• **Revenues Slightly Ahead of Executive’s Revised Forecast.** Through the end of May, the major revenues are growing by 5.9% over the same period in FY 2017, exceeding the Treasurer’s revised year-end aggregate target growth rate of 5.7%. Two revenues, the gross income tax and the petroleum products gross receipts tax, account for all of the net growth over FY 2017. In the aggregate, the remaining revenues fell 1.0% below their equivalent FY 2017 markers.

• **Gross Income Tax (GIT)** net collections through May of $13.135 billion were running 9.4% ahead of the same period last year. May net collections were up 13.3% above last May, benefitting from a $283.4 million increase (282.4%) in final payments. This uptick in final payments was attributable predominantly to processing delays that shifted the recording of many final payments from April into May. Of the components which comprise total year-to-date GIT collections, final payments posted the strongest performance: final payments were up 16.5%, estimated payments were up 11.4%, withholding receipts were up 4.9%, and refund payments were up 1.8% above last year. The Executive’s revised target assumes 8.6% growth.

• **Sales Tax** receipts year-to-date totaled $7.836 billion, up 1.5% from the same period¹ last year. May collections were 1.1% above last May, despite the reduction² in the sales tax rate from 6.875% to 6.625% on January 1, 2018. The Executive’s revised target assumes 1.0% growth above FY 2017.

• **Corporation Business Tax (CBT)** cash collections are on track to meet the Executive’s revised FY 2018 target of 3.4% decline from FY 2017. In doing so the revenue would post its lowest annual total since FY 2012. Collections of $1.661 billion through the first 11 months of FY 2018 were 3.4% below the same period last fiscal year. The CBT’s year-to-date performance reflects a roughly 2.3% decrease in gross receipts and a 1.0% increase in refunds.

• **Corporation Banks and Financial Institutions** collections of $93.0 million through May were down $34.1 million, or 26.8%, in comparison to FY 2017. Based on preliminary data provided through the State’s accounting system, the under performance of the corporation banks and financial institutions tax in FY 2018 is partially attributable to an increase in refunds which may reflect an increase in the application of tax credits against taxpayer liabilities.

• **Petroleum Products Gross Receipts Tax** collections¹ of $1.144 billion through May were up $474.0 million, or 70.7%, propelled by the higher tax rates under P.L.2016, c.57. State voters constitutionally dedicated the revenues to the Transportation Trust Fund.

• **Transfer Inheritance** collections of $560.5 million were down 18.1% compared to last year through May. The revised year-end target assumes a decline of 19.4% from the FY 2017 level, including the phased-in impact of the multi-year elimination of the estate tax under P.L.2016, c.57.

• **Realty Transfer Fee** collections of $310.7 million were 8.0% higher year-over-year,³ exceeding the Executive’s revised year-end target growth rate of 4.5%.

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¹ May sales tax collections reflect April economic activity, as this tax is subject to a one-month payment lag.
² FY 2018 collections are impacted by a two-step tax rate reduction under P.L.2016, c.57.
³ May realty collections reflect April economic activity, as counties remit fee payments to the State with a one-month lag.
### OLS Revenue Snapshot

**Selected Year-To-Date Cash Collections ($ millions)**  
**FY 2018 - Through May 2018**

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>FY 2017 Actual Year-To-Date</th>
<th>FY 2018 Actual Year-To-Date</th>
<th>Actual Y-T-D Growth %</th>
<th>Exec. Rev. Year-End Growth % **</th>
<th>Exec. Rev. Year-End $ Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>INCOME TAX</td>
<td>$12,010.5</td>
<td>$13,135.1</td>
<td>9.4%</td>
<td>8.6%</td>
<td>$15,153.5</td>
</tr>
<tr>
<td>* SALES TAX</td>
<td>$7,718.0</td>
<td>$7,836.3</td>
<td>1.5%</td>
<td>1.0%</td>
<td>$9,545.6</td>
</tr>
<tr>
<td>CORP. BUS. TAX (CBT)</td>
<td>$1,719.9</td>
<td>$1,660.6</td>
<td>-3.4%</td>
<td>-3.4%</td>
<td>$2,069.0</td>
</tr>
<tr>
<td>[a] PETROLEUM PRODUCTS</td>
<td>$670.0</td>
<td>$1,144.0</td>
<td>70.7%</td>
<td>55.7%</td>
<td>$1,360.5</td>
</tr>
<tr>
<td>TRANSFER INHERITANCE</td>
<td>$684.6</td>
<td>$560.5</td>
<td>-18.1%</td>
<td>-19.4%</td>
<td>$603.6</td>
</tr>
<tr>
<td>INSURANCE PREMIUM</td>
<td>$497.3</td>
<td>$514.9</td>
<td>3.5%</td>
<td>3.9%</td>
<td>$597.0</td>
</tr>
<tr>
<td>* MOTOR FUELS</td>
<td>$429.9</td>
<td>$410.2</td>
<td>-4.6%</td>
<td>-6.0%</td>
<td>$500.7</td>
</tr>
<tr>
<td>[b] MOTOR VEHICLE FEES</td>
<td>$442.3</td>
<td>$441.8</td>
<td>-0.1%</td>
<td>-4.1%</td>
<td>$500.2</td>
</tr>
<tr>
<td>* REALTY TRANSFER</td>
<td>$287.7</td>
<td>$310.7</td>
<td>8.0%</td>
<td>4.5%</td>
<td>$361.1</td>
</tr>
<tr>
<td>[c] CASINO</td>
<td>$191.5</td>
<td>$187.3</td>
<td>-2.2%</td>
<td>1.1%</td>
<td>$212.9</td>
</tr>
<tr>
<td>BANKS &amp; FINANCIAL (CBT)</td>
<td>$127.1</td>
<td>$93.0</td>
<td>-26.8%</td>
<td>-27.2%</td>
<td>$145.8</td>
</tr>
<tr>
<td>[d] CIGARETTE</td>
<td>$118.2</td>
<td>$77.4</td>
<td>-34.5%</td>
<td>-28.9%</td>
<td>$121.6</td>
</tr>
<tr>
<td>* ALCOHOL EXCISE</td>
<td>$82.2</td>
<td>$85.8</td>
<td>4.5%</td>
<td>1.4%</td>
<td>$106.2</td>
</tr>
<tr>
<td><strong>TOTALS:</strong></td>
<td><strong>$24,979.1</strong></td>
<td><strong>$26,457.6</strong></td>
<td><strong>5.9%</strong></td>
<td><strong>5.7%</strong></td>
<td><strong>$31,277.8</strong></td>
</tr>
</tbody>
</table>

Sources: Executive's FY18 May 2018 revised estimates. FY2018 Year-To-Date from the Treasury Monthly reports.

* Revenues represent 10 months of cash collections. All others represent 11 months of cash collections.

** The percentage difference between the FY2018 Executive's revised estimates (May 2018) and final FY2017 figures from the Comprehensive Annual Financial Report (March 2018).

[a] The petroleum products year-end estimate reflects the full $1.360 billion target. This total includes $761.7 million to be allocated to the Petroleum Products Gross Receipts - Capital Reserves.

[b] The first $221.1 million in motor vehicle fee collections are dedicated to the NJ Motor Vehicle Commission.

[c] The casino amounts include internet gaming revenues.

[d] The first $391.5 million in cigarette tax collections are deposited into the Health Care Subsidy Fund (P.L.2006, c.37). Additional amounts, estimated at about $97.9 million, are dedicated to pay debt service pursuant to P.L.2004, c.68.

Note: Lottery revenues are no longer included in the General Fund pursuant to P.L.2017, c.98. Through the end of May, Lottery collections in FY2018 total $893.1 million, up 3.8% compared to $860.6 million at the same point in FY2017.