

# OLS Revenue Snapshot

FY 2014 - Through November 2013

- **November Revenues Rebound.** Revenue growth in November rebounded from the weak performance in October, pushing year-to-date growth in the major revenues to 7.9%. The certified year-end target growth rate (target rate) for the major revenues as a whole is 6.6%. Strong growth early in FY 2014 is expected, because last year's baseline revenues performed poorly through the first five months of FY 2013 (up only 0.2%). The interesting revenue issue in the remaining months of FY 2014 will be growth performance compared to an FY 2013 baseline that rose by a strong 9.7% from December to the end of the fiscal year.
- **Gross Income Tax (GIT)** receipts of \$3.5 billion were 6.6% above the same five month period last year, but below the target rate of 7.7%. Collections for the month jumped 14.7% over last November, a rebound from October's 1.1% decline.
- **Sales Tax** receipts through the end of November total \$2.9 billion, up 10.0% from the same period last year. November collections reflect October economic activity because this tax is subject to a one month payment lag. Last year at this time, the sales tax was down 0.4%, so this year's strong growth off that depressed base is expected. The year-end target rate is 5.4% growth in FY 2014.
- **Corporation Business Tax (CBT)** collections of \$615.2 million through November were up 3.4% from the same period last fiscal year, registering growth for the first time this fiscal year. The FY 2014 CBT target rate is an increase of 2.2%. December collections will be important as quarterly payments are due, usually yielding the CBT's third largest month each year (after April and June).
- **Casino revenues** of \$92.1 million are up 3.4% through the end of November. The FY 2014 baseline casino revenues target rate is 3.7% growth.<sup>1</sup> Last November was the worst month for casino revenues during FY 2013, as casino closures and reduced gambling activity lingered into November following Super Storm Sandy. This November rebounded with 65.5% growth compared to the storm-weakened base.
- **Realty Transfer revenues** of \$95.2 million are up 31.4% compared to the same period last year. While the certified target rate is 40.0% growth in FY 2014, the November jump of 76.0% provides encouragement that growth will continue.

Office of Legislative Services  
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<sup>1</sup> Baseline casino revenues exclude \$160 million anticipated in FY 2014 from internet gaming.

As in past years, the OLS Revenue Snapshot summarizes current cash revenue collections in comparison to prior year cash collections for the same period, using information provided by the Department of Treasury. Certain revenues are reported with a one month lag due to payment schedules.

# OLS Revenue Snapshot

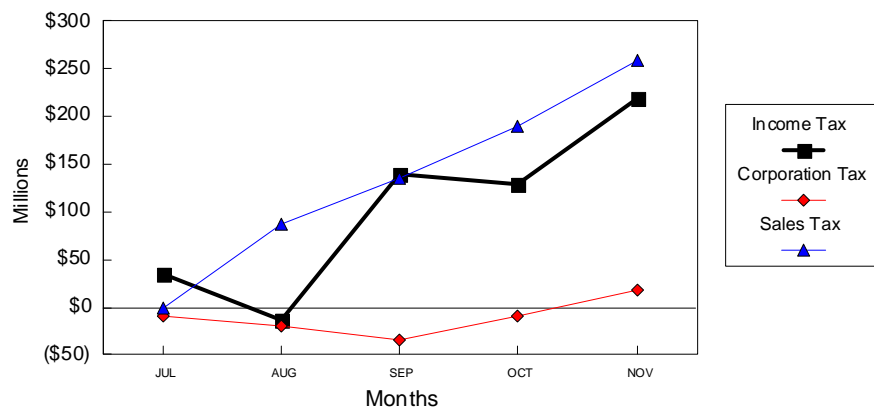
Selected Year-To-Date Cash Collections (\$ millions)

FY 2014 - Through November 2013

REVENUE	FY 2013 Actual Year-To-Date	FY 2014 Actual Year-To-Date	Actual Y-T-D Growth %	Certified Year-End Growth % **	Certified Year-End \$ Estimate
INCOME TAX	\$3,291.7	\$3,507.6	6.6%	7.7%	\$13,039.0
* SALES TAX	\$2,605.9	\$2,866.2	10.0%	5.4%	\$8,680.0
CORPORATION TAX	\$595.0	\$615.2	3.4%	2.2%	\$2,416.0
LOTTERY	\$377.7	\$383.0	1.4%	5.7%	\$1,020.0
TRANSFER INHERITANCE	\$246.7	\$296.0	20.0%	14.6%	\$715.0
INSURANCE PREMIUM	\$21.4	\$29.7	38.4%	8.0%	\$608.0
* MOTOR FUELS	\$179.5	\$182.9	1.9%	4.4%	\$547.0
[b] MOTOR VEHICLE FEES	\$46.6	\$22.3	-52.2%	-3.1%	\$437.1
* REALTY TRANSFER	\$72.4	\$95.2	31.4%	40.0%	\$297.0
[a] CIGARETTE	\$0.0	\$0.0	0.0%	-3.9%	\$237.0
* PETROLEUM PRODUCTS	\$70.3	\$76.7	9.1%	10.4%	\$228.0
[c] CASINO	\$89.1	\$92.1	3.4%	3.7%	\$209.1
BANKS & FINANCIAL (CBT)	\$26.2	\$60.3	130.6%	23.0%	\$202.0
* ALCOHOL EXCISE	\$31.2	\$31.9	2.2%	14.9%	\$118.5
<b>TOTALS:</b>	<b>\$7,653.9</b>	<b>\$8,259.2</b>	<b>7.9%</b>	<b>6.6%</b>	<b>\$28,753.7</b>

**Income Tax  
Corporation Tax  
and Sales Tax**

**FY14 Over FY13  
Actual Year-To-Date  
\$ Change**



Sources: Executive FY2014 year-end revenues certified June 2013. FY2014 Year-To-Date from Treasury monthly reports.

\* Revenues represent 4 months of cash collections. All others represent 5 months of cash collections.

\*\* The percentage difference between FY 2014 certified revenue estimates (June 2013) and preliminary FY 2013 figures from the Comprehensive Financial System (October 2013). Energy revenues for the sales tax and CBT are not included.

- [a] The first \$396.5 million in cigarette tax collections are deposited into the Health Care Subsidy Fund (P.L.2006, c.37). Additional amounts, estimated at about \$145.0 million, are dedicated to pay tobacco bond debt service (P.L.2004, c.68).
- [b] The first \$244.9 million in motor vehicle fee collections are dedicated to the NJ Motor Vehicle Commission.
- [c] The FY14 casino amount does not include the \$160 million from new internet gaming revenues.