



State of New Jersey

Department of the Treasury

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First Quarter Revenues Close to Budget Projections *Snapshot predates full impact of Wall Street Turmoil*

TRENTON – State Treasurer David Rousseau announced today that revenue collections through the first quarter of FY 2009 came in close to projections, totaling \$6.51 billion, which is \$47.1 million (-0.7 percent) below estimates for the period.

“While we are gratified that total collections to date have come in close to targets, we are obviously mindful that these figures are a limited snapshot of what is an evolving economic picture,” Rousseau said, noting that first quarter revenues represent about 20 percent of total collections for the fiscal year. “These revenues do not fully reflect the impact from the recent problems on Wall Street, so we will keep close watch of how the economic climate influences our collections for the current year.”

For the quarter, Gross Income Tax revenues totaled \$2.17 billion, which is \$36 million (-1.7 percent) under target. Corporation Business Tax collections came in at \$553 million for the quarter, which is \$31.4 million (+6 percent) above target. Since there is a one month lag in reporting, Sales Tax collections of \$2.11 billion reflect two months of activity, finishing \$58.6 million (-2.7 percent) under target for that period.

“A state’s best defense against an economic downturn is an austere budget that is built around highly conservative revenues estimates,” he said. “Governor Corzine and the Legislature had the prudence and foresight to enact a budget earlier this year that has positioned New Jersey well for this downturn,” noting that the budget contained the largest year to year cut in appropriations – \$600 million – in state history, as part of \$3 billion in total spending restrictions. Those cuts include reductions in the operational budget of every state department.

“We will continue to monitor revenues and are preparing other contingencies should collections fail to support FY 09 spending obligations,” he said.

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STATE OF NEW JERSEY
REVENUE SOURCE
BUDGET VS EARNED
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2008
(\$ Thousands)

Revenue Source	September		Variance Over/(Under) Budget	% Variance Over/(Under) Budget
	Budget	Earned		
Gross Income	\$ 2,212,000	\$ 2,175,396	\$ (36,604)	(1.7%)
Sales	2,176,000	2,117,390	(58,610)	(2.7%)
Corporation Business	522,000	553,427	31,427	6.0%
Lottery	203,600	203,751	151	0.1%
Motor Fuels	143,400	138,548	(4,852)	(3.4%)
Motor Vehicle Fees (b)	-	-	-	-
Transfer Inheritance	173,700	211,960	38,260	22.0%
Casino Revenue	105,100	102,313	(2,787)	(2.7%)
Insurance Premium	800	2,964	2,164	270.5%
Cigarette (a)	-	-	-	-
Petroleum Products Gross Receipts	60,500	57,735	(2,765)	(4.6%)
Corp. Banks & Financial Institutions	13,300	19,901	6,601	49.6%
Alcoholic Beverage Excise	15,400	15,620	220	1.4%
Realty Transfer	101,600	86,215	(15,385)	(15.1%)
Tobacco Products Wholesale Sales (a)	3,100	2,554	(546)	(17.6%)
Public Utility	-	-	-	-
Total	\$ 5,730,500	\$ 5,687,774	\$ (42,726)	(0.7%)
All Other	831,500	827,140	(4,361)	(0.5%)
Total Revenues	\$ 6,562,000	\$ 6,514,914	\$ (47,087)	(0.7%)

(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, \$209.4 million of FY 2009 Motor Vehicle Fee collections are dedicated to the New Jersey Motor Vehicle Commission.

STATE OF NEW JERSEY
REVENUE SOURCE
BUDGET VERSUS EARNED
MONTH OF SEPTEMBER 2008
(\$ Thousands)

Revenue Source	SEPTEMBER		Variance Over/(Under) Budget	% Variance Over/(Under) Budget
	Budget	Earned		
Gross Income	\$ 1,340,000	\$ 1,297,647	\$ (42,353)	(3.2%)
Sales	754,000	688,520	(65,480)	(8.7%)
Corporation Business	387,000	418,792	31,792	8.2%
Lottery	66,200	64,146	(2,054)	(3.1%)
Motor Fuels	45,800	43,912	(1,888)	(4.1%)
Motor Vehicle Fees (b)	-	-	-	-
Transfer Inheritance	51,500	62,875	11,375	22.1%
Casino Revenue	33,700	28,660	(5,040)	(15.0%)
Insurance Premium	-	614	614	-
Cigarette (a)	-	-	-	-
Petroleum Products Gross Receipts	19,100	16,356	(2,744)	(14.4%)
Corp. Banks & Financial Institutions	11,000	15,435	4,435	40.3%
Alcoholic Beverage Excise	-	82	82	-
Realty Transfer	33,400	28,640	(4,760)	(14.3%)
Tobacco Products Wholesale Sales (a)	1,500	1,065	(435)	(29.0%)
Public Utility	-	-	-	-
Total	\$ 2,743,200	\$ 2,666,744	\$ (76,456)	(2.8%)
All Other	277,200	276,008	(1,192)	(0.4%)
Total Revenues	\$ 3,020,400	\$ 2,942,752	\$ (77,648)	(2.6%)

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STATE OF NEW JERSEY
MONTH AND YEAR-TO-DATE CASH COLLECTIONS
Fiscal 2009 - September 2008 VERSUS 2007

(\$ Thousands)

SEPTEMBER		%		SEPTEMBER - YTD		%
2007	2008			2007	2008	
\$ 1,118,224	\$ 1,127,647	0.8%	Gross Income Tax	\$ 1,701,902	\$ 1,688,396	(0.8%)
715,458	656,520	(8.2%)	Sales	1,432,122	1,363,390	(4.8%)
403,639	418,792	3.8%	Corporation Business	538,444	553,427	2.8
62,971	64,146	1.9%	Lottery	216,505	203,751	(5.9)
50,144	45,412	(9.4%)	Motor Fuels	97,678	92,748	(5.0%)
-	-	-	Motor Vehicle Fees (b)	-	-	-
60,172	62,875	4.5	Transfer Inheritance	181,005	211,960	17.1
34,438	28,660	(16.8)	Casino Revenue	109,438	102,313	(6.5)
(6,760)	614	-	Insurance Premium	(12,727)	2,964	-
-	-	-	Cigarette (a)	-	-	-
19,705	18,356	(6.8%)	Petroleum Products Gross Receipts	40,237	38,635	(4.0%)
13,586	15,435	13.6%	Corp. Banks & Financial Institutions	16,787	19,901	18.6
15,190	15,382	1.3%	Alcoholic Beverage Excise	15,274	15,620	2.3
32,363	26,440	(18.3)	Realty Transfer	70,321	52,815	(24.9)
1,273	1,065	(16.3%)	Tobacco Products Wholesale Sales (a)	2,663	2,554	(4.1%)
-	-	-	Public Utility	-	-	-
<u>\$ 2,520,403</u>	<u>\$ 2,481,344</u>	(1.5%)	Total Major Revenues	<u>\$ 4,409,649</u>	<u>\$ 4,348,474</u>	(1.4%)

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