

COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT December 2009

Summary

Commonwealth Transportation Fund (CTF) revenues increased by 5.5 percent in December, due to solid retail and motor vehicle sales tax collections. Year-to-date collections are down 2.0 percent, slightly ahead of the forecast of a 3.0 percent decline.

Motor Fuels Tax

Motor fuels tax collections fell by 0.3 this month and are down 1.3 percent on a year-to-date basis, close to the required decline of 1.8 percent in the official forecast.

Monthly average regular-grade gasoline prices increased from \$1.79 per gallon in January 2009 to \$2.61 per gallon in December 2009. These prices are expected to average \$2.84 per gallon in 2010 and \$2.96 per gallon in 2011. Pump prices are likely to pass \$3 per gallon at some point during the upcoming spring and summer. On-highway diesel fuel retail prices, which averaged \$2.46 per gallon in 2009, average \$2.98 per gallon in 2010 and \$3.14 in 2011.

Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 9.1 percent in December. Annual growth is up 0.1 percent, marking the first time in 41 months that year-to-date growth has been positive.

The year 2009 ended on a hopeful note for the motor vehicle industry and consumer spending. Vehicle sales have been slowly increasing in recent months even though there was probably some pull-ahead from last summer's Cash for Clunkers program. The modest momentum is expected to continue this year with sales gradually building throughout the year and beyond as the economy recovers and pent-up demand is released.

However, the recent pace and this year's continuing recovery should be put into perspective. Sales during the fourth quarter as well as for 2010 remain very depressed. This is consistent with an unemployment rate that will remain above 10% all year. While employment losses will end during the first half of the year, there will be few gains until 2011. In addition, credit will remain restricted to consumers who do not have the best credit.

State Retail Sales Tax

The TTF portion of the state retail sales tax increased by 10.5 percent in December, due to the tax amnesty program.

Motor Vehicle Licenses

Motor vehicle registration fee collections increased by 1.5 percent in December.

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	December			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	\$75,001	\$74,805	0.3	\$359,486	\$364,322	(1.3)	(1.8)
Priority Transportation Fund (PTF)	149,100	4.56	20,671	20,041	3.1	137,102	140,286	(2.3)	(2.1)
Motor Vehicle Sales and Use Tax	420,100	12.86	32,792	30,048	9.1	229,531	229,348	0.1	(5.0)
State Sales and Use Tax	478,300	14.64	43,494	39,371	10.5	247,799	257,057	(3.6)	(4.2)
Motor Vehicle License Fees	239,900	7.34	15,296	15,069	1.5	109,159	114,213	(4.4)	(0.7)
International Registration Plan	58,600	1.79	7,540	5,995	25.8	22,704	20,746	9.4	(0.4)
Recordation Tax	33,500	1.02	3,118	2,346	32.9	19,017	17,170	10.8	(6.2)
Interest Earnings	23,900	0.73	66	8	725.0	6,195	10,820	(42.7)	(13.9)
Misc. Taxes, Fees, and Revenues	12,700	0.39	1,001	944	6.0	6,088	6,494	(6.3)	(1.8)
Total State Taxes and Fees	\$2,240,100	68.54	\$198,979	\$188,627	5.5	\$1,137,081	\$1,160,456	(2.0)	(3.0)

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	December			Year-To-Date			% Annual Growth Required By Est
			FY 2010	FY 2009	% Change	FY 2010	FY 2009	% Change	
HIGHWAY MAINTENANCE AND OPERATING FUND:									
Motor Fuel Taxes (Includes Road Tax)	\$710,800	21.75	\$64,593	\$64,774	(0.3)	\$310,100	\$313,135	(1.0)	(1.6)
Motor Vehicle Sales and Use Tax	253,200	7.75	19,960	18,073	10.4	138,362	139,108	(0.5)	(6.1)
Motor Vehicle License Fees	218,700	6.69	13,905	13,683	1.6	99,259	103,933	(4.5)	(0.6)
International Registration Plan	58,600	1.79	7,540	5,995	25.8	22,704	20,746	9.4	(0.4)
Recordation Tax (1 cent)	11,200	0.34	1,039	782	32.9	6,339	5,723	10.8	(5.9)
Misc. Taxes, Fees, and Revenues	12,700	0.39	1,001	944	6.0	6,088	6,494	(6.3)	(1.8)
Total State Taxes and Fees	\$1,265,200	38.71	\$108,038	\$104,251	3.6	\$582,852	\$589,139	(1.1)	(2.4)
Other Revenues:									
Federal Grants and Contracts	\$0	0.00	\$2,026	\$2,228	(9.1)	\$9,858	\$11,547	(14.6)	(100.0)
Miscellaneous Revenues	15,698	0.48	2,735	1,118	144.6	8,209	8,039	2.1	13.4
Transfer (to) / from Transportation Trust Fund	500,188	15.31	50,000	65,000	(23.1)	200,000	345,000	(42.0)	37.1
Total Highway Maintenance and Operating Fund	\$1,781,086	54.50	\$162,799	\$172,597	(5.7)	\$800,919	\$953,725	(16.0)	5.1
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$113,200	3.46	\$10,408	\$10,031	3.8	\$49,386	\$51,187	(3.5)	(3.1)
PTF Motor Fuels	20,000	0.61	2,000	2,000	0.0	8,000	8,000	0.0	0.0
PTF Insurance Premiums Tax	129,100	3.95	18,671	18,041	3.5	129,102	132,286	(2.4)	(2.4)
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	166,900	5.11	12,832	11,975	7.2	91,169	90,240	1.0	(3.3)
State Sales and Use Tax	478,300	14.64	43,494	39,371	10.5	247,799	257,057	(3.6)	(4.2)
Motor Vehicle License Fees	21,200	0.65	1,391	1,386	0.4	9,900	10,280	(3.7)	(1.9)
Recordation Tax (2 cents)	22,300	0.68	2,079	1,564	32.9	12,678	11,447	10.8	(6.3)
Interest Earnings	23,900	0.73	66	8	725.0	6,195	10,820	(42.7)	(13.9)
Total State Taxes and Fees	\$974,900	29.83	\$90,941	\$84,376	7.8	\$554,229	\$571,317	(3.0)	(3.9)
Other Revenues:									
Federal Grants and Contracts	\$844,434	25.84	\$52,096	\$50,909	2.3	\$440,203	\$378,785	16.2	7.0
Receipts from Cities/Counties	96,900	2.97	9,910	(741)	#	18,677	20,309	(8.0)	107.0
Toll Revenues (Includes Route 28)	52,309	1.60	847	17,139	(95.1)	21,253	46,146	(53.9)	(32.9)
Miscellaneous Revenues	18,542	0.57	2,580	3,715	(30.6)	15,205	9,331	63.0	1.2
Total Other Revenues	\$1,012,185	30.98	\$65,433	\$71,022	(7.9)	\$495,338	\$454,571	9.0	8.6
Transfer (to) / from Highway Maintenance and Operating Fund	(\$500,188)	(15.31)	(\$50,000)	(\$65,000)	23.1	(\$200,000)	(\$345,000)	42.0	(37.1)
Total Transportation Trust Fund	\$1,486,897	45.50	\$106,374	\$90,398	17.7	\$849,567	\$680,888	24.8	(6.0)
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND									
	\$3,267,983	100.00	\$269,173	\$262,995	2.3	\$1,650,486	\$1,634,613	1.0	(0.3)

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