

COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT

August 2014

Summary

Commonwealth Transportation Fund (CTF) revenues declined by 5.1 percent in August, mainly due to a sizeable fall in motor fuels tax collections. Year-to-date collections are up 7.3 percent.

Motor Fuels Tax

Motor fuel taxes fell by 21.4 percent in August. The August decline can be attributed to the unusually large reconciliation payments received last August due to switching from a motor fuels excise tax to a sales tax.

Driven in large part by falling crude oil prices, U.S. regular gasoline retail prices fell to an average of \$3.49/per gallon in August, 12 cents below the July average and 21 cents below the average in June. U.S. regular gasoline retail prices are projected to continue to decline to an average of \$3.18/gal in December. U.S. regular gasoline retail prices, which averaged \$3.51/gal in 2013, are expected to average \$3.46/gal in 2014 and \$3.41/gal in 2015.

Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 1.4 percent in August.

Nationally, vehicle sales eased slightly in July from the June pace but remain quite strong at 16.5 million units seasonally adjusted annualized rate. After trending flat throughout 2013, sales have picked up measurably during the last six months. Severe winter weather suppressed sales late last year and early this year. Subsequently the postponed sales drove sales higher. In recent months, sales have continued to increase driven by a host of positive factors. Although the July pace came down somewhat from the June pace, the trend remains positive. During the past three months sales have averaged 16.7 million units.

State Retail Sales Tax

The transportation portion of the state retail sales tax increased by 7.0 percent in August, due to the increased amount of general fund sales tax collections being deposited into the Highway Maintenance Fund as stipulated by HB2313 (2013).

Motor Vehicle Licenses

Motor vehicle registration fee collections declined by 10.3 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 2014 and 2015
(Dollars in Thousands)

Revenue	FY 2015 Estimate	As a % of Total Fund	August			Year-To-Date			% Annual Growth Required By Estimate
			FY 2015	FY 2014	% Change	FY 2015	FY 2014	% Change	
Motor Fuel Taxes	\$718,700	16.91	\$59,246	\$75,414	(21.4)	\$60,644	\$84,342	(28.1)	8.9
Priority Transportation Fund (PTF)	150,400	3.54	3,394	3,226	5.2	6,600	5,966	10.6	15.0
Motor Vehicle Sales and Use Tax	909,600	21.40	75,503	74,476	1.4	154,914	139,062	11.4	10.7
State Sales and Use Tax	936,600	22.04	77,227	72,142	7.0	140,120	101,410	38.2	13.9
Motor Vehicle License Fees	247,900	5.84	20,276	22,611	(10.3)	42,252	44,772	(5.6)	(0.6)
International Registration Plan	63,500	1.49	3,734	4,169	(10.4)	9,039	8,313	8.7	6.5
Recordation Tax	45,500	1.07	3,541	3,790	(6.6)	7,296	8,176	(10.8)	21.9
Interest Earnings	10,500	0.25	7	0	-	7	0	-	46.7
Misc. Taxes, Fees, and Revenues	16,100	0.38	1,218	1,496	(18.6)	3,042	3,184	(4.5)	(7.0)
Total State Taxes and Fees	<u>\$3,098,800</u>	<u>72.92</u>	<u>\$244,146</u>	<u>\$257,324</u>	<u>(5.1)</u>	<u>\$423,914</u>	<u>\$395,225</u>	<u>7.3</u>	<u>10.4</u>

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 2014 and 2015
(Dollars in Thousands)

Revenue	FY 2015 Estimate	As a % of Total Fund	August			Year-To-Date			% Annual Growth Required By Est
			FY 2015	FY 2014	% Change	FY 2015	FY 2014	% Change	
HIGHWAY MAINTENANCE AND OPERATING FUND:									
Motor Fuel Taxes (Includes Road Tax)	\$572,900	13.48	\$49,190	\$61,115	(19.5)	\$48,501	\$69,610	(30.3)	8.5
Motor Vehicle Sales and Use Tax	653,500	15.38	53,166	53,000	0.3	110,821	99,429	11.5	12.4
State Sales and Use Tax	270,500	6.37	21,305	17,668	20.6	41,594	19,926	108.7	41.5
Motor Vehicle License Fees	225,500	5.31	18,483	20,672	(10.6)	38,433	40,984	(6.2)	(0.9)
International Registration Plan	63,500	1.49	3,734	4,169	(10.4)	9,039	8,313	8.7	6.5
Recordation Tax (1 cent)	15,000	0.35	1,180	1,263	(6.6)	2,432	2,725	(10.8)	20.4
Misc. Taxes, Fees, and Revenues	16,100	0.38	1,218	1,496	(18.6)	3,042	3,184	(4.5)	(7.0)
Total State Taxes and Fees	\$1,817,000	42.76	\$148,276	\$159,383	(7.0)	\$253,862	\$244,171	4.0	12.3
Other Revenues:									
Federal Grants and Contracts	\$0	0.00	\$2,078	\$1,449	43.4	\$4,539	\$2,995	51.6	(100.0)
Miscellaneous Revenues	8,878	0.21	2,590	1,766	46.7	3,534	2,549	38.6	(56.7)
Transfer (to) / from Transportation Trust Fund	193,012	4.54	0	0	-	0	0	-	(39.2)
Total Highway Maintenance and Operating Fund	\$2,018,890	47.51	\$152,944	\$162,598	(5.9)	\$261,935	\$249,715	4.9	1.9
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$145,800	3.43	\$10,056	\$14,299	(29.7)	\$12,143	\$14,732	(17.6)	10.1
PTF Insurance Premiums Tax	150,400	3.54	3,394	3,226	5.2	6,600	5,966	10.6	15.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	256,100	6.02	22,337	21,476	4.0	44,093	39,633	11.3	6.4
State Sales and Use Tax	666,100	15.67	55,922	54,474	2.7	98,526	81,484	20.9	5.5
Motor Vehicle License Fees	22,400	0.53	1,793	1,939	(7.5)	3,819	3,788	0.8	3.2
Recordation Tax (2 cents)	30,500	0.72	2,361	2,527	(6.6)	4,864	5,451	(10.8)	22.6
Interest Earnings	10,500	0.25	7	0	-	7	0	-	46.7
Total State Taxes and Fees	\$1,281,800	30.16	\$95,870	\$97,941	(2.1)	\$170,052	\$151,054	12.6	7.8
Other Revenues:									
Federal Grants and Contracts	\$902,510	21.24	\$98,067	\$223,909	(56.2)	\$435,199	\$457,312	(4.8)	(27.5)
Receipts from Cities/Counties	203,616	4.79	13,497	8,973	50.4	16,395	24,257	(32.4)	149.9
Toll Revenues (Includes Route 28)	16,000	0.37	910	866	5.1	1,793	1,692	6.0	(9.8)
Miscellaneous Revenues	19,936	0.47	2,457	3,875	(36.6)	3,655	4,961	(26.3)	(33.6)
Total Other Revenues	\$1,142,062	26.87	\$114,931	\$237,623	(51.6)	\$457,042	\$488,222	(6.4)	(16.9)
Transfer (to) / from Highway Maintenance and Operating Fund									
Maintenance and Operating Fund	(\$193,012)	(4.54)	\$0	\$0	-	\$0	\$0	-	39.2
Total Transportation Trust Fund	\$2,230,850	52.49	\$210,801	\$335,564	(37.2)	\$627,094	\$639,276	(1.9)	(0.6)
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND									
	\$4,249,740	100.00	\$363,745	\$498,162	(27.0)	\$889,029	\$888,991	0.0	0.5

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