



State of New Jersey

Department of the Treasury

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July Tax Revenues Match Forecasts in Fiscal Year 2011 Budget

TRENTON – July revenue is meeting the forecasts that were put forth in the recently approved Fiscal 2011 Budget, New Jersey Treasurer Andrew Sidamon-Eristoff announced.

“July revenue is on track to come in at forecasted levels,” Sidamon-Eristoff said. “One month of revenue collections certainly does not establish a meaningful trend. However, July figures do provide very preliminary but encouraging evidence that revenue assumptions for Fiscal Year 2011 remain sound.”

Total revenue for the month is on pace to total \$1.625 billion, compared to the budget estimate of \$1.632 billion, a difference of just 0.4 percent, while cash collections have been running 7.8 percent higher than their level in July 2009.

Lower collections of the Transfer Inheritance Tax were partly offset by increases in the sales tax and the Corporate Banks and Financial Institutions Tax.

Governor Christie’s 2011 budget closed a more than \$10 billion budget deficit. It anticipates state-generated revenues of \$28.2 billion, including \$9.9 billion in personal income taxes, \$8.3 billion in sales taxes and \$2.3 billion in corporate business taxes.

“This budget anticipated increased tax collections from a recovering economy,” Treasurer Sidamon-Eristoff said. “Unfortunately, there is no sign that revenue collections are accelerating fast enough to compensate for a loss of \$1 billion in federal stimulus aid.”

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

Revenue Source	JULY		Variance Over/(Under) Budget	% Variance Over/(Under) Budget
	Budget	Earned		
Gross Income	\$ 375,000	\$ 374,944	\$ (56)	(0.0%)
Sales	673,000	674,281	1,281	0.2%
Corporation Business	45,800	45,782	(18)	(0.0%)
Lottery	70,300	70,277	(23)	(0.0%)
Motor Fuels	48,300	48,846	546	1.1%
Motor Vehicle Fees (b)	-	-	-	-
Transfer Inheritance	59,400	42,053	(17,347)	(29.2%)
Casino Revenue	25,900	26,159	259	1.0%
Insurance Premium	900	2,322	1,422	158.0%
Cigarette (a)	-	-	-	-
Petroleum Products Gross Receipts	19,500	19,505	5	0.0%
Corp. Banks & Financial Institutions	300	7,538	7,238	2412.7%
Alcoholic Beverage Excise	100	156	56	56.0%
Realty Transfer	25,600	25,588	(12)	(0.0%)
Tobacco Products Wholesale Sales (a)	-	(1)	(1)	-
Public Utility	-	-	-	-
Total	\$ 1,344,100	\$ 1,337,450	\$ (6,650)	(0.5%)
All Other (c)	287,600	287,600	-	0.0%
Total Revenues	\$ 1,631,700	\$ 1,625,050	\$ (6,650)	(0.4%)

(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, \$238.0 million of FY 2011 Motor Vehicle Fee collections are dedicated to the New Jersey Motor Vehicle Commission.

(c) Due to the sporadic nature of cash collections, including once a year assessments, OMB accrues to the budgeted target on a monthly basis and adjusts at the time of GBM.

STATE OF NEW JERSEY
MONTH AND YEAR-TO-DATE CASH COLLECTIONS
Fiscal 2011 - JULY 2010 versus 2009

(\$ Thousands)

JULY		%		JULY - YTD		%
2009	2010			2009	2010	
\$ 20,401	\$ 53,944	164.4%	Gross Income Tax	\$ 20,401	\$ 53,944	164.4%
19,227	1,281	(93.3%)	Sales	19,227	1,281	(93.3%)
37,948	45,782	20.6%	Corporation Business	37,948	45,782	20.6%
71,091	70,277	(1.1%)	Lottery	71,091	70,277	(1.1%)
701	546	(22.1%)	Motor Fuels	701	546	(22.1%)
-	-	-	Motor Vehicle Fees (b)	-	-	-
52,938	42,053	(20.6%)	Transfer Inheritance	52,938	42,053	(20.6%)
29,189	26,159	(10.4%)	Casino Revenue	29,189	26,159	(10.4%)
1,415	2,322	64.1%	Insurance Premium	1,415	2,322	64.1%
-	-	-	Cigarette (a)	-	-	-
38	5	(86.8%)	Petroleum Products Gross Receipts	38	5	(86.8%)
(1,034)	7,538	829.0%	Corp. Banks & Financial Institutions	(1,034)	7,538	829.0%
-	56	-	Alcoholic Beverage Excise	-	56	-
-	(12)	-	Realty Transfer	-	(12)	-
-	-	-	Savings Institutions	-	-	-
-	(1)	-	Tobacco Products Wholesale Sales (a)	-	(1)	-
-	-	-	Public Utility	-	-	-
\$ 231,914	\$ 249,950	7.8%	Total Major Revenues	\$ 231,914	\$ 249,950	7.8%

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