

6/3/10 — May Collections Total \$1.573 Billion

Thursday, June 3, 2010

Robert R. Bliss

blissr@dor.state.ma.us

617-626-2369

Monthly total is \$191 million above benchmark; Year-to-date collection is \$70 million below benchmark

Revenue Commissioner Navjeet K. Bal today announced that preliminary revenue collections for May 2010 totaled \$1.575 billion, up \$292 million or 22.8 percent from last May.

Total tax collections for May were \$191 million above the monthly benchmark based on the FY10 revenue estimate of \$18.460 billion, but were insufficient to make up for all of the revenue loss experienced in April due to the filing deadline extension to May 11. As a result, the total year-to-date tax collections are now \$70 million below the year-to-date benchmark.

"Personal income tax withholding and 2010 income tax estimated payments, as well as sales and use tax and corporate collections, which are good indicators of a continued economic turnaround, were all above benchmark. However, shortfalls for the combined April/May period in payments with 2009 returns and extensions, -- probably reflecting a decline in capital gains due to past economic performance -- caused the overall year-to-date below benchmark performance." Bal said.

FY10 year to date tax collections total \$16.507 billion, up \$39 million or 0.2 percent from a year ago and are \$70 million below benchmark with one month remaining in FY10.

Income tax collections for May 2010 were \$985 million, up \$173 million from a year ago and \$147 million above the monthly benchmark, reflecting, in part, the shift of income tax payments from April to May caused by the filing extension.

Withholding taxes for the month, which were not affected by the filing extension, but may have been affected by other payment-timing factors that were already reflected in the May monthly benchmark, totaled \$710 million, \$15 million less than a year ago and \$19 million above benchmark.

May 2010 sales tax collections, which were not affected by the May 11 filing deadline extension, totaled \$397 million, up \$86 million or 27.7 percent (reflecting the sales tax rate increase which went into effect on August 1, 2009), \$15 million above the benchmark. Regular sales tax collections of \$282 million were \$6 million over benchmark (but down 4.1 percent on a baseline basis, factoring out the sales tax rate increase to 6.25 percent); \$66 million in meals tax collections were \$4 million over benchmark and up 3.2 percent baseline while \$49 million in motor vehicle sales tax collections were \$4 million over benchmark and up 4.5 percent baseline.

May is not a significant month for income tax estimated payments and corporate/business tax collections, but because of the filing extension revenue from both sources was shifted from April to May. Income tax estimated payments totaled \$39 million up \$24 million or 165.0 percent from last year, \$25 million above the monthly benchmark and for the April-May period were \$22 million above benchmark. Corporate/business tax collections totaled \$41 million, up \$20 million or 93.8 percent from a year ago and \$19 million above the monthly benchmark, largely because some retailers who normally make estimated payments in April delayed those payments until May.

Year-to-date, income tax collections total \$9.089 billion, down \$605 million or 6.2 percent from a year ago and \$245 million below benchmark. Withholding tax collections are \$173 million over benchmark, but income estimated payments and income returns with bills are a combined \$414 below benchmark.

Sales and use tax collections total \$4.188 billion, up \$651 million or 18.4 percent from a year ago and \$83 million over benchmark. Corporate/business taxes total \$1.701 billion, up \$22 million or 1.3 percent from a year ago and are \$75 million over benchmark.

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

[May 2010 Tax Collection Summary \(preliminary as of June 3, 2010\)](#) PDF

May 2010 Tax Collection Summary (in \$ millions)
(Preliminary as of June 3, 2010)

	----- Month of May -----					----- FY10 Year-to-Date -----				
	5/10 Collections	5/10 v. 5/09 \$ Change	5/10 v. 5/09 Actual % Change	5/10 v. 5/09 Baseline % Change	5/10 \$ Above/(Below) Benchmark Based on FY10 Estimate of \$18.460 Billion	5/10 FY10 YTD Collections	5/10 FY10 YTD \$ Change	5/10 FY10 YTD Actual % Change	5/10 FY10 YTD Baseline % Change	FY10 YTD \$ Above/(Below) Benchmark Based on FY10 Estimate of \$18.460 Billion
Income - Total	985	173	21.3%	0.4%	147	9,089	(605)	-6.2%	-5.9%	(245)
Income Withholding	710	(15)	-2.0%	2.1%	19	8,137	(90)	-1.1%	-0.8%	173
Income Est. Payments (Cash)	39	24	165.0%	8.7%	25	1,173	(325)	-21.7%	-19.7%	(61)
Income Returns/Bills	339	175	107.1%	-9.4%	126	1,207	(197)	-14.0%	-12.8%	(353)
Income Refunds (Cash)	102	11	12.5%	-2.2%	23	1,436	(7)	-0.5%	2.0%	9
Sales & Use - Total	397	86	27.7%	-1.9%	15	4,188	651	18.4%	-4.1%	83
Sales - Regular	282	59	26.2%	-4.1%	6	2,989	422	16.5%	-6.2%	40
Sales - Meals	66	16	33.0%	3.2%	4	686	112	19.5%	-1.2%	13
Sales - Motor Vehicles	49	11	29.1%	4.5%	4	514	117	29.5%	5.5%	30
Corporate & Business - Total	41	20	93.8%	42.2%	19	1,701	22	1.3%	0.4%	75
Corporate Excise	47	32	214.0%	140.7%	32	1,291	51	4.1%	-3.7%	55
Insurance Excise	(12)	(22)	N/A	N/A	(22)	195	(33)	-14.6%	7.6%	(10)
Financial Institutions Excise	6	9	N/A	N/A	9	217	3	1.6%	20.3%	57
Public Utilities Excise	0	(0)	-100.0%	-100.0%	(0)	(2)	0	N/A	N/A	(27)
All Other	151	13	9.5%	7.6%	10	1,529	(29)	-1.9%	-3.0%	16
Total Tax Collections	1,575	292	22.8%	1.3%	191	16,507	39	0.2%	-4.6%	(70)
Memo: Cigarette Tax Increase for Commonwealth Care Trust Fund (Not in FY10 Estimate or Budgetary Fund Benchmarks)	12	3	37.4%	37.4%	3	105	(16)	-13.5%	-5.8%	9

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

7/15/10 — June Revenue Collections Total \$2.031 Billion

Thursday, July 15, 2010

Robert R. Bliss

blissr@dor.state.ma.us

617-626-2369

June collections exceed monthly benchmark by \$149 million; full year collections exceed FY10 estimate by \$78 million

Revenue Commissioner Navjeet K. Bal today announced that preliminary revenue collections for June 2010 were \$2.031 billion, an increase of \$240 million, or 13.4% from June 2009, \$149 million above the monthly benchmark. Preliminary revenues for all of FY10 were \$18.538 billion, an increase of \$279 million or 1.5 percent from FY09 collections. FY10 collections were \$78 million above the January 7, 2010 Executive Office for Administration and Finance FY10 estimate of \$18.460 billion.

"After posting the steepest percentage decline in recent history in FY09 due to the global economic crisis, tax revenues began to recover in FY10, especially in the last quarter of the fiscal year, when revenues grew by 5.7% (baseline) compared to the last quarter of FY09, reflecting an improvement in current economic conditions here in Massachusetts," said Commissioner Bal.

Income tax collections for June were \$1.020 billion, up \$130 million or 14.6 percent from a year ago, \$85 million above benchmark. Income tax estimated payments of \$311 million were up \$32 million or 11.6 percent from a year ago, \$52 million above benchmark. Withholding tax collections of \$726 million were up \$44 million or 6.5 percent above a year ago, \$21 million above benchmark.

June sales and use tax collections of \$424 million were up \$92 million or 27.6 percent from June 2009, \$28 million above the monthly benchmark, as regular sales, meals tax, and motor vehicle sales tax all exceeded monthly forecasts. DOR estimates that the sales tax rate increase implemented last August generated approximately \$79 million in additional June sales tax revenue and that removing the alcoholic beverages sales tax exemption generated approximately \$10.7 million in additional June sales tax revenue.

June corporate and business tax collections of \$418 million were down \$1 million or 0.3 percent from a year ago and were \$12 million above the monthly benchmark. Corporate excise totaled \$309 million, down \$1 million, \$41 million above the monthly benchmark, with the decline from last year resulting from \$49 million in non-recurring settlement payments received in June 2009 and corporate tax rate cuts effective January 1, 2010, which reduced June 2010 revenues by an estimated \$14 million. Insurance excise totaled \$90 million, up \$9 million, or 11.4 percent from the last year, \$11 million above the monthly benchmark, and financial institutions excise totaled \$17 million, down \$11 million, or 39.1 percent from last year, \$39 million below the monthly benchmark, with about \$4 million of the financial institutions excise decline resulting from tax rate cuts that were effective January 1, 2010.

For FY10 as a whole, personal income tax collection totaled \$10.110 billion, a decrease of \$474 million or 4.5 percent, and was \$160 million below the full year estimate. Withholding declined \$46 million or 0.5 percent and was \$194 million above the yearly benchmark, while income tax estimated payments which include capital gains, dividends and interest declined \$292 million or 16.5 percent, \$9 million below estimate. Refunds were \$1.506 billion, down \$44 million or 2.8 percent and \$5 million above estimate. Income tax payments with returns and bills declined by \$179 million, or 12.4 percent, \$344 million below estimate.

FY10 sales tax receipts totaled \$4.612 billion, up \$743 million, or 19.2 percent, \$111 million above the FY10 full year estimate. Regular sales tax totaled \$3.283 billion, up \$483 million, or 17.3 percent, \$56 million above the full year estimate, meals tax totaled \$760 million, up \$130 million, or 20.6 percent, \$17 million above the full year estimate, and motor vehicle sales tax totaled \$569 million, up \$130 million, or 29.6 percent, \$37 million above the full year estimate. Over the 10 collection months since sales tax was increased in August 2009, DOR estimates that the higher rate generated approximately \$739 million in additional sales tax revenue for the Commonwealth, after adjusting for the behavioral impacts of the rate change. DOR estimates that over the same 10 month period, removal of the alcoholic beverage sales tax exemption generated approximately \$97 million in additional sales tax revenue, about \$19 million above the estimate upon which the original FY10 budget was based. The volume of alcoholic beverages sold has declined by 1% since last August.

FY10 full year corporate and business tax collections totaled \$2.119 billion, up \$20 million, or 1.0 percent, \$88 million above the full year estimate. Corporate excise tax collections totaled \$1.600 billion, up \$51 million or 3.3% from last year, \$96 million above the full year estimate, financial institutions excise tax collections totaled \$235 million, down \$8 million or 3.2 percent from the previous year, \$18 million above the full year estimate, and insurance premiums taxes totaled \$285 million, down \$24 million or 7.8% from last year, \$2 million above the full year estimate.

[FY2010 Year-to-Date Revenue through June 30, 2010](#) PDF

[June 2010 Tax Collection Summary \(preliminary as of July 15, 2010\)](#) PDF

June 2010 Tax Collection Summary (in \$ millions)
(As of July 15, 2010)

	Month of June					FY10 Year-to-Date				
	6/10 Collections	6/10 v. 6/09 \$ Change	6/10 v. 6/09 Actual % Change	6/10 v. 6/09 Baseline % Change	6/10 \$ Above(Below) Benchmark Based on FY10 Estimate of \$18.460 Billion	6/10 FY10 YTD Collections	6/10 FY10 YTD \$ Change	6/10 FY10 YTD Actual % Change	6/10 FY10 YTD Baseline % Change	FY10 YTD \$ Above(Below) Benchmark Based on FY10 Estimate of \$18.460 Billion
Income - Total	1,020	130	14.6%	11.6%	85	10,110	(474)	-4.5%	-4.4%	(160)
Income Withholding	726	44	6.3%	2.3%	21	8,863	(46)	-0.5%	-0.6%	194
Income Est. Payments (Cash)	311	32	11.6%	11.6%	32	1,484	(292)	-16.5%	-14.8%	(9)
Income Returns/Bills	54	18	49.2%	49.2%	9	1,261	(179)	-12.4%	-11.2%	(344)
Income Refunds (Cash)	70	(37)	-34.4%	-34.4%	(4)	1,506	(44)	-2.8%	-0.5%	5
Sales & Use - Total	424	92	27.6%	-0.9%	28	4,612	743	19.2%	-3.9%	111
Sales - Regular	294	60	25.9%	-3.9%	16	3,283	483	17.3%	-6.2%	56
Sales - Meals	74	18	32.3%	3.1%	5	760	130	20.6%	-0.9%	17
Sales - Motor Vehicles	56	13	30.6%	10.3%	7	569	130	29.6%	6.0%	37
Corporate & Business - Total	418	(1)	-0.3%	4.9%	12	2,119	20	1.0%	1.3%	88
Corporate Excise	309	(1)	-0.2%	4.2%	41	1,600	51	3.3%	-2.1%	96
Insurance Excise	90	9	11.4%	23.8%	11	285	(24)	-7.8%	11.8%	2
Financial Institutions Excise	17	(11)	-39.1%	-39.1%	(39)	235	(8)	-3.2%	13.3%	18
Public Utilities Excise	2	1	101.0%	-15.8%	(1)	(0)	1	N/A	N/A	(28)
All Other	169	20	13.5%	16.7%	24	1,697	(10)	-0.6%	-1.4%	39
Total Tax Collections	2,031	240	13.4%	8.1%	149	18,538	279	1.5%	-3.4%	78
Memo: Cigarette Tax Increase for Commonwealth Care Trust Fund (Not in FY10 Estimate or Budgetary Fund Benchmarks)	18	10	107.8%	107.8%	10	124	(7)	-5.3%	2.6%	19

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