



GOBIERNO DE PUERTO RICO
DEPARTAMENTO DE HACIENDA



Puerto Rico Treasury Collections for Fiscal Year 2016-17 Exceed Revenue Projections by \$234.9 million

San Juan, Puerto Rico (July 20, 2017) - Treasury Secretary Raúl Maldonado Gautier reported that net revenues recorded to the General Fund for Fiscal Year 2016-17 (July-June) totaled \$9,334.9 million, which represented \$159.6 million, or 1.7 percent, above revenues for Fiscal Year 2015-16. Actual revenues were above revenue estimates of \$9,100 million by \$234.9 million, or 2.6 percent.

The Official mentioned as a significant fiscal accomplishment the fact that collections surpassed revenue projections in the context of the fiscal challenges Puerto Rico's public finances are facing at this time. In addition, he indicated that the present Administration revised the revenue projection for the year on two occasions. The first revision was at the time the Fiscal Plan was certified on March 13, 2017, when it was revised to \$9,192 million, and then on May 29, 2019, when it was revised to \$9,256 million. Actual revenues were \$9,334.9 million, exceeding both revisions.

The main drivers were the foreign corporations excise tax (Act 154), the Sales and Use Tax (SUT), and the motor vehicle excise tax. Revenue from the foreign corporations excise tax (Act 154) increased to \$2,078.2 million from \$1,862.3 million the previous year. Revenues from this excise tax increased by \$215.9 million, or 11.6 percent, year-over-year, and was, in fact, \$154.2 million above projections. It was observed that the sales of some of the corporations that pay this tax reflected an increase.

SUT collections in Fiscal Year 2016-17 totaled \$2,547.4 million, that is, \$170.5 million, or 7.2%, above the previous year. Among the factors that explain the increase in SUT revenues is the fact that collections for the month of July of Fiscal Year 2016-17 were at the rate of 10.5% while in July of Fiscal 2015-16 they were at the rate of 6.0%, which represented approximately another \$73.7 million. Another reason was the fact that the B2B was in force during twelve months while the previous year, the year the B2B was implemented, it was in force for eight months. The four month difference reflected \$51.0 million more this year, and a better capture considering the situation of Puerto Rico's economy.

Another prominent revenue category this year was the motor vehicle excise tax. \$369.2 million went to the General Fund, this was \$83.6 million more than in the previous year and \$76.2 million

above projections. A rise in automobile sales was observed even in light of the general situation of the economy.

Lastly, the Secretary pointed out that revenue estimates for Fiscal Year 2017-18, which just began, are \$9,562 million, \$9,172 million of which would correspond to General Fund net revenues. One of the main goals for this new fiscal year is to achieve revenue projections through different fiscal oversight and compliance initiatives that are already being implemented and other new measures that will be implemented.

Ingresos Netos al Fondo General
julio - junio
(millones de \$)

Conceptos	julio - junio		Dif.	Proyección	Recaudos
	2015-16	2016-17		julio-junio	vs. Proyección
Total Bruto	9,655.3	9,814.9	159.6	9,580.0	234.9
Reserva	(480.0)	(480.0)	-	(480.0)	-
Total Neto	9,175.3	9,334.9	159.6	9,100.0	234.9
Individuos	2,003.3	1,943.9	(59.4)	1,966.0	(22.1)
Corporaciones	1,663.6	1,602.9	(60.7)	1,525.0	77.9
Retenida a no residentes	808.8	673.0	(135.8)	763.0	(90.0)
MU	1,559.6	1,698.7	139.1	1,608.0	90.7
Foráneas (Ley 154)	1,862.3	2,078.2	215.9	1,924.0	154.2
Bebidas alcohólicas	264.7	264.3	(0.4)	272.0	(7.7)
Cigarrillos	100.3	107.1	6.8	117.0	(9.9)
Vehículos de motor	285.6	369.2	83.6	293.0	76.2
Arbitrios de ron	199.6	182.4	(17.2)	206.0	(23.6)
Otros	427.4	415.1	(12.3)	426.0	(10.9)

Ingresos Netos al Fondo General
junio
(millones de \$)

Conceptos	junio		Dif.	Proyección	Recaudos
	2015-16	2016-17		junio	vs. Proyección
Total Bruto	968.5	1,035.6	67.2	1,028.9	6.7
Reserva	(40.0)	(40.0)	-	(40.0)	-
Total Neto	928.5	995.6	67.2	988.9	6.7
Individuos	149.0	144.7	(4.3)	149.8	(5.1)
Corporaciones	229.6	240.0	10.3	221.9	18.1
Retenida a no residentes	39.3	39.6	0.3	39.3	0.3
IVU	203.8	207.4	3.6	205.0	2.4
Foráneas (Ley 154)	186.6	220.0	33.4	194.3	25.7
Bebidas alcohólicas	33.8	30.0	(3.8)	33.7	(3.7)
Cigarrillos	11.8	-	(11.8)	9.9	(9.9)
Vehículos de motor	33.2	37.3	4.1	30.6	6.7
Arbitrios de ron	23.2	16.6	(6.6)	22.2	(5.6)
Otros	18.1	60.0	41.9	82.2	(22.2)