

COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT July 2013

Summary

Commonwealth Transportation Fund (CTF) revenues increased by 8.9 percent in July. The surge in July's receipts can be attributed to strong motor vehicle sales tax collections.

Motor Fuels Tax

Motor fuel taxes declined by 4.0 percent. July is typically not a significant month for motor fuels tax collections.

Rising crude oil prices and seasonal demand increases contributed to U.S. regular gasoline retail prices increasing from an average of \$3.50 per gallon on July 1, 2013, to \$3.63 per gallon on August 5. The regular gasoline retail price is expected to average \$3.59 per gallon in the third quarter of 2013, and the annual average price to decline from an average of \$3.63 per gallon in 2012 to \$3.52 per gallon in 2013 and to \$3.37 per gallon in 2014.

Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 24.0 percent in July. About 60 percent of July's growth was due to strong vehicles sales with the remainder of the growth attributable to the July 1 increase in the motor vehicle sales tax rate.

U.S. vehicle sales reached a post-recession high of 16 million units SAAR, well above the average for the first five months of the year. The strong pace reflects improving builder and consumer confidence, which is spurring sales of both light trucks and cars. The launch of many new and redesigned vehicles has also attracted more buyers.

State Retail Sales Tax

The transportation portion of the state retail sales tax increased by 8.3 percent in July, due to increased amount of general fund sales tax collections being deposited into the Highway Maintenance Fund as stipulated by HB2313 (2013).

Motor Vehicle Licenses

Motor vehicle registration fee collections increased by 0.9 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 2013 and 2014
(Dollars in Thousands)

Revenue	FY 2014 Estimate	As a % of Total Fund	July			Year-To-Date			% Annual Growth Required By Estimate
			FY 2014	FY 2013	% Change	FY 2014	FY 2013	% Change	
Motor Fuel Taxes (b)	\$630,100	15.73	\$8,928	\$9,300	(4.0)	\$8,928	\$9,300	(4.0)	(25.1)
Priority Transportation Fund (PTF) (b)	131,000	3.27	2,740	6,567	(58.3)	2,740	6,567	(58.3)	0.7
Motor Vehicle Sales and Use Tax	833,700	20.82	64,586	52,103	24.0	64,586	52,103	24.0	33.9
State Sales and Use Tax (a)	866,900	21.66	29,268	27,016	8.3	29,268	27,016	8.3	66.3
Motor Vehicle License Fees	243,900	6.09	22,161	21,956	0.9	22,161	21,956	0.9	(0.7)
International Registration Plan	65,300	1.63	4,144	4,581	(9.5)	4,144	4,581	(9.5)	5.7
Recordation Tax	40,500	1.01	4,386	3,850	13.9	4,386	3,850	13.9	(12.6)
Interest Earnings	11,900	0.30	0	0	-	0	0	-	28.2
Misc. Taxes, Fees, and Revenues	17,400	0.43	1,688	1,244	35.7	1,688	1,244	35.7	17.4
Total State Taxes and Fees	\$2,840,700	70.94	\$137,901	\$126,617	8.9	\$137,901	\$126,617	8.9	13.9

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

(a) New revenue streams for State Sales and Use Tax are included in the Fiscal Year 2014 Highway Maintenance and Operating Fund Revenue Forecast. As there were no collections for state sales and use tax recorded in the Highway Maintenance and Operating Fund during Fiscal Year 2013, a comparison between Fiscal Years 2013 and 2014 may not be appropriate. Refer to the "State Sales and Use Tax" line item on page 5 for the detailed information pertaining to the "State Sales and Use Tax" line item.

(b) Certain Fiscal Year 2013 monthly and year-to-date amounts have been reclassified. Refer to (b) 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 2013 and 2014
(Dollars in Thousands)

Revenue	FY 2014 Estimate	As a % of Total Fund	July			Year-To-Date			% Annual Growth Required By Est
			FY 2014	FY 2013	% Change	FY 2014	FY 2013	% Change	
HIGHWAY MAINTENANCE AND OPERATING FUND:									
Motor Fuel Taxes (Includes Road Tax)	\$500,700	12.50	\$8,495	\$8,100	4.9	\$8,495	\$8,100	4.9	(29.1)
Motor Vehicle Sales and Use Tax	585,000	14.61	46,429	32,718	41.9	46,429	32,718	41.9	51.0
State Sales and Use Tax (a)	204,000	5.10	2,258	0	-	2,258	0	-	-
Motor Vehicle License Fees	222,400	5.55	20,312	20,093	1.1	20,312	20,093	1.1	(0.7)
International Registration Plan	65,300	1.63	4,144	4,581	(9.5)	4,144	4,581	(9.5)	5.7
Recordation Tax (1 cent)	13,500	0.34	1,462	1,283	14.0	1,462	1,283	14.0	(12.6)
Misc. Taxes, Fees, and Revenues	17,400	0.43	1,688	1,244	35.7	1,688	1,244	35.7	17.4
Total State Taxes and Fees	\$1,608,300	40.16	\$84,788	\$68,019	24.7	\$84,788	\$68,019	24.7	14.1
Other Revenues:									
Federal Grants and Contracts	\$0	0.00	\$1,546	\$2,190	(29.4)	\$1,546	\$2,190	(29.4)	(100.0)
Miscellaneous Revenues	18,658	0.47	783	1,720	(54.5)	783	1,720	(54.5)	11.5
Transfer (to) / from Transportation Trust Fund	313,942	7.84	0	20,000	(100.0)	0	20,000	(100.0)	(10.4)
Total Highway Maintenance and Operating Fund	\$1,940,900	48.47	\$87,117	\$91,929	(5.2)	\$87,117	\$91,929	(5.2)	7.7
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes) (b)	\$129,400	3.23	\$433	\$1,200	(63.9)	\$433	\$1,200	(63.9)	(4.3)
PTF Insurance Premiums Tax	131,000	3.27	2,740	6,567	(58.3)	2,740	6,567	(58.3)	0.7
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	248,700	6.21	18,157	19,385	(6.3)	18,157	19,385	(6.3)	5.7
State Sales and Use Tax	662,900	16.56	27,010	27,016	0.0	27,010	27,016	0.0	27.2
Motor Vehicle License Fees	21,500	0.54	1,849	1,863	(0.8)	1,849	1,863	(0.8)	(0.8)
Recordation Tax (2 cents)	27,000	0.67	2,924	2,567	13.9	2,924	2,567	13.9	(12.6)
Interest Earnings	11,900	0.30	0	0	-	0	0	-	28.2
Total State Taxes and Fees	\$1,232,400	30.78	\$53,113	\$58,598	(9.4)	\$53,113	\$58,598	(9.4)	13.7
Other Revenues:									
Federal Grants and Contracts	\$929,928	23.22	\$233,403	\$115,100	102.8	\$233,403	\$115,100	102.8	(28.8)
Receipts from Cities/Counties	178,614	4.46	15,284	593	#	15,284	593	#	208.5
Toll Revenues (Includes Route 28)	16,768	0.42	825	870	(5.2)	825	870	(5.2)	(5.0)
Miscellaneous Revenues	19,854	0.49	1,085	22,158	(95.1)	1,085	22,158	(95.1)	(57.6)
Total Other Revenues	\$1,145,164	28.59	\$250,597	\$138,721	80.6	\$250,597	\$138,721	80.6	(19.9)
Transfer (to) / from Highway Maintenance and Operating Fund	(\$313,942)	(7.84)	\$0	(\$20,000)	100.0	\$0	(\$20,000)	100.0	10.4
Total Transportation Trust Fund	\$2,063,622	51.53	\$303,710	\$177,319	71.3	\$303,710	\$177,319	71.3	(4.6)
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND	\$4,004,522	100.00	\$390,827	\$269,248	45.2	\$390,827	\$269,248	45.2	1.0

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

(a) This line item was added to the Fiscal Year 2014 Revenue Forecast. Since there were no collections for this line item during Fiscal Year 2013, the Monthly and Year-To-Date % Change columns do not provide comparable data.

(b) The "PTF Motor Fuels" line item was removed from the Transportation Trust Fund Revenue Forecast. The amount previously reported in "PTF Motor Fuels" was reclassified to "Motor Fuel Taxes (Includes Aviation & Roads Taxes)." In order to provide comparable data, the Fiscal Year 2013 monthly and year-to-date amounts were likewise reclassified.