

COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT June 2003

Summary

Collections in the Commonwealth Transportation Fund increased by 8.2 percent in June. Fiscal year 2003 annual growth was 1.3 percent, well below the forecasted growth rate of 3.7 percent. Slow collections throughout most of the fiscal year resulted in a deficit of \$48.0 million in the Commonwealth Transportations Fund's total state taxes and fees.

Motor Fuels Tax (excluding PTF Fuels Tax Revenue)

Motor fuels tax collections increased by 4.1 percent in June, the highest monthly growth rate since September. Annual collections are up 1.8 percent, lagging the official forecast by 1.3 percentage points. Collections in this source over the remainder of the summer are expected to be sluggish due to high gasoline prices. The most immediate impact of high crude prices will be felt at the pump, as gasoline prices will be supported by strong demand, low gasoline stocks and high crude oil prices. Moreover, with refineries operating essentially at full capacity, risks of unscheduled downtime are heightened. This may lead to regional shortages and price spikes before the end of the summer driving season.

Motor Vehicle Sales and Use Tax

Collections in this source increased by a solid 13.3 percent in June. Year-to-date collections are up 2.0 percent, lagging the 4.5 percent growth expected in the official forecast. Nationally, vehicle sales have been essentially flat since the beginning of the year and are expected to hover around the 16 million mark through the end of the year. Nonetheless, on a seasonally adjusted pace, sales were stronger in June than expected.

State Retail Sales Tax

The transportation portion of the state retail sales tax increased by 3.2 percent in June. Collections in this source are down 3.2 percent in fiscal year 2003 as the July TTF retail sales tax were retained in the general fund in June.

Motor Vehicle Licenses

Motor vehicle registration fee collections increased by 47.0 percent in June. Year-to-date growth is now 9.4 percent, well behind the official forecast of 20.8 percent growth.

Commonwealth of Virginia/Department of Accounts
Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues
Summary Statement of Revenue Estimates & Collections
For the Fiscal Years 2002 and 2003
(Dollars in Thousands)

Revenue	FY 2003 Estimate	As a % of Total Fund	June			Year-To-Date			% Annual Growth Required By Estimate
			FY 2003	FY 2002	% Change	FY 2003	FY 2002	% Change	
Motor Fuel Taxes	\$819,100	28.96	\$140,342	\$134,844	4.1	\$808,527	\$794,266	1.8	3.1
Priority Transportation Fund	20,000	0.71	2,000	2,000	0.0	20,000	20,000	0.0	0.0
Motor Vehicle Sales and Use Tax	556,300	19.67	53,819	47,485	13.3	542,743	532,137	2.0	4.5
State Sales and Use Tax	381,100	13.47	33,331	32,302	3.2	375,681	388,139	(3.2)	(1.8)
Motor Vehicle License Fees	175,300	6.19	15,194	10,337	47.0	158,703	145,080	9.4	20.8
International Registration Plan	61,300	2.17	7,866	7,498	4.9	57,569	59,223	(2.8)	3.5
Interest Earnings	12,400	0.44	1	3	(66.7)	14,625	14,020	4.3	(11.6)
Misc. Taxes, Fees, and Revenues	23,600	0.84	1,700	502	238.6	23,232	22,807	1.9	3.5
Total State Taxes and Fees	\$2,049,100	72.45	\$254,253	\$234,971	8.2	\$2,001,080	\$1,975,672	1.3	3.7

Percentage is greater than 1,000%.

Commonwealth of Virginia/Department of Accounts
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Statement of Revenue Estimates & Collections
For the Fiscal Years 2002 and 2003
(Dollars in Thousands)

Revenue	FY 2003 Estimate	As a % of Total Fund	June			Year-To-Date		
			FY 2003	FY 2002	% Change	FY 2003	FY 2002	% Change
HIGHWAY MAINTENANCE AND OPERATING FUND:								
Motor Fuel Taxes (Includes Road Tax)	\$699,200	24.72	\$120,174	\$115,695	3.9	\$688,411	\$676,452	1.8
Motor Vehicle Sales and Use Tax	357,600	12.64	34,293	30,298	13.2	347,915	342,009	1.7
Motor Vehicle License Fees	151,100	5.34	13,152	8,656	51.9	139,011	125,814	10.5
International Registration Plan	61,300	2.17	7,866	7,498	4.9	57,569	59,223	(2.8)
Misc. Taxes, Fees, and Revenues	23,600	0.84	1,700	502	238.6	23,232	22,807	1.9
Total State Taxes and Fees	\$1,292,800	45.71	\$177,185	\$162,649	8.9	\$1,256,138	\$1,226,305	2.4
Other Revenues:								
Federal Grants and Contracts	\$0	0.00	\$988	\$2,686	(63.2)	\$13,634	\$15,064	(9.5)
Transfer (to) / from Transportation Trust Fund	147,200	5.21	(40,343)	(14,006)	(188.0)	96,927	(14,006)	792.0
Total Highway Maintenance and Operating Fund	\$1,440,000	50.92	\$137,830	\$151,329	(8.9)	\$1,366,699	\$1,227,363	11.4
TRANSPORTATION TRUST FUND:								
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$119,900	4.24	\$20,168	\$19,149	5.3	\$120,116	\$117,814	2.0
Priority Transportation Fund	20,000	0.71	2,000	2,000	0.0	20,000	20,000	0.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	198,700	7.03	19,526	17,187	13.6	194,828	190,128	2.5
State Sales and Use Tax	381,100	13.47	33,331	32,302	3.2	375,681	388,139	(3.2)
Motor Vehicle License Fees	24,200	0.85	2,042	1,681	21.5	19,692	19,266	2.2
Interest Earnings	12,400	0.44	1	3	(66.7)	14,625	14,020	4.3
Total State Taxes and Fees	\$756,300	26.74	\$77,068	\$72,322	6.6	\$744,942	\$749,367	(0.6)
Other Revenues:								
Federal Grants and Contracts	\$669,400	23.67	\$41,271	\$50,041	(17.5)	\$678,299	\$948,773	(28.5)
Receipts from Cities/Counties	37,500	1.33	(1,605)	2,030	(179.1)	25,284	33,973	(25.6)
Toll Revenues (Includes Route 28)	72,200	2.55	11,650	5,362	117.3	62,805	63,060	(0.4)
Miscellaneous Revenues	0	0.00	897	2,428	(63.1)	17,384	16,489	5.4
Total Other Revenues	\$779,100	27.55	\$52,213	\$59,861	(12.8)	\$783,772	\$1,062,295	(26.2)
Transfer (to) / from Highway Maintenance and Operating Fund	(\$147,200)	(5.21)	\$40,343	\$14,006	188.0	(\$96,927)	\$14,006	(792.0)
Total Transportation Trust Fund	\$1,388,200	49.08	\$169,624	\$146,189	16.0	\$1,431,787	\$1,825,668	(21.6)
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND	\$2,828,200	100.00	\$307,454	\$297,518	3.3	\$2,798,486	\$3,053,031	(8.3)

Percentage is greater than 1,000%.