



State of New Jersey

Department of the Treasury

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November Revenues in Line with Projections

TRENTON – State Treasurer David Rousseau said today that November revenue collections came in slightly above targets for the month, with Gross Income Tax (GIT) revenues rebounding to finish a strong \$76.1 million, or 10.6 percent, over projections.

“The stronger-than-expected growth in the Gross Income Tax is an encouraging sign for New Jersey’s economy and the State’s budget,” said Treasurer Rousseau, adding that the uptick in the GIT may reflect the onset of an improving pattern anticipated during the fiscal year. “Both the Administration and the Office of Legislative Services predicted growth in the income tax over the course of FY 2010. We hope that November’s performance is an early signal of this upward trend,” he said.

For November, the Gross Income Tax totaled \$796.1 million, or \$76.1 million (+10 percent), over target. Combined monthly collections totaled \$1.928 billion, or \$625,000 above projections.

While income tax collections came in strong, November receipts for other major taxes showed continuing signs of an economy struggling through transition. The Sales Tax totaled \$577.8 million, or 6 percent, below target. The Corporation Business Tax, at \$29.8 million, was \$20 million (-40.4 percent) below projections for November. Through the first five months of the fiscal year, revenues are \$412 million below year-to-date projections.

“Sales Tax collections remain a concern, but we also know that the Sales Tax picture for the fiscal year won’t truly come into focus until after the defining December/January holiday shopping period,” Rousseau said.

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Due to the shortfall in revenues in the beginning of the fiscal year, the Corzine Administration last month identified more than \$225 million to close the gap in the FY 2010 budget. In addition, Governor Corzine previously ordered the cabinet to identify another \$400 million in budget reductions by December 1. Those recommendations are still being considered by the Governor.

The administration has also frozen discretionary spending until it finalizes and implements a series of solutions to bring the current year budget into balance.

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STATE OF NEW JERSEY
MONTH AND YEAR-TO-DATE CASH COLLECTIONS
Fiscal 2010 - November 2009 VERSUS 2008

(\$ Thousands)

NOVEMBER		% Change		NOVEMBER - YTD		% Change
2008	2009			2008	2009	
\$ 531,860	\$ 570,139	7.2%	Gross Income Tax	\$ 3,032,270	\$ 2,773,524	(8.5%)
591,336	562,892	(4.8%)	Sales	2,681,980	2,501,292	(6.7%)
52,944	29,818	(43.7%)	Corporation Business	765,657	542,680	(29.1%)
68,626	67,000	(2.4%)	Lottery	338,271	370,013	9.4%
43,103	44,626	3.5%	Motor Fuels	182,457	184,585	1.2%
7,930	42,450	435.3%	Motor Vehicle Fees (b)	7,930	54,099	582.2%
57,192	40,634	(29.0%)	Transfer Inheritance	324,159	235,511	(27.3%)
27,789	22,483	(19.1%)	Casino Revenue	159,294	130,428	(18.1%)
4,766	5,432	14.0%	Insurance Premium	8,430	(20,452)	(342.6%)
-	-	-	Cigarette (a)	-	-	-
16,435	18,106	10.2%	Petroleum Products Gross Receipts	74,818	73,015	(2.4%)
(313)	574	(283.4%)	Corp. Banks & Financial Institutions	22,966	22,477	(2.1%)
14,243	17,079	19.9%	Alcoholic Beverage Excise	29,944	34,389	14.8%
18,703	11,454	(38.8%)	Realty Transfer	94,029	64,084	(31.8%)
719	1,415	96.8%	Tobacco Products Wholesale Sales (a)	5,016	6,124	22.1%
-	-	-	Public Utility	-	-	-
<u>\$ 1,435,333</u>	<u>\$ 1,434,102</u>	(0.1%)	Total Major Revenues	<u>\$ 7,727,221</u>	<u>\$ 6,971,769</u>	(9.8%)

(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, \$186.7 million of FY 2010 Motor Vehicle Fee collections are dedicated to the New Jersey Motor Vehicle Commission.

STATE OF NEW JERSEY
REVENUE SOURCE
BUDGET VERSUS EARNED
MONTH OF NOVEMBER 2009
(\$ Thousands)

Revenue Source	NOVEMBER		Variance Over/(Under) Budget	% Variance Over/(Under) Budget
	Budget	Earned		
Gross Income	\$ 720,000	\$ 796,139	\$ 76,139	10.6%
Sales	615,000	577,892	(37,108)	(6.0%)
Corporation Business	50,000	29,818	(20,182)	(40.4%)
Lottery	70,100	67,000	(3,100)	(4.4%)
Motor Fuels	43,900	42,526	(1,374)	(3.1%)
Motor Vehicle Fees (b)	30,300	42,450	12,150	40.1%
Transfer Inheritance	57,800	40,634	(17,166)	(29.7%)
Casino Revenue	27,800	22,483	(5,317)	(19.1%)
Insurance Premium	5,500	5,432	(68)	(1.2%)
Cigarette (a)	-	-	-	-
Petroleum Products Gross Receipts	19,600	20,306	706	3.6%
Corp. Banks & Financial Institutions	-	574	574	-
Alcoholic Beverage Excise	-	1,279	1,279	-
Realty Transfer	17,600	12,054	(5,546)	(31.5%)
Tobacco Products Wholesale Sales (a)	1,000	1,415	415	41.5%
Public Utility	-	-	-	-
Total	\$ 1,658,600	\$ 1,660,002	\$ 1,402	0.1%
All Other	269,400	268,623	(777)	(0.3%)
Total Revenues	\$ 1,928,000	\$ 1,928,625	\$ 625	0.0%

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STATE OF NEW JERSEY
REVENUE SOURCE
BUDGET VS EARNED
FOR THE FIVE MONTHS ENDING NOVEMBER 30, 2009
(\$ Thousands)

Revenue Source	<u>NOVEMBER</u>		Variance Over/(Under) Budget	% Variance Over/(Under) Budget
	Budget	Earned		
Gross Income	\$ 3,388,000	\$ 3,341,524	\$ (46,476)	(1.4%)
Sales	3,235,000	3,116,292	(118,708)	(3.7%)
Corporation Business	680,200	542,680	(137,520)	(20.2%)
Lottery	348,700	370,013	21,313	6.1%
Motor Fuels	232,100	228,485	(3,615)	(1.6%)
Motor Vehicle Fees (b)	51,500	54,099	2,599	5.0%
Transfer Inheritance	299,200	235,511	(63,689)	(21.3%)
Casino Revenue	145,600	130,428	(15,172)	(10.4%)
Insurance Premium	2,500	(20,452)	(22,952)	918.1%
Cigarette (a)	-	-	-	-
Petroleum Products Gross Receipts	95,600	92,615	(2,985)	(3.1%)
Corp. Banks & Financial Institutions	31,400	22,477	(8,923)	(28.4%)
Alcoholic Beverage Excise	32,300	34,389	2,089	6.5%
Realty Transfer	97,000	81,684	(15,316)	(15.8%)
Tobacco Products Wholesale Sales (a)	5,000	6,124	1,124	22.5%
Public Utility	-	-	-	-
Total	<u>\$ 8,644,100</u>	<u>\$ 8,235,869</u>	<u>\$ (408,231)</u>	<u>(4.7%)</u>
All Other	1,347,000	1,343,181	(3,819)	(0.3%)
Total Revenues	<u>\$ 9,991,100</u>	<u>\$ 9,579,050</u>	<u>\$ (412,050)</u>	<u>(4.1%)</u>

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