



State of New Jersey

Department of the Treasury

For Immediate Release:
July 1, 2013

For Information Contact:
Bill Quinn
(609) 984-6493

Revenues Outpaced Projections for the Sixth Consecutive Month as Income Tax Collections Set a New Record in May

Trenton – New Jersey revenues in May exceeded projections for the sixth consecutive month as collections of the State’s income and sales taxes showed continued strength.

Collections of the income tax totaled \$805 million, their highest level on record for the month of May, and more than 10 percent above the previous record of \$728.9 million set in May 2010. On a year-over-year basis, income tax collections were up by 14.9 percent and, on a monthly basis, they beat the revised projected target by 11.6 percent.

Sales tax collections, at \$626 million, were up 2.8 percent on a year-over-year basis and were 1.6 percent ahead of their revised target for the month.

For the eleven months ended May 31, income, sales and corporation business tax collections were all ahead of revised projections as were total revenues for the State’s 16 major revenues sources as a group.

“The report reflects ongoing improvement in the economic conditions of state residents,” said Dr. Charles Steindel, chief economist for the New Jersey Treasury Department. “Income tax collections continue to grow rapidly, even after the receipt of large final payments in April, and sales tax receipts remain on an upward track.”

Revenues for the Transfer Inheritance Tax and the Realty Transfer Tax were both slightly below targets through the end of May, with Transfer Inheritance collections 2.8 percent below revised projections and the Realty Transfer Tax lagging its revised projected level by 2 percent. However, the lower than expected collections of these and other more narrowly targeted taxes were offset by the continuing strength in the State's most broadly based taxes.

"As we close out the books on fiscal year 2013, the same macro trends we have noted throughout the past twelve months are continuing to shape our overall results," said State Treasurer Andrew Sidamon-Eristoff.

#

STATE OF NEW JERSEY
MONTH AND YEAR-TO-DATE CASH COLLECTIONS
Fiscal 2013 - MAY 2013 versus 2012

(\$ Thousands)

MAY		% Change		MAY - YTD		% Change
2012	2013			2012	2013	
\$ 700,831	\$ 805,394	14.9%	Gross Income Tax	\$ 9,254,270	\$ 10,449,885	12.9%
608,991	626,266	2.8%	Sales	6,533,241	6,734,412	3.1%
118,442	110,208	(7.0%)	Corporation Business	1,905,140	1,900,894	(0.2%)
78,234	98,540	26.0%	Lottery	853,010	863,800	1.3%
52,121	41,788	(19.8%)	Motor Fuels	446,368	425,882	(4.6%)
68,582	56,566	(17.5%)	Motor Vehicle Fees (b)	399,258	394,487	(1.2%)
60,142	53,621	(10.8%)	Transfer Inheritance	590,763	546,925	(7.4%)
18,898	21,442	13.5%	Casino Revenue	211,104	195,728	(7.3%)
131,428	176,028	33.9%	Insurance Premium	437,779	508,643	16.2%
120,629	58,002	(51.9%)	Cigarette (a)	226,087	181,274	(19.8%)
18,970	17,936	(5.5%)	Petroleum Products Gross Receipts	185,573	172,722	(6.9%)
1,957	1,904	(2.7%)	Corp. Banks & Financial Institutions	57,602	111,601	93.7%
14,768	15,198	2.9%	Alcoholic Beverage Excise	79,373	79,789	0.5%
14,643	18,156	24.0%	Realty Transfer	153,113	174,421	13.9%
1,896	1,803	(4.9%)	Tobacco Products Wholesale Sales (a)	17,010	17,219	1.2%
14,373	5,895	(59.0%)	Public Utility	14,373	15,431	7.4%
<u>\$ 2,024,905</u>	<u>\$ 2,108,747</u>	4.1%	Total Major Revenues	<u>\$ 21,364,064</u>	<u>\$ 22,773,113</u>	6.6%

(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, \$209.0 million of FY 2013 Motor Vehicle Fee collections are dedicated to the New Jersey Motor Vehicle Commission.

**STATE OF NEW JERSEY
FISCAL YEAR 2013
REVENUE SOURCE
TMT BUDGET VERSUS ACTUAL
MONTH OF MAY 2013
(\$ Thousands)**

Revenue Source	MAY		Variance Over/(Under) TMT Budget	% Variance Over/(Under) TMT Budget	
	TMT	(c)			Actual
	Cash Budget				
Gross Income	\$ 721,700		\$ 805,394	\$ 83,694	11.6%
Sales	616,300		626,266	9,966	1.6%
Corporation Business	107,800		110,208	2,408	2.2%
Lottery	85,300		98,540	13,240	15.5%
Motor Fuels	52,400		41,788	(10,612)	(20.3%)
Motor Vehicle Fees (b)	53,000		56,566	3,566	6.7%
Transfer Inheritance	69,500		53,621	(15,879)	(22.8%)
Casino Revenue	19,000		21,442	2,442	12.9%
Insurance Premium	129,800		176,028	46,228	35.6%
Cigarette (a)	72,800		58,002	(14,798)	(20.3%)
Petroleum Products Gross Receipts	21,900		17,936	(3,964)	(18.1%)
Corp. Banks & Financial Institutions	20,000		1,904	(18,096)	(90.5%)
Alcoholic Beverage Excise	17,800		15,198	(2,602)	(14.6%)
Realty Transfer	21,600		18,156	(3,444)	(15.9%)
Tobacco Products Wholesale Sales (a)	1,500		1,803	303	20.2%
Public Utility	4,500		5,895	1,395	31.0%
Total Revenues	\$ 2,014,900		\$ 2,108,747	\$ 93,847	4.7%

(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, \$209.0 million of FY 2013 Motor Vehicle Fee collections are dedicated to the New Jersey Motor Vehicle Commission.

(c) Monthly budgets are estimates based on long-term, intra-year revenue collection patterns and fiscal year projections. Because of fluctuations in revenue collections from year to year, one month's collections may differ dramatically from year-earlier figures and budgets without necessarily affecting total revenue collections in a fiscal year.

**STATE OF NEW JERSEY
FISCAL YEAR 2013
REVENUE SOURCE
TMT BUDGET VERSUS ACTUAL
FOR THE ELEVEN MONTHS ENDED MAY 31, 2013
(\$ Thousands)**

Revenue Source	MAY		Variance Over/(Under) TMT Budget	% Variance Over/(Under) TMT Budget
	TMT Cash Budget	(c) Actual		
Gross Income	\$ 10,366,200	\$ 10,449,885	\$ 83,685	0.8%
* Sales	6,724,400	6,734,412	10,012	0.1%
Corporation Business	1,898,500	1,900,894	2,394	0.1%
Lottery	850,600	863,800	13,200	1.6%
* Motor Fuels	436,500	425,882	(10,618)	(2.4%)
Motor Vehicle Fees (b)	390,900	394,487	3,587	0.9%
Transfer Inheritance	562,800	546,925	(15,875)	(2.8%)
Casino Revenue	193,300	195,728	2,428	1.3%
Insurance Premium	462,400	508,643	46,243	10.0%
Cigarette (a)	196,100	181,274	(14,826)	(7.6%)
* Petroleum Products Gross Receipts	176,700	172,722	(3,978)	(2.3%)
Corp. Banks & Financial Institutions	129,700	111,602	(18,098)	(14.0%)
* Alcoholic Beverage Excise	82,400	79,789	(2,611)	(3.2%)
* Realty Transfer	177,900	174,421	(3,479)	(2.0%)
Tobacco Products Wholesale Sales (a)	16,900	17,219	319	1.9%
Public Utility	14,000	15,431	1,431	10.2%
Total Revenues	<u>\$ 22,679,300</u>	<u>\$ 22,773,113</u>	<u>\$ 93,813</u>	0.4%

* Revenues are on a one month lag. All other revenues represent eleven 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, \$209.0 million of FY 2013 Motor Vehicle Fee collections are dedicated to the New Jersey Motor Vehicle Commission.
- (c) Monthly budgets are estimates based on long-term, intra-year revenue collection patterns and fiscal year projections. Because of fluctuations in revenue collections from year to year, one month's collections may differ dramatically from year-earlier figures and budgets without necessarily affecting total revenue collections in a fiscal year.