

8/5/09 — July Revenue Collections Total 1.253 Billion

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Monthly collection is \$24 million below benchmark

Revenue Commissioner Navjeet K. Bal today announced that preliminary revenue collections for July 2009 totaled \$1.253 billion.

Total tax collections were \$24 million below the July monthly benchmark based on the revenue estimate of \$18.879 billion for FY10.

"July, a small month for collections, saw continued softness in revenues with only corporate and business tax collections coming close to benchmark," said DOR Commissioner Navjeet K. Bal.

July income tax collection totaled \$699 million, down \$63 million or 8.2 percent from July 2008 and \$8 million below the benchmark. Sales tax collections totaled \$345 million, down \$18 million or 4.9 percent from a year ago and \$9 million below benchmark.

July is a small month for corporate and business tax collections, which totaled \$84 million, down \$36 million or 29.9 percent and \$1 million below benchmark. The decline in monthly corporate/business collection from July 2008 to July 2009 was due to receipt of a one time corporate tax settlement of \$80.3 million in July of 2008.

July 2009 Tax Collection Summary (in \$ millions)
(Preliminary as of August 5, 2009)

	Month of July				FY10 Year-to-Date			
	7/09 Collections		7/09 v. 7/08		7/09 FY09		7/09 YTD \$	
	7/09 v. 7/08 Actual % Change	7/09 v. 7/08 Baseline % Change	7/09 FY09 YTD Collections	7/09 FY09 YTD \$ Change	7/09 FY09 YTD Actual % Change	7/09 FY09 YTD Baseline % Change	FY09 YTD \$ Above/(Below) Benchmark Based on FY10 Estimate of \$18.879 Billion	
Income - Total	699	(63)	-8.2%	-7.5%	(8)			
Income Withholding	683	(33)	-4.6%	-4.7%	(10)			
Income Est. Payments (Cash)	14	(10)	-40.9%	-41.0%	(0)			
Income Returns/Bills	23	(15)	-39.2%	-23.1%	6			
Income Refunds (Cash)	21	5	34.6%	34.6%	4			
Sales & Use - Total	345	(18)	-4.9%	-6.8%	(9)			
Sales - Regular	239	(20)	-7.8%	-9.3%	(10)			
Sales - Meals	57	(2)	-3.3%	-4.9%	(2)			
Sales - Motor Vehicles	48	4	9.9%	5.4%	4			
Corporate & Business - Total	84	(36)	-29.9%	-46.2%	(1)			
Corporate Excise	56	(59)	-51.3%	-68.2%	(4)			
Insurance Excise	1	1	543.5%	543.3%	1			
Financial Institutions Excise	28	23	481.4%	480.6%	3			
Public Utilities Excise	(0)	(0)	N/A	N/A	(0)			
All Other	125	(12)	-8.9%	-11.3%	(7)			
Total Tax Collections	1,253	(129)	-9.3%	-11.1%	(24)			
Memo: Cigarette Tax Increase for Commonwealth Care Trust Fund (Not in FY10 Estimate or Budgetary Fund Benchmarks)	14	14	-20.4%	-20.4%	5			

Note: Detail may not add to total due to rounding and other technical factors.

9/3/09 — August Revenue Collections Total \$1.298 Billion

Thursday, September 3, 2009

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Timing issues related to withholding collections push monthly collections \$58 million above benchmark.

Revenue Commissioner Navjeet K. Bal today announced that preliminary revenue collections for August 2009 totaled \$1.298 billion, down \$12 million or 0.9 percent from last August.

Total tax collections were \$58 million above the August monthly benchmark based on the FY10 revenue estimate of \$18.879 billion, based largely on the strength of withholding collections which totaled \$721 million, down \$30 million or 4.0 percent from a year ago but \$49 million above the monthly benchmark.

“August is not a large month for tax revenue collections. However, last month’s receipts received a boost from stronger than expected withholding collections, which is most likely due to timing issues, with payments that had been expected in July and September being received in August,” said DOR Commissioner Navjeet K. Bal. As a result, DOR anticipates withholding revenue will fall below benchmark in September.

Sales and use tax collections overall totaled \$342 million, down \$2 million or 0.5 percent from last August and met the benchmark. While regular sales tax collections of \$228 million were down \$16 million or 6.5 percent, and \$5 million below benchmark, motor vehicle sales tax collections of \$55 million were \$15 million more than a year ago, up 35.8 percent and \$5 million above benchmark due largely to the impacts of an increase in the sales tax rate (which added \$11 million to August motor vehicle sales tax collections) and the federal Cash-for-Clunkers incentive program on August car sales.

It is important to note that with the exception of motor vehicle sales tax revenue which is received daily, August sales and use tax collections do not reflect the new sales tax rate. The new sales tax rate will be reflected in regular sales and meals tax payments which are not due to the Commonwealth until the 20th of September. Therefore, sales and meals tax collections reflecting the new sales tax rate will be first reported in the September monthly report due in early October.

August corporate and business tax collections totaled \$68 million, up \$36 million or 116.6 percent from a year ago and \$6 million above the monthly benchmark. The increase was due mostly to several settlement payments received in August, including an \$8 million payment that had been expected in July and an \$18 million payment received August 31.

Overall collections for FY10 are now \$143 million or 5.3 percent behind that of a year ago and \$32 million above benchmark. Income tax collection is down \$104 million or 6.7 percent, \$49 million above benchmark. Sales and use tax collection is down \$20 million or 2.8 percent and \$8 million below benchmark. Corporate and business tax collection is \$152 million, \$1 million or 0.4 percent more than a year ago and \$6 million above benchmark.

