COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT
July 2010

Summary

Commonwealth Transportation Fund (CTF) revenues declined by 6.7 percent in July. The decline in July's receipts can be attributed to the retention of $27.7 million of the transportation portion of the state sales and use tax in the general fund in June through the accelerated sales tax program (AST). These funds are designated to be returned to the Transportation Trust Fund. Adjusted for the AST program, CTF revenues increased by 16.8 percent in July.

Motor Fuels Tax

July is typically not a significant month for motor fuels tax collections; however, the early receipt of funds generally received in August boosted growth in this source. July 2010 collections were $15.5 million.

Projected total liquid fuels consumption grows by 0.7 percent in 2010 and 0.9 percent in 2011 as all of the major petroleum products register consumption growth. This reverses the trend of falling consumption over the last 4 years. During 2010 as a whole, gasoline and distillate fuel are projected to increase by 0.3 percent and 1.4 percent, respectively. Projected gasoline consumption growth increases to 0.8 percent in 2011 while distillate fuel consumption growth falls slightly to 1.2 percent.

Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 10.3 percent in July, the fifth consecutive monthly double-digit increase.

U.S. vehicle sales improved to 11.5 million units (SAAR). This is up from 11.2 million in June and the average of 11.2 million for the first half of the year. Although any improvement in vehicle sales is welcome, a sales pace below 12 million units (SAAR) is woefully low and reflects the difficult economic environment. Not only is the recovery in the labor market slow, but consumers with less than stellar credit histories are still finding it difficult to finance vehicles. Not surprisingly, the share of consumers paying for vehicles in cash has increased this year.

State Retail Sales Tax

The transportation portion of the state retail sales tax declined by 61.2 percent in July due to the aforementioned AST retention of TTF sales tax revenues in June. The $27.7 million of TTF sales tax revenues deposited in the general fund have been designated for return to the TTF. Adjusted for the AST program, sales tax collections increased by 3.0 percent in July.

Motor Vehicle Licenses

Motor vehicle registration fee collections increased by 7.7 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 2010 and 2011
(Dollars in Thousands)

Revenue	FY 2011 Estimate	As a % of Total Fund	July			Year-To-Date			% Annual Growth Required By Estimate
			FY 2011	FY 2010	% Change	FY 2011	FY 2010	% Change	
Motor Fuel Taxes	$841,300	25.45	$15,523	($35)	#	$15,523	($35)	#	1.3
Priority Transportation Fund (PTF)	148,200	4.49	3,424	2,505	36.7	3,424	2,505	36.7	(0.6)
Motor Vehicle Sales and Use Tax	448,700	13.57	45,230	41,002	10.3	45,230	41,002	10.3	(5.3)
State Sales and Use Tax	488,600	14.78	16,778	43,246	(61.2)	16,778	43,246	(61.2)	(0.4)
Motor Vehicle License Fees	242,500	7.33	21,066	19,566	7.7	21,066	19,566	7.7	5.3
International Registration Plan	60,300	1.82	4,595	6,863	(33.0)	4,595	6,863	(33.0)	0.9
Recordation Tax	33,500	1.01	2,467	4,122	(40.2)	2,467	4,122	(40.2)	(4.8)
Interest Earnings	30,600	0.93	4	0	-	4	0	-	33.3
Misc. Taxes, Fees, and Revenues	12,700	0.38	1,192	974	22.4	1,192	974	22.4	(0.4)
Total State Taxes and Fees	$2,306,400	69.76	$110,279	$118,243	(6.7)	$110,279	$118,243	(6.7)	0.1

 # 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 2010 and 2011
(Dollars in Thousands)

Revenue	FY 2011 Estimate	As a % of Total Fund	July			Year-To-Date			% Annual Growth Required By Est
			FY 2011	FY 2010	% Change	FY 2011	FY 2010	% Change	
HIGHWAY MAINTENANCE AND OPERATING FUND:									
Motor Fuel Taxes (Includes Road Tax)	$726,800	21.99	$14,187	($204)	#	$14,187	($204)	#	1.6
Motor Vehicle Sales and Use Tax	272,700	8.25	27,883	25,009	11.5	27,883	25,009	11.5	(5.8)
Motor Vehicle License Fees	221,300	6.69	19,300	17,832	8.2	19,300	17,832	8.2	5.7
International Registration Plan	60,300	1.82	4,595	6,863	(33.0)	4,595	6,863	(33.0)	0.9
Recordation Tax (1 cent)	11,200	0.34	822	1,374	(40.2)	822	1,374	(40.2)	(4.5)
Misc. Taxes, Fees, and Revenues	12,700	0.38	1,192	974	22.4	1,192	974	22.4	(0.4)
Total State Taxes and Fees	$1,305,000	39.47	$67,979	$51,848	31.1	$67,979	$51,848	31.1	0.5
Other Revenues:									
Federal Grants and Contracts	$0	0.00	$1,619	$1,882	(14.0)	$1,619	$1,882	(14.0)	(100.0)
Miscellaneous Revenues	16,191	0.49	481	1,017	(52.7)	481	1,017	(52.7)	12.3
Transfer (to) / from Transportation Trust Fund	510,998	15.46	0	50,000	(100.0)	0	50,000	(100.0)	0.7
Total Highway Maintenance and Operating Fund	$1,832,189	55.42	$70,079	$104,747	(33.1)	$70,079	$104,747	(33.1)	(0.4)
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	$114,500	3.46	$1,336	$169	690.5	$1,336	$169	690.5	(0.5)
PTF Motor Fuels	20,000	0.61	0	0	-	0	0	-	0.0
PTF Insurance Premiums Tax	128,200	3.88	3,424	2,505	36.7	3,424	2,505	36.7	(0.7)
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	176,000	5.32	17,347	15,993	8.5	17,347	15,993	8.5	(4.5)
State Sales and Use Tax	488,600	14.78	16,778	43,246	(61.2)	16,778	43,246	(61.2)	(0.4)
Motor Vehicle License Fees	21,200	0.64	1,766	1,734	1.8	1,766	1,734	1.8	2.2
Recordation Tax (2 cents)	22,300	0.67	1,645	2,748	(40.1)	1,645	2,748	(40.1)	(4.9)
Interest Earnings	30,600	0.93	4	0	-	4	0	-	33.3
Total State Taxes and Fees	$1,001,400	30.29	$42,300	$66,395	(36.3)	$42,300	$66,395	(36.3)	(0.5)
Other Revenues:									
Federal Grants and Contracts	$881,334	26.66	$91,607	$71,445	28.2	$91,607	$71,445	28.2	6.9
Receipts from Cities/Counties	59,007	1.78	2,787	3,812	(26.9)	2,787	3,812	(26.9)	28.0
Toll Revenues (Includes Route 28)	30,035	0.91	2,189	1,967	11.3	2,189	1,967	11.3	(32.4)
Miscellaneous Revenues	13,089	0.40	1,934	1,363	41.9	1,934	1,363	41.9	(55.8)
Total Other Revenues	$983,465	29.75	$98,517	$78,587	25.4	$98,517	$78,587	25.4	4.2
Transfer (to) / from Highway Maintenance and Operating Fund	($510,998)	(15.46)	$0	($50,000)	100.0	$0	($50,000)	100.0	(0.7)
Total Transportation Trust Fund	$1,473,867	44.58	$140,817	$94,982	48.3	$140,817	$94,982	48.3	2.1
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND	$3,306,056	100.00	$210,896	$199,729	5.6	$210,896	$199,729	5.6	0.7

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