

# OLS Revenue Snapshot

FY 2016 - Through November 2015

- **Revenues Through November Slightly Behind Pace.** November collections for the major revenues increased by 1.6% over November 2014, marking the second consecutive month below the 3.4% rate needed to reach the year-end<sup>1</sup> targets. As a result, the cumulative growth rate through November equaled only 2.8% over the same period last year. Year-to-date, seven of the 14 major revenues are growing at rates above those needed to achieve their certified year-end targets, while six revenues are trailing their certified year-end targets.
- **Gross Income Tax (GIT)** cash receipts of \$3.9 billion are running 3.7% above the same period last year. The certified year-end target assumes annual growth of 3.5% above FY 2015. Withholding from employee wages increased by only 2.0% above the same five months last year. Quarterly estimated payments<sup>2</sup> are up a strong 14.8%, but refunds are also up, 29.6% above last year.
- **Sales Tax** receipts year-to-date total \$3.1 billion, up 4.6% from the same period<sup>3</sup> last year. November collections grew by 3.0% over last November's monthly amount. The certified target assumes an annual 2.9% growth rate above the preliminary FY 2015 total.
- **Corporation Business Tax (CBT)** cash collections of \$583.2 million through the end of November represent a 20.8% decline from the same period last fiscal year. The certified FY 2016 CBT estimate requires 5.9% growth for the year. December's pending collections will mark the second quarterly payment this fiscal year and provide an important reading on the prospects of achieving the FY 2016 target.
- **Transfer inheritance revenues** of \$355.8 million are up 15.3% compared to last year through November, continuing to exceed the 1.9% growth rate needed to meet the certified year-end target.
- **Casino revenues** of \$85.8 million are down 1.8% compared to last year through November. The certified target for FY 2016 casino revenues assumes a decline of 2.5%.
- **Realty transfer fee revenues** of \$109.3 million are up 6.0% compared to last year through November, lagging the 10.0% growth rate needed to meet the certified year-end target.

Office of Legislative Services  
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<sup>1</sup> The *OLS Revenue Snapshot* displays the growth rates necessary to achieve the FY 2016 year-end certified targets compared to the FY 2015 preliminary totals provided in the Treasurer's May budget update. These growth rates will change when final FY 2015 collections are established later this year.

<sup>2</sup> Quarterly estimated payments (April, June, September, and December/January) are generally paid by taxpayers with significant non-wage income such as capital gains, dividends, and partnership income.

<sup>3</sup> November sales tax collections reflect October economic activity because this tax is subject to a one month payment lag. Accordingly, receipts from the important December holiday sales period will be reflected in the January revenue report.

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.

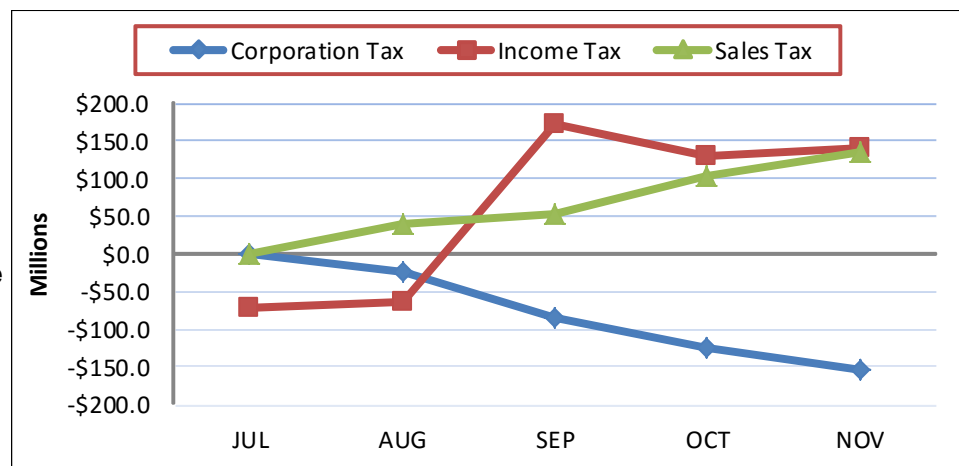
# OLS Revenue Snapshot

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

FY 2016 - Through November 2015

REVENUE	FY 2015 Actual Year-To-Date	FY 2016 Actual Year-To-Date	Actual Y-T-D Growth %	Certified Year-End Growth % **	Certified Year-End \$ Estimate
INCOME TAX	\$3,733.7	\$3,872.3	3.7%	3.5%	\$13,810.0
* SALES TAX	\$2,973.2	\$3,108.9	4.6%	2.9%	\$9,090.0
CORPORATION TAX	\$736.5	\$583.2	-20.8%	5.9%	\$2,575.0
LOTTERY	\$352.7	\$368.2	4.4%	7.5%	\$1,000.0
TRANSFER INHERITANCE	\$308.6	\$355.8	15.3%	1.9%	\$755.0
INSURANCE PREMIUM	\$21.7	\$40.7	87.3%	2.8%	\$660.0
* MOTOR FUELS	\$180.1	\$184.0	2.2%	0.7%	\$534.9
[a] MOTOR VEHICLE FEES	\$18.3	\$54.6	198.2%	7.8%	\$472.1
* REALTY TRANSFER	\$103.1	\$109.3	6.0%	10.0%	\$309.1
* PETROLEUM PRODUCTS	\$73.8	\$70.5	-4.5%	0.0%	\$215.0
[b] CASINO	\$87.3	\$85.8	-1.8%	-2.5%	\$194.2
BANKS & FINANCIAL (CBT)	\$35.2	\$31.3	-11.1%	-14.1%	\$165.0
[c] CIGARETTE	\$0.0	\$0.0	0.0%	-16.6%	\$147.6
* ALCOHOL EXCISE	\$32.8	\$33.4	1.8%	1.9%	\$107.0
<b>TOTALS:</b>	<b>\$8,657.0</b>	<b>\$8,897.9</b>	<b>2.8%</b>	<b>3.4%</b>	<b>\$30,034.9</b>

**Income Tax  
Corporation Tax  
and Sales Tax**  
  
**FY16 Over FY15  
Actual Year-To-Date  
\$ Change**



Sources: Executive FY2016 year-end revenues certified June 2015. FY2016 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 FY2016 certified revenue estimates (June 2015) and FY2015 figures from the Treasurer's budget update (May 2015). Energy revenues for the Sales tax and CBT are not included. FY2016 Income tax reflects the Executive's downward adjustment of \$120 million for additional Earned Income Tax credits.

[a] The first \$222.8 million in motor vehicle fee collections are dedicated to the NJ Motor Vehicle Commission.

[b] The casino amounts include 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 \$107.9 million, are dedicated to pay tobacco bond debt service (P.L.2004, c.68).