

# Department of Revenue Administration

## Presentation to Senate Ways & Means

April 5, 2011



# MISSION



The mission of the Department of Revenue Administration is to collect the proper amount of taxes due, incurring the least cost to the taxpayers, and in a manner that merits the highest degree of public confidence in our integrity, efficiency and fairness. Further, it must provide prompt and constructive assistance to the municipal units of government in matters of budget, finance, and the appraisal of real estate.

# Agency Functions and Responsibilities

## Administers 14 Taxes ~ \$1.4B Revenue

•Business Enterprise Tax	RSA 77-E	•Medicaid Enhancement Tax	RSA 84-A
•Business Profits Tax	RSA 77-A	•Tobacco Tax	RSA 78
•Communications Services Tax	RSA 82-A	•Taxation of Railroads	RSA 78
•Electricity Consumption Tax	RSA 83-E	•Utility Property Tax	RSA 83-F
•Interest and Dividends Tax	RSA 77	•Excavation Tax	RSA 72-B
•Gambling Tax	RSA77	•Real Estate Transfer Tax	RSA 78-B
•Meals and Rooms Tax	RSA 78-A	•Timber Tax	RSA 79

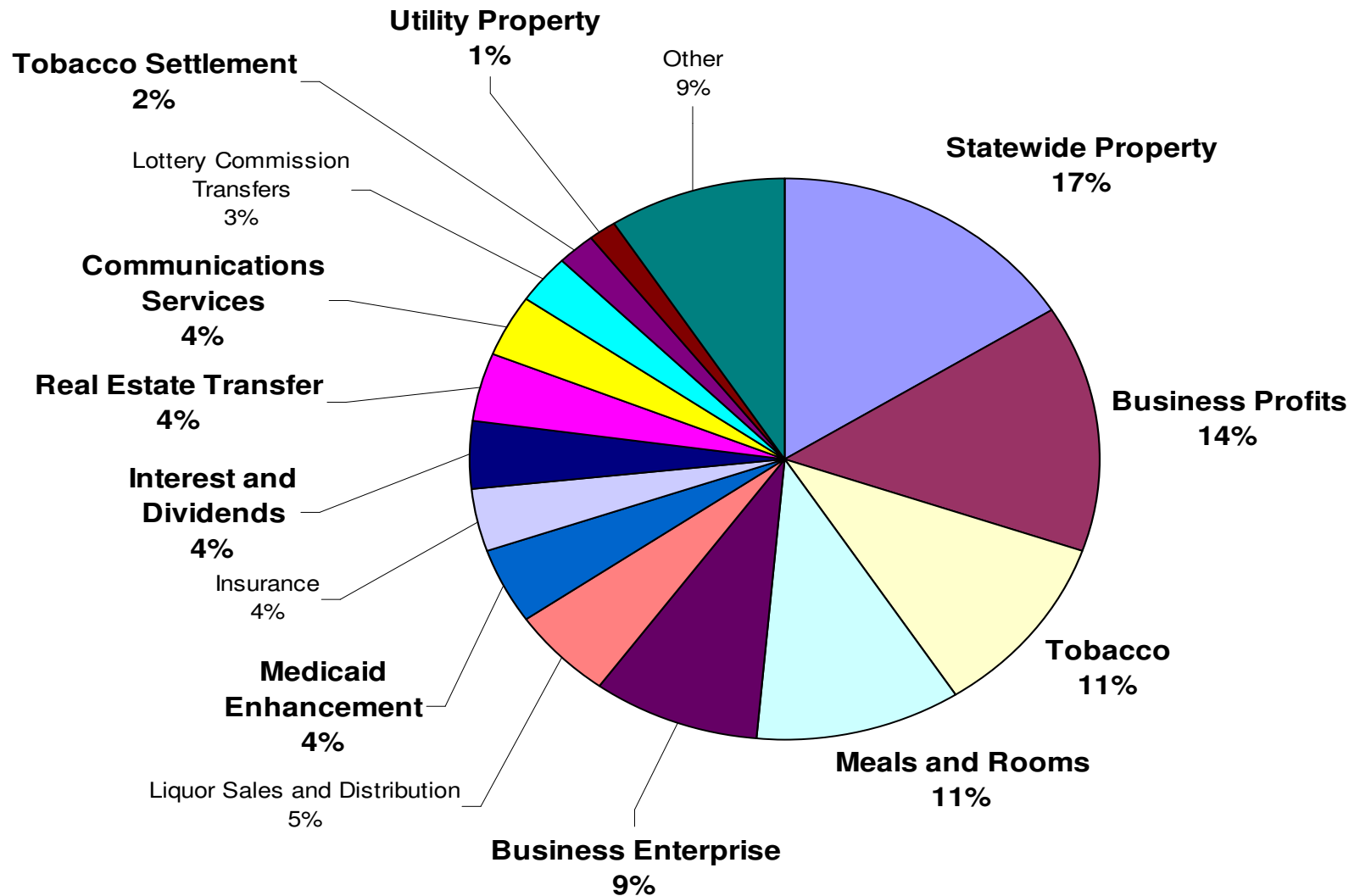
## Oversees Property Tax ~ \$3.5B Revenue

<p><u>Municipal Services Division</u></p> <ul style="list-style-type: none"> <li>•Oversee and assists all of the communities in the collection of taxes for local and state taxation</li> <li>•Provide technical assistance in municipal budget process</li> <li>•Calculate surety bonds RSA 41</li> <li>•Assist in assuring regular municipal audits</li> <li>•Review Municipal Charters RSA 49-B</li> <li>•Prepare state tax warrants RSA 76:8</li> </ul>	<p><u>Property Appraisal Division</u></p> <ul style="list-style-type: none"> <li>•Supervise property tax assessments</li> <li>•Certify assessing personnel</li> <li>•Conduct Assessment Review in every community</li> <li>•Monitor all reappraisals for tax purposes</li> <li>•Equalize all property values in state to market value</li> <li>•Estimate value of all utility property RSA 83-F</li> <li>•Provide administrative support to Timber and Gravel Tax RSA 79 and RSA 72-B</li> <li>•Administratively support Current Use, Equalization and Assessing Standards Boards</li> </ul>
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# Share of Unrestricted Revenues

General and Education Funds – Source FY2010 CAFR

Note: DRA's Statutory Responsibilities represent approximately 79% of NH State Revenue



# Inbound Processing FY2010

	Documents		Payments	
Type	Quantity	Percent	Quantity	Percent
Paper	527,976	87%	237,655	78%
Electronic File	60,028	10%	52,314	17%
Tele File	17,584	3%	15,551	5%
Total	605,588		305,520	

## Data Availability

- ~ 50% of data received is manually data entered or scanned by hand into DRA tax systems

# Ten Principles of Sound Tax Policy

1. Transparency is a must
2. Be neutral
3. Maintain a broad base
4. Keep it simple
5. Stability matters
6. No retroactivity
7. Keep tax burdens low
8. Don't inhibit trade
9. Ensure an open process
10. State and local taxes matter

# Where Are Taxes Coming From?

“A large portion of businesses in the State are very small (< 10 employees) and include a large portion of self employed individuals ...”

“Self employed individuals and small firms (< 10 employees) make up about 85 percent of the businesses in the State, but account for approximately one-third of the employed population. Large firms on the other hand, make up roughly 15 percent of the businesses in the State, but account for two-thirds of the employed population.”

Source: 2010 RKM Research and Communication, Inc.  
RKM/BIA 2011 NH Business Outlook Survey  
NH Business and Industry Association



# Business Taxes (BPT and BET)

- For Tax Year 2008 and Tax Year 2009 on average:
  - Corporations paid 79.1% of the combined BPT and BET, and were 39.9% of the filers
  - Partnerships paid 13.8% of the combined BPT and BET, and were 16.6% of the filers
  - Proprietors paid 6.8% of the combined BPT and BET, and were 43.0% of the filers
  - Fiduciaries paid 0.3% of the combined BPT and BET, and were 0.5% of the filers

# Business Profits Tax

- For Tax Year 2008 and Tax Year 2009 on average:
  - 0.8% of filers pay 73.7% of BPT
    - 75.1% are Corporations
    - 20.2% are Partnerships
    - 4.7% are Proprietors and Fiduciaries
  - For total BPT liability
    - Corporations paid 77.1%
    - Partnerships paid 16.3%
    - Proprietors paid 6.0%
    - Fiduciaries paid 0.6%

# Business Enterprise Tax

- For Tax Year 2008 and Tax Year 2009 on average:
  - 1.1% of filers pay 45.5% of BET
    - 91.5% are Corporations
    - 8.5% are Partnerships, Proprietors and Fiduciaries
  - For total BET liability
    - Corporations paid 81.7%
    - Partnerships paid 10.7%
    - Proprietors paid 7.6%
    - Fiduciaries paid 0.0%

# Interest and Dividends Tax

- For Tax Year 1999 through Tax Year 2009 on average:
  - 93% of Interest and Dividends Tax was paid by Individuals
  - 7% of Interest and Dividends Tax was paid by Proprietors, Corporations, Partnerships and Trusts
  - Interest and Dividends Tax breakdown:
    - 39.0% - Interest
    - 34.1% - Dividends
    - 12.3% - Tax Exempt Interest
    - 14.6% - Total Distribution

# Meals and Rooms Tax

- For Meals and Rooms Tax received during Fiscal Years FY2002 to FY2010, on average:
  - 80.1% is meals
  - 16.2% is rooms
  - 3.6% is motor vehicles

# Tobacco Tax

- For Fiscal Years FY2006 through FY2010, on average Tobacco Tax revenues were:
  - 98.6% cigarettes
  - 1.4% other tobacco products

# Real Estate Transfer Tax

- For FY2011 to date (through March) the average monthly percent of transactions and average monthly percent of total tax received by county:

	<u>Transactions</u>	<u>Tax</u>
BELKNAP	6.7%	7.1%
CARROLL	8.0%	6.8%
CHESHIRE	5.1%	4.2%
COOS	3.7%	1.7%
GRAFTON	10.3%	9.1%
HILLSBOROUGH	23.3%	27.0%
MERRIMACK	10.0%	8.2%
ROCKINGHAM	21.1%	27.1%
STRAFFORD	8.7%	6.5%
SULLIVAN	3.0%	2.4%
	<hr/>	
	100.0%	100.0%

# How Does New Hampshire Do It?



# Per Capita Revenues for State & Local Governments Combined for New England States, FY 2007

	CT	ME	MA	NH	RI	VT	NE average	NH \$ gap	NH % gap	NH rank
Property	2,314	1,565	1,703	<b>2,215</b>	1,857	1,994	1,911	304	15.9	2
General Sales	869	801	629	-	828	548	657	(657)	(100.0)	6
Selective sales	656	483	323	<b>559</b>	467	832	474	85	18.0	3
Individual income	1,817	1,116	1,758	<b>82</b>	1,026	937	1,469	(1,388)	(94.4)	6
Corporate income	256	140	325	<b>453</b>	169	134	283	170	60.0	1
Motor vehicle license	58	65	46	<b>65</b>	50	122	56	9	16.0	2
Other taxes	199	193	170	<b>234</b>	128	163	182	52	28.6	1
Current charges	728	871	946	<b>861</b>	826	998	872	(11)	(1.2)	4
Misc. own-source	616	721	962	<b>754</b>	974	795	830	(76)	(9.2)	4
Intergovernmental	1,308	1,917	1,643	<b>1,281</b>	1,988	2,310	1,608	(327)	(20.3)	6
<b>Total</b>	<b>8,823</b>	<b>7,873</b>	<b>8,507</b>	<b>6,504</b>	<b>8,315</b>	<b>8,834</b>	<b>8,341</b>	<b>(1,837)</b>	<b>(22.0)</b>	<b>6</b>

Source: "How Does New Hampshire Do It? An Analysis of Spending and Revenues in the Absence of a Broad-Based Income or Sales Tax" by Jennifer Weiner, Senior Policy Analyst at the New England Public Policy Center, Federal Reserve Bank of Boston

# Estimated Burden of Major Taxes for a Hypothetical Family of Three, 2009

\$50,000								
Rank	City	State	Taxes				Burden	
			Income	Property	Sales	Auto	Amount	Percent
1	Bridgeport	CT	349	8,688	801	510	10,348	20.7%
11	Portland	ME	1,295	3,031	560	350	5,235	10.6%
15	Boston	MA	1,714	2,630	428	259	5,031	10.1%
17	Providence	RI	913	2,471	898	667	4,949	9.9%
18	Burlington	VT	943	2,872	745	179	4,739	9.5%
<b>33</b>	<b>Manchester</b>	<b>NH</b>	-	<b>3,629</b>	-	<b>231</b>	<b>3,861</b>	<b>7.7%</b>

\$75,000								
Rank	City	State	Taxes				Burden	
			Income	Property	Sales	Auto	Amount	Percent
1	Bridgeport	CT	2,514	9,568	1,186	995	14,263	19.0%
6	Portland	ME	2,990	3,682	824	586	8,082	10.8%
19	Boston	MA	2,998	2,844	640	465	6,947	9.3%
22	Providence	RI	1,714	2,759	1,261	966	6,700	8.9%
25	Burlington	VT	1,692	3,480	1,083	279	6,534	8.7%
<b>43</b>	<b>Manchester</b>	<b>NH</b>	-	<b>4,075</b>	-	<b>410</b>	<b>4,485</b>	<b>6.0%</b>

\$100,000								
Rank	City	State	Taxes				Burden	
			Income	Property	Sales	Auto	Amount	Percent
1	Bridgeport	CT	4,007	10,766	1,825	1,362	17,960	18.0%
5	Portland	ME	4,966	4,029	1,390	1,044	11,430	11.4%
17	Providence	RI	2,828	2,967	1,891	2,248	9,934	9.9%
22	Boston	MA	4,296	2,935	1,046	857	9,135	9.1%
23	Burlington	VT	2,906	3,967	1,840	331	9,044	9.0%
<b>47</b>	<b>Manchester</b>	<b>NH</b>	-	<b>4,453</b>	-	<b>679</b>	<b>5,131</b>	<b>5.1%</b>

Source: "Tax Rates and Tax Burdens in the District of Columbia: A Nationwide Comparison"

# Corporate Income Tax Rates

- NH – 8.5%
- Eight (8) states with a flat rate higher than NH
  - California, Delaware, Illinois, Minnesota, New Jersey, Pennsylvania, Rhode Island and District of Columbia
- Two (2) states with a flat rate equal to NH
  - Indiana and West Virginia
- Four (4) states with variable rates that have a high end bracket equal to or above NH
  - Alaska, Iowa, Maine, Vermont

Source: Federation of Tax Administrators – February 2011 and “Tax Rates and Tax Burdens in the District of Columbia: A Nationwide Comparison”

# Monthly Comparison of Business Taxes

## PERCENTAGE CHANGE BETWEEN FY11 and FY10 REVENUES

	July	August	September	October	November	December	January	February	YTD
	%	%	%	%	%	%	%	%	%
<b>NH - BPT and BET</b>	-28.3%	45.6%	-0.6%	-4.8%	-5.5%	16.4%	-37.9%	-25.0%	0.1%
<b>NH - BPT</b>	55.6%	-28.2%	-2.0%	-7.1%	-10.9%	14.0%	-40.0%	-22.0%	-1.8%
<b>MA - Corporate and Business Tax</b>	-43.2%	-84.1%	52.8%	246.6%	389.9%	-24.1%	-5.3%	-58.8%	2.1%
<b>VT - Corporate Tax</b>	-188.9%	19.1%	79.1%	55.5%	-131.0%	62.3%	158.6%	N/A	54.9%
<b>ME - Corporate Income Tax</b>	-7.2%	-117.7%	25.9%	N/A	-67.7%	9.4%	N/A	N/A	33.0%
<b>CT - Total Corporation Revenue</b>	-58.3%	17.9%	13.0%	18.0%	-39.1%	-22.9%	-24.0%	119.8%	-5.9%
<b>RI - General Business Taxes</b>	1.4%	684.6%	152.7%	31.9%	N/A	-55.0%	-2.5%	N/A	-3.0%

## Surrounding State's Tobacco Tax Stamps Sales Analysis - 5 Years

(In Millions) One stamp per pack

Month	FY 2010 Stamp Sales		FY 2009 Stamp Sales		FY 2008 Stamp Sales		FY 2007 Stamp Sales		FY 2006 Stamp Sales	
Maine	69.8	1%	68.8	-5%	72.7	-6%	77.4	-10%	85.6	
Massachusetts	222.0	-1%	224.7	-19%	277.9	0%	277.1	-2%	282.5	
New Hampshire	128.6	-16%	153.4	3%	149.3	-14%	173.1	-2%	177.5	
Vermont	29.7	-2%	30.4	-5%	32.0	-6%	34.0	-15%	39.8	

### TOBACCO TAX STAMP RATE INCREASE DURING 5 YEAR ANALYSIS PERIOD

#### **Maine**

9/19/05 (FY06)- \$1.00 to \$2.00 (previous increase 10/1/01 (FY02))

#### **Massachusetts**

7/1/08 (FY 09)- \$1.51 to \$2.51 (previous increase 7/25/02)

#### **New Hampshire**

(FY10) July 2009 to current - A stamp rate = \$2.23, B stamp rate = \$1.78

(FY09) October 2008 to June 2009 current - A stamp rate = \$1.65 B stamp rate = \$1.33

(FY08) July 2007 to September 2008 - A stamp rate = \$1.35 B stamp rate = \$1.08

(FY06) July 2005 to June 2007 - A stamp rate = \$1.00, B stamp rate = \$0.80

Notes - July - September 2008 (FY09) are increased due to the legislation on rate increase based on July - September stamp sales.

#### **Vermont**

7/1/06 (FY 07)- \$1.19 to \$1.79

7/1/08 (FY08)- \$1.79 to \$1.99

7/1/09 (FY10)- \$1.99 to \$2.24

#### **Federal Cigarette Tax Increase**

4/1/09 (FY09)- \$0.39 to \$1.01 (previous increase 1/1/02)

FY2011: Base for FY2012  
and FY2013 Revenue  
Projections

(in millions)

	FY 2011 Plan	FY 2011 Estimates				Year-To-Date						
		House Ways & Means		Governor		Plan	FY 2010 Actual	FY 2011 Actual	Variance		Variance	
		House Resolution 11		Operating Budget		YTD	YTD	YTD	From Plan		From FY 2010	
		\$	% change	\$	% change	\$	\$	\$	\$	%	\$	%
<b>BPT</b>	\$ 313.3	\$ 308.3	-1.6%	\$ 310.8	-0.8%	\$ 200.1	\$ 193.1	\$ <b>193.9</b>	\$ (6.2)	-3.1%	\$ 0.8	0.4%
<b>BET</b>	\$ 189.7	\$ 186.7	-1.6%	\$ 198.7	4.7%	\$ 121.2	\$ 118.0	\$ <b>124.1</b>	\$ 2.9	2.4%	\$ 6.1	5.2%
<b>BS Total</b>	\$ 503.0	\$ 495.0	-1.6%	\$ 509.5	1.3%	\$ 321.3	\$ 311.1	\$ <b>318.0</b>	\$ (3.3)	-1.0%	\$ 6.9	2.2%
<b>M&amp;R</b>	\$ 245.0	\$ 234.0	-4.5%	\$ 245.0	0.0%	\$ 187.7	\$ 177.3	\$ <b>181.9</b>	\$ (5.8)	-3.1%	\$ 4.6	2.6%
<b>Tobacco</b>	\$ 220.6	\$ 228.0	3.4%	\$ 237.7	7.8%	\$ 167.0	\$ 181.3	\$ <b>176.0</b>	\$ 9.0	5.4%	\$ (5.3)	-2.9%
<b>I&amp;D</b>	\$ 90.1	\$ 83.7	-7.1%	\$ 87.0	-3.4%	\$ 40.5	\$ 42.5	\$ <b>36.6</b>	\$ (3.9)	-9.6%	\$ (5.9)	-13.9%
<b>CST</b>	\$ 75.0	\$ 79.4	5.9%	\$ 82.0	9.3%	\$ 56.2	\$ 58.1	\$ <b>60.6</b>	\$ 4.4	7.8%	\$ 2.5	4.3%
<b>RETT</b>	\$ 89.2	\$ 78.0	-12.6%	\$ 83.6	-6.3%	\$ 67.0	\$ 63.8	\$ <b>61.6</b>	\$ (5.4)	-8.1%	\$ (2.2)	-3.4%
<b>ECT</b>	\$ 6.0	\$ 6.0	0.0%	\$ 6.0	0.0%	\$ 4.5	\$ 4.5	\$ <b>4.6</b>	\$ 0.1	2.2%	\$ 0.1	2.2%
<b>Gambling</b>	\$ 3.4	\$ 3.4	0.0%	\$ 4.4	29.4%	\$ 0.9	\$ 1.8	\$ <b>2.1</b>	\$ 1.2	133.3%	\$ 0.3	16.7%
<b>Utility Prop</b>	\$ 28.0	\$ 28.0	0.0%	\$ 28.0	0.0%	\$ 14.0	\$ 16.5	\$ <b>17.4</b>	\$ 3.4	24.3%	\$ 0.9	5.5%
	\$ 1,260.3	\$ 1,235.5	-2.0%	\$ 1,283.2	1.8%	\$ 859.1	\$ 856.9	\$ <b>858.8</b>	\$ (0.3)	0.0%	\$ 1.9	0.2%

# Economic Projections



	Calendar Year (unless otherwise noted)		
	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>Economic Growth:</b>			
University of Michigan Economic Forecast - 3/15/11	3.6% in first half 2.9% in second half	2.9%	
Economic Forecasting Survey (WSJ) - March 2011	3.4%		
Wells Fargo Securities Economic Forecast - March 2011	2.7% in 1st Quarter 2.6% in 2011	3.0%	
Bloomberg - March 2011	3.0%	3.3% over 2011 for US	
National Association of Business Economists - February 2011	3.3%	3.4%	
Office of Management and Budget (White House) - February 2011	3.1% end of year comparison	4.0% end of year comparison	
Survey of Professional Forecasters - February 2011 Federal Reserve Bank of Philadelphia	3.2%	3.1%	3.0%
Reuters Survey (CNBC) - February 2011	3.2%		
Federal Reserve Bank - January 2011	3.4% - 3.9% 4th Quarter to 4th Quarter	3.5% - 4.4% 4th Quarter to 4th Quarter	
Congressional Budget Office - January 2011	3.1%	2.8%	
International Monetary Fund - January 2011	3.0%	2.7%	
Quarterly Economic Survey (USA Today) - January 2011	3.4%		
World Bank Economic Forecasts - January 2011	2.8%	2.9%	
American Banker's Association (Bloomberg) - January 2011	3.3%		
CNN Money Survey - December 22, 2010	3.3%	3.4%	
Livingston Survey - December 2010 Federal Reserve Bank of Philadelphia	2.5% in first half 2.9% in second half		

# Other Factors Affecting Revenues

- 230,000 private-sector jobs were created in March of 2011, but the recovery mostly includes workers taking lower-paying jobs, which is good news for companies who can keep labor costs low (BET, BPT), but can negatively affect spending and standard of living (M&R) – WSJ April 1, 2011
- Median home values have increased, even when taking into account inflation, according to the US Census which takes into account many factors and includes both urban and rural areas (RETT) – WSJ March 31, 2011
- S&P/Case-Shiller Composite 20-city home price index, a broad gauge of U.S. home prices, posted a 1% drop in January from a month earlier and fell 3.1% from a year earlier (RETT) – March 29, 2011
- President of the Federal Reserve Bank of Richmond, Jeffrey Lacker identified economic “tailwinds” – improving household finance (I&D, M&R), employment (M&R, BET), improving corporate profits (BPT, BET) – and “headwinds” – sluggish home prices (RETT) and increasing gas and food costs (M&R) – WSJ March 28, 2011
- Census Bureau reported that 403,765 new firms were started in the 12 months ended March 2009, down 17.3% from a year earlier and the fewest on records that begin in 1977 (BPT, BET) - WSJ March 23, 2011
- The Federal Reserve's overall assessment of the economy is that the recovery is on firmer footing and employment data have shown improvement (BET, M&R) along with expansion in consumer and business spending (BPT, BET, M&R), with real estate continuing to be a dark spot (RETT) - Federal Reserve March 15, 2011
- President of the Federal Reserve Bank of Richmond, Jeffrey Lacker, estimates 4% GDP growth 4th quarter-over-fourth quarter for 2011 and we will see something a little stronger in 2012 (BET, BPT) - WSJ March 3, 2011
- Higher oil prices negatively affect the US economic outlook, in particular with respect to increasing the chances of a double dip in housing (RETT). Increased fuel costs will deter output growth, therefore decreasing jobs (BPT, BET, M&R) - WSJ February 28, 2011

## 2011 Pending Tax Legislation – Estimated Loss in State Revenue

*This list excludes duplicate bills and bills that have been retained or re-referred to committee*

HB 37*	Reestablishing the initial monthly gross charge exemption to CST	\$2,280,000 in FY2012 \$2,000,000 in FY2013 \$1,800,000 in FY2014 \$1,600,000 in FY2015	Tabled in the House (OTP)
HB 154*	Increasing the threshold amounts for taxation under the BET	\$6,200,000 in each FY ( <i>maximum</i> )	Tabled in the House (OTP/A)
HB 156	Reducing the rate of the Tobacco Tax	\$8,900,000 to \$16,000,000 in each FY	In Senate W&M
HB 166*	Relative to the rate of the Meals and Rooms Tax rate	\$16,000,000 to \$27,000,000 in each FY	Tabled in the House (OTP)
HB 187	Relative to the carry forward periods for the BET credit against the BPT	\$15,900,000 in FY 2012 Potentially the same thereafter	In Senate W&M
HB 213*	Reducing the rate of the BPT	\$18,000,000 in FY 2012 \$36,000,000 in FY 2013	Tabled in the House (OTP/A)
HB 229	Repealing the tax on gambling winnings ( <i>this repeal is also contained within HB 2</i> )	\$3,400,000 in each FY	In Senate W&M (OTP)
HB 557	Relative to the standards and burdens of proof for the BPT deduction for reasonable compensation attributable to owners of partnerships, limited liability companies and sole proprietorships	up to \$49,000,000 in FY2012 \$49,000,000 minimum each year thereafter.	In Senate W&M
SB 58	Adding qualified community development entities to the definition of “qualified investment company” under the business profits tax and the business enterprise tax.	Potential loss cannot be determined	In House W&M
SB 126	Relative to net operating loss carryovers under the BPT	\$19,000,000 to \$22,000,000 ( <i>figures revised after Fiscal Note</i> )	Tabled in the Senate
SB 165	Relative to the Medicaid uncompensated care fund and the Medicaid Enhancement Tax ( <i>The uncompensated care fund portion is also contained within HB 2</i> )	Cannot be Disclosed ( <i>less than 10 taxpayers</i> )	Tabled in the Senate
<b>TOTAL ESTIMATED REVENUE LOSS FOR FISCAL YEAR 2012</b>		<b>\$138,680,000 to \$159,780,000</b>	
<b>TOTAL ESTIMATED REVENUE LOSS FOR FISCAL YEAR 2013</b>		<b>\$156,400,000 to \$177,500,000</b>	

\* Contained in Section 463 of HB 2: State Revenues; Intent of the House of Representatives. It is the intent of the House of Representatives that revenue reductions resulting from tax and fee relief contained in the house adopted position of the following bills will be considered and supported to the extent that state revenues exceed the adopted revenue estimates of the House of Representatives:

- I. HB 37-FN-A, reestablishing the initial monthly gross charge exemption to the communications services tax.
- II. HB 154 FN-A, increasing a threshold amount for taxation under the business enterprise tax.
- III. HB 166 FN-A, reducing the rate of the meals and rooms tax.
- IV. HB 213-FN-A, reducing the rate of the business profits tax.

Any additional state revenues realized beyond the supported reductions will be deposited in the revenue stabilization reserve account under RSA 9:13-e.

## HB 2 Tax Sections – Estimated Loss in State Revenue

Section 16	DHHS/DRA Memorandum of Understanding	\$3,000,000 in FY2012 \$3,000,000 in FY2013
Section 85	Repeal of the Gambling Winnings Tax	\$3,400,000 in FY 2012 \$3,400,000 in FY 2013
Section 161	Excess Education Tax Payments	\$16,977,637 in FY 2012 *
Section 211	Flood Control	
Sections 212-216	Excavation Tax	Administration and enforcement transferred to local level and DRED –
Sections 217-224	Timber Tax	Administration and enforcement transferred to local level and DRED –
Section 457	Repeal of the \$5 Meals and Rooms Tax Operators License Fee	\$30,000 in FY 2012
Section 463	HB 37-FN-A Communications Services Tax ( <i>reinstatement of the exemption on the first \$12 of the monthly gross charge for residential customers</i> )	\$2,000,000 in FY 2012 \$2,000,000 in FY 2013
	HB 154-FN-A Business Enterprise Tax ( <i>reduction in gross receipts threshold</i> )	Unknown – data not available on the DRA’s current system
	HB 166-FN-A Meals and Rooms Tax ( <i>reduction of the rate from 9% to 8%</i> )	\$16,000,000 to \$27,000,000 in FY 2012 \$16,000,000 to \$27,000,000 in FY 2013
	HB 213-FN-A Business Profits Tax ( <i>reduction in the rate from 8.5% to 8.0%</i> )	\$9,215,000 in FY 2012 \$18,429,000 in FY 2013
<b>TOTAL ESTIMATED REVENUE LOSS FOR FISCAL YEAR 2012</b>		<b>\$50,622,637 to \$61,622,637</b>
<b>TOTAL ESTIMATED REVENUE LOSS FOR FISCAL YEAR 2013</b>		<b>\$42,829,000 to \$53,829,000</b>

\* The excess education tax payment of \$16,977,637 that was in the FY 2012 warrant would not be paid to the State Education Trust Fund and would be retained locally. As such, there would be a decrease in state revenue in the amount of \$16,977,637 and, conversely, an increase in local revenue in the amount of \$16,977,637.