



# State of New Jersey

Department of the Treasury

**For Immediate Release**  
Sept. 19, 2012

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## **August Revenues Exceed Year-Earlier Collections As Income Tax Sets Record for New Jersey**

TRENTON – August revenues exceeded year-earlier results, boosted by a record high level of gross income tax collections for the monthly period, Treasurer Andrew Sidamon-Eristoff said.

“Income tax and corporation business taxes are showing welcome strength,” Treasurer Eristoff said. “Both July and August income tax were strong, and August even beat the pre-recession results of Fiscal 2008. This was the highest collection of income tax in state history for the month of August.”

August gross income tax collections surged, rising 3.1 percent above year-earlier figures to \$673.2 million. Corporation business taxes for the month were also strong, climbing to \$52.8 million, 12.4 percent above last year’s levels. Sales taxes fell 2.1 percent from August 2011 to \$652.4 million, suggesting continued consumer unease with efforts to revive the national economy, said Dr. Charles Steindel, Treasury’s Chief Economist.

“We’ve experienced steady growth in New Jersey’s personal income over the last two years, and it’s now clear that some of that gain is being reflected in higher income tax collections,” said Dr. Steindel. “Nationally, consumer spending has been weak, and, unfortunately, that seems to be reflected in New Jersey’s sales tax returns.”

**STATE OF NEW JERSEY**  
**MONTH AND YEAR-TO-DATE CASH COLLECTIONS**  
**Fiscal 2013 - AUGUST 2013 versus 2012**  
(\$ Thousands)

AUGUST		% Change		AUGUST - YTD		% Change
2011	2012			2011	2012	
\$ 653,021	\$ 673,163	3.1%	Gross Income Tax	\$ 786,049	\$ 780,063 (c)	(0.8%)
666,154	652,415	(2.1%)	Sales	688,115	652,415 (c)	(5.2%)
47,007	52,828	12.4%	Corporation Business	94,025	118,202 (c)	25.7%
74,808	81,247	8.6%	Lottery	145,402	152,429	4.8%
41,159	38,148	(7.3%)	Motor Fuels	41,064	38,148	(7.1%)
-	-	-	Motor Vehicle Fees (b)	-	-	-
60,804	61,124	0.5%	Transfer Inheritance	109,694	98,210	(10.5%)
18,317	24,459	33.5%	Casino Revenue	41,811	44,077	5.4%
685	12,058	1660.3%	Insurance Premium	3,208	15,197	373.7%
-	-	-	Cigarette (a)	-	-	-
22,896	17,570	(23.3%)	Petroleum Products Gross Receipts	22,896	17,570	(23.3%)
2,848	4,524	58.8%	Corp. Banks & Financial Institutions	(8,938)	5,216	(158.4%)
28	121	332.1%	Alcoholic Beverage Excise	26	121	365.4%
19,401	15,477	(20.2%)	Realty Transfer	19,400	15,477	(20.2%)
-	-	-	Savings Institutions	-	-	-
1,829	2,002	9.5%	Tobacco Products Wholesale Sales (a)	1,855	2,002	7.9%
-	-	-	Public Utility	-	-	-
<u>\$ 1,608,957</u>	<u>\$ 1,635,136</u>	1.6%	<b>Total Major Revenues</b>	<u>\$ 1,944,607</u>	<u>\$ 1,939,127</u>	(0.3%)

(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, \$213.6 million of FY 2013 Motor Vehicle Fee collections are dedicated to the New Jersey Motor Vehicle Commission.

(c) Please note Gross Income Tax, Sales Tax and Corporation Business Tax reflect preliminary revenue allocations between Fiscal Years 2012 and 2013. The adjustment process is currently ongoing.

**STATE OF NEW JERSEY  
FISCAL YEAR 2013  
REVENUE SOURCE  
BUDGET VERSUS ACTUAL  
MONTH OF AUGUST 2012  
(\$ Thousands)**

Revenue Source	AUGUST		Variance Over/(Under) Budget	% Variance Over/(Under) Budget
	Cash Budget	(c) Actual		
Gross Income	\$ 704,700	\$ 673,163	\$ (31,537)	(4.5%)
Sales	695,300	652,415	(42,885)	(6.2%)
Corporation Business	61,200	52,828	(8,372)	(13.7%)
Lottery	80,200	81,247	1,047	1.3%
Motor Fuels	46,300	38,148	(8,152)	(17.6%)
Motor Vehicle Fees (b)	-	-	-	-
Transfer Inheritance	60,600	61,124	524	0.9%
Casino Revenue	27,200	24,459	(2,741)	(10.1%)
Insurance Premium	(8,600)	12,058	20,658	240.2%
Cigarette (a)	-	-	-	-
Petroleum Products Gross Receipts	20,100	17,570	(2,530)	(12.6%)
Corp. Banks & Financial Institutions	5,500	4,524	(976)	(17.7%)
Alcoholic Beverage Excise	-	121	121	-
Realty Transfer	23,300	15,477	(7,823)	(33.6%)
Tobacco Products Wholesale Sales (a)	1,400	2,002	602	43.0%
Public Utility	-	-	-	-
<b>Total Revenues</b>	<u>\$ 1,717,200</u>	<u>\$ 1,635,136</u>	<u>\$ (82,064)</u>	<u>(4.8%)</u>

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(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  
BUDGET VERSUS ACTUAL  
FOR THE TWO MONTHS ENDED AUGUST 31, 2012  
(\$ Thousands)**

Revenue Source	AUGUST		Variance Over/(Under) Budget	% Variance Over/(Under) Budget
	Cash Budget (d)	Actual		
Gross Income	\$ 811,600	\$ 780,063 (c)	\$ (31,537)	(3.9%)
* Sales	695,300	652,415 (c)	(42,885)	(6.2%)
Corporation Business	115,200	118,202 (c)	3,002	2.6%
Lottery	157,800	152,429	(5,371)	(3.4%)
* Motor Fuels	46,300	38,148	(8,152)	(17.6%)
Motor Vehicle Fees (b)	-	-	-	-
Transfer Inheritance	115,900	98,210	(17,690)	(15.3%)
Casino Revenue	55,300	44,077	(11,223)	(20.3%)
Insurance Premium	(6,200)	15,197	21,397	345.1%
Cigarette (a)	-	-	-	-
* Petroleum Products Gross Receipts	20,100	17,570	(2,530)	(12.6%)
Corp. Banks & Financial Institutions	3,000	5,216	2,216	73.9%
* Alcoholic Beverage Excise	-	121	121	-
* Realty Transfer	23,300	15,477	(7,823)	(33.6%)
Tobacco Products Wholesale Sales (a)	1,400	2,002	602	43.0%
Public Utility	-	-	-	-
<b>Total Revenues</b>	<u>\$ 2,039,000</u>	<u>\$ 1,939,127</u>	<u>\$ (99,873)</u>	<u>(4.9%)</u>

\* Revenues are on a one month lag. All other revenues represent two months of cash collections.

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The foregoing estimates were prepared in May 2012 in connection with the preparation of the Fiscal Year 2013 budget. Such estimates and the assumptions supporting them were based on information at the time of the projections, are believed to be reasonable, and are not construed as assurances of actual outcomes. All such estimates of future revenues constitute forward-looking statements and may or may not be realized because of a variety of economic and other circumstances.