

## COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT April 2010

### Summary

Commonwealth Transportation Fund revenues increased by 0.4 percent in April due to a surge in motor vehicle sales. Year-to-date collections are down 1.8 percent, slightly ahead of the forecast of a 3.0 percent decline.

### Motor Fuels Tax

Motor fuels tax collections declined by 7.7 percent this month and are down 2.1 percent on a year-to-date basis, close to the 1.8 percent decline required in the official forecast.

Significant disruptions to energy supply due to the Deepwater Horizon oil spill are not expected. The current relatively high level of on-shore crude oil and product stocks and the availability of the Strategic Petroleum Reserve can buffer the impact of any short-term crude oil supply disruptions. To date, however, there has been no impact on energy transportation and only very small impacts on production.

Regular-grade gasoline prices averaged \$2.35 per gallon in 2009, increasing from an average of \$1.79 per gallon in January 2009 to \$2.61 per gallon in December. These prices are expected to average \$2.86 per gallon in 2010 and \$2.98 per gallon in 2011. On-highway diesel fuel retail prices, which averaged \$2.46 per gallon in 2009, average \$3.05 per gallon in 2010 and \$3.20 in 2011 in this forecast.

### Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 28.1 percent in April, the largest monthly increase since December 2003. However, April's motor vehicle sales tax collections level was roughly equal to that collected in April 2006. Annual growth is up 5.7 percent, well ahead of the forecast of a 5.0 percent decline.

Auto manufacturers, particularly Toyota, ramped up incentive spending in March. This helped boost vehicle sales nationally to 11.8 million units on a seasonally adjusted annualized basis. Month-to-month sales shot up for Toyota and were stronger for all other major manufacturers, with the exception of Chrysler. Although the economy is improving and copious inducements are being showered on consumers, vehicle sales are expected to slowly improve in step with the labor market.

### State Retail Sales Tax

The TTF portion of the state retail sales tax increased by 8.0 percent in April following three consecutive monthly declines. The decline of 2.9 percent in year-to-date collections is slightly ahead of the official forecast of a 4.2 percent decline.

### Motor Vehicle Licenses

Motor vehicle registration fee collections fell by 0.5 percent in April.

**Commonwealth of Virginia/Department of Accounts**  
**Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues**  
**Summary Statement of Selected Revenue Estimates & Collections**  
**For the Fiscal Years 2009 and 2010**  
**(Dollars in Thousands)**

Revenue	FY 2010 Estimate	As a % of Total Fund	April			Year-To-Date			% Annual Growth Required By Estimate
			FY 2010	FY 2009	% Change	FY 2010	FY 2009	% Change	
Motor Fuel Taxes	\$824,000	25.21	\$58,551	\$63,429	(7.7)	\$616,210	\$629,113	(2.1)	(1.8)
Priority Transportation Fund (PTF)	149,100	4.56	2,000	2,000	0.0	145,102	148,286	(2.1)	(2.1)
Motor Vehicle Sales and Use Tax	420,100	12.86	45,371	35,416	28.1	385,467	364,675	5.7	(5.0)
State Sales and Use Tax	478,300	14.64	43,040	39,847	8.0	407,655	419,739	(2.9)	(4.2)
Motor Vehicle License Fees	239,900	7.34	22,251	22,371	(0.5)	188,898	197,462	(4.3)	(0.7)
International Registration Plan	58,600	1.79	3,090	2,696	14.6	47,104	44,735	5.3	(0.4)
Recordation Tax	33,500	1.02	2,637	3,224	(18.2)	28,560	28,944	(1.3)	(6.2)
Interest Earnings	23,900	0.73	28	7,460	(99.6)	6,429	26,620	(75.8)	(13.9)
Misc. Taxes, Fees, and Revenues	12,700	0.39	1,246	1,004	24.1	10,504	10,739	(2.2)	(1.8)
<b>Total State Taxes and Fees</b>	<b>\$2,240,100</b>	<b>68.54</b>	<b>\$178,214</b>	<b>\$177,447</b>	<b>0.4</b>	<b>\$1,835,929</b>	<b>\$1,870,313</b>	<b>(1.8)</b>	<b>(3.0)</b>

# Percentage is greater than or equal to 1,000%.

**Commonwealth of Virginia/Department of Accounts**  
**Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues**  
**Statement of Revenue Estimates & Collections**  
**For the Fiscal Years 2009 and 2010**  
**(Dollars in Thousands)**

Revenue	FY 2010 Estimate	As a % of Total Fund	April			Year-To-Date			% Annual Growth Required By Est
			FY 2010	FY 2009	% Change	FY 2010	FY 2009	% Change	
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>									
Motor Fuel Taxes (Includes Road Tax)	\$710,800	21.75	\$49,190	\$55,184	(10.9)	\$528,851	\$541,611	(2.4)	(1.6)
Motor Vehicle Sales and Use Tax	253,200	7.75	28,460	21,684	31.2	234,925	222,002	5.8	(6.1)
Motor Vehicle License Fees	218,700	6.69	20,279	20,390	(0.5)	171,880	179,762	(4.4)	(0.6)
International Registration Plan	58,600	1.79	3,090	2,696	14.6	47,104	44,735	5.3	(0.4)
Recordation Tax (1 cent)	11,200	0.34	879	1,075	(18.2)	9,520	9,648	(1.3)	(5.9)
Misc. Taxes, Fees, and Revenues	12,700	0.39	1,246	1,004	24.1	10,504	10,739	(2.2)	(1.8)
<b>Total State Taxes and Fees</b>	<b>\$1,265,200</b>	<b>38.71</b>	<b>\$103,144</b>	<b>\$102,033</b>	<b>1.1</b>	<b>\$1,002,784</b>	<b>\$1,008,497</b>	<b>(0.6)</b>	<b>(2.4)</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$445	\$1,101	(59.6)	\$15,674	\$16,485	(4.9)	(100.0)
Miscellaneous Revenues	15,698	0.48	1,524	412	269.9	13,357	12,401	7.7	13.4
Transfer (to) / from Transportation Trust Fund	500,188	15.31	0	0	-	300,000	364,831	(17.8)	37.1
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$1,781,086</b>	<b>54.50</b>	<b>\$105,113</b>	<b>\$103,546</b>	<b>1.5</b>	<b>\$1,331,815</b>	<b>\$1,402,214</b>	<b>(5.0)</b>	<b>5.1</b>
<b>TRANSPORTATION TRUST FUND:</b>									
<b>Motor Fuel Taxes</b>									
(Includes Aviation & Road Taxes)	\$113,200	3.46	\$9,361	\$8,245	13.5	\$87,359	\$87,502	(0.2)	(3.1)
PTF Motor Fuels	20,000	0.61	2,000	2,000	0.0	16,000	16,000	0.0	0.0
PTF Insurance Premiums Tax	129,100	3.95	0	0	-	129,102	132,286	(2.4)	(2.4)
<b>Motor Vehicle Sales and Use Tax</b>									
(Includes Rental Tax)	166,900	5.11	16,911	13,732	23.2	150,542	142,673	5.5	(3.3)
State Sales and Use Tax	478,300	14.64	43,040	39,847	8.0	407,655	419,739	(2.9)	(4.2)
Motor Vehicle License Fees	21,200	0.65	1,972	1,981	(0.5)	17,018	17,700	(3.9)	(1.9)
Recordation Tax (2 cents)	22,300	0.68	1,758	2,149	(18.2)	19,040	19,296	(1.3)	(6.3)
Interest Earnings	23,900	0.73	28	7,460	(99.6)	6,429	26,620	(75.8)	(13.9)
<b>Total State Taxes and Fees</b>	<b>\$974,900</b>	<b>29.83</b>	<b>\$75,070</b>	<b>\$75,414</b>	<b>(0.5)</b>	<b>\$833,145</b>	<b>\$861,816</b>	<b>(3.3)</b>	<b>(3.9)</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$844,434	25.84	\$64,454	\$50,548	27.5	\$695,047	\$665,443	4.4	7.0
Receipts from Cities/Counties	96,900	2.97	4,753	2,403	97.8	43,510	41,673	4.4	107.0
Toll Revenues (Includes Route 28)	52,309	1.60	7,154	10,858	(34.1)	33,293	66,831	(50.2)	(32.9)
Miscellaneous Revenues	18,542	0.57	1,590	2,449	(35.1)	23,815	14,456	64.7	1.2
<b>Total Other Revenues</b>	<b>\$1,012,185</b>	<b>30.98</b>	<b>\$77,951</b>	<b>\$66,258</b>	<b>17.6</b>	<b>\$795,665</b>	<b>\$788,403</b>	<b>0.9</b>	<b>8.6</b>
<b>Transfer (to) / from Highway Maintenance and Operating Fund</b>									
	(\$500,188)	(15.31)	\$0	\$0	-	(\$300,000)	(\$364,831)	17.8	(37.1)
<b>Total Transportation Trust Fund</b>	<b>\$1,486,897</b>	<b>45.50</b>	<b>\$153,021</b>	<b>\$141,672</b>	<b>8.0</b>	<b>\$1,328,810</b>	<b>\$1,285,388</b>	<b>3.4</b>	<b>(6.0)</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>									
	<b>\$3,267,983</b>	<b>100.00</b>	<b>\$258,134</b>	<b>\$245,218</b>	<b>5.3</b>	<b>\$2,660,625</b>	<b>\$2,687,602</b>	<b>(1.0)</b>	<b>(0.3)</b>

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