

COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT July 2007

Summary

Collections in the Commonwealth Transportation Fund increased by 9.1 percent in July. Most of July's growth was due to the increase in motor vehicle registration fees.

Motor Fuels Tax (excluding PTF Fuels Tax Revenue)

Motor fuels tax collections were \$4.0 million this July compared to \$1.5 million last year, mainly due to flow effects. As of August 6, retail motor gasoline prices have fallen by almost 40 cents per gallon from the spring peak of \$3.22 per gallon on May 21, even as the price of WTI crude oil has risen by over \$9 per barrel (22 cents per gallon) over the same period. The exceptionally high refiner margins that were the result of numerous refinery problems earlier in the year have eased considerably. Gasoline prices at the pump are projected to continue to decline through the end of 2007 and then begin their seasonal increase next spring.

Motor Vehicle Sales and Use Tax

Collections in this source declined by 1.4 percent in July. Nationally, vehicle sales slipped further in July, coming in at a seasonally adjusted annualized pace of 15.5 million units. Year-to-date sales are averaging 16.2 million, underscoring the recent erosion since the beginning of the year. Weakening credit quality, moderating employment trends, and persistently high fuel prices are all taking a toll on consumer wherewithal.

State Retail Sales Tax

The transportation portion of the state retail sales tax increased by 6.4 percent in July.

Motor Vehicle Licenses

Motor vehicle registration fee collections increased by 41.2 percent in July. Collections of \$20.2 million include \$6.3 million attributable to the motor vehicle license fee increase.

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 2007 and 2008
(Dollars in Thousands)

Revenue	FY 2008 Estimate	As a % of Total Fund	July			Year-To-Date			% Annual Growth Required By Estimate
			FY 2008	FY 2007	% Change	FY 2008	FY 2007	Change	
Motor Fuel Taxes	\$897,500	23.64	\$3,999	\$1,524	162.4	\$3,999	\$1,524	162.4	4.4
Priority Transportation Fund	20,000	0.53	0	0	-	0	0	-	0.0
Motor Vehicle Sales and Use Tax	637,300	16.78	51,090	51,816	(1.4)	51,090	51,816	(1.4)	1.4
State Sales and Use Tax	536,000	14.12	48,023	45,147	6.4	48,023	45,147	6.4	3.6
Motor Vehicle License Fees	262,900	6.93	20,220	14,324	41.2	20,220	14,324	41.2	55.2
International Registration Plan	64,500	1.70	3,749	3,667	2.2	3,749	3,667	2.2	19.5
Interest Earnings	52,600	1.38	21	44	(52.3)	21	44	(52.3)	(2.5)
Misc. Taxes, Fees, and Revenues (a)	16,400	0.43	993	927	7.1	993	927	7.1	32.9
Total State Taxes and Fees (a)	\$2,487,200	65.51	\$128,095	\$117,449	9.1	\$128,095	\$117,449	9.1	7.4

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

(a) Certain Fiscal Year 2007 monthly and year-to-date amounts have been reclassified. Refer to (a) on page 5 for additional information.

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 2007 and 2008
(Dollars in Thousands)

Revenue	FY 2008 Estimate	As a % of Total Fund	July			Year-To-Date			% Annual Growth Required By Est
			FY 2008	FY 2007	% Change	FY 2008	FY 2007	% Change	
HIGHWAY MAINTENANCE AND OPERATING FUND:									
Motor Fuel Taxes (Includes Road Tax)	\$777,400	20.48	\$3,170	(\$772)	510.6	\$3,170	(\$772)	510.6	4.8
Motor Vehicle Sales and Use Tax	393,900	10.37	31,240	31,809	(1.8)	31,240	31,809	(1.8)	1.0
Motor Vehicle License Fees	241,300	6.36	18,479	12,505	47.8	18,479	12,505	47.8	62.8
International Registration Plan	64,500	1.70	3,749	3,667	2.2	3,749	3,667	2.2	19.5
Misc. Taxes, Fees, and Revenues (a)	16,400	0.43	993	927	7.1	993	927	7.1	32.9
Total State Taxes and Fees	\$1,493,500	39.34	\$57,631	\$48,136	19.7	\$57,631	\$48,136	19.7	11.0
Other Revenues:									
Federal Grants and Contracts	\$0	0.00	\$606	\$1,170	(48.2)	\$606	\$1,170	(48.2)	(100.0)
Miscellaneous Revenues (a)	16,937	0.45	1,516	2,126	(28.7)	1,516	2,126	(28.7)	0.1
Transfer (to) / from Transportation Trust Fund	262,570	6.91	100,000	100,000	0.0	100,000	100,000	0.0	13.6
Total Highway Maintenance and Operating Fund	\$1,773,007	46.70	\$159,753	\$151,432	5.5	\$159,753	\$151,432	5.5	9.1
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$120,100	3.16	\$829	\$2,296	(63.9)	\$829	\$2,296	(63.9)	1.8
Priority Transportation Fund	20,000	0.53	0	0	-	0	0	-	0.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	243,400	6.41	19,850	20,007	(0.8)	19,850	20,007	(0.8)	2.0
State Sales and Use Tax	536,000	14.12	48,023	45,147	6.4	48,023	45,147	6.4	3.6
Motor Vehicle License Fees	21,600	0.57	1,741	1,819	(4.3)	1,741	1,819	(4.3)	1.7
Interest Earnings	52,600	1.38	21	44	(52.3)	21	44	(52.3)	(2.5)
Total State Taxes and Fees	\$993,700	26.17	\$70,464	\$69,313	1.7	\$70,464	\$69,313	1.7	2.5
Other Revenues:									
Federal Grants and Contracts	\$1,100,568	28.98	\$86,281	\$57,086	51.1	\$86,281	\$57,086	51.1	77.9
Receipts from Cities/Counties (a)	78,428	2.07	7,298	1,599	356.4	7,298	1,599	356.4	86.4
Toll Revenues (Includes Route 28)	100,598	2.65	7,661	6,374	20.2	7,661	6,374	20.2	(3.0)
Miscellaneous Revenues	12,854	0.34	1,470	1,032	42.4	1,470	1,032	42.4	(40.4)
Total Other Revenues	\$1,292,448	34.04	\$102,710	\$66,091	55.4	\$102,710	\$66,091	55.4	64.5
Transfer (to) / from Highway Maintenance and Operating Fund	(\$262,570)	(6.91)	(\$100,000)	(\$100,000)	0.0	(\$100,000)	(\$100,000)	0.0	(13.6)
Total Transportation Trust Fund	\$2,023,578	53.30	\$73,174	\$35,404	106.7	\$73,174	\$35,404	106.7	32.8
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND	\$3,796,585	100.00	\$232,927	\$186,836	24.7	\$232,927	\$186,836	24.7	20.6

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

(a) A new line, "Miscellaneous Revenues", was added to the Highway Maintenance and Operating Fund Revenue Forecast in FY 2007. A portion of the amounts previously reported in "Miscellaneous Taxes, Fees, and Revenues" and "Receipts from Cities/Counties" were reclassified to "Miscellaneous Revenues". In order to provide comparable data, the Fiscal Year 2007 monthly and year-to-date amounts were likewise reclassified.