jul 2020 and accrued to FY 2020	\$(821,536)	\$0
10	Business Corp Tax	FY 2021 adj for prior period payments transferred to/from pers inc tax	\$(324,288)	\$0
11	Business Corp Tax	FY 2020 adj for prior period payments transferred to/from pers inc tax	\$0	\$519,000
11	Business Corp Tax	FY 2021 adj for prior period payment(s) transferred from financial inst tax	\$100,000	\$0
11	Business Corp Tax	Pass-through entity income tax payment(s) for shareholders	\$5,794,553	\$0
12	Financial Inst Tax	TY 2019 final payments received in Jul 2020 and accrued to FY 2020	\$347,200	\$0
12	Financial Inst Tax	FY 2021 adj for prior period payment(s) transferred to business corp tax	\$(100,000)	\$0

Page Number	Revenue Source	Cash Flow Differences	YTD FY 2021	YTD FY 2020
12	Ins Gross Premiums Tax	TY 2019 final payments received in Jul 2020 and accrued to FY 2020	\$825,612	\$0
12	Ins Gross Premiums Tax	TY 2020 estimated payments received in Jul 2020 and accrued to FY 2020	\$12,882,593	\$0
12 / 12	Bank Deposits Tax	Late payment(s) received in July and accrued to prior fiscal year	\$111,466	\$262,500
13 / 13	MV License & Reg Fees	State's share of prior year receivable	\$118,760	\$94,500
14 / 14	Realty Transfer Tax	Subsequent month's transfer to the Housing Resources Commission	\$391,299	\$424,131
15	Departmental Receipts	Hospital licensing fee	\$1,866,077	\$0
15	Departmental Receipts	Late beach parking fee payment accrued to FY 2019	\$0	\$514,668
15	Departmental Receipts	FY 2020 E911 receipts converted to restricted receipts on Oct 1, 2019	\$0	\$694,619

Month of July:

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

Impact on General Revenue Cash Collections from the COVID-19 Pandemic

Due to the COVID-19 pandemic, on March 20, 2020, the Division of Taxation, in conjunction with announcements made by the United States Treasury and Governor Gina M. Raimondo, postponed the filing-and-payment deadline from April 15, 2020 to July 15, 2020 for income tax filings and income tax payments for individuals and certain businesses. For the affected tax types, the change in the filing date provides taxpayers three additional months to file returns and pay balances due, and no penalties or interest will accrue on these balances if paid on or before July 15, 2020. At this time, the Department of Revenue has information on the amount of cash receipts that were received in July 2020 but accrued back to FY 2020. These figures are included in the cash flow differences table by payment and tax type.

Also, in March 2020, major sporting events were canceled, or postponed effective March 11, 2020 and the Twin River Casino Hotel and the Tiverton Casino Hotel was closed on March 14, 2020. Dine-in service at restaurants and bars was halted on March 17, 2020 and Governor Raimondo issued a stay-at-home order on March 28, 2020, which closed all non-essential retail and service businesses on March 30, 2020. These closings and cancellations primarily impacted sales and use taxes and the lottery transfer.

Phase 1 of Reopening RI commenced on May 9, 2020, which lifted the stay-at-home order and allowed for a limited reopening of certain non-critical retail businesses. Restaurants were opened subject to limited patio seating beginning on May 18, 2020. Rhode Island entered Phase 2 of reopening on June 1, 2020, which included the reopening of dine-in service at a 50% capacity. The Twin River Casino Hotel and Tiverton Casino Hotel reopened on June 8, 2020 with limited capacity. Phase 3 commenced on June 30, 2020, which allowed indoor establishments to open at 66% capacity, larger crowd sizes at indoor and outdoor venues, and the casinos to open to the public.¹ Major League Soccer (MLS), Major League Baseball (MLB), and the National Basketball Association (NBA) started either a shortened season or a tournament during July 2020.

Based on these changes, the Department of Revenue estimated the impact on cash flows for FY 2021 year-to-date and the month of July for sales and use tax and the lottery transfer. The impact from the pandemic on COVID-19 for sales and use tax was calculated by the Office of Revenue Analysis. The lottery transfer does not commence until August of the fiscal year and will reflect gaming activity in July.

Revenue Item	FY 2021 YTD July	July 2020
<u>Sales and Use</u>		
Net Taxation Receipts less Meal and Beverage	\$ (5,692,462)	\$ (5,692,462)
Meal and Beverage	(6,412,854)	(6,412,854)
Motor Vehicle Use	2,118,475	2,118,475
<i>Sales and Use Total</i>	<i>\$ (9,986,841)</i>	<i>\$ (9,986,841)</i>
Total All Revenue Items	\$ (9,986,841)	\$ (9,986,841)

¹ At the end of July, Governor Raimondo slowed Phase 3 of Reopening RI and reduced catered events to 50 people indoors and 100 people outdoors on July 29, 2020. The National Hockey League (NHL) resumed play on August 1, 2020. Bars were ordered to close at 11 p.m. starting on August 8, 2020. It should be noted that these changes do not affect July 2020 cash collections.

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 2021	FY 2020	% Change	July 2020	July 2019	% Change
Personal Income	\$775,775	\$8,652	8,866.1 %	\$775,775	\$8,652	8,866.1 %
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	0	–	0	0	–
Total	\$775,775	\$8,652	8,866.1 %	\$775,775	\$8,652	8,866.1 %

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 section below for information on cash flow anomalies between year-to-date FY 2021 and year-to-date FY 2020.

Fiscal Year-to-Date through July:

Component	FY 2021	FY 2020	Difference	% Change
Estimated Payments ^	\$ 34,271,682	\$ 5,515,900	\$ 28,755,782	521.3 %
Final Payments * ^ †	149,851,610	5,510,857	144,340,753	2,619.2 %
Refunds/Adjustments ^	(27,240,525)	(12,845,102)	(14,395,423)	112.1 %
Withholding Tax Payments	98,595,900	97,724,794	871,106	0.9 %
^ The filing-and-payment deadline for income tax for individuals and most businesses was postponed from April 15, 2020 to July 15, 2020. * Includes HSTC reimbursements of \$775,775 in FY 2021 YTD and 8,652 in FY 2020 YTD. † Does not include \$5,794,553 of pass-through entity personal income tax payments that were recorded under the business corporation tax. These payments were included in the FY 2020 additional receivable that was posted for personal income tax final payments.				

For the FY 2021 through July 2020 period 44,768 income tax refunds were paid for TY 2019 at an average of \$620.32. For the same period in the p rior year, 12,160 income tax refunds were

paid for TY 2018 at an average of \$987.33. It should be noted that refunds are issued on Mondays, and there were four Mondays in July 2020 compared to five Mondays in July 2019.

Cash Flow Differences:

FY 2021

- Personal income tax final payments include \$150,386,810 of TY 2019 final payments received in July 2020 and accrued back to FY 2020. Included in this receivable is \$5.8 million of pass-through entity personal income tax payments that were recorded under the business corporation tax in July 2020.
- Personal income tax estimated payments include \$28,981,628 of TY 2020 estimated payments received in July 2020 and accrued back to FY 2020.
- Personal income tax refunds and adjustments include \$(19,311,346) of TY 2019 refunds paid in July 2020 and accrued back to FY 2020.
- Personal income tax cash collections include \$324,288 for net transfer(s) between personal income tax and business corporation tax for payment(s) received in August 2012.

FY 2020

- Personal income tax cash collections include \$(519,000) for net transfer(s) between personal income tax and business corporation tax for payment(s) received in March 2017.

Month of July:

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

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 July:

Component	FY 2021	FY 2020	Difference	% Change
Net Taxation *	\$ 103,473,458	\$ 94,765,291	\$ 8,708,166	9.2 %
Providence Place Mall (PPM) *	0	1,074,046	(1,074,046)	-100.0 %
Total Non-Motor Vehicle (MV)	\$ 103,473,458	\$ 95,839,337	\$ 7,634,120	8.0 %
Meals and Beverage (M&B)	14,400,628	20,813,482	(6,412,854)	-30.8 %
Total Non-MV Less M&B	\$ 89,072,830	\$ 75,025,855	\$ 14,046,974	19.0 %
Motor Vehicle Use Tax Receipts	\$ 11,300,938	\$ 9,182,463	\$ 2,118,475	23.1 %
* PPM receipts were recorded separately in FY 2020 through September. In October 2019 and thereafter, the PPM receipts were included Net Taxation receipts.				

Month of July:

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

Business Corporation Tax Cash Collections by Component:

Businesses with Rhode Island tax liabilities make estimated payments equal to 25% of their expected tax year liabilities by the 15th 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 section below for information on cash flow anomalies between year-to-date FY 2021 and year-to-date FY 2020.

Fiscal Year-to-Date through July:

Component	FY 2021	FY 2020	Difference	% Change
Estimated Payments [^] †	\$ 21,946,849	\$ 7,855,818	\$ 14,091,031	179.4 %
Final Payments [^] ‡	19,010,423	3,246,833	15,763,590	485.5 %
Refunds/Adjustments [^]	(2,205,128)	(4,052,537)	1,847,409	-45.6 %
[^] The filing-and-payment deadline for income tax for individuals and most businesses was postponed from April 15, 2020 to July 15, 2020. [†] Includes \$5,164,986 of pass-through entity estimated payments that were recorded under business corporation tax but are personal income tax payments for shareholders. This amount was accrued back to FY 2020 under personal income tax final payments. [‡] Includes \$629,567 of pass-through entity final payments that were recorded under business corporation tax but are personal income tax payments for shareholders. This amount was accrued back to FY 2020 under personal income tax final payments.				

Cash Flow Differences:**FY 2021**

- Business corporation tax final payments include \$15,679,486 of TY 2019 final payments received in July 2020 and accrued back to FY 2020.
- Business corporation tax estimated payments include \$12,351,209 of TY 2020 estimated payments received in July 2020 and accrued back to FY 2020.
- Business corporation tax refunds and adjustments include \$(821,536) of TY 2019 refunds paid in July 2020 and accrued back to FY 2020.
- Refunds and adjustments include \$(324,288) for net transfer(s) between personal income tax and business corporation tax for payment(s) received in August 2012.

- Refunds and adjustments include a transfer of \$100,000 from financial institution tax for payment(s) received in March 2018.
- FY 2021 year-to-date business corporation tax cash collections include elective pass-through entity tax payments of \$5.2 million in estimated payments and \$629,567 in final payments from a change in law which allowed pass-through entities to pay the state income tax of shareholders, at a rate of 5.99%, and provide shareholders with a credit on their personal income tax returns for the income taxes paid on their behalf by the pass-through entities. Pass-through entities who elect to pay this tax are not required to withhold Rhode Island personal income tax for non-resident owners. Adjusting for these payments, the growth in estimated payments is 113.6% and the growth in final payments is 466.1%. These receipt amounts were transferred to personal income tax final payments and accrued back to FY 2020.

FY 2020

- Refunds and adjustments include \$519,000 for net transfers between personal income tax and business corporation tax for payment(s) received in March 2017.

Month of July:

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

General Business Taxes Other than Business Corporation Tax

July	FY 2021	FY 2020	Difference	% Change
Fiscal YTD	\$ 19,926,231	\$ 3,995,733	\$ 15,930,498	398.7 %
Month	\$ 19,926,231	\$ 3,995,733	\$ 15,930,498	398.7 %

Businesses with Rhode Island tax liabilities make estimated payments equal to 25% of their expected tax year liabilities by the 15th 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 section below for information on cash flow anomalies between year-to-date FY 2021 and year-to-date FY 2020. For all general business taxes other than the health care provider assessment, the return filing and payment due date was delayed from April 15, 2020 to July 15, 2020.

Fiscal Year-to-Date through July:

General business taxes other than business corporation tax collected through July of FY 2021 increased by 398.7% over general business taxes other than business corporation tax collected through July of FY 2020. FY 2021 general business taxes other than business corporation tax

collected through July were \$19.9 million compared to \$4.0 million collected for the same period in FY 2020, an increase of \$15.9 million.

Public utilities gross earnings tax cash collections of \$921,158 were \$333,576, or 56.8%, more than the \$587,582 collected in FY 2020 through July. Financial institutions tax cash collections of \$943,184 in year-to-date FY 2021 were up \$809,771, or 607.0%, compared to the \$133,413 collected in year-to-date FY 2020. Insurance company gross premiums tax cash collections of \$14.3 million were \$15.0 million more than the net \$(724,848) received on a year-to-date basis in FY 2020, a difference of -2,072.8%. Bank deposits tax cash collections of \$109,153 in year-to-date FY 2021 were down \$153,227 compared to \$262,380 collected in year-to-date FY 2020.

FY 2021 year-to-date through July health care provider assessment cash collections of \$3.65 million were down \$84,523, or 2.3%, from the \$3.74 million received on a year-to-date basis in FY 2020.

Cash Flow Differences:

FY 2021

- Financial institutions tax cash collections include \$347,200 of TY 2019 final payments received in July 2020 and accrued back to FY 2020.
- Financial institutions tax cash collections include a transfer of \$(100,000) to business corporation tax for payment(s) received in March 2018.
- Insurance company gross premiums tax cash collections include \$825,612 of TY 2019 final payments received in July 2020 and accrued back to FY 2020.
- Insurance company gross premiums tax cash collections include \$12,882,593 of TY 2020 estimated payments received in July 2020 and accrued back to FY 2020.
- Bank deposits tax cash collections include \$111,466 in late payment(s) received in July 2020 but accrued back to FY 2020.

FY 2020

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

Month of July:

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

Excise Taxes Other than the Sales and Use Tax

July	FY 2021	FY 2020	Difference	% Change
Fiscal YTD	\$ 17,963,810	\$ 15,174,417	\$ 2,789,393	18.4 %
Month	\$ 17,963,810	\$ 15,174,417	\$ 2,789,393	18.4 %

Fiscal Year-to-Date through July:

Excise taxes other than sales and use taxes collected in FY 2021 through July increased 18.4% over excise taxes other than sales and use taxes collected through July of FY 2020. FY 2021 excise taxes other than sales and use taxes collected through July were \$18.0 million compared to the \$15.2 million collected for the same period last fiscal year, an increase of \$2.8 million.

Motor vehicle license and registration fees were \$179,735 in FY 2021 through July, which is \$16,640, or 8.5%, less than motor vehicle license and registration fees in FY 2020 through July of \$196,375. Except for adjustments, motor vehicle license and registration fees 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 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 July of FY 2021 were \$15.8 million, up \$2.7 million compared to the \$13.1 million collected for the same period last fiscal year, an increase of 20.5%. Included in year-to-date FY 2021 cigarette and OTP excise tax cash collections is \$960,805 of OTP taxes. Year-to-date FY 2020 includes \$3,684 in cigarette floor stock receipts and \$867,674 of OTP taxes.

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 July of FY 2020, Rhode Island cigarette sales increased 21.2% compared to the same period last fiscal year.

Alcohol excise tax cash collections in FY 2021 through July increased \$118,898, or 6.4%, over collections in FY 2020 through July.

Cash Flow Differences:

FY 2021

- Motor vehicle license and registration fees include \$118,760 from a June 2020 receivable.

FY 2020

- Motor vehicle license and registration fees include \$94,500 from a June 2019 receivable.

Month of July:

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

Other Taxes

July	FY 2021	FY 2020	Difference	% Change
Fiscal YTD	\$ 6,626,199	\$ 4,057,694	\$ 2,568,505	63.3 %
Month	\$ 6,626,199	\$ 4,057,694	\$ 2,568,505	63.3 %

Fiscal Year-to-Date through July:

Other taxes collected in FY 2021 through July increased 63.3% over other taxes collected through July of FY 2020. FY 2021 other taxes collected through July were \$6.6 million compared to the \$4.1 million collected in the same period last fiscal year, an increase of \$2.6 million. FY 2021 estate and transfer taxes collected through July were \$4.5 million, up \$2.2 million compared to the same period in FY 2020, a variance of 98.1%. It is possible that an unknown amount of estate and transfer tax cash receipts received in July were due to the deferral of the filing date for such payments to July 15, 2020. FY 2021 realty transfer taxes collected through July were \$2.1 million, up \$426,807 compared to the same period last fiscal year.

Cash Flow Differences:**FY 2021**

- Included in realty transfer tax cash collections is the transfer to the Housing Resources Commission (HRC) of \$391,299 based on activity in July 2020 that was completed in August 2020.

FY 2020

- Included in realty transfer tax cash collections is the transfer to the Housing Resources Commission (HRC) of \$424,131 based on activity in July 2019 that was completed in August 2019.

Month of July:

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

Departmental Receipts

July	FY 2021	FY 2020	Difference	% Change
Fiscal YTD	\$ 180,148,148	\$ 178,761,827	\$1,386,321	0.8 %
Month	\$ 180,148,148	\$ 178,761,827	\$1,386,321	0.8 %

Fiscal Year-to-Date through July:

Total departmental receipts in FY 2021 through July increased by 0.8% compared to total departmental receipts in FY 2020 through July. Fiscal year-to-date total departmental receipts

collected in FY 2021 were \$180.1 million compared to \$178.8 million collected for the same period last year, an increase of \$1.4 million.

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.*

The licenses and fees category of departmental receipts through July of FY 2021 was up \$1.3 million, or 0.7%, over the \$176.1 million collected through July of FY 2019. The three accounts with the largest nominal increases / decreases greater than \$100,000 in year-to-date FY 2021 versus year-to-date FY 2020 are listed below:

Licenses and Fees	Nominal Increase / Decrease
Hospital Licensing Fee *	\$ 1,866,077
Beverage container and litter control permit fees	293,300
E911 and first response surcharge *	176,187
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Recreation activities fund – Parks and Recreation	(338,331)
Registration fees for securities	(336,600)
Local building permit levy ADA surcharge	(217,167)

Cash Flow Differences:

FY 2021

- In licenses and fees, cash collections from the hospital licensing fee were \$1.9 million more in year-to-date FY 2021 compared to year-to-date FY 2020. In general, the prior fiscal year hospital licensing fee is received in July of the current year. FY 2019 hospital license fee, received in July 2019, was assessed at the rate of 6.000% on hospital fiscal year 2017 net patient revenues. The FY 2020 hospital licensing fee, received in July 2020, was assessed at 6.000% on hospital fiscal year 2018 net patient revenues.

FY 2020

- 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 2020 license and fees cash collections include \$694,619 in E911 fees that due to changes enacted in the FY 2020 budget are now restricted receipts but were general revenues until October 1, 2019.

The finer and penalties category of departmental receipts through July of FY 2021 was down \$192,154, or 19.6%, compared to the \$980,551 million collected through July of FY 2020. No fines and penalties accounts had a nominal increase greater than \$100,000 in year-to-date FY 2021 compared to the prior fiscal year. The Rhode Island Traffic Tribunal (RITT) was the only account with a nominal decrease greater than \$100,000 in year-to-date FY 2021 versus year-to-date FY 2020, with a decrease of \$152,894. The decrease in RITT fines and penalties is partially due to

the COVID-19 pandemic. RITT continues to operate a limited calendar and on an emergency basis.

The *sales and services* category of departmental receipts through July of FY 2021 was up \$218,367 over the \$654,085 collected through July of FY 2020, an increase of 33.4%. The one account each with a nominal increase / decrease greater than \$100,000 are listed below:

Sales and Services	Nominal Increase / Decrease
Board and support for the Rhode Island Veterans Home	\$ 310,902
Rentals and other receipts – Port of Galilee state facilities	(130,978)

Miscellaneous departmental receipts through July of FY 2021 were up \$94,906, or 8.9%, over the \$1.1 million collected through July of FY 2020. The two accounts with the largest nominal increases greater than \$100,000 in year-to-date FY 2021 versus year-to-date FY 2020 are listed below. There were no accounts with nominal decreases greater than \$100,000 on a year-to-date over year-to-date basis.

Miscellaneous Departmental Receipts	Nominal Increase
Cost recovery account – Public Utilities Commission	\$ 300,158
Insurance examination fees	128,908

Month of July:

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

Motor Fuel Tax, Per Penny Yield

May	FY 2021	FY 2020	Difference	% Change
Fiscal YTD	\$ 335,375	\$ 366,476	\$ (31,101)	-8.5 %
Month	\$ 335,375	\$ 366,476	\$ (31,101)	-8.5 %

In FY 2021 and FY 2020 from August 2019 through June 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 was 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 July:

The per penny yield of the state's motor fuel tax collected in FY 2021 through July was \$31,101 less than in FY 2020 through July. This represents a decrease of 8.5% between the two fiscal year-

to-date periods. For FY 2021 through July, the per-penny yield was \$335,375 versus \$366,476 for FY 2020 through July.

Month of July:

Given that July is the first month of the fiscal year there are no differences between fiscal year-to-date and monthly cash collections.

Other Miscellaneous Revenues

July	FY 2021	FY 2020	Difference	% Change
Fiscal YTD	\$ 4,566	\$ 15,978	\$ (11,412)	-71.4 %
Month	\$ 4,566	\$ 15,978	\$ (11,412)	-71.4 %

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 July:

The lottery transfer to the general fund does not typically commence until August of each fiscal year when July lottery receipts are transferred.



Mark A. Furcolo, Director
Rhode Island Department of Revenue
September 18, 2020