

OLS Revenue Snapshot

FY 2015 - Through March 2015

- **Revenues Close to Revised Targets.** Through the end of March, the major revenues are growing by 5.3%, matching the year-end aggregate target growth rate. The March total may have benefitted from a lag in the processing of income tax refund payments. If that is the case, underlying revenue growth may be closer to 4.8%, slightly below the Executive's aggregate target growth rate. Of the 14 major revenues OLS tracks each month, four are growing above their revised year-end target growth rates and 10 are growing below the target rates.
- **Gross Income Tax (GIT):** Cash receipts of \$8.2 billion are running 7.2% above the same period last year. The revised year-end target assumes annual growth of 5.6% above FY 2014. However, March saw a sharp \$89.0 million drop in refund payments compared to the same month last year. Even if we discount the \$89.0 million as a processing delay, the GIT is still up a solid 6.0% through the end of March. Mirroring a national trend, withholding from employee wages is up 5.4%, after 6.0% growth in March, perhaps due to healthy bonus payments. Refund payments are down 6.2%, in part from the processing lag noted above, while estimated payments are rising 6.0%. Up next are the always important final payments due April 15 each year.
- **Sales Tax:** The Executive's revised year-end target assumes growth of 2.8%. Receipts through the end of March total \$5.75 billion, up 2.6% from the same period¹ last year. March collections of \$593.7 million rose only 2.0% from last March, the third time in the last four months that growth has been 2.0% or less.
- **Corporation Business Tax (CBT):** Cash collections of \$1.67 billion through the end of March are up 17.5% from the same period last fiscal year. The year-end target requires 23.3% growth from FY 2014 levels.
- **Casino revenues:** The revised target assumes a decline of 3.5% from FY 2014. Current receipts of \$147.2 million are down 5.3% compared to last year through the same period. Casino revenues include \$12.3 million from eight months of internet gaming receipts, averaging \$1.54 million per month in FY 2015.
- **Lottery revenues:** The revised lottery revenue estimate assumes a 1.0% decline from last year. Cash collections of \$670.6 million are down 2.9% from the same nine month period last year.

Office of Legislative Services
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¹ March sales tax collections reflect February economic activity because this tax is subject to a one month payment lag.

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

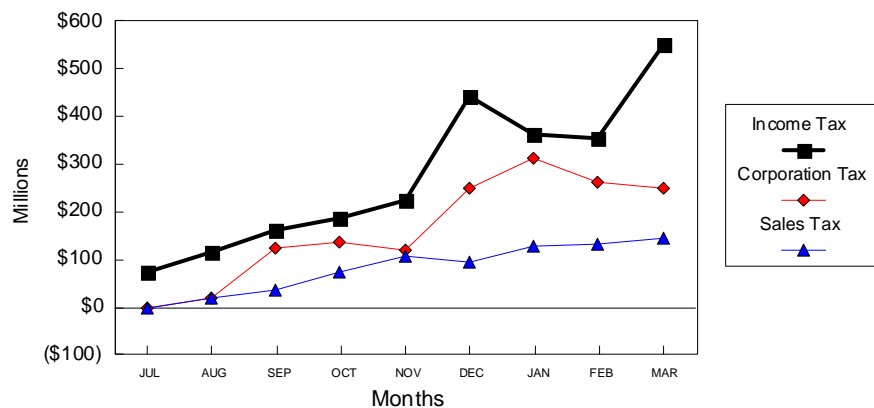
Selected Year-To-Date Cash Collections (\$ millions)

FY 2015 - Through March 2015

| REVENUE | FY 2014 Actual Year-To-Date | FY 2015 Actual Year-To-Date | Actual Y-T-D Growth % | Revised Year-End Growth % ** | Revised Year-End \$ Estimate |
|-------------------------|-----------------------------------|-----------------------------------|-----------------------------|------------------------------------|------------------------------------|
| INCOME TAX | \$7,640.7 | \$8,188.1 | 7.2% | 5.6% | \$13,007.0 |
| * SALES TAX | \$5,607.3 | \$5,751.8 | 2.6% | 2.8% | \$8,886.0 |
| CORPORATION TAX | \$1,420.3 | \$1,669.1 | 17.5% | 23.3% | \$2,590.0 |
| LOTTERY | \$690.8 | \$670.6 | -2.9% | -1.0% | \$955.0 |
| TRANSFER INHERITANCE | \$512.9 | \$517.0 | 0.8% | 4.0% | \$715.0 |
| INSURANCE PREMIUM | \$344.0 | \$379.2 | 10.2% | 6.8% | \$617.5 |
| * MOTOR FUELS | \$349.6 | \$347.0 | -0.7% | 0.9% | \$535.0 |
| [a] MOTOR VEHICLE FEES | \$233.4 | \$231.9 | -0.7% | 2.3% | \$440.0 |
| * REALTY TRANSFER | \$170.0 | \$188.0 | 10.6% | 12.4% | \$280.0 |
| * PETROLEUM PRODUCTS | \$144.1 | \$142.6 | -1.0% | -3.8% | \$208.5 |
| [b] CASINO | \$155.4 | \$147.2 | -5.3% | -3.5% | \$200.8 |
| [c] CIGARETTE | \$54.7 | \$10.0 | -81.8% | -19.4% | \$180.7 |
| BANKS & FINANCIAL (CBT) | \$101.4 | \$110.5 | 8.9% | -14.5% | \$159.0 |
| * ALCOHOL EXCISE | \$66.2 | \$66.4 | 0.3% | 2.7% | \$107.0 |
| TOTALS: | \$17,490.8 | \$18,419.3 | 5.3% | 5.3% | \$28,881.5 |

**Income Tax
Corporation Tax
and Sales Tax**

**FY15 Over FY14
Actual Year-To-Date
\$ Change**



Sources: Executive FY2015 year-end revenues revised February 2015. FY2015 Year-To-Date from Treasury monthly reports.

* Revenues represent 8 months of cash collections. All others represent 9 months of cash collections.

** The percentage difference between FY 2015 revised revenue estimates (Feb. 2014) and audited FY 2014 figures from the Comprehensive Financial Report (April 2015). Energy revenues for the sales tax and CBT are not included.

[a] The first \$250.3 million in motor vehicle fee collections are dedicated to the NJ Motor Vehicle Commission.

[b] The FY15 casino amount includes internet gaming revenues.

[c] 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 \$111.4 million, are dedicated to pay tobacco bond debt service (P.L.2004, c.68).