

Report on Non-General Fund Information
for Submittal to the 2016 Legislature

Department: Taxation
 Prog ID(s): TAX 107
 Name of Fund: Cigarette Tax Stamp Administration Fund
 Legal Authority: Act 270, SLH 2001

Contact Name: Tsz Keung Li
 Phone: 587-1500
 Fund type (MOF): Special
 Appropriation Acct. No.: S-325-T

Intended Purpose: To provide funding to administer and operate the cigarette tax stamp program

Source of Revenues: Cigarette tax stamps are sold at denominated value plus stamp fee of 1.7% of the denominated value. Of the 1.7%, 0.2% goes to the Cigarette Tax Stamp Administration Special Fund.

Current Program Activities/Allowable Expenses: Monies in the fund are used to purchase stamps from the manufacturer and to pay for the cost of distributing stamps through a financial institution.

Purpose of Proposed Ceiling Adjustment (if applicable): NA

Variations: The decrease in revenues for FY 2014 was due to less cigarette stamps being sold.
 The decrease in expenditures for FY 2015 was due to the decrease in contract costs and claims. Additional contract costs and claims will be paid by the FY 2015 encumbrances.
 The revenues are expected to increase for FY 2016 and more stamps will be purchased, so the expenditures are expected to increase.

Financial Data							
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
	(actual)	(actual)	(actual)	(estimated)	(estimated)	(estimated)	(estimated)
Appropriation Ceiling	272,000	272,000	272,000	272,000	272,000	272,000	272,000
Beginning Cash Balance	427,114	494,295	521,647	620,017	723,177	826,337	929,497
Revenues	255,699	219,078	233,681	252,000	252,000	252,000	252,000
Expenditures	188,518	191,726	135,311	148,840	148,840	148,840	148,840
Transfers							
List each net transfer in/out; list each account number							
Net Total Transfers							
Ending Cash Balance	494,295	521,647	620,017	723,177	826,337	929,497	1,032,657
Encumbrances	0	396	47,006	0	0	0	0
Unencumbered Cash Balance	494,295	521,251	573,011	723,177	826,337	929,497	1,032,657

Additional Information:

Amount Req. by Bond Covenants	0	0	0	0	0	0	0
Amount from Bond Proceeds	0	0	0	0	0	0	0
Amount Held in CODs, Escrow Accounts, or Other Investments	0	0	0	0	0	0	0

Report on Non-General Fund Information
for Submittal to the 2016 Legislature

Department: Taxation
 Prog ID(s): TAX 107
 Name of Fund: Tax Administration Special Fund
 Legal Authority: HRS §235-20.5

Contact Name: Tsz Keung Li
 Phone: 587-1500
 Fund type (MOF) Special
 Appropriation Acct. No. S-327-T

Intended Purpose: To offset costs associated with administering sections 235-110.9 and 235-110.91, to fund operations of the Special Enforcement Section (SES).

Source of Revenues: Fees paid by taxpayers requesting comfort letter and certifications under sections 235-110.9 and 235-110.91, revenues collected by the Special Enforcement Section.

Current Program Activities/Allowable Expenses: Costs associated with administering sections 235-110.9 and 235-110.91, costs for the administration and operation of the Special Enforcement Section.

Purpose of Proposed Ceiling Increase (if applicable): Addition of collective bargaining allocations

Variances: FY 2014: Both revenues and expenditures increased were due to SES fully staffing for 7 months.
 FY 2015: Revenues increase was due to a strategy change in cases and education. Expenditures decrease was due to a decrease in staffing.
 FY 2016: Both revenues and expenditures increases are expected due to staffing increase. The unit expects to be fully staffed.
 FY 2017: Both revenues and expenditures increases are expected due to staffing increase. The unit is requesting an additional investigator position.
 FY 2018: Revenues increase will be from continued work of the additional staffing positions from the prior fiscal years.

Financial Data							
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
	(actual)	(actual)	(actual)	(estimated)	(estimated)	(estimated)	(estimated)
Appropriation Ceiling	775,000	775,000	786,822	791,104	797,097	797,097	797,097
Beginning Cash Balance	1,171,298	972,187	612,248	500,000	700,000	700,000	700,000
Revenues	704,220	826,026	1,663,126	2,000,000	2,500,000	3,000,000	3,000,000
Expenditures	223,761	380,189	321,670	500,000	700,000	700,000	700,000
Transfers							
List each net transfer in/out; list each account number			(1,453,704)	Transfer out to the General Fund Account #: G-00-000			
Net Total Transfers	(679,570)	(805,776)	(1,453,704)	(1,300,000)	(1,800,000)	(2,300,000)	(2,300,000)
Ending Cash Balance	972,187	612,248	500,000	700,000	700,000	700,000	700,000
Encumbrances	0	0	868	0	0	0	0
Unencumbered Cash Balance	972,187	612,248	499,132	700,000	700,000	700,000	700,000

Additional Information:

Amount Req. by Bond Covenants	0	0	0	0	0	0	0
Amount from Bond Proceeds	0	0	0	0	0	0	0
Amount Held in CODs, Escrow Accounts, or Other Investments	0	0	0	0	0	0	0

For FY 2013-15, all revenues collected by the special enforcement section that are in excess of \$500,000 shall be deposited into general fund.

The amount is increased to \$700,000 for FY 2016 and the out years.

For FY 2013 & 2014, excess revenues were transferred to the general fund by DAGS staff and DOTAX has no information on the JV # and date of transfer.