



Net Revenues

For the month of February 2011
FY 2011



Disclaimer

This presentation includes certain statements that are not historical in nature. These statements are based on the Government Development Bank's current beliefs regarding future events, and are based upon a number of estimates and assumptions that are subject to significant uncertainties, many of which are outside the control of the Government Development Bank for Puerto Rico, the Government of Puerto Rico and its agencies and instrumentalities. This presentation has been prepared solely for informational purposes.



Commentary for the month of February 2011

General Fund net revenues during the month of February 2011 totaled \$583 million reflecting an increase of \$68 million or 13.2% when compared to February 2010. First payment of Act 154 excise tax totaled \$108.7 million.

- Net revenues for the month of February 2011 were \$18 million or 3.4% above estimates.
- Individuals' tax collections year-to-date ("YTD") as of February 2011 were \$1.446 billion, or 2.1% above estimates. On a year-over-year ("YOY") basis, individuals' tax collections decreased 6.5% during this time period as a result of reduced tax withholdings implemented by the Tax Reform.
- Recently implemented excise tax on certain multinational groups is expected to offset tax reliefs implemented by the Tax Reform. First payment totaled \$108.7 million notwithstanding that the month of January does not reflect a full month of operations for several companies due to yearly maintenance and related temporary shutdown of several pharmaceutical facilities.
- Corporate tax collections for the month of February 2011 were in line on a YOY basis with a minor decrease of \$1.4 million.
- Non-resident withholdings YTD registered a \$48 million or 8.3% decrease when compared to the same period on FY 2010.
- Sales and use tax ("SUT") collections totaled \$91.5 million in February 2011 compared to \$88.7 million during the previous year, reflecting a 3.2% increase on a YOY basis. In spite of increased allocation to COFINA during current FY 2011, General Fund's SUT collections YTD are \$1.7 million or 0.9% below the previous year.
- YTD motor vehicle excise tax receipts were 4.4% above estimates and 5.8% above previous year's receipts, totaling \$238 million.
- YTD property tax collections were \$15 million or 11.7% above previous year's receipts.



Net Revenues for month of February FY 2011

Revenue	February		\$	Estimate	Actual vs.
Categories (\$ millions)	2010	2011	Change	2011	Estimate
Individuals	\$183	\$123	(\$59)	\$132	(\$9)
Corporations	\$21	\$20	(\$1)	\$25	(\$5)
Non-Resident Withholdings	\$100	\$112	\$12	\$92	\$20
Property Tax*	\$2	\$3	\$1	\$3	\$0
Sales and Use Tax	\$89	\$92	\$3	\$103	(\$11)
Act 154 Excise Tax	\$0	\$109	\$109	\$88	\$21
Motor Vehicles	\$26	\$28	\$2	\$27	\$1
Alcoholic Beverages	\$18	\$23	\$5	\$18	\$5
Off-Shore Shipments of Rum	\$29	\$23	(\$6)	\$28	(\$5)
Other	\$48	\$50	\$3	\$51	(\$0)
Total	\$515	\$583	\$68	\$566	\$18

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



YTD Net Revenues for FY 2011

Revenue	Actual July - February		\$	Estimate	Actual vs.
Categories (\$ millions)	2010	2011	Change	2011	Estimate
Individuals	\$1,540	\$1,446	(\$94)	\$1,416	\$31
Corporations	\$822	\$738	(\$85)	\$743	(\$6)
Non-Resident Withholdings	\$580	\$532	(\$48)	\$575	(\$43)
Property Tax	\$128	\$143	\$15	\$120	\$23
Sales and Use Tax	\$186	\$184	(\$2)	\$221	(\$37)
Act 154 Excise Tax	\$0	\$109	\$109	\$88	\$21
Motor Vehicles	\$225	\$238	\$13	\$228	\$10
Alcoholic Beverages	\$183	\$189	\$6	\$182	\$7
Off-Shore Shipments of Rum	\$245	\$233	(\$13)	\$239	(\$7)
Other	\$572	\$495	(\$77)	\$510	(\$15)
Total	\$4,481	\$4,305	(\$176)	\$4,321	(\$16)

- After allocating a total of \$572 million SUT collections to COFINA for the payment of outstanding bonds.

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