



Sales and Use Tax

For the month of October 2010
FY 2011

December 6, 2010



Change in SUT reporting methodology

- Treasury Secretary announced on May 4, 2010 that the Treasury Department has decided to begin reporting sales and use tax on a cash basis in order to be able to issue monthly collection reports on a timelier basis.
 - This change in reporting will enable the Treasury Department to report sales tax revenues on the same basis and at the same time as it reports all other tax revenues.
 - Accordingly, sales tax revenues will be reported in the month in which such revenues are received by the Treasury Department.
- This is strictly a change in reporting methodology and does not affect in any way the amount of taxes pledged to COFINA and its bondholders, the method of collecting sales taxes, the amount of taxes required to be deposited nor the process of depositing such taxes in COFINA's Dedicated Sales Tax Fund.
- This change will be made effective for fiscal year 2009-2010. thus, the figures for sales tax collections previously reported in June 2009 will now be reported in July 2009.



Revision to SUT reporting methodology will accelerate monthly disclosure to investors

(in \$ thousands)

FY 2010

	Prior Methodology			Prior	Revised
	2006-2007	2007-2008	2008-2009	2009-2010	2009-2010
July	-	96,100	95,592	88,000	94,382
August	-	90,181	91,353	84,100	88,000
September	-	86,163	77,788	83,775	84,100
October	-	93,751	86,191	85,120	83,775
November	50,200	96,170	91,996	95,075	85,120
December	110,000	121,251	119,836	118,476	95,075
January	95,000	89,798	85,763	88,942	118,476
February	86,200	86,486	84,608	82,538	88,942
March	96,400	89,355	88,065	93,415	82,538
April	85,700	93,487	88,788	85,469	93,415
May	94,400	103,331	93,302		85,469
June	95,460	97,526	94,382		
Total	713,360	1,143,599	1,097,664	904,910	999,292

New reporting will disclose economic activity from previous month

This is strictly a change in reporting methodology and does not affect in any way the amount of taxes pledged to COFINA



Historical SUT Collections

Year	2006	2007	2008	2009	2010
January		95.00	89.80	85.76	118.48
February		86.20	86.49	84.34	88.94
March		96.40	89.36	88.07	82.54
April		85.70	93.49	88.79	93.42
May		94.40	103.33	93.30	85.47
June		95.46	97.53	-	92.85
July		96.10	95.59	94.38	95.91
August		90.18	91.35	88.00	90.42
September		86.16	77.79	84.10	86.70
October		93.75	86.19	83.78	83.70
November*	50.20	96.17	92.00	85.12	
December	110.00	121.25	119.84	95.08	
Total	\$ 160.20	\$ 1,136.78	\$ 1,122.74	\$ 970.71	\$ 918.42

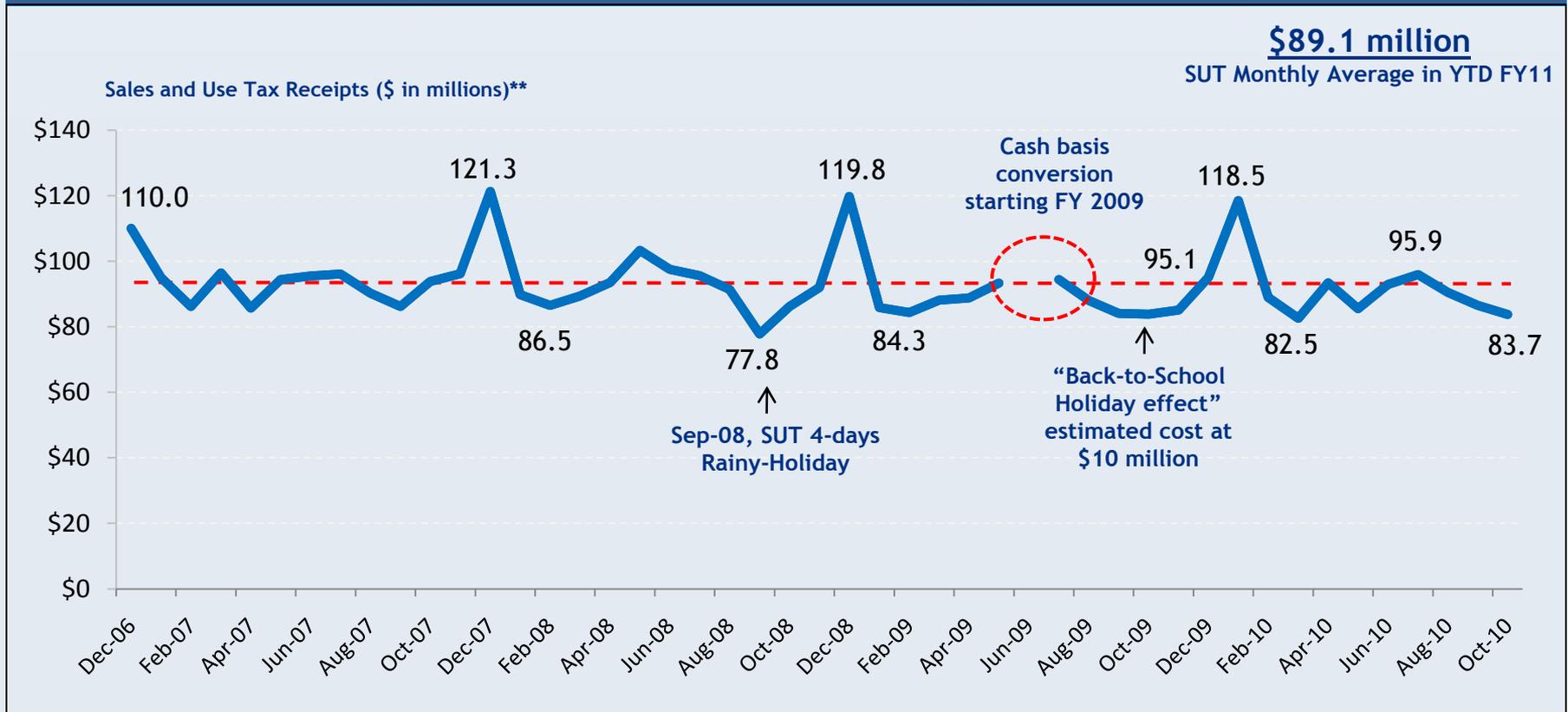
Change in SUT reporting methodology to cash basis during month of May 2010 will allow for faster monthly reporting

* SUT collections began on November 15, 2006



SUT collections since July 2010 are 1.8% above same period collections on the previous year

The SUT monthly trend remains steady in spite of the recession



Source: P.R. Dept. of the Treasury

* Collections during month of April 2010 showed a 6.1% increase against March 2009, same period of economic activity before change in reporting methodology.

**Total Sales and Use Tax receipts (5.5%).