



State of New Jersey

Department of the Treasury

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Revenues Fall \$492 Million Below Budget Forecast for Fiscal 2010

TRENTON – State Treasurer Andrew P. Sidamon-Eristoff announced that revenue collections during the month of April fell \$568 million short of projections. Revenues for the first 10 months of the fiscal year ran \$492 million, or 2.2 percent, below estimates.

"I caution against reading too much into April's revenue figures. While April is usually the crucial month for revenue collections, May could be just as important this year. We won't have a true picture until later this month," Treasurer Eristoff said. "New Jersey, like the federal government, allowed businesses and residents of 15 counties devastated by flooding to delay filing tax returns and payments until May 11. I expect that fact to be reflected in May collections."

Income tax collections totaled \$1.6 billion for the month of April, 26 percent below the budget forecast that was made in February. At the same time, sales tax collections were 6 percent higher than budgeted, and the corporation business tax generated 11 percent less revenue than forecast.

"New Jersey is struggling during a time of historic economic uncertainty," Treasurer Eristoff said.

"Planning for any scenario other than continued disappointment in revenue collections would be fiscally irresponsible."

For the first 10 months of the year, income tax collections are on track to be 5.6 percent below amounts in the budget that was revised in February. Sales taxes collections are running less than 1 percent below budgeted amounts for the fiscal year. Corporate business tax collections are on track to match forecasts.

See charts below. Figures in the first chart are actual collections thus far for the month of April. Figures in the second and third include collections plus estimated amounts for the period that have not yet been remitted:

STATE OF NEW JERSEY
REVENUE SOURCE
REVISED BUDGET VERSUS EARNED
MONTH OF APRIL 2010
(\$ Thousands)

Revenue Source	APRIL		Variance	% Variance
	Revised Budget	Earned	Over/(Under) Revised Budget	Over/(Under) Revised Budget
Gross Income	\$ 2,184,000	\$ 1,626,295	\$ (557,705)	(25.5%)
Sales	644,000	683,121	39,121	6.1%
Corporation Business	606,000	541,320	(64,680)	(10.7%)
Lottery	79,700	80,591	891	1.1%
Motor Fuels	45,300	52,807	7,507	16.6%
Motor Vehicle Fees (b)	52,700	53,152	452	0.9%
Transfer Inheritance	30,400	41,577	11,177	36.8%
Casino Revenue	28,100	25,598	(2,502)	(8.9%)
Insurance Premium	1,900	1,721	(179)	(9.4%)
Cigarette (a)	43,400	49,150	5,750	13.2%
Petroleum Products Gross Receipts	16,800	18,286	1,486	8.8%
Corp. Banks & Financial Institutions	14,900	1,391	(13,509)	(90.7%)
Alcoholic Beverage Excise	17,800	17,898	98	0.6%
Realty Transfer	8,000	15,079	7,079	88.5%
Savings Institutions	-	(2)	(2)	-
Tobacco Products Wholesale Sales (a)	800	1,543	743	92.9%
Public Utility	5,000	1,596	(3,404)	(68.1%)
Total	\$ 3,778,800	\$ 3,211,123	\$ (567,677)	(15.0%)
All Other	198,900	198,900	-	-
Total Revenues	\$ 3,977,700	\$ 3,410,023	\$ (567,677)	(14.3%)

(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
MONTH AND YEAR-TO-DATE CASH COLLECTIONS
Fiscal 2010 - APRIL 2010 versus 2009
(\$ Thousands)

APRIL		% Change		APRIL - YTD		% Change
2009	2010			2009	2010	
\$ 1,938,226	\$ 1,666,295	(14.0%)	Gross Income Tax	\$ 8,343,846	\$ 7,941,245	(4.8%)
624,302	674,121	8.0%	Sales	5,726,538	5,522,196	(3.6%)
621,051	541,322	(12.8%)	Corporation Business	1,956,514	1,781,519	(8.9%)
75,755	80,591	6.4%	Lottery	705,941	753,089	6.7%
40,525	49,107	21.2%	Motor Fuels	394,870	394,640	(0.1%)
53,103	53,152	0.1%	Motor Vehicle Fees (b)	249,044	267,456	7.4%
34,055	41,577	22.1%	Transfer Inheritance	545,681	461,127	(15.5%)
28,155	25,598	(9.1%)	Casino Revenue	288,531	245,009	(15.1%)
1,596	1,721	7.8%	Insurance Premium	273,309	274,603	0.5%
41,883	49,150	17.4%	Cigarette (a)	92,574	70,764	(23.6%)
18,591	19,086	2.7%	Petroleum Products Gross Receipts	164,555	160,631	(2.4%)
39,584	1,391	(96.5%)	Corp. Banks & Financial Institutions	71,290	60,752	(14.8%)
(16)	98	(712.5%)	Alcoholic Beverage Excise	62,180	61,127	(1.7%)
5,412	14,179	162.0%	Realty Transfer	151,561	134,559	(11.2%)
-	(2)	-	Savings Institutions	-	(2)	-
818	1,543	88.6%	Tobacco Products Wholesale Sales (a)	11,184	13,034	16.5%
50	1,596	-	Public Utility	50	1,596	-
<u>\$ 3,523,090</u>	<u>\$ 3,220,525</u>	(8.6%)	Total Major Revenues	<u>\$ 19,037,668</u>	<u>\$ 18,143,345</u>	(4.7%)

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STATE OF NEW JERSEY
REVENUE SOURCE
REVISED BUDGET VS EARNED
FOR THE TEN MONTHS ENDING APRIL 30, 2010
(\$ Thousands)

Revenue Source	APRIL		Variance	% Variance
	Revised Budget	Earned	Over/(Under) Revised Budget	Over/(Under) Revised Budget
Gross Income	\$ 8,803,000	\$ 8,305,745	\$ (497,255)	(5.6%)
Sales	6,197,700	6,166,196	(31,504)	(0.5%)
Corporation Business	1,777,600	1,781,517	3,917	0.2%
Lottery	752,800	753,089	289	0.0%
Motor Fuels	439,800	439,940	140	0.0%
Motor Vehicle Fees (b)	260,900	267,456	6,556	2.5%
Transfer Inheritance	431,800	461,127	29,327	6.8%
Casino Revenue	248,300	245,009	(3,291)	(1.3%)
Insurance Premium	266,900	274,603	7,703	2.9%
Cigarette (a)	66,900	70,764	3,864	5.8%
Petroleum Products Gross Receipts	176,800	177,431	631	0.4%
Corp. Banks & Financial Institutions	74,100	60,752	(13,348)	(18.0%)
Alcoholic Beverage Excise	84,100	78,927	(5,173)	(6.2%)
Realty Transfer	135,400	142,559	7,159	5.3%
Savings Institutions	-	(2)	(2)	-
Tobacco Products Wholesale Sales (a)	11,100	13,034	1,934	17.4%
Public Utility	5,000	1,596	(3,404)	(68.1%)
Total	\$ 19,732,200	\$ 19,239,743	\$ (492,457)	(2.5%)
All Other	2,628,000	2,628,000	-	-
Total Revenues	\$ 22,360,200	\$ 21,867,743	\$ (492,457)	(2.2%)

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