

COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT July 2009

Summary

Commonwealth Transportation Fund (CTF) revenues declined by 14.0 percent in July. Most of July's weakness was due to declines in motor vehicle sales tax collections and motor fuels tax collections.

Motor Fuels Tax

July is not a significant month for motor fuels tax collections. July 2009 collections were -\$0.4 million.

U.S average prices for regular-grade gasoline, which reached an earlier summer peak of \$2.69 per gallon, fell by more than 20 cents per gallon in 4 weeks following the drop in crude oil prices but are now bouncing back as the recent rebound in crude oil prices is passed through to retail markets. Gasoline prices will be strongly influenced by any changes in crude oil prices and, based on recent price volatility, could approach the summer peak later before the end of the season. The annual average regular-grade gasoline retail price in 2009 is expected to be \$2.34 per gallon. Higher projected crude oil prices next year are expected to increase the average price to \$2.66 per gallon in 2010. Annual average diesel fuel retail prices are expected to be \$2.46 and \$2.84 per gallon in 2009 and 2010, respectively.

Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections fell by 10.0 percent in July, the lowest monthly decline since April 2008.

Nationally, vehicle sales dipped in June, to a seasonally adjusted annualized pace of 9.6 million units. Sales have followed a sawtooth path this year, after falling to a low of 9.1 million units in February. During the second quarter, sales on average were barely higher than during the first quarter—9.6 million units compared with 9.5 million units. However, on a year-over-year basis, the decline in sales is slowly abating; sales were down 29% in June compared with June 2008.

State Retail Sales Tax

The transportation portion of the state retail sales tax declined by 6.6 percent in July.

Motor Vehicle Licenses

Motor vehicle registration fee collections declined by 14.1 percent in July.

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	July			Year-To-Date			% Annual Growth Required By Estimate
			FY 2010	FY 2009	% Change	FY 2010	FY 2009	% Change	
Motor Fuel Taxes	\$852,200	25.05	(\$35)	\$8,570	(100.4)	(\$35)	\$8,570	(100.4)	1.5
Priority Transportation Fund (PTF)	149,900	4.41	2,505	3,760	(33.4)	2,505	3,760	(33.4)	(1.6)
Motor Vehicle Sales and Use Tax	487,700	14.33	41,002	45,560	(10.0)	41,002	45,560	(10.0)	10.3
State Sales and Use Tax	529,000	15.55	43,246	46,313	(6.6)	43,246	46,313	(6.6)	5.9
Motor Vehicle License Fees	241,900	7.11	19,566	22,767	(14.1)	19,566	22,767	(14.1)	0.1
International Registration Plan	51,400	1.50	6,863	5,538	23.9	6,863	5,538	23.9	(12.6)
Recordation Tax	35,400	1.04	4,122	3,843	7.3	4,122	3,843	7.3	(0.8)
Interest Earnings	41,200	1.21	0	17	(100.0)	0	17	(100.0)	48.5
Misc. Taxes, Fees, and Revenues	13,200	0.39	974	1,060	(8.1)	974	1,060	(8.1)	2.1
Total State Taxes and Fees	\$2,401,900	70.59	\$118,243	\$137,428	(14.0)	\$118,243	\$137,428	(14.0)	4.0

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	July			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)	\$733,600	21.56	(\$204)	\$7,624	(102.7)	(\$204)	\$7,624	(102.7)	1.5
Motor Vehicle Sales and Use Tax	296,000	8.70	25,009	27,847	(10.2)	25,009	27,847	(10.2)	9.7
Motor Vehicle License Fees	221,000	6.50	17,832	20,757	(14.1)	17,832	20,757	(14.1)	0.4
International Registration Plan	51,400	1.50	6,863	5,538	23.9	6,863	5,538	23.9	(12.6)
Recordation Tax (1 cent)	11,800	0.35	1,374	1,281	7.3	1,374	1,281	7.3	(0.8)
Misc. Taxes, Fees, and Revenues	13,200	0.39	974	1,060	(8.1)	974	1,060	(8.1)	2.1
Total State Taxes and Fees	\$1,327,000	39.00	\$51,848	\$64,107	(19.1)	\$51,848	\$64,107	(19.1)	2.4
Other Revenues:									
Federal Grants and Contracts	\$0	0.00	\$1,882	\$3,940	(52.2)	\$1,882	\$3,940	(52.2)	(100.0)
Miscellaneous Revenues	10,543	0.31	1,017	682	49.1	1,017	682	49.1	(23.8)
Transfer (to) / from Transportation Trust Fund	523,898	15.40	50,000	100,000	(50.0)	50,000	100,000	(50.0)	43.6
Total Highway Maintenance and Operating Fund	\$1,861,441	54.71	\$104,747	\$168,729	(37.9)	\$104,747	\$168,729	(37.9)	9.8
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$118,600	3.49	\$169	\$946	(82.1)	\$169	\$946	(82.1)	1.5
PTF Motor Fuels	20,000	0.59	0	2,000	(100.0)	0	2,000	(100.0)	0.0
PTF Insurance Premiums Tax	129,900	3.82	2,505	1,760	42.3	2,505	1,760	42.3	(1.8)
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	191,700	5.63	15,993	17,713	(9.7)	15,993	17,713	(9.7)	11.1
State Sales and Use Tax	529,000	15.55	43,246	46,313	(6.6)	43,246	46,313	(6.6)	5.9
Motor Vehicle License Fees	20,900	0.61	1,734	2,010	(13.7)	1,734	2,010	(13.7)	(3.2)
Recordation Tax (2 cents)	23,600	0.69	2,748	2,562	7.3	2,748	2,562	7.3	(0.8)
Interest Earnings	41,200	1.21	0	17	(100.0)	0	17	(100.0)	48.5
Total State Taxes and Fees	\$1,074,900	31.59	\$66,395	\$73,321	(9.4)	\$66,395	\$73,321	(9.4)	6.0
Other Revenues:									
Federal Grants and Contracts	\$812,448	23.89	\$71,445	\$62,055	15.1	\$71,445	\$62,055	15.1	3.0
Receipts from Cities/Counties	109,510	3.22	3,812	6,410	(40.5)	3,812	6,410	(40.5)	133.9
Toll Revenues (Includes Route 28) (a)	52,309	1.54	1,967	6,433	(69.4)	1,967	6,433	(69.4)	(32.9)
Miscellaneous Revenues	15,436	0.45	1,363	1,258	8.3	1,363	1,258	8.3	(15.8)
Total Other Revenues	\$989,703	29.10	\$78,587	\$76,156	3.2	\$78,587	\$76,156	3.2	6.2
Transfer (to) / from Highway Maintenance and Operating Fund	(\$523,898)	(15.40)	(\$50,000)	(\$100,000)	50.0	(\$50,000)	(\$100,000)	50.0	(43.6)
Total Transportation Trust Fund	\$1,540,705	45.29	\$94,982	\$49,477	92.0	\$94,982	\$49,477	92.0	(2.6)
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND	\$3,402,146	100.00	\$199,729	\$218,206	(8.5)	\$199,729	\$218,206	(8.5)	3.8

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

(a) The Dulles Toll Road was transferred to the Metropolitan Washington Airport Authority effective November 1, 2008. No toll revenues will be recorded for the Dulles Toll Road after November 1, 2008.