

COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT June 2005

Summary

Collections in the Commonwealth Transportation Fund increased by 2.7 percent in June. Fiscal year 2005's annual growth was 3.3 percent, slightly ahead of the forecasted growth rate of 2.8 percent. Stronger than anticipated general retail sales tax collections contributed to the fiscal year 2005 surplus of \$9.1 million.

Motor Fuels Tax (excluding PTF Fuels Tax Revenue)

Motor fuels tax collections declined by 6.3 percent in June. Annual collections were up only 0.4 percent, lagging the official forecast by 1.1 percentage points. Soaring demand drove the price of gasoline to near record levels in June. There are no signs of slowing consumption. The insatiable appetite for refined products will ensure that prices will remain very close to record levels and may even reach fresh all-time highs in the weeks ahead.

Motor Vehicle Sales and Use Tax

Collections in this source increased by 5.4 percent in June. Year-to-date collections are up 1.9 percent, slightly behind the 2.7 percent growth expected in the official forecast. The strength of consumer spending on motor vehicles continues to surprise. Despite apparent spent-up demand and the effect of higher fuel prices on disposable income, U.S. consumers continue to purchase new vehicles at a strong pace. Vehicle sales rebounded more or less to their May rate of 17.4 million units, seasonally adjusted annualized rate, thanks to General Motors' highly successful campaign, which made all of its vehicles available to the general public with employee discounts.

State Retail Sales Tax

The transportation portion of the state retail sales tax increased by 16.4 percent in June. Collections in this source increased by 8.4 percent in fiscal year 2005, well ahead of the anticipated 5.4 percent growth rate.

Motor Vehicle Licenses

Motor vehicle registration fee collections increased by 9.1 percent in June. Year-to-date growth was 1.0 percent, slightly lagging the official forecast of a 1.8 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 2004 and 2005
(Dollars in Thousands)

Revenue	FY 2005 Estimate	As a % of Total Fund	June			Year-To-Date			% Annual Growth Required By Estimate
			FY 2005	FY 2004	% Change	FY 2005	FY 2004	% Change	
Motor Fuel Taxes	\$858,900	27.96	\$136,987	\$146,214	(6.3)	\$849,489	\$846,080	0.4	1.5
Priority Transportation Fund	20,000	0.65	2,000	2,000	0.0	20,000	20,000	0.0	0.0
Motor Vehicle Sales and Use Tax	620,300	20.19	60,088	57,011	5.4	615,261	604,078	1.9	2.7
State Sales and Use Tax	437,600	14.24	44,090	37,887	16.4	449,867	415,042	8.4	5.4
Motor Vehicle License Fees	165,700	5.40	16,431	15,067	9.1	164,451	162,754	1.0	1.8
International Registration Plan	57,400	1.87	12,154	8,179	48.6	60,720	54,349	11.7	5.6
Interest Earnings	15,300	0.50	5,011	157	#	17,641	10,670	65.3	43.4
Misc. Taxes, Fees, and Revenues	19,600	0.64	(981)	2,101	(146.7)	26,460	21,369	23.8	(8.3)
Total State Taxes and Fees	\$2,194,800	71.45	\$275,780	\$268,616	2.7	\$2,203,889	\$2,134,342	3.3	2.8

Percentage is greater than 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 2004 and 2005
(Dollars in Thousands)

Revenue	FY 2005 Estimate	As a % of Total Fund	June			Year-To-Date			% Annual Growth Required By Est
			FY 2005	FY 2004	% Change	FY 2005	FY 2004	% Change	
HIGHWAY MAINTENANCE AND OPERATING FUND:									
Motor Fuel Taxes (Includes Road Tax)	\$737,300	24.00	\$117,137	\$127,126	(7.9)	\$730,370	\$727,945	0.3	1.3
Motor Vehicle Sales and Use Tax	398,500	12.97	38,618	36,629	5.4	395,924	388,736	1.8	2.5
Motor Vehicle License Fees	144,800	4.72	14,370	13,072	9.9	143,867	142,242	1.1	1.8
International Registration Plan	57,400	1.87	12,154	8,179	48.6	60,720	54,349	11.7	5.6
Misc. Taxes, Fees, and Revenues	19,600	0.64	(981)	2,101	(146.7)	26,460	21,369	23.8	(8.3)
Total State Taxes and Fees	\$1,357,600	44.20	\$181,298	\$187,107	(3.1)	\$1,357,341	\$1,334,641	1.7	1.7
Other Revenues:									
Federal Grants and Contracts	\$0	0.00	\$3,136	\$1,061	195.6	\$29,360	\$13,419	118.8	(100.0)
Transfer (to) / from Transportation Trust Fund	244,600	7.96	0	0	-	194,977	56,902	242.7	329.9
Total Highway Maintenance and Operating Fund	\$1,602,200	52.16	\$184,434	\$188,168	(2.0)	\$1,581,678	\$1,404,962	12.6	14.0
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$121,600	3.96	\$19,850	\$19,088	4.0	\$119,119	\$118,135	0.8	2.9
Priority Transportation Fund	20,000	0.65	2,000	2,000	0.0	20,000	20,000	0.0	0.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	221,800	7.22	21,470	20,382	5.3	219,337	215,342	1.9	3.0
State Sales and Use Tax	437,600	14.24	44,090	37,887	16.4	449,867	415,042	8.4	5.4
Motor Vehicle License Fees	20,900	0.68	2,061	1,995	3.3	20,584	20,512	0.4	1.9
Interest Earnings	15,300	0.50	5,011	157	#	17,641	10,670	65.3	43.4
Total State Taxes and Fees	\$837,200	27.25	\$94,482	\$81,509	15.9	\$846,548	\$799,701	5.9	4.7
Other Revenues:									
Federal Grants and Contracts	\$764,800	24.90	\$43,640	\$31,937	36.6	\$455,987	\$639,152	(28.7)	19.7
Receipts from Cities/Counties	43,700	1.42	687	493	39.4	25,635	31,701	(19.1)	37.9
Toll Revenues (Includes Route 28)	63,000	2.05	14,758	5,175	185.2	111,551	74,564	49.6	(15.5)
Miscellaneous Revenues	5,500	0.18	(398)	1,881	(121.2)	27,191	18,346	48.2	(70.0)
Total Other Revenues	\$877,000	28.55	\$58,687	\$39,486	48.6	\$620,364	\$763,763	(18.8)	14.8
Transfer (to) / from Highway Maintenance and Operating Fund	(\$244,600)	(7.96)	\$0	\$0	-	(\$194,977)	(\$56,902)	(242.7)	(329.9)
Total Transportation Trust Fund	\$1,469,600	47.84	\$153,169	\$120,995	26.6	\$1,271,935	\$1,506,562	(15.6)	(2.5)
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND									
	\$3,071,800	100.00	\$337,603	\$309,163	9.2	\$2,853,613	\$2,911,524	(2.0)	5.5

Percentage is greater than 1,000%.