



Net Revenues

For the month of January 2010

March 12, 2010



Commentary for the month of January 2010

General Fund YTD net revenues reflected a modest 0.8% decline below estimates mainly due to a delay in the SUT - IVU Lotto implementation:

- Individuals' tax collections YTD showed a 3.0% reduction compared to estimates due to overall economic recession and overall job contraction.
- YTD corporate tax collections reflected a 7.5% or \$57 million increase on a year-over-year basis and 3.4% above estimates.
- Despite a year-over-year increase in the Sales & Use Tax (SUT) during the last three months of 1.7% or \$5 million and a month-over-month increase of 3.5% or \$3 million for January, the variance from SUT collection estimate is attributed to the delayed implementation of IVU Lotto, a tax revenue measure initiative expected to provide higher accountability of sales tax receipts that was expected to be implemented last calendar year. This initiative was delayed last year due to a legal challenge of the procurement process which was resolved in late December 2009. The procurement process has already resumed in order to commence the implementation phase during the last calendar quarter of this year. This initiative was expected to provide \$75 million in additional total SUT collections during this current fiscal year.
- Motor vehicle excise tax receipts are \$11 million or 5.2% below estimates. However, automobile sales have over-performed on a year-over-year basis since October 2009, reporting a 16% month-over-month increase during the month of January 2010.
- Property tax collections continue to perform above estimates, reflecting a YTD 9.6% increase above estimates as of January 2010.

Secretary of the Treasury reaffirms estimate of \$7,670 million in tax revenues for the current fiscal year based on estimated collections for the last four months.



Net Revenues for January FY 2010

Revenue Categories (\$ millions)	January		\$	Estimate	Actual vs.
	2009	2010	Change	2010	Estimate
Individuals	\$219	\$190	(\$30)	\$214	(\$24)
Corporations	\$57	\$55	(\$2)	\$60	(\$4)
Non-Resident Withholdings	\$85	\$72	(\$13)	\$64	\$8
Property Tax	\$0	\$3	\$3	\$0	\$3
Sales and Use Tax	\$85	\$89	\$3	\$99	(\$10)
Motor Vehicles	\$23	\$27	\$4	\$27	\$0
Alcoholic Beverages	\$25	\$22	(\$4)	\$26	(\$4)
Off-Shore Shipments of Rum	\$42	\$34	(\$8)	\$39	(\$5)
Other	\$55	\$62	\$7	\$68	(\$6)
Total	\$594	\$553	(\$41)	\$596	(\$42)

Adjustments for comparison purposes:

Property Tax*	\$0	\$3	\$3
Total (including adjustments)	\$594	\$550	(\$43)

*Act 7-Temporary increase in property tax.
Numbers may not add up due to rounding

▪ SUT contribution to COFINA was fulfilled during month of December



YTD Net Revenues for FY 2010

Revenue	Actual July - January		\$	Estimate	Actual vs.
Categories (\$ millions)	2009	2010	Change	2010	Estimate
Individuals	\$1,493	\$1,357	(\$136)	\$1,399	(\$42)
Corporations	\$745	\$801	\$57	\$775	\$27
Non-Resident Withholdings	\$508	\$481	(\$27)	\$455	\$25
Property Tax	\$0	\$126	\$126	\$115	\$11
Sales and Use Tax	\$454	\$92	(\$363)	\$147	(\$55)
Motor Vehicles	\$200	\$199	(\$1)	\$210	(\$11)
Alcoholic Beverages	\$163	\$165	\$2	\$170	(\$5)
Off-Shore Shipments of Rum	\$250	\$216	(\$33)	\$223	(\$6)
Other	\$470	\$534	\$64	\$509	\$24
Total	\$4,282	\$3,970	(\$312)	\$4,003	(\$33)

Adjustments for comparison purposes:

Property Tax*	\$0	\$126	(\$126)
Sales and Use Tax**	\$454	\$92	\$363
Total (including adjustments)	\$3,828	\$3,753	(\$75)

*Act 7-Temporary increase in property tax.

**Act 1-1.75% increase in SUT allocation to COFINA

Numbers may not add up due to rounding

- SUT collections differential at the General Fund between last and current fiscal year is due to the additional 1.75% assignment of the SUT to COFINA