



State of New Jersey

Department of the Treasury

For Immediate Release
Sept. 14, 2011

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Year-to-Date Revenue Figures Track Treasury Forecasts Despite Less-Than-Robust Collections of 6 Key Funding Sources

TRENTON – Year-to-date revenue collections through August were less than 1 percent higher than the forecasts made by Treasury for the Fiscal 2012 budget, Treasurer Andrew Sidamon-Eristoff said.

“For the second month in a row, revenue collections suggest that the resources available to the state are closely tracking figures certified by the Governor in the Appropriations Act for Fiscal 2012,” the Treasurer said. “At present, there is no data to support theories of revenue collections significantly beyond responsible estimates.”

Total collections from six of the largest sources of state revenue lagged budgeted revenue forecasts for the first two months of the fiscal year.

Casino revenue collections were below estimates by 17.5 percent, motor fuels taxes by 11.5 percent, corporation business taxes by 9.6 percent, transfer and inheritance taxes by 9.4 percent, sales taxes by 1.6 percent and Lottery proceeds by 1.2 percent. Larger-than-expected income tax collections offset the drops in other revenue, allowing the state to meet estimates for total revenue for July and August.

“Going forward, the ongoing malaise in the national economy and the fiscal crisis gripping European governments raise serious questions about the outlooks for incomes, job creation and, with them, state revenues,” said Charles Steindel, Treasury’s chief economist. “In such an uncertain economic environment, prudence dictates a cautious approach, especially in the early months of the fiscal year.”

**STATE OF NEW JERSEY
FISCAL YEAR 2012
REVENUE SOURCE
BUDGET VERSUS ACTUAL
FOR THE TWO MONTHS ENDED AUGUST 31, 2011
(\$ Thousands)**

Revenue Source	AUGUST		Variance Over/(Under) Budget	% Variance Over/(Under) Budget
	Cash Budget	Actual		
Gross Income	\$ 721,900	\$786,049	\$ 64,149	8.9%
* Sales	699,000	688,115	(10,885)	(1.6%)
Corporation Business	104,000	94,025	(9,975)	(9.6%)
Lottery	147,100	145,402	(1,698)	(1.2%)
* Motor Fuels	46,400	41,064	(5,336)	(11.5%)
Motor Vehicle Fees (b)	-	-	-	-
Transfer Inheritance	121,100	109,694	(11,406)	(9.4%)
Casino Revenue	50,700	41,811	(8,889)	(17.5%)
Insurance Premium	(6,100)	3,208	9,308	N/A
Cigarette (a)	-	-	-	-
* Petroleum Products Gross Receipts	18,800	22,896	4,096	21.8%
Corp. Banks & Financial Institutions	10,300	(8,938)	(19,238)	(186.8%)
* Alcoholic Beverage Excise	100	26	(74)	(74.0%)
* Realty Transfer	20,600	19,400	(1,200)	(5.8%)
Tobacco Products Wholesale Sales (a)	1,400	1,855	455	32.5%
Public Utility	-	-	-	-
Total Revenues	<u>\$ 1,935,300</u>	<u>\$ 1,944,607</u>	<u>\$ 9,307</u>	0.5%

* Revenues are on a one month lag. All other revenues represent two months of cash collections.

(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, \$185.0 million of FY 2011 Motor Vehicle Fee collections are dedicated to the New Jersey Motor Vehicle Commission.

**STATE OF NEW JERSEY
FISCAL YEAR 2012
REVENUE SOURCE
BUDGET VERSUS ACTUAL
MONTH OF AUGUST 2011
(\$ Thousands)**

Revenue Source	AUGUST		Variance Over/(Under) Budget	% Variance Over/(Under) Budget
	Cash Budget	Actual		
Gross Income	\$ 588,500	\$ 653,021	\$ 64,521	11.0%
Sales	677,000	666,154	(10,846)	(1.6%)
Corporation Business	57,000	47,007	(9,993)	(17.5%)
Lottery	74,300	74,808	508	0.7%
Motor Fuels	45,800	41,159	(4,641)	(10.1%)
Motor Vehicle Fees (b)	-	-	-	-
Transfer Inheritance	56,200	60,804	4,604	8.2%
Casino Revenue	26,200	18,317	(7,883)	(30.1%)
Insurance Premium	(7,400)	685	8,085	N/A
Cigarette (a)	-	-	-	-
Petroleum Products Gross Receipts	18,800	22,896	4,096	21.8%
Corp. Banks & Financial Institutions	6,300	2,848	(3,452)	(54.8%)
Alcoholic Beverage Excise	100	28	(72)	(72.0%)
Realty Transfer	20,600	19,401	(1,199)	(5.8%)
Tobacco Products Wholesale Sales (a)	1,400	1,829	429	30.6%
Public Utility	-	-	-	-
Total Revenues	<u>\$ 1,564,800</u>	<u>\$ 1,608,957</u>	<u>\$ 44,157</u>	2.8%

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