



State of New Jersey

Department of the Treasury

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For Information Contact:
Andy Pratt or Bill Quinn
(609) 633-6565

New Jersey Economy Continues to Grow, Revenues Up 3.6% in First Three Quarters

TRENTON, N.J. – New Jersey’s economy continued to grow in the first three-quarters of the fiscal year, lifting New Jersey’s revenue collections 3.6 percent above those of the same period last year, New Jersey Treasurer Andrew Sidamon-Eristoff announced.

“Growth in the New Jersey economy and hands-on management of the budget have made it possible to avoid disruptions in the spending plan put in place on July 1,” Sidamon-Eristoff said. “As in all years, April revenues will be key in helping the administration maintain this positive momentum in the fiscal year.”

Revenue for the first three quarters ended March 31 totaled almost \$16.1 billion, up from \$15.5 billion in the first nine months of Fiscal 2011. Income tax collections totaled \$6.8 billion, or 2.9 percent above year-earlier figures. The State collected almost \$5.2 billion in sales taxes, an increase of 3.1 percent, and corporation business taxes rose 7.9 percent to \$1.3 billion.

“Key indicators such as employment and car sales have risen steadily during the last few months, helping boost sales tax, income tax and other revenue,” said Dr. Charles Steindel, Treasury’s chief economist. “March revenues were within 2.5 percent of the revised budget after a strong February with the overall trend continuing to favor economic growth.”

The first quarter of calendar 2012 has tracked in line with our projections including strong results in all three months.

STATE OF NEW JERSEY
MONTH AND YEAR-TO-DATE CASH COLLECTIONS
Fiscal 2012 - MARCH 2012 versus 2011

(\$ Thousands)

MARCH			% Change		MARCH - YTD			% Change
2011	2012				2011	2012		
\$ 633,577	\$ 525,291	(17.1%)	Gross Income Tax	\$ 6,629,967	\$ 6,821,941	2.9%		
555,219	534,130	(3.8%)	Sales	5,037,619	5,191,413	3.1%		
173,856	239,778	37.9%	Corporation Business	1,226,905	1,323,704	7.9%		
92,157	105,362	14.3%	Lottery	676,691	697,205	3.0%		
53,837	52,370	(2.7%)	Motor Fuels	348,178	357,265	2.6%		
82,030	66,160	(19.3%)	Motor Vehicle Fees (b)	237,808	281,808	18.5%		
47,512	48,427	1.9%	Transfer Inheritance	457,241	482,828	5.6%		
21,055	18,529	(12.0%)	Casino Revenue	196,782	169,462	(13.9%)		
102,474	136,281	33.0%	Insurance Premium	247,216	304,203	23.1%		
34,503	41,320	19.8%	Cigarette (a)	34,503	41,320	19.8%		
16,518	19,725	19.4%	Petroleum Products Gross Receipts	143,131	150,851	5.4%		
8,896	11,506	29.3%	Corp. Banks & Financial Institutions	84,418	56,035	(33.6%)		
9,575	11,035	15.2%	Alcoholic Beverage Excise	61,017	64,404	5.6%		
16,966	10,487	(38.2%)	Realty Transfer	122,373	126,344	3.2%		
-	-	-	Savings Institutions	-	(9)	-		
1,350	1,779	31.8%	Tobacco Products Wholesale Sales (a)	12,637	13,715	8.5%		
-	-	-	Public Utility	7	-	-		
<u>\$ 1,849,525</u>	<u>\$ 1,822,180</u>	(1.5%)	Total Major Revenues	<u>\$ 15,516,493</u>	<u>\$ 16,082,489</u>	3.6%		

(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, \$194.4 million of FY 2012 Motor Vehicle Fee collections are dedicated to the New Jersey Motor Vehicle Commission.

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

Revenue Source	MARCH		Variance Over/(Under) Revised Budget	% Variance Over/(Under) Revised Budget
	Revised Cash Budget	Actual		
Gross Income	\$ 561,200	\$ 525,291	\$ (35,909)	(6.4%)
Sales	562,500	534,130	(28,370)	(5.0%)
Corporation Business	249,400	239,778	(9,622)	(3.9%)
Lottery	84,100	105,362	21,262	25.3%
Motor Fuels	44,000	52,370	8,370	19.0%
Motor Vehicle Fees (b)	75,800	66,160	(9,640)	(12.7%)
Transfer Inheritance	53,600	48,427	(5,173)	(9.7%)
Casino Revenue	22,700	18,529	(4,171)	(18.4%)
Insurance Premium	117,900	136,281	18,381	15.6%
Cigarette (a)	42,900	41,320	(1,580)	(3.7%)
Petroleum Products Gross Receipts	16,000	19,725	3,725	23.3%
Corp. Banks & Financial Institutions	6,700	11,506	4,806	71.7%
Alcoholic Beverage Excise	9,900	11,035	1,135	11.5%
Realty Transfer	20,200	10,487	(9,713)	(48.1%)
Savings Institutions	-	-	-	-
Tobacco Products Wholesale Sales (a)	1,700	1,779	79	4.6%
Public Utility	-	-	-	-
Total Revenues	<u>\$ 1,868,600</u>	<u>\$ 1,822,180</u>	<u>\$ (46,420)</u>	(2.5%)

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

Revenue Source	MARCH		Variance Over/(Under) Revised Budget	% Variance Over/(Under) Revised Budget
	Revised Cash Budget	Actual		
Gross Income	\$ 6,857,900	\$ 6,821,941	\$ (35,959)	(0.5%)
* Sales	5,219,800	5,191,413	(28,387)	(0.5%)
Corporation Business	1,333,300	1,323,704	(9,596)	(0.7%)
Lottery	675,900	697,205	21,305	3.2%
* Motor Fuels	348,900	357,265	8,365	2.4%
Motor Vehicle Fees (b)	291,400	281,808	(9,592)	(3.3%)
Transfer Inheritance	488,000	482,828	(5,172)	(1.1%)
Casino Revenue	173,700	169,462	(4,238)	(2.4%)
Insurance Premium	285,800	304,203	18,403	6.4%
Cigarette (a)	42,900	41,320	(1,580)	(3.7%)
* Petroleum Products Gross Receipts	147,100	150,851	3,751	2.5%
Corp. Banks & Financial Institutions	51,200	56,035	4,835	9.4%
* Alcoholic Beverage Excise	63,300	64,404	1,104	1.7%
* Realty Transfer	136,000	126,344	(9,656)	(7.1%)
Savings Institutions	-	(9)	(9)	-
Tobacco Products Wholesale Sales (a)	13,700	13,715	15	0.1%
Public Utility	-	-	-	-
Total Revenues	<u>\$ 16,128,900</u>	<u>\$ 16,082,489</u>	<u>\$ (46,411)</u>	<u>(0.3%)</u>

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

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The foregoing estimates were prepared in connection with the revisions of the Fiscal Year 2012 revenue forecasts made in advance of the Governor's budget address in February 2012. Such estimates and the assumptions supporting them were based on information available at the time of the revisions, are believed to be reasonable, and are not to be construed as assurances of actual outcomes. All such estimates of future revenues constitute forward-looking statements and may or may not be realized because of a variety of economic and other circumstances.