



State of New Jersey

Department of the Treasury

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May 2012 Revenue Exceeds Year-Earlier Figure by 15%

TRENTON – May revenue collections, aided by an extra day of tax withholding and a refunding of bonds backed by cigarette taxes, were 15 percent higher than in May 2011, Treasurer Andrew Sidamon-Eristoff said. May saw a \$165 million increase in gross income and corporation business tax collections. For the year to date, collections are 3.7 percent higher than in the first 11 months of Fiscal 2011.

May revenue rose 6.5 percent even after the benefits of an additional withholding day and the cigarette bond refinancing are factored out of total collections, the Treasurer noted.

“May’s revenue collections confirm that New Jersey is seeing sustained economic growth,” Treasurer Sidamon-Eristoff said. “As long as that growth continues, New Jersey will see increased stability in state government finances.”

Year-to-date revenues total \$21.4 billion compared to \$20.6 billion in May of 2011. May revenue totaled \$2.02 billion, up from \$1.76 billion. May gross income tax collections totaled \$701 million, a 26 percent increase. Corporation business taxes rose 22 percent to \$118 million.

“Based on the most recent statistics, personal income in New Jersey has reached record annualized levels exceeding \$470 billion,” Treasury Chief Economist Charles Steindel said. “That additional income should generate faster revenue growth for all levels of government.”

May’s results were boosted by an increase in the number of days on which withholding taxes collected. Withholding taxes are generally collected on Wednesdays. There were five Wednesdays in May compared to four last year. The extra Wednesday added an estimated \$94 million to collections. The cigarette bond refinancing generated \$54 million.

STATE OF NEW JERSEY
MONTH AND YEAR-TO-DATE CASH COLLECTIONS
Fiscal 2012 - MAY 2012 versus 2011
(\$ Thousands)

MAY		% Change		MAY - YTD		% Change
2011	2012			2011	2012	
\$ 557,797	\$ 700,831	25.6%	Gross Income Tax	\$ 8,939,418	\$ 9,254,270	3.5%
625,585	608,991	(2.7%)	Sales	6,369,052	6,533,241	2.6%
96,866	118,442	22.3%	Corporation Business	1,870,855	1,905,140	1.8%
76,725	78,234	2.0%	Lottery	829,737	853,010	2.8%
46,142	52,121	13.0%	Motor Fuels	432,164	446,368	3.3%
54,721	68,582	25.3%	Motor Vehicle Fees (b)	339,137	399,258	17.7%
49,153	60,142	22.4%	Transfer Inheritance	554,274	590,763	6.6%
20,388	18,898	(7.3%)	Casino Revenue	236,927	211,104	(10.9%)
115,895	131,428	13.4%	Insurance Premium	366,670	437,779	19.4%
47,964	120,629	151.5%	Cigarette (a)	127,079	226,087	77.9%
18,647	18,970	1.7%	Petroleum Products Gross Receipts	181,593	185,573	2.2%
4,396	1,957	(55.5%)	Corp. Banks & Financial Institutions	96,998	57,611	(40.6%)
15,156	14,768	(2.6%)	Alcoholic Beverage Excise	76,279	79,373	4.1%
14,329	14,643	2.2%	Realty Transfer	148,374	153,113	3.2%
-	-	-	Savings Institutions	-	(9)	-
1,523	1,896	24.5%	Tobacco Products Wholesale Sales (a)	15,418	17,010	10.3%
14,754	14,373	(2.6%)	Public Utility	14,792	14,373	(2.8%)
<u>\$ 1,760,041</u>	<u>\$ 2,024,905</u>	15.0%	Total Major Revenues	<u>\$ 20,598,767</u>	<u>\$ 21,364,064</u>	3.7%

- (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
TESTIMONY BUDGET VERSUS ACTUAL
MONTH OF MAY 2012
(\$ Thousands)

Revenue Source	MAY		Variance Over/(Under) Testimony Budget	% Variance Over/(Under) Testimony Budget
	Testimony Budget	Actual		
Gross Income	\$ 748,300	\$ 700,831	\$ (47,469)	(6.3%)
Sales	627,700	608,991	(18,709)	(3.0%)
Corporation Business	78,700	118,442	39,742	50.5%
Lottery	80,900	78,234	(2,666)	(3.3%)
Motor Fuels	49,000	52,121	3,121	6.4%
Motor Vehicle Fees (b)	62,500	68,582	6,082	9.7%
Transfer Inheritance	56,400	60,142	3,742	6.6%
Casino Revenue	18,500	18,898	398	2.2%
Insurance Premium	133,900	131,428	(2,472)	(1.8%)
Cigarette (a)	120,600	120,629	29	0.0%
Petroleum Products Gross Receipts	19,200	18,970	(230)	(1.2%)
Corp. Banks & Financial Institutions	14,700	1,957	(12,743)	(86.7%)
Alcoholic Beverage Excise	17,200	14,768	(2,432)	(14.1%)
Realty Transfer	18,400	14,643	(3,757)	(20.4%)
Savings Institutions	-	-	-	-
Tobacco Products Wholesale Sales (a)	1,500	1,896	396	26.4%
Public Utility	13,800	14,373	573	-
Total Revenues	\$ 2,061,300	\$ 2,024,905	\$ (36,395)	(1.8%)

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(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
TESTIMONY BUDGET VERSUS ACTUAL
FOR THE ELEVEN MONTHS ENDED MAY 31, 2012
(\$ Thousands)**

Revenue Source	MAY		Variance Over/(Under) Testimony Budget	% Variance Over/(Under) Testimony Budget
	Testimony Budget	Actual		
Gross Income	\$ 9,301,700	\$ 9,254,270	\$ (47,430)	(0.5%)
* Sales	6,552,000	6,533,241	(18,759)	(0.3%)
Corporation Business	1,865,400	1,905,140	39,740	2.1%
Lottery	855,700	853,010	(2,690)	(0.3%)
* Motor Fuels	443,200	446,368	3,168	0.7%
Motor Vehicle Fees (b)	393,100	399,258	6,158	1.6%
Transfer Inheritance	587,000	590,763	3,763	0.6%
Casino Revenue	210,700	211,104	404	0.2%
Insurance Premium	440,300	437,779	(2,521)	(0.6%)
Cigarette (a)	226,100	226,087	(13)	(0.0%)
* Petroleum Products Gross Receipts	185,800	185,573	(227)	(0.1%)
Corp. Banks & Financial Institutions	70,300	57,611	(12,689)	(18.0%)
* Alcoholic Beverage Excise	81,800	79,373	(2,427)	(3.0%)
* Realty Transfer	156,900	153,113	(3,787)	(2.4%)
Savings Institutions	-	(9)	(9)	-
Tobacco Products Wholesale Sales (a)	16,600	17,010	410	2.5%
Public Utility	13,800	14,373	573	4.2%
Total Revenues	\$ 21,400,400	\$ 21,364,064	\$ (36,336)	(0.2%)

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

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(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.

The foregoing revenue estimates were prepared in connection with the Treasurer's May testimony to the Legislature on revenue estimates. Such estimates and the assumptions supporting them were based on information available at the time of the testimony, 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.