



State of New Jersey

Department of the Treasury

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First Quarter Revenues in Line with Budget Projections

TRENTON – Acting State Treasurer Michellene Davis announced today that revenue collections through the first three months of FY 2008 were slightly ahead of targets for the quarter.

From July through September, New Jersey collected \$6.58 billion, which is \$93.3 million, or 1.4 percent, ahead of projections for the period. Among the major taxes, the Gross Income Tax, at \$2.12 billion, came in at 4.5 percent over the target. Sales Tax collections totaled \$2.17 billion, which was 0.2 percent above the target, while the \$538.4 million in Corporation Business Tax (CBT) collections were 4.5 percent below projections for the quarter.

“While we are pleased that collections are tracking close to targets, we also know that it’s early, and the revenue picture doesn’t come into real focus until later in the fiscal year,” said Davis.

David Rousseau, Budget Fiscal Policy Advisor to the Governor, added: “Any revenue collected above targets is critically important to us as we are faced with a shortfall that may exceed \$3 billion in the coming fiscal year.”

“We will continue to watch performance of our revenues closely, and monitor key reporting periods ahead for estimated tax payments and Sales Tax receipts from consumer spending activity,” Rousseau said.

STATE OF NEW JERSEY
REVENUE SOURCE
BUDGET VS EARNED
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2007
(\$ Thousands)

Revenue Source	July - September		Variance Over/(Under) Budget	% Variance Over/(Under) Budget
	Budget	Earned		
Gross Income	\$ 2,037,000	\$ 2,128,902	\$ 91,902	4.5%
Sales	2,170,000	2,173,822	3,822	0.2%
Corporation Business	563,700	538,444	(25,256)	(4.5%)
Lottery	195,700	216,505	20,805	10.6%
Motor Fuels	140,500	143,578	3,078	2.2%
Motor Vehicle Fees (b)	-	-	-	-
Transfer Inheritance	159,700	181,005	21,305	13.3%
Casino Revenue	106,900	109,438	2,538	2.4%
Insurance Premium	1,200	(12,727)	(13,927)	-
Cigarette (a)	-	-	-	-
Petroleum Products Gross Receipts	66,800	59,137	(7,663)	(11.5%)
Corp. Banks & Financial Institutions	18,200	16,787	(1,413)	(7.8%)
Alcoholic Beverage Excise	15,200	15,274	74	-
Realty Transfer	101,200	103,821	2,621	2.6%
Tobacco Products Wholesale Sales (a)	2,400	2,663	263	11.0%
Public Utility	-	-	-	-
Total	\$ 5,578,500	\$ 5,676,649	\$ 98,149	1.8%
All Other	916,200	911,399	(4,801)	(0.5%)
Total Revenues	\$ 6,494,700	\$ 6,588,048	\$ 93,348	1.4%

(a) Pursuant to P.L. 06-37, revenue collections of \$370.0 million from the cigarette and tobacco products wholesale sales taxes are deposited in the Health Care Subsidy Fund starting with fiscal year 2007. Pursuant to P.L. 04-69 \$0.0325 per cigarette is dedicated to pay debt service on the Cigarette Securitization Bonds.

(b) Pursuant to P.L. 03-13, \$204.3 million of FY 2008 Motor Vehicle Fee collections are dedicated to the New Jersey Motor Vehicle Commission.

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