



State of New Jersey
DEPARTMENT OF THE TREASURY

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New Jersey's Revenues for May Follow National and State Trends

TRENTON – Revenues for May fell 7.3 percent because of reduced corporate, personal and sales taxes, results that follow the trend identified by Acting State Treasurer Ford Scudder when he testified before Legislative budget committees last month.

Downward trends in capital gains and other extraordinary sources of volatile tax revenues are impacting New Jersey as well as the federal government and states such as California, Connecticut, Massachusetts and Pennsylvania, all of which have announced declines in actual or projected personal income tax receipts this year.

Cash collections from the New Jersey Lottery increased 4.9 percent to \$83.879 million, and are up 6.9 percent for the year, far ahead of the projected growth rate of 0.5 percent. The Realty Transfer Tax also continues to show growth, increasing 14.5 percent for the month.

Year-to-date revenues for FY 2016 were off 0.2 percent to \$24.753 billion. Results were impacted, in part, because the amount of GIT and CBT refunds paid out to taxpayers increased \$615.8 million so far this fiscal year compared to the same period in FY15, which includes a 50% increase in the Earned Income Tax Credit effective for tax year 2015. The increased refund amount resulted from a successful State initiative by the Division of Taxation and the Division of Revenue and Enterprise Services to process tax returns faster this year and put money in taxpayers' pockets as quickly as possible. So far this fiscal year, the State has paid out \$2.96 billion in tax refunds.

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STATE OF NEW JERSEY
MONTH AND YEAR-TO-DATE CASH COLLECTIONS
Fiscal Year 2016 - MAY 2016 versus 2015
(\$ Thousands)

	MAY		%	MAY YTD		%	FY 2016 Projected * Growth Rate
	2015	2016		2015	2016		
	\$ 731,421	\$ 711,016	(2.8%)	\$ 11,348,871	\$ 11,178,421	(1.5%)	1.2%
	714,060	704,517	(1.3%)	7,238,318 (c)	7,559,038 (c)	4.4%	5.0%
	165,134	61,277	(62.9%)	2,358,356	2,021,898	(14.3%)	(12.0%)
	79,939	83,879	4.9%	826,651	883,887	6.9%	0.5%
	42,128	45,007	6.8%	433,585	446,735	3.0%	2.6%
	48,520	64,248	32.4%	358,491	409,190	14.1%	9.6%
	113,642	49,051	(56.8%)	721,363	719,218	(0.3%)	4.4%
	19,705	16,130	(18.1%)	182,694	184,120	0.8%	1.2%
	171,752	179,786	4.7%	557,095	556,144	(0.2%)	3.9%
	50,324	55,558	10.4%	118,848	117,969	(0.7%)	(7.8%)
	16,146	18,228	12.9%	178,707	179,026	0.2%	1.4%
	804	130	(83.8%)	137,498	118,699	(13.7%)	14.0%
	16,125	15,695	(2.7%)	82,360	81,763	(0.7%)	3.7%
	19,894	22,782	14.5%	227,047	260,481	14.7%	13.6%
	1,815	1,872	3.1%	19,193	19,300	0.6%	(4.0%)
	15,515	17,113	10.3%	15,570	17,138	10.1%	0.0%
	<u>\$ 2,206,924</u>	<u>\$ 2,046,289</u>	(7.3%)	<u>\$ 24,804,647</u>	<u>\$ 24,753,027</u>	(0.2%)	1.5%

(a) Pursuant to P.L. 03-13, \$222.1 million of FY 2016 Motor Vehicle Fee collections are dedicated to the New Jersey Motor Vehicle Commission.

(b) 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.

(c) May 2015 includes a prior year refund of \$18.6 million and May 2016 includes a prior year refund of \$30.5 million.

* Projected annual growth rate is the change from the FY 2015 CAFR to the FY 2016 revenue estimates per the FY 2016 Treasurer's May Testimony.