



State of New Jersey

Department of the Treasury
Andrew P. Sidamon-Eristoff, Treasurer

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For Information Contact:
Andrew Pratt
(609) 633-6565

Year to Date Revenues for Fiscal 2010 Are \$592 million Below Last Year's

TRENTON – State Treasurer Andrew P. Sidamon-Eristoff announced that revenue collections were \$592 million lower in the first nine months of Fiscal 2010 than during the same period in 2009. Collections were \$75 million, or 0.4 percent, more than the estimates put forth by the Treasury in February, when revenue forecasts were revised downward. Collections just in the month of March were \$1.7 billion, 1.6 percent higher than in March 2009.

“While March was a better month than expected, weak sales tax collections continue to be troubling, and we are still hundreds of millions of dollars behind the first nine months of fiscal 2009,” Treasurer Sidamon-Eristoff said. “April and May, when both large payments of yearly income tax and quarterly sales tax figures are tallied, will be critical to meeting our expectations for fiscal 2010 and to future forecasts of 2011 revenue.”

Taxpayers in some of New Jersey's largest and most affluent counties won't have to file their returns or make final tax payments until May 11, delaying the calculation of key data on the state's finances for both fiscal 2010 and 2011. Severe flooding in 12 counties led both the federal Internal Revenue Service and the New Jersey Division of Taxation to grant personal and corporate taxpayers a one-month grace period.

For the nine months ending in March, collections of the three taxes that raise the majority of state revenue remain far below last year's levels. The income tax is down 2 percent, sales taxes are down 5 percent and the corporate business tax is off 7.1 percent. The state collected \$15.5 billion in the first nine months of fiscal 2009 compared with \$14.9 billion so far in the current fiscal year.

Income taxes are running almost 1 percent above February's reduced revenue forecast, and the corporate income tax is 5.9 percent above those estimates. The sales tax continues to lag even greatly reduced expectations, falling 1.3 percent below forecasts released in February.

For the month of March alone, the State income tax brought in \$389.9 million, 18 percent better than February forecasts. The corporate business tax generated \$264.6 million in revenue, 35% higher than estimates. The sales tax, however, brought in \$564.4 million, 11 percent less than estimates.

"Continued weakness in the sales tax shows that Governor Christie's efforts to restrain spending are both prudent and vitally necessary," the Treasurer said. "The economy is still weak, and the recovery cannot be described as sustained. Caution is the only wise course."

STATE OF NEW JERSEY
MONTH AND YEAR-TO-DATE CASH COLLECTIONS
Fiscal 2010 - MARCH 2010 versus 2009

(\$ Thousands)

MARCH		%		MARCH - YTD		%
2009	2010			Change	2009	
\$ 514,935	\$ 567,432	10.2%	Gross Income Tax	\$ 6,405,620	\$ 6,274,950	(2.0%)
535,720	493,384	(7.9%)	Sales	5,102,236	4,848,075	(5.0%)
204,227	264,647	29.6%	Corporation Business	1,335,463	1,240,197	(7.1%)
75,000	81,545	8.7%	Lottery	630,186	672,498	6.7%
37,469	32,090	(14.4%)	Motor Fuels	354,345	345,533	(2.5%)
59,756	19,179	(67.9%)	Motor Vehicle Fees (b)	195,941	214,304	9.4%
46,282	52,869	14.2%	Transfer Inheritance	511,626	419,550	(18.0%)
26,470	25,125	(5.1%)	Casino Revenue	260,376	219,411	(15.7%)
100,291	112,733	12.4%	Insurance Premium	271,713	272,882	0.4%
42,240	21,614	(48.8%)	Cigarette (a)	50,691	21,614	(57.4%)
13,733	15,738	14.6%	Petroleum Products Gross Receipts	145,964	141,545	(3.0%)
6,030	6,718	11.4%	Corp. Banks & Financial Institutions	31,706	59,361	87.2%
12,612	7,027	(44.3%)	Alcoholic Beverage Excise	62,196	61,029	(1.9%)
16,140	17,129	6.1%	Realty Transfer	146,149	120,380	(17.6%)
1,362	2,012	47.7%	Tobacco Products Wholesale Sales (a)	10,366	11,491	10.9%
-	-	-	Public Utility	-	-	-
<u>\$ 1,692,267</u>	<u>\$ 1,719,242</u>	1.6%	Total Major Revenues	<u>\$ 15,514,578</u>	<u>\$ 14,922,820</u>	(3.8%)

- (a) Pursuant to P.L. 06-37, revenue collections of \$396.5 million from the cigarette and tobacco products wholesale sales tax are deposited in the Health Care Subsidy Fund. 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, \$237.0 million of FY 2010 Motor Vehicle Fee collections are dedicated to the New Jersey Motor Vehicle Commission.

STATE OF NEW JERSEY

**REVENUE SOURCE
BUDGET VERSUS EARNED
MONTH OF MARCH 2010
(\$ Thousands)**

Revenue Source	MARCH		Variance	% Variance
	Revised Budget	Earned	Over/(Under) Revised Budget	Over/(Under) Revised Budget
Gross Income	\$ 329,500	\$ 389,932	\$ 60,432	18.3%
Sales	635,000	564,384	(70,616)	(11.1%)
Corporation Business	196,000	264,647	68,647	35.0%
Lottery	82,100	81,545	(555)	(0.7%)
Motor Fuels	41,600	34,190	(7,410)	(17.8%)
Motor Vehicle Fees (b)	13,100	19,179	6,079	46.4%
Transfer Inheritance	34,700	52,869	18,169	52.4%
Casino Revenue	25,900	25,125	(775)	(3.0%)
Insurance Premium	104,900	112,733	7,833	7.5%
Cigarette (a)	23,500	21,614	(1,886)	(8.0%)
Petroleum Products Gross Receipts	17,600	16,738	(862)	(4.9%)
Corp. Banks & Financial Institutions	6,600	6,718	118	1.8%
Alcoholic Beverage Excise	-	(5,273)	(5,273)	-
Realty Transfer	7,100	7,229	129	1.8%
Tobacco Products Wholesale Sales (a)	800	2,012	1,212	151.5%
Public Utility	-	-	-	-
Total	<u>\$ 1,518,400</u>	<u>\$ 1,593,642</u>	<u>\$ 75,242</u>	<u>5.0%</u>
All Other	273,900	273,900	-	0.0%
Total Revenues	<u>\$ 1,792,300</u>	<u>\$ 1,867,542</u>	<u>\$ 75,242</u>	<u>4.2%</u>

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STATE OF NEW JERSEY
REVENUE SOURCE
BUDGET VS EARNED
FOR THE NINE MONTHS ENDING MARCH 31, 2010
(\$ Thousands)

Revenue Source	MARCH		Variance	% Variance
	Revised Budget	Earned	Over/(Under) Revised Budget	Over/(Under) Revised Budget
Gross Income	\$ 6,619,000	\$ 6,679,450	\$ 60,450	0.9%
Sales	5,553,700	5,483,075	(70,625)	(1.3%)
Corporation Business	1,171,600	1,240,197	68,597	5.9%
Lottery	673,100	672,498	(602)	(0.1%)
Motor Fuels	394,500	387,133	(7,367)	(1.9%)
Motor Vehicle Fees (b)	208,200	214,304	6,104	2.9%
Transfer Inheritance	401,400	419,550	18,150	4.5%
Casino Revenue	220,200	219,411	(789)	(0.4%)
Insurance Premium	265,000	272,882	7,882	3.0%
Cigarette (a)	23,500	21,614	(1,886)	(8.0%)
Petroleum Products Gross Receipts	160,000	159,145	(855)	(0.5%)
Corp. Banks & Financial Institutions	59,200	59,361	161	0.3%
Alcoholic Beverage Excise	66,300	61,029	(5,271)	(8.0%)
Realty Transfer	127,400	127,480	80	0.1%
Tobacco Products Wholesale Sales (a)	10,300	11,491	1,191	11.6%
Public Utility	-	-	-	-
Total	\$ 15,953,400	\$ 16,028,620	\$ 75,220	0.5%
All Other	2,429,100	2,429,100	-	0.0%
Total Revenues	\$ 18,382,500	\$ 18,457,720	\$ 75,220	0.4%

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