

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF REVENUE



State of Rhode Island Cash Collections Report
 September 2011 Summary

Fiscal Year-to-Date through September:

FY 2012 year-to-date total general revenue cash collections through September were \$818.6 million, up \$18.8 million or 2.4 percent, from the same period last fiscal year. The breakdown by major revenue components is as follows:

Component	FY 2011	FY 2012	Difference	% Change
Personal Income Tax	\$247,496,343	\$269,516,568	\$22,020,225	8.9 %
Sales and Use Taxes	224,536,382	224,598,437	62,055	0.0 %
Departmental Receipts	165,043,397	167,716,320	2,672,923	1.6 %
Lottery Transfer	59,784,742	62,119,776	2,335,034	3.9 %
All Other Revenues	102,944,769	94,685,019	(8,259,750)	-8.0 %
Total General Revenues	\$ 799,805,633	\$ 818,636,120	\$18,830,487	2.4 %

Month of September:

Total general revenue cash collections for September 2011 were \$268.6 million, up \$7.0 million or 2.7 percent, compared to September 2010. The breakdown by major revenue components is as follows:

Component	FY 2011	FY 2012	Difference	% Change
Personal Income Tax	\$ 100,973,672	\$ 119,466,149	\$ 18,492,477	18.3 %
Sales and Use Taxes	72,478,728	69,926,708	(2,552,020)	-3.5 %
Departmental Receipts	14,508,304	14,109,185	(399,119)	-2.8 %
Lottery Transfer	30,884,742	29,805,939	(1,078,803)	-3.5 %
All Other Revenues	42,714,146	35,254,236	(7,459,910)	-17.5 %
Total General Revenues	\$ 261,559,592	\$ 268,562,217	\$ 7,002,625	2.7 %

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF REVENUE



State of Rhode Island Cash Collections Report
September 2011 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 RI General Law § 35-16-1). *Users of the 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.*

Total General Revenues

September	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$799.8 Million	\$818.6 Million	\$18.8 Million	2.4 %
Month	\$261.6 Million	\$268.6 Million	\$7.0 Million	2.7 %

Fiscal Year-to-Date through September:

Fiscal Year 2012 total general revenues collected through September 2011 have increased by 2.4 percent as compared to Fiscal Year 2011 total general revenues collected through September 2010. For the fiscal year-to-date period through September 2011, total general revenues were \$818.6 million as compared to \$799.8 million for the same period last year, an increase of \$18.8 million.

The following cash flow differences between FY 2011 and FY 2012 should be noted:

- In FY 2011, business corporation taxes include cash receipts of \$7.2 million that were classified as FY 2010 cash receipts. Public utilities gross earnings tax collections include \$3.3 million in receipts derived from an audit completed in FY 2010. This audit recovery is considered to be non-recurring revenue. Motor vehicle licenses and fees cash receipts were overstated while sales and use taxes cash receipts were understated by \$561,919 for the misposting of registry receipts. Additionally, motor vehicle licenses and fees cash receipts were overstated by \$341,280 as a result of the misposting of driving record abstracts receipts by the Division of Motor Vehicles. These receipts belong within

licenses and fees category within departmental receipts. Departmental licenses and fees received \$451,810 through September 2010 for teacher certification fees and physician licenses due to fee restructuring or the biennial periodicity of collections. Furthermore, \$7.1 million in departmental sales and services revenues were received in July 2010 due to the late posting of Eleanor Slater Hospital's disproportionate share ("dish") receipts. These receipts are supposed to be posted in June of the prior fiscal year. Finally, other miscellaneous revenues through September 2010 include \$985,560 for the proceeds from the sale of state property, specifically the Smithfield Salt Barn.

- In FY 2012, a non-sufficient funds adjustment was posted in October that should have been posted in September. As a result personal income tax, sales and use tax and departmental receipts are overstated by \$3,137, \$9,696, and \$925 respectively. Furthermore, the non-sufficient funds account within sales and use tax is understated by \$13,758. The net result to sales and use tax is \$4,062. In FY 2012, the hospital licensing fee generated \$9.0 million more through August 2011 than through August 2010. This increase was due to the fact that the hospital licensing fee rate was increased from 5.314 percent of hospital FY 2008 net patient revenues to 5.465 percent of hospital FY 2009 net patient revenues. Additionally, \$839,301 more in departmental licenses and fees were received in August 2011 from imaging service surcharge fees. This increase is due to an audit recovery for the payment of bills for prior fiscal years. FY 2012 departmental receipts also include \$46,486 of cash receipts from the establishment of the Division of Motor Vehicles road test fee. This fee was implemented on October 12, 2010. The FY 2012 cash flow difference also includes, \$508,053 in departmental miscellaneous revenues deposited in July 2011 as a result of a settlement agreement between the Office of the Attorney General and a major pharmaceutical manufacturer and the receipt of a \$2.0 million settlement from UBS AG. This payment is the result of a court ordered settlement associated with the investment of the escrow fund for the 2002 refunding of the State's debt when the State received the bond proceeds from the Tobacco Settlement Financing Corporation (TSFC). Finally, FY 2012 other miscellaneous revenues include a cash flow difference of \$138,387 from a settlement associated with the State's Medicaid program.

The table below displays fiscal year-to-date the differences in cash flows for FY 2011 and FY 2012 through September

Revenue Source	Cash Flow Differences	YTD FY 2011	YTD FY 2012
Personal Income Tax	NSF adjustment	\$0	\$(3,137)
Business Corporations	One time receipts from taxpayers	\$7,159,758	\$0
Public Utilities	FY 2010 audit recovery	\$3,301,780	\$0
MV License and Fees	DMV mispostings of registry rcpts.	\$(561,919)	\$0
MV License and Fees	Driving record abstracts misposting	\$(341,280)	\$0
Sales and Use Taxes	Registry receipts misposting add back	\$561,919	\$0

Revenue Source	Cash Flow Differences	YTD FY 2011	YTD FY 2012
Sales and Use Taxes	NSF adjustment to net taxation	\$0	\$(9,696)
Sales and Use Taxes	NSF adjustment to NSF checks acct.	\$0	\$13,758
Departmental Receipts	Biennial and one-time collections	\$451,810	\$0
Departmental Receipts	FY 2010 "dish" payment	\$7,082,983	\$0
Departmental Receipts	Hospital licensing fee difference	\$0	\$8,954,023
Departmental Receipts	Attorney General settlement	\$0	\$508,053
Departmental Receipts	Imaging service surcharge receipts	\$0	\$839,301
Departmental Receipts	Driving record abstracts misposting	\$341,280	\$0
Departmental Receipts	DMV road test fee	\$0	\$46,486
Departmental Receipts	NSF adjustment	\$0	\$(925)
Other Misc. Revenues	Medicaid program settlement	\$0	\$138,387
Other Misc. Revenues	UBS settlement payment	\$0	\$1,951,166

Month of September:

Total general revenues collected in September 2011 have increased by 2.7 percent as compared to September 2010 total general revenue collections. September 2011 total general revenues were \$268.6 million as compared to September 2010 cash collections of \$261.6 million, an increase of \$7.0 million.

The following cash flow differences between FY 2011 and FY 2012 should be noted:

- In September 2010, business corporation taxes include cash receipts of \$7.2 million that were classified as FY 2010 cash receipts. Furthermore, the cash flow difference in September 2010 includes an overstatement of \$561,919 in motor vehicle licenses and fees for cash receipts that should have been posted to registry receipts within sales and use taxes. Additionally, motor vehicle licenses and fees cash receipts include \$341,280 as a result of the misposting of driving record abstracts receipts by the Division of Motor Vehicles. As a result, the licenses and fees category within departmental receipts is understated by the same amount. Finally, the lottery transfer to the state in September 2010 included \$1.7 million that should have been posted in August 2010. As a result, the lottery transfer on a monthly basis is overstated in September 2010 but correct on a fiscal year-to-date basis.
- In September 2011, a non-sufficient funds adjustment was posted in October that should have been posted in September. As a result personal income tax, sales and use tax and departmental receipts are overstated by \$3,137, \$9,696, and \$925 respectively. Furthermore, the non-sufficient funds account within sales and use tax is understated by \$13,758. The net result to sales and use tax is \$4,062. FY 2012 departmental receipts

also include \$46,486 of cash receipts from the establishment of the Division of Motor Vehicles road test fee. This fee was implemented on October 12, 2010. Finally, other miscellaneous revenues in September 2011 include a \$138,387 from a settlement associated with the State's Medicaid program.

The table below displays the monthly differences in cash flows for FY 2011 and FY 2012 for September:

Revenue Source	Cash Flow Differences	September FY 2011	September FY 2012
Personal Income Tax	NSF adjustment	\$0	\$(3,137)
Business Corporations	One time receipts from taxpayers	\$7,159,758	\$0
MV license and fees	DMV mispostings of registry rcpts.	\$(561,919)	\$0
MV license and fees	Driving record abstracts misposting	\$(341,280)	\$0
Sales and Use Taxes	Registry receipts misposting add back	\$561,919	\$0
Sales and Use Taxes	NSF adjustment to net taxation	\$0	\$(9,696)
Sales and Use Taxes	NSF adjustment to NSF checks acct	\$0	\$13,758
Departmental Receipts	Driving record abstracts misposting	\$341,280	\$0
Departmental Receipts	DMV road test fee	\$0	\$46,486
Departmental Receipts	NSF adjustment	\$0	\$(925)
Lottery Transfer	Late posting of August receipts	\$1,695,688	\$0
Other Misc. Revenues	Medicaid program settlement	\$0	\$138,387

Taxes and Departmental Receipts

September	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$738.9 Million	\$754.3 Million	\$15.4 Million	2.1 %
Month	\$230.6 Million	\$238.5 Million	\$ 8.0 Million	3.5 %

Fiscal Year-to-Date through September:

The Rhode Island Department of Revenue reports that FY 2012 taxes and departmental receipts collected through the first quarter have increased by 2.1 percent as compared to FY 2011 cash collections for the comparable period a year ago. For the fiscal year-to-date period ending September, total taxes and departmental receipts were \$754.3 million in FY 2012 as compared to \$738.9 million for the same period last fiscal year, an increase of \$15.4 million.

Month of September:

September 2011 taxes and departmental receipts increased by \$8.0 million, or 3.5 percent compared to cash collections in September 2010. September 2011 taxes and departmental receipts totaled \$238.5 million compared to \$230.6 million in September 2010.

Other General Revenue Sources

September	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$60.9 Million	\$64.3 Million	\$3.4 Million	5.6 %
Month	\$31.0 Million	\$30.0 Million	\$ (954,873)	-3.1 %

Fiscal Year-to-Date through September:

FY 2012 other general revenue sources collected through the first quarter have increase by 5.6 percent as compared to cash collections through the first quarter of FY 2011. Other general revenue sources include other miscellaneous revenues, the lottery transfer to the general fund, and unclaimed property that is transferred to the State in June of each fiscal year. For the fiscal year-to-date period ending September, total other general revenue sources were \$64.3 million in FY 2012 as compared to \$60.9 million for the same period last year, an increase of \$3.4 million.

Month of September:

Other general revenue sources cash collections totaled \$30.0 million in September 2011 compared to \$31.0 million in September 2010, a decrease of \$954,873. This decrease translates into a growth rate of -3.1 percent.

Total Taxes

September	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$573.9 Million	\$586.6 Million	\$12.7 Million	2.2 %
Month	\$216.1 Million	\$224.4 Million	\$ 8.4 Million	3.9 %

Fiscal Year-to-Date through September:

Total tax revenues for the fiscal year-to-date period through September 2011 were \$586.6 million, or 2.2 percent more than the \$573.9 million in total tax cash collections through September 2010.

Month of September:

September 2011 total tax revenues of \$224.4 million increased by \$8.4 million or 3.9 percent compared to September 2010 cash collections of \$216.1 million.

Historic Structure Tax Credit Reimbursements:

It is important to note that any historic structures tax credits redeemed from FY 2009 onward are reimbursed from the Historic Tax Credit Fund's bond proceeds upon receipt of the tax credit certificate. Prior to FY 2009, the redemption of historic structures tax credit (HSTC) certificates were deducted directly from realized tax receipts. Thus, the actual revenues for the tax types that had HSTCs redeemed to offset an actual tax liability were net revenues (i.e., total collection *less* HSTC redemptions). Since FY 2009, the actual revenues for the tax types that have HSTCs redeemed to offset an actual tax liability are gross revenues (i.e., total collections *plus* HSTC reimbursements).

In FY 2012, total historic structure tax credit redemptions/reimbursements for all taxes through September totaled \$171,697 vs. \$774,713 in FY 2011. September 2011 total historic structure tax credit redemptions/reimbursements for all taxes totaled \$47,938 vs. the \$180,720 in September 2010.

The breakdown of the reimbursement of redeemed historic structures tax credits (HSTCs) by tax type is shown below:

Historic Structure Tax Credits	Year-to-Date		Monthly	
	FY 2011	FY 2012	September 2010	September 2011
Personal Income	\$ 374,198	\$ 171,697	\$ 28,000	\$ 47,938
Business Corporations	399,541	0	152,000	0
Financial Institutions	0	0	0	0
Insurance/Non-HMOs	974	0	720	0
Insurance/HMOs	0	0	0	0
Total	\$ 774,713	\$ 171,697	\$ 180,720	\$ 47,938

Personal Income Taxes

September	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$247.5 Million	\$269.5 Million	\$22.0 Million	8.9 %
Month	\$ 101.0 Million	\$119.5 Million	\$18.5 Million	18.3 %

Fiscal Year-to-Date through September:

Actual personal income tax cash collections for FY 2012 through the first quarter of the fiscal year were up \$22.0 million, or 8.9 percent, compared to the same period last fiscal year. Total personal income tax cash collections for FY 2012 through September were \$269.5 million vs. FY 2011 cash collections of \$247.5 million through September.

The FY 2012 year-to-date personal income tax cash collections include historic structures tax credit reimbursements through September of \$171,697 vs. the \$374,198 through September of FY 2011. FY 2012 year-to-date HSTC reimbursements for personal income taxes are \$202,501 less than the same period in FY 2011, a decrease of 54.1 percent.

Month of September:

Personal income tax collections for September 2011 totaled \$119.5 million compared to September 2010 cash collections of \$101.0 million. This translates into a difference of \$18.5 million or 18.3 percent.

September 2011 cash collections include historic structures tax credit reimbursement of \$47,938 vs. the \$28,000 for September 2010. September 2011 HSTC reimbursements for personal income taxes are 71.2 percent more than September 2010, an increase of \$19,938.

Personal Income Tax Cash Collections by Component:

The tables below are based on data provided by the Division of Taxation, and break down personal income tax cash collections by component on both a fiscal year-to-date and monthly basis. It should be noted that slight differences may exist between the figures reported by the Division of Taxation and those reported by the Controller due to timing differences in the posting of revenues.

Fiscal Year-to-Date through September:

Component	FY 2011	FY 2012	Difference	% Change
Estimated Payments	\$ 35,857,035	\$ 51,064,119	\$ 15,207,084	42.4 %
Final Payments*	15,001,748	9,778,185	(5,223,563)	-34.8 %
Refunds/Adjustments	(16,175,533)	(10,285,019)	5,890,514	-36.4 %
Withholding	212,813,094	218,956,145	6,143,051	2.9 %
* Final Payments include historic structures tax credit reimbursements of \$374,198 in fiscal year-to-date 2011 and \$171,697 in fiscal year-to-date 2012.				

Within the components of personal income tax, FY 2012 estimated payments are up \$15.2 million or 42.4 percent on a fiscal year-to-date basis through September vs. the same period last fiscal year. Final payments are down \$5.2 million or -34.8 percent through the first quarter of FY 2012 relative to FY 2011 through the first quarter. Fiscal year-to-date FY 2012 final payments cash collections include \$171,697 in reimbursed historic structures tax credits vs. \$374,198 in fiscal year-to-date FY 2011. Refunds and adjustments are fewer by \$5.9 million in FY 2012 through September vs. FY 2011 through September. Finally, FY 2012 withholding tax cash collections through the third month of the fiscal year are more by \$6.1 million or 2.9 percent relative to FY 2011 withholding tax cash collections through the third month of the fiscal year.

Month of September:

Component	FY 2011	FY 2012	Difference	% Change
Estimated Payments	\$ 29,952,389	\$ 45,240,146	\$ 15,287,757	51.0 %
Final Payments*	7,670,091	4,306,429	(3,363,662)	-43.9 %
Refunds/Adjustments	(3,971,913)	(2,483,999)	1,487,915	-37.5 %
Withholding	67,323,105	72,400,436	5,077,330	7.5 %
* Final Payments include historic structures tax credit reimbursements of \$28,000 in September 2010 and \$47,938 in September 2011.				

Within the components of personal income tax, estimated payments received in September 2011 are up \$15.3 million or 51.0 percent compared to September 2010. Final payments are down \$3.4 million or -43.9 percent in the third month of FY 2012 relative to the third month of FY 2011. September 2011 final payments cash collections include \$47,938 in reimbursed historic structures tax credits vs. \$28,000 in September 2010. Refunds and adjustments are fewer by \$1.5 million in September 2011 vs. September 2010. Finally, September 2011 withholding tax cash collections are \$5.1, or 7.5 percent, greater than September 2010 withholding tax cash collections.

Sales and Use Taxes

September	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$224.5 Million	\$224.6 Million	\$ 62,055	0.0 %
Month	\$ 72.5 Million	\$ 69.9 Million	\$ (2.6 Million)	-3.5 %

Fiscal Year-to-Date through September:

Actual sales and use tax cash collections for FY 2012 through the first quarter of the fiscal year were up \$62,055, or 0.0 percent, compared to the same period last fiscal year. Total sales and use tax cash collections for FY 2012 through September were \$224.6 million vs. FY 2011 cash collections of \$224.5 million through September.

Month of September:

Sales and use tax cash collections in September 2011 were \$2.6 million, or 3.5 percent, less than September 2010 cash collections. Sales and use tax cash collections totaled \$69.6 million in September 2011 vs. cash collections of \$72.5 million in September 2010.

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 slight differences may exist between the figures reported by the Division of

Taxation and those reported by the Controller due to timing differences in the posting of revenues.

Fiscal Year-to-Date through September:

Component	FY 2011	FY 2012	Difference	% Change
Net Taxation	\$198,685,944	\$201,558,577	\$ 2,872,632	1.4 %
Registry Receipts	22,077,248	20,300,884	(1,776,364)	-8.0 %
Providence Place Mall	3,443,018	3,209,039	(233,979)	-6.8 %

Within the sales tax components, registry receipts were down 8.0 percent or \$1.8 million in the first quarter of FY 2012 when compared to same period last fiscal year. Net sales tax receipts remitted directly to the Division of Taxation posted an increase of \$2.9 million or 1.4 percent during FY 2012's first three months versus the first three months of FY 2011. Providence Place Mall (PPM) sales tax receipts were 6.8 percent lower or -\$233,979 through September of FY 2012 versus the same period in FY 2011.

Month of September:

Component	FY 2011	FY 2012	Difference	% Change
Net Taxation	\$ 63,739,747	\$ 62,830,122	\$ (909,625)	-1.4 %
Registry Receipts	7,253,494	6,166,851	(1,086,643)	-15.0 %
Providence Place Mall	1,112,709	1,024,889	(87,820)	-7.9 %

Within the sales tax components, registry receipts were down 15.0 percent or \$1.1 million in September 2011 when compared to September 2010. Net sales tax receipts remitted directly to the Division of Taxation posted a decrease of \$909,625 or 1.4 percent in September 2011 vs. September 2010. Providence Place Mall (PPM) sales tax receipts were 7.9 percent lower or -\$87,820 in September 2011 versus September 2010.

General Business Taxes

September	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$40.5 million	\$31.5 Million	\$ (9.0 Million)	-22.3 %
Month	\$22.9 million	\$16.7 Million	\$ (6.2 Million)	-27.2 %

In general, businesses with Rhode Island tax liabilities make estimated payments of their tax year liabilities in March and June of the fiscal year, with 40.0 percent of the estimated total tax liability due in March and 60.0 percent of the estimated total tax liability due in June. There is one exception to this payment pattern, namely health care provider assessments, payments of which are made on a monthly basis. Business Corporations, or corporate income, tax payments are also received more consistently over the course of the fiscal year due to the number of filers

that are on extension at any given point in time and the varying fiscal years of corporations. As a result, both business corporation taxes and health care provider assessments flow more evenly into the general fund over the course of a fiscal year.

Fiscal Year-to-Date through September:

FY 2012 total general business taxes collected through September 2011 of the fiscal year-to-date were \$31.5 million or \$9.0 million less than the \$40.5 million collected for the same period in FY 2011. Year-to-date growth in FY 2012 is -22.3 percent.

Health care provider assessment taxes through September 2011 were \$10.7 million, an increase of 6.4 percent over the same period in FY 2011. Bank deposit taxes tend to post irregularly until March, when the first 40.0 percent of estimated total tax liability is due. Through the first quarter of FY 2012, bank deposit taxes totaled \$46,457 compared to receipts of \$4,241 for the first quarter FY 2011. The insurance companies gross premiums tax is up \$297,238 year-to-date. FY 2012 insurance companies gross premiums tax cash collections through September 2011 total \$330,235 compared to collections of \$32,997 in FY 2011 through September 2010. In general, insurance companies gross premiums taxes tend to post irregularly until March, when the first 40.0 percent of total tax liability is due. The financial institutions tax is up \$800,543 on a fiscal year-to-date cash basis in FY 2012 vs. FY 2011 through September. Financial institutions tax collections totaled \$913,423 through September 2011 vs. \$112,880 through September 2010. Public utilities gross earnings taxes were \$2.1 million through September 2011, a decrease of 44.8 percent from collections of \$3.9 million through September 2010. The FY 2011 collections include \$3.3 million in receipts from a FY 2010 audit recovery.

Month of September:

Total general business taxes collected in September 2011 were \$16.7 million or \$6.2 million less than the \$22.9 million collected in September 2010. This decrease translates into a -27.2 percent decline in total general business taxes.

Health care provider assessment taxes for September 2011 were \$3.7 million, an increase of 7.3 percent over September 2010 cash collections. Bank deposit taxes of \$46,457 were received in September 2011 but there were no bank deposit taxes received in September 2010. The insurance companies gross premiums tax is \$324,829 more in September 2011 vs. September 2010. September 2011 insurance companies gross premiums tax cash collections totaled \$126,415 compared to collections of (\$198,414) in September 2010. The financial institutions tax is up 928,839 for September 2011 when compared to September 2010. Financial institutions tax collections were 911,323 in September 2011 vs. (\$17,516) in September 2010. Public utilities gross earnings taxes were \$913,126 in September 2011, an increase of \$706,756 from collections of \$206,370 in September 2010.

Business Corporations Tax Cash Collections by Component:

The tables below are based on data provided by the Division of Taxation, and break down business corporations tax cash collections by component on both a fiscal year-to-date and monthly basis. It should be noted that slight differences may exist between the figures reported

by the Division of Taxation and those reported by the Controller due to timing differences in the posting of revenues.

Fiscal Year-to-Date through September:

Component	FY 2011	FY 2012	Difference	% Change
Estimated Payments	\$13,952,686	\$11,500,773	\$ (2,451,914)	-17.6 %
Final Payments*	17,091,169	7,739,383	(9,351,787)	-54.7 %
Refunds/Adjustments	(4,299,126)	(1,878,723)	2,420,403	-56.3 %
* Final Payments include historic structures tax credit reimbursements of \$399,541 in fiscal year-to-date 2011 and \$0 in fiscal year-to-date 2012.				

Within the business corporations tax components, estimated payments were down by \$2.5 million or 17.6 percent through the first quarter of FY 2012 when compared to same period last fiscal year. Final payments posted a decrease of \$9.4 million or 54.7 percent during FY 2012's first three months versus the first three months of FY 2011. It should be noted that FY 2011 final payments cash receipts for business include \$7.2 million that was classified as FY 2010 cash receipts. Refunds and adjustments were less by \$2.4 million through September of FY 2012 versus the same period in FY 2011.

Month of September:

Component	FY 2011	FY 2012	Difference	% Change
Estimated Payments	\$ 8,470,797	\$ 6,540,810	\$ (1,929,987)	-22.8 %
Final Payments	12,042,817	4,540,720	(7,502,097)	-62.3 %
Refunds/Adjustments	(938,686)	(145,625)	793,061	-84.5 %
* Final Payments include historic structures tax credit reimbursements of \$152,000 in September 2010 and \$0 in September 2011				

Within the business corporations tax components, estimated payments were down \$1.9 million or 22.8 percent in September 2011 vs. September 2010. Final payments posted a decrease of \$7.5 million or 62.3 percent in September 2011 when compared to September 2010. It should be noted that September 2010 final payments cash receipts include \$7.2 million that was classified as FY 2010 cash receipts. Refunds and adjustments were less by \$793,061 in September 2011 versus September 2010.

Excise Taxes Other Than the Sales and Use Tax

September	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$52.0 Million	\$49.2 Million	\$ (2.8 Million)	-5.3 %
Month	\$17.8 Million	\$16.6 Million	\$ (1.1 Million)	-6.3 %

Fiscal Year-to-Date through September:

Excise taxes other than sales and use taxes collected in the fiscal year-to-date September 2011 period totaled \$49.2 million or \$2.8 million less than the \$52.0 million collected for the same period in FY 2011. The actual year-to-date growth rate in excise taxes other than the sales and use tax is -5.3 percent.

Motor vehicle licenses and fees cash collections are \$267,287 less in FY 2012 through the first quarter than in FY 2011 through the first quarter. This difference yields a fiscal year-to-date growth rate for motor vehicle licenses and fees cash collections of -2.5 percent. Motor carrier fuel use tax cash collections total \$225,723 in FY 2012 through September. This is an increase of 15.0 percent over FY 2011 cash collections through September of \$196,246. FY 2012 alcohol excise taxes through September 2011 are down 1.0 percent, or \$32,639, from the \$3.1 million collected in FY 2011 through September 2010.

Rhode Island cigarettes tax receipts are comprised of excise taxes collected on the sale of cigarettes, 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 on cigarettes. Total cigarette tax receipts through the first three months of FY 2012 were down \$2.5 million, or 6.6 percent compared to the first three months of FY 2011.

Finally, the change in cigarette sales is determined. First, cigarette floor stock tax and smokeless tobacco products tax collections are netted out of the data yielding only cigarette tax collections. The result is a decrease in Rhode Island cigarette sales of 6.6 percent through the third month of FY 2012 versus the first three months of FY 2011.

Month of September:

Excise taxes other than sales and use taxes collected in September 2011 period totaled \$16.6 million or \$1.1 million less than the \$17.8 million collected in September 2010. This translates into a growth rate in excise taxes other than the sales and use tax -6.3 percent.

Motor vehicle licenses and fees cash collections are \$237,458, or 5.9 percent, less in September 2011 than in September 2010. Motor carrier fuel use tax cash collections total \$42,170 in September 2011. This is an increase of 3.4 percent over September 2010 cash collections of \$40,769. Alcohol excise taxes in September 2011 are down 1.2 percent, or \$10,290, from the \$864,271 collected in September 2010.

Total cigarette tax receipts in September 2011 were down \$879,116, or 6.9 percent compared to September 2010. This translates into an increase in Rhode Island cigarette sales of 6.9 percent in September 2011 versus September 2010.

Other Taxes

September	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$9.3 Million	\$11.7 Million	\$2.4 Million	26.2 %
Month	\$2.0 Million	\$ 1.8 Million	\$ (228,545)	-11.6 %

Fiscal Year-to-Date through September:

Other taxes collected through September of FY 2012 totaled \$11.7 million versus \$9.3 million in other taxes collected during the same period last fiscal year, an increase of \$2.4 million, or 26.2 percent. Inheritance tax collections totaled \$9.7 million through September of FY 2012, an increase of 36.6 percent from the \$7.1 million collected through the first quarter of FY 2011. Racing and athletics tax collections through September of FY 2012 were down 7.0 percent, or \$23,775, relative to the same period in FY 2011. Realty transfer taxes were down by 6.9 percent through September of FY 2012 versus September of FY 2011.

Month of September:

Other taxes collected in September 2011 totaled \$1.8 million versus \$2.0 million in other taxes collected in September 2010, a decrease of \$228,545, or 11.6 percent. Inheritance tax collections totaled \$1.1 million in September 2011, a decrease of 16.8 percent from the \$1.3 million collected in September 2010. Racing and athletics tax collections in September 2011 were down 9.2 percent, or \$10,975, relative to September 2010. Realty transfer taxes were up by 1.1 percent in September 2011 versus September 2010.

Total Departmental Receipts

September	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$165.0 Million	\$167.7 Million	\$2.7 Million	1.6 %
Month	\$ 14.5 Million	\$ 14.1 Million	\$ (399,119)	-2.8 %

Fiscal Year-to-Date through September:

FY 2012 year-to-date departmental receipts total \$167.7 million, an increase of \$2.7 million from the amount that was collected last fiscal year at this time. Actual departmental cash receipts for FY 2012 were up 1.6 percent when compared to cash receipts collected during the same period a year ago. FY 2012 year-to-date growth in the licenses and fees category of departmental receipts is 6.6 percent or \$9.7 million more than FY 2011 through September 2010. The Hospital Licensing Fee for FY 2011 was received in July of FY 2012 and totaled \$128.4 million or \$9.0 million more than was received in July of FY 2011 for FY 2010. Fines and penalties were down 7.4 percent through the third month of FY 2012 versus the third month of FY 2011, or \$213,643 less than fiscal year-to-date cash collections through September 2010. In the sales and services category of departmental receipts, FY 2012 year-to-date growth is -79.3 percent from FY 2011 cash collections of \$9.2 million through September 2010. The \$7.3 million decrease in sales and

services departmental receipts is attributable to the delayed posting of the \$7.1 million disproportionate share (“dish”) payment made by the Eleanor Slater Hospital in FY 2011. Finally, miscellaneous departmental revenues were up \$477,568, or 9.2 percent, through the first quarter of FY 2012 versus the first quarter of FY 2011.

In the enacted FY 2012 budget signed into law by Governor Chafee on June 30, 2011 several departmental receipt fees were either increased or newly established. The increased fees through September include the estate filing fee; up \$22,950, the letter of good standing fee; also up \$22,950, and the license fee for securities brokers and advisors; up \$41,045. New fees implemented this fiscal year include background checks completed by the Department of Children, Youth and Families which has collected \$3,880 through September, and a non-sufficient funds check fee implemented at the Division of Motor Vehicles which has collected \$2,080 through the first quarter. A new grant of \$125,000 from the Urban Institute for work support strategies also increased departmental receipts in FY 2012.

Month of September:

Departmental receipts total \$14.1 million, a decrease of \$399,119 from the amount that was collected in September 2010. Actual departmental receipts for September 2011 were down 2.8 percent when compared to September 2010. September 2011 growth in the licenses and fees category of departmental receipts is 0.6 percent or \$59,859 more than cash receipts in September 2010. Fines and penalties were down 3.6 percent, or \$50,204, in September 2011 versus September 2010. In the sales and services category of departmental receipts, September 2011 cash collections were \$156,446 or 32.3 percent less than September 2010 cash collections of \$1.4 million. Finally, miscellaneous departmental receipts were down \$565,220, or 19.2 percent in September 2011 vs. September 2010.

The fees affected by the enacted FY 2012 budget include the estate filing fee for which collections increased by \$10,350 in September 2011, the letter of good standing fee for which collections increased by \$6,675 in September 2011 versus September 2010, and the license fee for securities brokers and advisors which was up \$61,810 from September 2010 cash receipts of \$106,390. Similarly the new fees implemented by the enacted FY 2012 budget had revenues of \$3,880 in background checks completed by the Department of Children, Youth and Families and \$1,150 for the returned check fee implemented at the Division of Motor Vehicles for the month of September 2011.

Motor Fuel Tax, Per Penny Yield

September	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$1,101,762	\$1,122,683	\$ 20,921	1.9 %
Month	\$ 374,659	\$ 383,017	\$ 8,358	2.2 %

The State’s motor fuel tax consists of a \$0.32 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. 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 is \$20,921 more in FY 2012 through September than in FY 2011 through September. This represents an increase of 1.9 percent between the two fiscal year-to-date periods.

Month of September:

The per penny yield of the state's motor fuel tax totaled \$383,017 in September 2011, an increase of \$8,358, or 2.2 percent from September 2010 monthly cash collections of \$374,659.

Other Miscellaneous Revenues

September	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$1.1 Million	\$2.2 Million	\$ 1.1 Million	97.6 %
Month	\$ 103,386	\$ 227,316	\$ 123,930	119.9 %

Fiscal Year-to-Date through September:

Other miscellaneous revenues were up 97.6 percent in FY 2012 through September when compared to the same period one year ago. FY 2012 year-to-date collections total \$2.2 million compared to \$1.1 million collected at this time last fiscal year. In FY 2011, \$985,560 was deposited as a result of the sale of the Smithfield Salt Barn that was posted in July 2010. In FY 2012, \$2.0 million was deposited as a result of a transfer from the Tobacco Settlement Financing Corporation in August 2011 and \$138,387 was received in a settlement associated with the State's Medicaid program in September 2011.

Month of September:

September 2011 cash collections for other miscellaneous revenues were up \$123,930 compared to September 2010 cash collections of \$103,386. In September 2011, \$138,387 was deposited as a result of a settlement associated with the State's Medicaid program.

Lottery Transfer

September	FY 2011	FY 2012	Difference	% Change
Fiscal YTD	\$59.8 Million	\$62.1 Million	\$ 2.3 Million	3.9 %
Month	\$30.9 Million	\$29.8 Million	\$ (1.1 Million)	-3.5 %

Fiscal Year-to-Date through September:

The lottery transfer to the general fund does not commence until August of each fiscal year when July lottery receipts are transferred. The lottery transfer was up 3.9 percent in FY 2012 through September when compared to FY 2011 through September. FY 2012 year-to-date collections totaled \$62.1 million or \$2.3 million more than cash collections through the third month of FY 2011.

Month of September:

September 2011 cash collections for the lottery transfer were down \$1.1 million compared to September 2010 cash collections of \$30.9 million. The lottery transfer was down 3.5 percent in FY 2012 through September when compared to the same period one year ago. The lottery transfer to the state in September 2010 included \$1.7 million that should have been posted in August 2010. As a result, the lottery transfer on a monthly basis is overstated in September 2010.

Lottery Transfer Cash Collections by Component:

The tables below are based on data provided by the Division of Lottery, and break down the lottery transfer cash collections by component on both a fiscal year-to-date and monthly basis. It should be noted that slight differences may exist between the figures reported by the Division of Lottery and those reported by the Controller due to timing differences in the posting of revenues.

Fiscal Year-to-Date through September:

Component	FY 2011	FY 2012	Difference	% Change
Traditional Games	\$ 6,035,268	\$ 5,812,643	\$ (222,625)	-3.7 %
Keno	2,707,441	2,937,238	229,797	8.5 %
Twin River VLTs	44,783,723	48,221,894	3,438,172	7.7 %
Newport Grand VLTs	5,938,382	5,487,124	(451,258)	-7.6 %

Within the lottery transfer components, traditional games were down by \$222,625 or 3.7 percent through the third month of FY 2012 when compared to same period last fiscal year. Keno cash collections posted an increase of \$229,797 or 8.5 percent during FY 2012's first quarter versus the first quarter of FY 2011. The transfer from Twin River's video lottery terminals (VLTs) totaled \$48.2 million through September of FY 2012 an increase of \$3.4 million, or 7.7 percent, from FY 2011 cash collections for the comparable period a year ago. The FY 2012 year-to-date transfer from Newport Grand's VLTs totaled \$5.5 million versus the \$5.9 million collected through September of FY 2011. This translates into a decrease of \$451,258, or -7.6 percent. It should be noted that both Twin River and Newport Grand VLT cash collections do not reflect unclaimed prizes, distressed receipts and the state's payment to either Newport Grand's or Twin River's marketing program.

Month of September:

Component	FY 2011	FY 2012	Difference	% Change
Traditional Games	\$ 3,112,068	\$ 3,086,582	\$ (25,486)	-0.8 %
Keno	1,339,611	1,386,727	47,116	3.5 %
Twin River VLTs	21,672,433	22,893,065	1,220,632	5.6 %
Newport Grand VLTs	2,899,385	2,607,841	(291,544)	-10.1 %

Within the lottery transfer components, traditional games were down by \$25,486 or -0.8 percent in September of FY 2012 when compared to same month last fiscal year. Keno cash collections posted an increase of \$47,116 or 3.5 percent in September 2011 versus September 2010. The transfer from Twin River's video lottery terminals (VLTs) totaled \$22.9 million in September of FY 2012, an increase of \$1.2 million, or 5.6 percent, for the comparable month a year ago. The FY 2012 September monthly transfer from Newport Grand's VLTs totaled \$2.9 million versus the \$3.0 million collected in September of FY 2011. This translates into a decrease of \$291,544, or 10.1 percent.

Unclaimed Property Transfer

The unclaimed property transfer to the general fund occurs in June of every fiscal year.



Rosemary Booth Gallogly, Director
Rhode Island Department of Revenue

October 11, 2011

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Fiscal Year To Date

	FY 2011 YTD September	FY 2012 YTD September	Nominal Difference	Change
Personal Income Tax	247,496,343	269,516,568	22,020,225	8.9%
General Business Taxes				
Business Corporations	26,473,517	17,391,192	(9,082,325)	-34.3%
Public Utilities Gross Earnings	3,874,902	2,139,954	(1,734,948)	-44.8%
Financial Institutions	112,880	913,423	800,543	709.2%
Insurance Companies	32,997	330,235	297,238	900.8%
Bank Deposits	4,241	46,457	42,216	995.4%
Health Care Provider Assessment	10,038,256	10,684,324	646,068	6.4%
Excise Taxes				
Sales and Use	224,536,382	224,598,437	62,055	0.0%
Motor Vehicle	10,849,855	10,582,568	(267,287)	-2.5%
Motor Carrier Fuel Use	196,246	225,723	29,477	15.0%
Cigarettes	37,810,421	35,321,826	(2,488,595)	-6.6%
Alcohol	3,129,021	3,096,382	(32,639)	-1.0%
Controlled Substances	-	-	-	-
Other Taxes				
Inheritance and Gift	7,073,570	9,663,067	2,589,497	36.6%
Racing and Athletics	341,886	318,111	(23,775)	-7.0%
Realty Transfer	1,886,174	1,756,607	(129,567)	-6.9%
Total Taxes	\$ 573,856,691	\$ 586,584,874	\$ 12,728,183	2.2%
Departmental Receipts				
Licenses and Fees	147,741,412	157,431,544	9,690,132	6.6%
Fines and Penalties	2,901,211	2,687,568	(213,643)	-7.4%
Sales and Services	9,185,869	1,904,735	(7,281,134)	-79.3%
Miscellaneous	5,214,905	5,692,473	477,568	9.2%
Total Departmental Receipts	\$ 165,043,397	\$ 167,716,320	\$ 2,672,923	1.6%
Taxes and Departmentals	\$ 738,900,088	\$ 754,301,194	\$ 15,401,106	2.1%
Other General Revenue Sources				
Other Miscellaneous Revenues	1,120,803	2,215,150	1,094,347	97.6%
Lottery Transfer	59,784,742	62,119,776	2,335,034	3.9%
Unclaimed Property	-	-	-	-
Total Other Sources	\$ 60,905,545	\$ 64,334,926	\$ 3,429,381	5.6%
Total General Revenues	\$ 799,805,633	\$ 818,636,120	\$ 18,830,487	2.4%

STATE OF RHODE ISLAND MONTHLY CASH COLLECTIONS
Month of September

	FY 2011 September	FY 2012 September	Nominal Difference	% Change
Personal Income Tax	100,973,672	119,466,149	18,492,477	18.3%
General Business Taxes				
Business Corporations	19,437,224	10,948,930	(8,488,294)	-43.7%
Public Utilities Gross Earnings	206,370	913,126	706,756	342.5%
Financial Institutions	(17,516)	911,323	928,839	-5302.8%
Insurance Companies	(198,414)	126,415	324,829	-163.7%
Bank Deposits	-	46,457	46,457	-
Health Care Provider Assessment	3,452,738	3,704,319	251,581	7.3%
Excise Taxes				
Sales and Use	72,478,728	69,926,708	(2,552,020)	-3.5%
Motor Vehicle	4,022,522	3,785,064	(237,458)	-5.9%
Motor Carrier Fuel Use	40,769	42,170	1,401	3.4%
Cigarettes	12,824,087	11,944,971	(879,116)	-6.9%
Alcohol	864,271	853,981	(10,290)	-1.2%
Controlled Substances	-	-	-	-
Other Taxes				
Inheritance and Gift	1,329,345	1,105,928	(223,417)	-16.8%
Racing and Athletics	119,778	108,803	(10,975)	-9.2%
Realty Transfer	529,586	535,433	5,847	1.1%
Total Taxes	\$ 216,063,160	\$ 224,419,777	\$ 8,356,617	3.9%
Departmental Receipts				
Licenses and Fees	9,683,806	9,743,665	59,859	0.6%
Fines and Penalties	1,389,692	1,339,488	(50,204)	-3.6%
Sales and Services	483,839	640,285	156,446	32.3%
Miscellaneous	2,950,967	2,385,747	(565,220)	-19.2%
Total Departmental Receipts	\$ 14,508,304	\$ 14,109,185	\$ (399,119)	-2.8%
Taxes and Departmentals	\$ 230,571,464	\$ 238,528,962	\$ 7,957,498	3.5%
Other General Revenue Sources				
Other Miscellaneous Revenues	103,386	227,316	123,930	119.9%
Lottery Transfer	30,884,742	29,805,939	(1,078,803)	-3.5%
Unclaimed Property	-	-	-	-
Total Other Sources	\$ 30,988,128	\$ 30,033,255	\$ (954,873)	-3.1%
Total General Revenues	\$ 261,559,592	\$ 268,562,217	\$ 7,002,625	2.7%