

2/3/10 — January Collections Total \$1.846 Billion

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Collections are \$36 million above revised benchmark and up \$55 million from a year ago

Revenue Commissioner Navjeet K. Bal today announced that preliminary revenue collections for January 2010 total \$1.846 billion, up \$55 million or 3.1 percent from last January.

Total tax collections for the month and the fiscal year were \$36 million above the monthly and year-to-date benchmarks based on the FY2010 estimate of \$18.460 billion, issued by the Executive Office for Administration and Finance on January 7, 2010. FY10 year-to-date (YTD) tax collections total \$10.558 billion, down \$292 million or 2.7 percent from the same period in FY09.

January is one of the larger tax collection months of the year due to withholding on end-of-year bonus payments, final income tax estimated payments for tax year 2009, and sales tax receipts capturing holiday season transactions.

"January is also the fourth consecutive month in which tax collections have exceeded those of the previous year, as well as the monthly benchmark," Bal said. "Performance in withholding, sales tax and corporate/business tax collections drove the January revenue numbers up and over benchmarks, but this growth was partly offset by weakness in income tax estimated payments."

January withholding collections totaled \$814 million, up \$46 million or 6.0 percent from the same period in FY09, \$66 million above the newly revised January benchmark, although at least some of the January growth and above-benchmark performance might have been due to timing factors and could be reversed in February. FY10 YTD withholding collections total \$5.139 billion, down \$129 million or 2.4 percent, also \$66 million above benchmark for the year.

January income tax cash estimated payments totaled \$436 million, down \$117 million or 21.1 percent from the same period in FY09, and were \$77 million below the revised monthly and annual benchmark. FY10 YTD income tax cash estimated payments total \$960 million, down \$327 million or 25.4 percent from the same period in FY09.

Income tax refunds of \$78 million for the month were \$1 million more than a year ago, and were \$3 million above benchmark for the month and year.

January is the largest sales tax collection month of the year, as sales tax from the December holiday season transactions is remitted. January sales tax collections totaled \$449 million, up \$89 million or 24.6 percent but were down 2.7 percent on a baseline basis (factoring out tax law changes from a year ago), \$11 million above the revised monthly and yearly benchmarks. Revenue from taxable holiday season sales in the retail

sector grew for the first time since August 2008 (17 months ago) and was up about 0.8% baseline from a year earlier. Business-to-business sales, however, were down 4.5% baseline. Sales taxes on alcoholic beverages totaled approximately \$14.4 million, \$2.3 million above the revised monthly forecast. In the five collection months since the removal of the alcoholic beverages exemption, approximately \$52.5 million in alcoholic beverages sales tax has been received. Over that same period, the volume of alcoholic beverages sold in Massachusetts, based on the alcoholic beverages excise tax, has increased by 0.9% compared to the same period in FY09. FY10 YTD sales tax collections total \$2.680 billion, up \$315 million or 13.3 percent but are down 6.5 percent on a baseline basis from the same period in FY09.

January is a relatively small month for corporate/business tax collections, so large percentage changes can result from relatively small changes in payments. January 2010 corporate/business tax collections totaled \$54 million, up \$29 million or 118.6 percent from the same period in FY09, with growth driven by a combination of one-time payments, audit assessments, and new revenues from implementation of corporate combined reporting. January collections were \$25 million above the revised monthly and yearly benchmark. FY10 YTD corporate/business tax collections total \$930 million, up \$31 million or 3.5 percent, but are down 4.5 percent baseline from the same period in FY09.

[FY2010 Year-to-Date Revenue through January 31, 2010](#) **PDF**

[January 2010 Tax Collection Summary \(preliminary as of February 3, 2010\)](#) **PDF**

January 2010 Tax Collection Summary (in \$ millions)
(Preliminary as of February 3, 2010)

	Month of January				FY10 Year-to-Date					
	1/10 Collections		1/10 v. 1/09		1/10 FY10		FY10 YTD \$			
	Actual \$	Actual %	Baseline %	Benchmark Based on FY10 Estimate of \$18.460 Billion	YTD \$	YTD Actual % Change	YTD Baseline % Change	Benchmark Based on FY10 Estimate of \$18.460 Billion		
Income - Total	1,208	(60)	-4.7%	-7.0%	(1)	5,963	(587)	-9.0%	-9.2%	(1)
Income Withholding	814	46	6.0%	0.3%	66	5,139	(129)	-2.4%	-3.3%	66
Income Est. Payments (Cash)	436	(117)	-21.1%	-17.7%	(77)	960	(327)	-25.4%	-23.1%	(77)
Income Returns/Bills	27	5	21.9%	21.9%	6	231	(48)	-17.1%	-18.2%	6
Income Refunds (Cash)	78	1	1.3%	5.2%	3	377	85	29.2%	30.0%	3
Sales & Use - Total	449	89	24.6%	-2.7%	11	2,680	315	13.3%	-6.5%	11
Sales - Regular	351	68	24.1%	-4.5%	5	1,921	196	11.4%	-8.7%	5
Sales - Meals	62	14	28.7%	3.6%	3	443	57	14.8%	-2.7%	3
Sales - Motor Vehicles	36	6	21.8%	4.1%	3	316	62	24.5%	2.8%	3
Corporate & Business - Total	54	29	118.6%	98.5%	25	930	31	3.5%	-4.5%	25
Corporate Excise	37	16	77.0%	52.9%	11	695	(2)	-0.3%	-10.4%	11
Insurance Excise	1	0	34.2%	34.2%	0	106	(16)	-13.1%	5.0%	0
Financial Institutions Excise	18	14	406.7%	406.7%	14	133	28	27.1%	24.4%	14
Public Utilities Excise	(1)	(1)	N/A	N/A	(1)	(3)	21	N/A	N/A	(1)
All Other	134	(3)	-2.1%	-0.6%	0	986	(51)	-4.9%	-6.4%	0
Total Tax Collections	1,846	55	3.1%	-4.2%	36	10,558	(292)	-2.7%	-8.0%	36
Memo: Cigarette Tax Increase for Commonwealth Care Trust Fund (Not in FY10 Estimate or Budgetary Fund Benchmarks)										
	9	(1)	-9.5%	-9.5%	1	68	(19)	-21.6%	-11.4%	5

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

3/2/10 — February Collections Total \$1.004 Billion

Tuesday, March 2, 2010

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Monthly collections \$50 million more than a year ago, \$3 million below monthly benchmark

Revenue Commissioner Navjeet K. Bal today announced that preliminary revenue collections for February 2010 totaled \$1.004 billion, up \$50 million or 5.2 percent from last February. Total tax collections were \$3 million below the February monthly benchmark corresponding to the revised FY10 revenue estimate of \$18.460 billion. FY10 year-to-date tax collections total \$11.561 billion, down \$242 million, or 2.1 percent below the same period a year ago, and are \$34 million above the FY2010 year-to-date benchmark.

February has historically been the smallest net tax collection month of the fiscal year as there are no quarterly or annual payments due, and post-holiday sales tax collections are relatively low. February is also the month in which refunds start to accumulate as taxpayers submit their returns for tax year 2009. "As we anticipated in January, February withholding collections came in below benchmark after last month's above-benchmark performance. However, sales tax came in above benchmark as there continue to be signs of stability and some recovery in consumer spending, and corporate/business taxes were also higher than projected," Bal said.

February withholding collections totaled \$761 million, down \$47 million or 5.8 percent, \$27 million below the February benchmark. As the Department noted in its January revenue press release, January's \$66 million above-benchmark withholding performance was attributable to timing factors, which were reversed in February, resulting in the February decline. For the January-February period, withholding was down \$1 million from the same period in FY09, \$40 million above benchmark for those two months. FY10 YTD withholding collections total \$5.901 billion, down \$176 million or 2.9 percent, also \$40 million above the YTD benchmark.

February has historically been one of the two largest income tax refund months of the year, as taxpayers begin to file their tax returns for the prior tax year. February income tax cash refunds totaled \$344 million, down \$14 million or 3.9%, \$14 million below the monthly benchmark. YTD income tax refunds total \$721 million, up \$71 million or 11.0%, \$11 million below the YTD benchmark.

February has historically been the smallest sales tax collection month of the year, due to the post-holiday retail sales lull (February sales tax remittances reflect January sales). February sales tax collections totaled \$345 million, up \$67 million or 24.1 percent but down 2.6 percent on a baseline basis, \$7 million above the revised monthly benchmark. FY10 YTD sales tax collections total \$3.024 billion, up \$382 million or 14.5 percent but down 5.9 percent on a baseline basis.

February is a relatively small month for corporate/business tax collections, so large percentage changes can result from relatively small changes in payments. February 2010 corporate/business tax collections totaled \$58 million, up \$16 million or 37.0 percent. FY10 YTD corporate/business tax collections total \$987 million, up \$47 million or 5.0 percent, but down 2.6 percent baseline, \$40 million above the YTD benchmark.

February 2010 Tax Collection Summary (in \$ millions)
(Preliminary as of March 2, 2010)

	Month of February				FY10 Year-to-Date				
	2/10 v. 2/09		2/10 v. 2/09		2/10 FY10		2/10 FY10		
	Actual %	Baseline %	Actual %	Baseline %	YTD Actual %	YTD Baseline %	YTD Actual %	YTD Baseline %	
	2/10 Collections	\$ Change	Change	Change	2/10 \$ Above/(Below) Benchmark Based on FY10 Estimate of \$18,460 Billion	2/10 FY10 YTD Collections	2/10 FY10 YTD \$ Change	2/10 FY10 YTD % Change	2/10 FY10 YTD Benchmark Based on FY10 Estimate of \$18,460 Billion
Income - Total	455	(41)	-8.2%	-3.7%	(18)	6,418	(628)	-8.9%	-8.9%
Income Withholding	761	(47)	-5.8%	-0.9%	(27)	5,901	(176)	-2.9%	-2.9%
Income Est. Payments (Cash)	9	(6)	-41.1%	-41.1%	(5)	968	(333)	-25.6%	-23.3%
Income Returns/Bills	29	(2)	-5.8%	-5.8%	(0)	260	(49)	-16.0%	-16.9%
Income Refunds (Cash)	344	(14)	-3.9%	0.9%	(14)	721	71	11.0%	14.0%
Sales & Use - Total	345	67	24.1%	-2.6%	7	3,024	382	14.5%	-5.9%
Sales - Regular	247	45	22.5%	-4.6%	1	2,167	241	12.5%	-8.0%
Sales - Meals	57	13	30.2%	4.1%	3	501	71	16.4%	-2.2%
Sales - Motor Vehicles	41	8	25.8%	0.7%	2	357	70	24.6%	2.1%
Corporate & Business - Total	58	16	37.0%	37.0%	16	987	47	5.0%	-2.6%
Corporate Excise	53	15	38.6%	38.6%	15	748	13	1.7%	-7.9%
Insurance Excise	2	1	37.6%	37.6%	1	108	(15)	-12.4%	5.4%
Financial Institutions Excise	2	1	75.5%	75.5%	1	134	29	27.6%	24.9%
Public Utilities Excise	0	(1)	-57.6%	-57.6%	(1)	(3)	20	N/A	N/A
All Other	146	8	5.9%	-4.7%	(7)	1,132	(43)	-3.7%	-5.7%
Total Tax Collections	1,004	50	5.2%	-1.7%	(3)	11,561	(242)	-2.1%	-7.4%

Memo: Cigarette Tax Increase for Commonwealth Care Trust Fund (Not in FY10 Estimate or Budgetary Fund Benchmarks)

	4	(1)	-25.7%	-25.7%	(4)	72	(20)	-21.8%	-12.3%	1
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Note: Detail may not add to total due to rounding and other technical factors.