



State of New Jersey
DEPARTMENT OF THE TREASURY

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***Major Tax Collections Surpass \$2.22 Billion for March, \$18.87
Billion Year-to-Date***

TRENTON – Tax collections from nearly every major revenue source saw year-over-year monthly growth in March. Year-to-date revenues passed \$18.87 billion by the end of the month, an increase of 2.4 percent from March of Fiscal Year 2015.

Sales and Use Tax collections were up 7.7 percent for March and 4.8 percent year-to-date compared to Fiscal Year 2015. Monthly revenue collections from this source have shown positive growth in all but one month thus far in Fiscal Year 2016. As New Jersey's real estate market continues to recover from the Great Recession, Realty Transfer Fee revenues have increased steadily, up 13.9 percent year-to-date from 2015.

Following a decline in year-over-year monthly collections for February, New Jersey's major revenues bounced back in March, up 6.8 percent from Fiscal Year 2015. While collections from New Jersey's three largest revenue sources slightly trail their year-end projected growth rates, it is important to note the State has paid \$377 million more in Gross Income Tax and Corporation Business Tax refunds than paid through March of last year. Given this accelerated pace of refund, the State is well-positioned heading into the important collection month of April.

"While a portion of the increased dollar amount of refunds so far this year relates to the expansion of the EITC, we are also simply processing refunds faster," Acting State Treasurer Ford Scudder noted during his testimony before Senate Budget Committee April 6. The Christie Administration expanded the Earned Income Tax Credit (EITC) earlier this fiscal year, benefitting lower-income New Jersey families.

"Refund processing was slowed early last spring on account of a suspected breach of taxpayer information within the tax preparation software community. Processing is faster this year both

because of the lack of any similar tech breach, as well as continued process improvements within the Division of Taxation and the Division of Revenue and Enterprise Services.”

Acting Treasurer Scudder will appear before the Legislature on May 18 and 19 to provide an update on Fiscal Year 2016 revenues.

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STATE OF NEW JERSEY
MONTH AND YEAR-TO-DATE CASH COLLECTIONS
Fiscal Year 2016 - MARCH 2016 versus 2015

(\$ Thousands)

| | MARCH | | % Change | MARCH YTD | | % Change | FY 2016 Projected * Growth Rate |
|----|--------------|--------------|-------------|---------------|---------------|-------------|------------------------------------|
| | 2015 | 2016 | | 2015 | 2016 | | |
| \$ | 761,288 | \$ 779,781 | 2.4% | \$ 8,188,063 | \$ 8,396,875 | 2.6% | 3.8% |
| | 593,688 | 639,643 | 7.7% | 5,751,758 | 6,028,759 | 4.8% | 5.0% |
| | 295,417 | 301,416 | 2.0% | 1,669,107 | 1,427,701 | (14.5%) | (12.0%) |
| | 79,227 | 77,199 | (2.6%) | 670,648 | 722,471 | 7.7% | 0.5% |
| | 36,906 | 42,064 | 14.0% | 347,039 | 353,489 | 1.9% | 3.9% |
| | 57,823 | 75,386 | 30.4% | 231,852 | 289,955 | 25.1% | 9.6% |
| | 49,453 | 66,235 | 33.9% | 517,035 | 609,976 | 18.0% | 4.4% |
| | 14,980 | 19,142 | 27.8% | 147,198 | 148,127 | 0.6% | (1.4%) |
| | 104,405 | 138,992 | 33.1% | 379,223 | 372,027 | (1.9%) | 3.9% |
| | 9,965 | 13,265 | 33.1% | 9,965 | 13,265 | 33.1% | (11.2%) |
| | 14,580 | 19,084 | 30.9% | 142,607 | 143,103 | 0.3% | 1.4% |
| | 33,619 | 19,450 | (42.1%) | 110,462 | 73,916 | (33.1%) | 22.1% |
| | 10,451 | 10,291 | (1.5%) | 66,351 | 66,109 | (0.4%) | 3.7% |
| | 18,229 | 19,688 | 8.0% | 187,957 | 214,168 | 13.9% | 13.6% |
| | 1,408 | 1,750 | 24.3% | 15,643 | 15,500 | (0.9%) | (4.0%) |
| | - | - | - | - | - | - | 0.0% |
| | \$ 2,081,439 | \$ 2,223,386 | 6.8% | \$ 18,434,911 | \$ 18,875,441 | 2.4% | 2.7% |

(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.

* Projected annual growth rate is the change from the FY 2015 CAFR to the FY 2016 revenue estimates per the FY 2017 Governor's Budget Message.