

# COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT

## August 2012

### Summary

Commonwealth Transportation Fund (CTF) revenues increased by 3.1 percent in August, due to strong motor vehicle and retail sales tax collections. Annual growth stands at 9.6 percent.

### Motor Fuels Tax

Motor fuel taxes fell by 4.2 percent in August and year-to-date growth is at 3.6 percent.

Higher crude oil prices, refinery outages, a pipeline disruption, and concerns over Hurricane Isaac's impact on the Gulf Coast, the United States' major refining region, contributed to higher gasoline prices during August. Retail gasoline prices are expected to begin declining later this month as the gasoline market recovers and transitions from summer-grade to winter-grade gasoline specifications. Forecast regular gasoline retail prices are expected to average \$3.58 per gallon over the fourth quarter of 2012 and \$3.43 per gallon in 2013.

### Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 9.8 percent in August and have increased by 9.1 percent in fiscal year 2013.

For consumers, vehicles sales are being supported by a number of factors including better access to credit for borrowers with less than stellar credit histories, the launch of new models, modest improvement in the labor market, and the need to replace aging vehicles. The average age of vehicles in operation is now almost 11 years. Also helping to support sales are somewhat higher purchase incentives. Businesses are also buying more vehicles.

The risks to vehicle sales are stacked to the downside, particularly if the labor market—the most important determinant of sales—softens any further. Additionally, the uncertainty surrounding the global economy is taking away many potential buyers' appetite for purchases of big-ticket items.

### State Retail Sales Tax

The transportation portion of the state retail sales tax increased by 9.4 percent in August and is up 13.7 percent in fiscal year 2013.

### Motor Vehicle Licenses

Motor vehicle registration fee collections increased by 5.8 percent in August.

**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 2012 and 2013**  
**(Dollars in Thousands)**

Revenue	FY 2013 Estimate	As a % of Total Fund	August			Year-To-Date			% Annual Growth Required By Estimate
			FY 2013	FY 2012	% Change	FY 2013	FY 2012	% Change	
Motor Fuel Taxes	\$851,700	22.73	\$71,853	\$74,974	(4.2)	\$81,154	\$78,356	3.6	2.2
Priority Transportation Fund (PTF)	161,800	4.31	6,032	4,942	22.1	12,599	7,024	79.4	2.9
Motor Vehicle Sales and Use Tax	576,200	15.38	56,907	51,823	9.8	109,010	99,914	9.1	(0.7)
State Sales and Use Tax	526,300	14.05	44,657	40,836	9.4	71,672	63,019	13.7	4.6
Motor Vehicle License Fees	241,800	6.45	23,180	21,908	5.8	45,138	42,931	5.1	2.6
International Registration Plan	62,600	1.67	3,983	6,072	(34.4)	8,564	8,754	(2.2)	0.1
Recordation Tax	38,400	1.02	3,897	3,352	16.3	7,746	6,271	23.5	(1.9)
Interest Earnings	17,600	0.47	19	0	-	19	10	90.0	25.9
Misc. Taxes, Fees, and Revenues	14,800	0.39	1,002	1,219	(17.8)	2,246	2,194	2.4	19.8
<b>Total State Taxes and Fees</b>	<b>\$2,491,200</b>	<b>66.47</b>	<b>\$211,530</b>	<b>\$205,126</b>	<b>3.1</b>	<b>\$338,148</b>	<b>\$308,473</b>	<b>9.6</b>	<b>2.2</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 2012 and 2013  
(Dollars in Thousands)**

Revenue	FY 2013 Estimate	As a % of Total Fund	August			Year-To-Date			% Annual Growth Required By Est
			FY 2013	FY 2012	% Change	FY 2013	FY 2012	% Change	
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>									
Motor Fuel Taxes (Includes Road Tax)	\$734,100	19.59	\$62,684	\$65,082	(3.7)	\$70,784	\$68,554	3.3	2.3
Motor Vehicle Sales and Use Tax	354,100	9.45	35,054	31,735	10.5	67,772	61,053	11.0	(0.9)
Motor Vehicle License Fees	220,400	5.88	21,135	19,957	5.9	41,229	39,111	5.4	2.8
International Registration Plan	62,600	1.67	3,983	6,072	(34.4)	8,564	8,754	(2.2)	0.1
Recordation Tax (1 cent)	12,800	0.34	1,299	1,117	16.3	2,582	2,090	23.5	(1.9)
Misc. Taxes, Fees, and Revenues	14,800	0.39	1,002	1,219	(17.8)	2,246	2,194	2.4	19.8
<b>Total State Taxes and Fees</b>	<b>\$1,398,800</b>	<b>37.32</b>	<b>\$125,157</b>	<b>\$125,182</b>	<b>0.0</b>	<b>\$193,177</b>	<b>\$181,756</b>	<b>6.3</b>	<b>1.5</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$3,552	\$3,928	(9.6)	\$5,742	\$5,056	13.6	(100.0)
Miscellaneous Revenues	10,604	0.29	1,818	1,497	21.4	3,538	3,109	13.8	(41.5)
Transfer (to) / from Transportation Trust Fund	363,551	9.70	0	0	-	20,000	0	-	(17.7)
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$1,772,955</b>	<b>47.31</b>	<b>\$130,527</b>	<b>\$130,607</b>	<b>(0.1)</b>	<b>\$222,457</b>	<b>\$189,921</b>	<b>17.1</b>	<b>(4.8)</b>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$117,600	3.14	\$9,169	\$9,892	(7.3)	\$10,370	\$9,802	5.8	1.8
PTF Motor Fuels	20,000	0.53	0	0	-	0	0	-	0.0
PTF Insurance Premiums Tax	141,800	3.78	6,032	4,942	22.1	12,599	7,024	79.4	3.3
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	222,100	5.93	21,853	20,088	8.8	41,238	38,861	6.1	(0.4)
State Sales and Use Tax	526,300	14.05	44,657	40,836	9.4	71,672	63,019	13.7	4.6
Motor Vehicle License Fees	21,400	0.57	2,045	1,951	4.8	3,909	3,820	2.3	1.3
Recordation Tax (2 cents)	25,600	0.68	2,598	2,235	16.2	5,164	4,181	23.5	(1.9)
Interest Earnings	17,600	0.47	19	0	-	19	10	90.0	25.9
<b>Total State Taxes and Fees</b>	<b>\$1,092,400</b>	<b>29.15</b>	<b>\$86,373</b>	<b>\$79,944</b>	<b>8.0</b>	<b>\$144,971</b>	<b>\$126,717</b>	<b>14.4</b>	<b>3.0</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$996,925	26.60	\$264,992	\$111,326	138.0	\$380,092	\$182,075	108.8	3.6
Receipts from Cities/Counties	210,651	5.62	374	3,357	(88.9)	967	8,119	(88.1)	916.8
Toll Revenues (Includes Route 28)	30,312	0.81	876	1,580	(44.6)	1,746	1,580	10.5	68.2
Miscellaneous Revenues	7,953	0.21	2,524	3,515	(28.2)	24,682	7,971	209.6	(78.5)
<b>Total Other Revenues</b>	<b>\$1,245,841</b>	<b>33.24</b>	<b>\$268,766</b>	<b>\$119,778</b>	<b>124.4</b>	<b>\$407,487</b>	<b>\$199,745</b>	<b>104.0</b>	<b>20.0</b>
Transfer (to) / from Highway Maintenance and Operating Fund	(\$363,551)	(9.70)	\$0	\$0	-	(\$20,000)	\$0	-	17.7
<b>Total Transportation Trust Fund</b>	<b>\$1,974,690</b>	<b>52.69</b>	<b>\$355,139</b>	<b>\$199,722</b>	<b>77.8</b>	<b>\$532,458</b>	<b>\$326,462</b>	<b>63.1</b>	<b>19.2</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>	<b>\$3,747,645</b>	<b>100.00</b>	<b>\$485,666</b>	<b>\$330,329</b>	<b>47.0</b>	<b>\$754,915</b>	<b>\$516,383</b>	<b>46.2</b>	<b>6.5</b>

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