

## COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT December 2004

### Summary

Revenue collections declined by 2.0 percent in December. Most of the monthly decline was attributable to a slow month in the motor vehicle sales tax and motor fuels sales tax collections. On a year-to-date basis, growth is up 2.7 percent, slightly behind the forecast of 2.8 percent growth.

### Motor Fuels Tax (excluding PTF Fuels Tax Revenue)

Motor Fuels Tax collections fell by 5.0 percent in December. Annual collections through the first half of fiscal year 2005 are up 1.3 percent, slightly behind the 1.5 percent official forecast.

### Motor Vehicle Sales and Use Tax

Motor vehicle sales fell by 5.0 percent mainly due to comparisons with December 2003 when sales tax collections surged by 31.8 percent. Despite the decline in collections, December 2004 collections were the second highest ever. Through the first half of the fiscal year, motor vehicle sales tax collections are up 1.7 percent, slightly behind the annual forecast of 2.7 percent growth.

With interest rates rising, spent-up demand, forward buying, and vehicle prices expected to inch up, the outlook is for a weaker pace in 2005. Nationally, sales are expected to fall short of 16 million units for the first time since 1998. However, risks remain on the upside since consumers have been remarkably resilient and given the expectation of continued labor market and wage gains, sales could again beat expectations. The roll-out of new models may also continue to attract buyers ahead of their need to replace a vehicle.

### State Retail Sales Tax

The transportation portion of retail sales tax increased by 1.9 percent in December. Collections in this source are up 6.9 percent in fiscal year 2005.

### Motor Vehicle Licenses

Motor Vehicle Registrations were up 1.0 percent in December. Collections of \$11.4 million were slightly higher than the \$11.3 million collected last December. Motor vehicle license receipts are down 1.2 percent for the year.

**Commonwealth of Virginia/Department of Accounts**  
**Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues**  
**Summary Statement of Revenue Estimates & Collections**  
**For the Fiscal Years 2004 and 2005**  
**(Dollars in Thousands)**

Revenue	FY 2005 Estimate	As a % of Total Fund	December			Year-To-Date			% Annual Growth Required By Estimate
			FY 2005	FY 2004	% Change	FY 2005	FY 2004	% Change	
Motor Fuel Taxes	\$858,900	27.96	\$68,993	\$72,611	(5.0)	\$365,224	\$360,491	1.3	1.5
Priority Transportation Fund	20,000	0.65	2,000	2,000	0.0	8,000	8,000	0.0	0.0
Motor Vehicle Sales and Use Tax	620,300	20.19	47,586	50,237	(5.3)	309,205	304,033	1.7	2.7
State Sales and Use Tax	437,600	14.24	38,619	37,913	1.9	206,747	193,475	6.9	5.4
Motor Vehicle License Fees	165,700	5.40	11,367	11,253	1.0	76,932	77,861	(1.2)	1.8
International Registration Plan	57,400	1.87	2,322	2,858	(18.8)	15,051	16,003	(5.9)	5.6
Interest Earnings	15,300	0.50	0	0	-	3,491	3,480	0.3	43.4
Misc. Taxes, Fees, and Revenues	19,600	0.64	2,138	(303)	805.6	14,510	9,651	50.3	(8.3)
<b>Total State Taxes and Fees</b>	<b>\$2,194,800</b>	<b>71.45</b>	<b>\$173,025</b>	<b>\$176,569</b>	<b>(2.0)</b>	<b>\$999,160</b>	<b>\$972,994</b>	<b>2.7</b>	<b>2.8</b>

# Percentage is greater than 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 2004 and 2005**  
(Dollars in Thousands)

Revenue	FY 2005 Estimate	As a % of Total Fund	December			Year-To-Date			% Annual Growth Required By Est
			FY 2005	FY 2004	% Change	FY 2005	FY 2004	% Change	
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>									
Motor Fuel Taxes (Includes Road Tax)	\$737,300	24.00	\$57,765	\$61,855	(6.6)	\$315,441	\$310,171	1.7	1.3
Motor Vehicle Sales and Use Tax	398,500	12.97	30,549	32,369	(5.6)	199,232	195,966	1.7	2.5
Motor Vehicle License Fees	144,800	4.72	9,876	9,804	0.7	67,377	68,052	(1.0)	1.8
International Registration Plan	57,400	1.87	2,322	2,858	(18.8)	15,051	16,003	(5.9)	5.6
Misc. Taxes, Fees, and Revenues	19,600	0.64	2,138	(303)	805.6	14,510	9,651	50.3	(8.3)
<b>Total State Taxes and Fees</b>	<b>\$1,357,600</b>	<b>44.20</b>	<b>\$102,650</b>	<b>\$106,583</b>	<b>(3.7)</b>	<b>\$611,611</b>	<b>\$599,843</b>	<b>2.0</b>	<b>1.7</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$2,710	\$1,408	92.5	\$10,166	\$6,530	55.7	(100.0)
Transfer (to) / from Transportation Trust Fund	244,600	7.96	0	0	-	194,977	20,177	866.3	329.9
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$1,602,200</b>	<b>52.16</b>	<b>\$105,360</b>	<b>\$107,991</b>	<b>(2.4)</b>	<b>\$816,754</b>	<b>\$626,550</b>	<b>30.4</b>	<b>14.0</b>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$121,600	3.96	\$11,228	\$10,756	4.4	\$49,783	\$50,320	(1.1)	2.9
Priority Transportation Fund	20,000	0.65	2,000	2,000	0.0	8,000	8,000	0.0	0.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	221,800	7.22	17,037	17,868	(4.7)	109,973	108,067	1.8	3.0
State Sales and Use Tax	437,600	14.24	38,619	37,913	1.9	206,747	193,475	6.9	5.4
Motor Vehicle License Fees	20,900	0.68	1,491	1,449	2.9	9,555	9,809	(2.6)	1.9
Interest Earnings	15,300	0.50	0	0	-	3,491	3,480	0.3	43.4
<b>Total State Taxes and Fees</b>	<b>\$837,200</b>	<b>27.25</b>	<b>\$70,375</b>	<b>\$69,986</b>	<b>0.6</b>	<b>\$387,549</b>	<b>\$373,151</b>	<b>3.9</b>	<b>4.7</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$764,800	24.90	\$24,452	\$49,587	(50.7)	\$239,923	\$403,210	(40.5)	19.7
Receipts from Cities/Counties	43,700	1.42	799	1,216	(34.3)	15,065	19,645	(23.3)	37.9
Toll Revenues (Includes Route 28)	63,000	2.05	7,235	4,430	63.3	46,817	31,669	47.8	(15.5)
Miscellaneous Revenues	5,500	0.18	(585)	959	(161.0)	18,760	8,520	120.2	(70.0)
<b>Total Other Revenues</b>	<b>\$877,000</b>	<b>28.55</b>	<b>\$31,901</b>	<b>\$56,192</b>	<b>(43.2)</b>	<b>\$320,565</b>	<b>\$463,044</b>	<b>(30.8)</b>	<b>14.8</b>
Transfer (to) / from Highway Maintenance and Operating Fund	(244,600)	(7.96)	0	0	-	(194,977)	(20,177)	(866.3)	(329.9)
<b>Total Transportation Trust Fund</b>	<b>\$1,469,600</b>	<b>47.84</b>	<b>\$102,276</b>	<b>\$126,178</b>	<b>(18.9)</b>	<b>\$513,137</b>	<b>\$816,018</b>	<b>(37.1)</b>	<b>(2.5)</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>									
	<b>\$3,071,800</b>	<b>100.00</b>	<b>\$207,636</b>	<b>\$234,169</b>	<b>(11.3)</b>	<b>\$1,329,891</b>	<b>\$1,442,568</b>	<b>(7.8)</b>	<b>5.5</b>

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