

OLS Revenue Snapshot

FY 2016 - Through October 2015

- **Revenue Results Remain Mixed Through October.** Major revenues through October grew by 2.9% over the same period last year, below the 3.4% rate needed to reach the year-end¹ targets. Six of the 14 major revenues are growing at rates above those needed to achieve their certified year-end targets, while six revenues are falling below the growth rates needed to meet their certified year-end targets.
- **Gross Income Tax (GIT)** cash receipts of \$3.1 billion are running 4.3% 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 about 2.4%. Quarterly estimated payments² are up a strong 14.5%, but refunds are also up sharply, 42.5% above the same period last year. Four months into the fiscal year, refunds are running \$108 million above last year, putting a drag on net collections.
- **Sales Tax** receipts through the end of October total \$2.4 billion, up 4.5% from the same period³ last year. October collections grew by 6.1% above October 2014, the highest monthly growth rate so far this fiscal year. The certified target assumes an annual 2.9% growth rate above the preliminary FY 2015 total.
- **Corporation Business Tax (CBT)** cash collections of \$537.7 million through the end of October represent an 18.8% decline from the same period last fiscal year. The certified FY 2016 CBT estimate requires 5.9% growth for the year. While October is not a significant payment month, the 37.1% decline from last October adds to the on-going concern regarding the prospects of achieving the FY 2016 target.
- **Casino revenues** of \$70.3 million are down 4.8% compared to last year through October. The certified target for FY 2016 casino revenues assumes a more modest decline of 2.5%.
- **Realty transfer fee revenues** of \$82.3 million are up 4.5% compared to last year through October, lagging the 10.0% growth rate needed to meet the certified year-end target.
- **Transfer inheritance revenues** of \$292.0 million are up 19.7% compared to last year through October, exceeding the much lower 1.9% growth rate needed to meet the certified year-end target.

Office of Legislative Services
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¹ 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.

² 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.

³ October sales tax collections reflect September 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

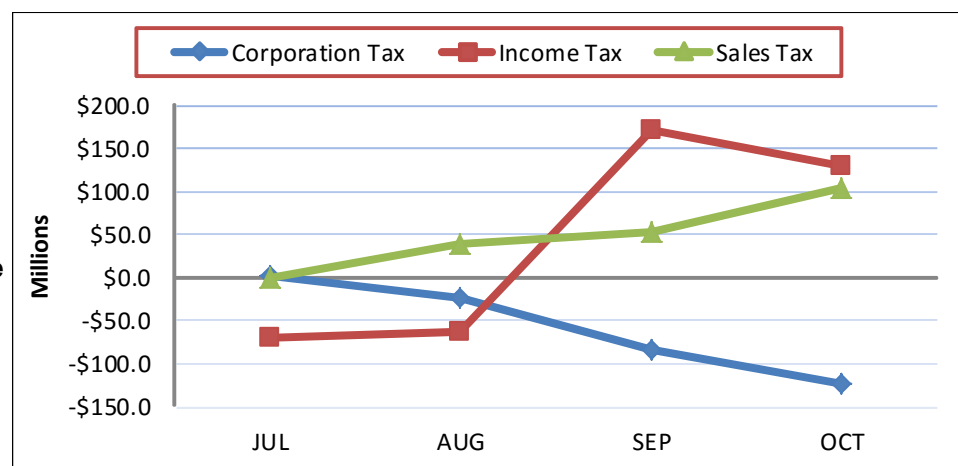
Selected Year-To-Date Cash Collections (\$ millions)

FY 2016 - Through October 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	\$3,011.2	\$3,141.3	4.3%	3.5%	\$13,810.0
* SALES TAX	\$2,287.0	\$2,389.4	4.5%	2.9%	\$9,090.0
CORPORATION TAX	\$662.5	\$537.7	-18.8%	5.9%	\$2,575.0
LOTTERY	\$283.4	\$295.6	4.3%	7.5%	\$1,000.0
TRANSFER INHERITANCE	\$243.9	\$292.0	19.7%	1.9%	\$755.0
INSURANCE PREMIUM	\$14.6	\$32.0	118.8%	2.8%	\$660.0
* MOTOR FUELS	\$132.7	\$141.4	6.6%	0.7%	\$534.9
[a] MOTOR VEHICLE FEES	\$0.0	\$5.9	--	7.8%	\$472.1
* REALTY TRANSFER	\$78.8	\$82.3	4.5%	10.0%	\$309.1
* PETROLEUM PRODUCTS	\$56.0	\$55.1	-1.5%	0.0%	\$215.0
[b] CASINO	\$73.8	\$70.3	-4.8%	-2.5%	\$194.2
BANKS & FINANCIAL (CBT)	\$30.7	\$31.7	3.2%	-14.1%	\$165.0
[c] CIGARETTE	\$0.0	\$0.0	0.0%	-16.6%	\$147.6
* ALCOHOL EXCISE	\$16.2	\$15.9	-2.2%	1.9%	\$107.0
TOTALS:	\$6,890.7	\$7,090.4	2.9%	3.4%	\$30,034.9

**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 3 months of cash collections. All others represent 4 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).