COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT
June 2010

Summary

Commonwealth Transportation Fund revenues increased by 4.6 percent in June mainly on the strength of motor vehicle sales tax collections. Fiscal year 2010 collections declined by 0.3 percent, the second consecutive annual revenue decline, but finished the year well ahead of the forecast of a 3.0 percent decline.

Motor Fuels Tax

Motor fuels tax collections increased by 3.3 percent this month and was down 1.1 percent for the year, slightly ahead of the 1.8 percent decline required in the official forecast.

U.S. liquid fuels consumption is beginning to show signs of recovery after having fallen in 2009, the fourth consecutive annual decline. The year - over - year decline in total liquid fuels consumption slowed in the first quarter of 2010. Total consumption for the second quarter, however, rose compared with the same period last year.

Projected regular - grade gasoline retail prices rise from an average $2.35 per gallon in 2009 to an average $2.77 per gallon in 2010 and $2.90 per gallon in 2011. Forecast regular - grade pump prices average $2.80 per gallon this summer, an increase of 36 cents from the previous summer. On - highway diesel fuel retail prices, which averaged $2.46 per gallon in 2009, average $2.98 per gallon in 2010 and $3.13 in 2011 in this forecast.

Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 11.1 percent in June, the fourth consecutive double-digit monthly increase. Fiscal year 2010 growth was 7.1 percent, well ahead of the forecast of a 5.0 percent decline.

However, to illustrate the depth to which vehicle sales fell in the 2008-2009 recession, fiscal year 2010 new car sales are now at the fiscal year 1993 level and used car sales are at the fiscal year 1996 level

Vehicle sales are expected to track the improvement in the labor market. Sales are expected to edge higher, ending the year at a seasonally adjusted annualized pace of 12 million units. The increase will accelerate in 2011 and 2012 as the job market gains

momentum and as pent-up demand is released. Sales will return to their pre-recession pace of about 16 million units by the end of 2012.

Near-term risks point to the downside. If the recovery flags in coming months, the employment situation fails to improve, and consumer confidence suffers, sales will remain weak. Automakers may try to counteract these forces with higher incentives, but such efforts usually have temporary effects.

State Retail Sales Tax

The TTF portion of the state retail sales tax increased by 3.4 percent in June. The decline of 1.7 percent ended the year well ahead of the official forecast of a 4.2 percent decline.

Motor Vehicle Licenses

Motor vehicle registration fee collections increased by 1.3 percent in June.

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	June			Year-To-Date			% Annual Growth Required By Estimate
			FY 2010	FY 2009	% Change	FY 2010	FY 2009	% Change	
Motor Fuel Taxes	$824,000	25.21	$141,710	$137,168	3.3	$830,112	$839,513	(1.1)	(1.8)
Priority Transportation Fund (PTF)	149,100	4.56	2,000	2,000	0.0	149,102	152,286	(2.1)	(2.1)
Motor Vehicle Sales and Use Tax	420,100	12.86	48,128	43,324	11.1	473,707	442,309	7.1	(5.0)
State Sales and Use Tax	478,300	14.64	41,247	39,900	3.4	490,714	499,366	(1.7)	(4.2)
Motor Vehicle License Fees	239,900	7.34	23,483	23,181	1.3	230,200	241,636	(4.7)	(0.7)
International Registration Plan	58,600	1.79	6,851	9,424	(27.3)	59,770	58,833	1.6	(0.4)
Recordation Tax	33,500	1.02	3,774	3,703	1.9	35,186	35,703	(1.4)	(6.2)
Interest Earnings	23,900	0.73	4,784	1,026	366.3	22,956	27,749	(17.3)	(13.9)
Misc. Taxes, Fees, and Revenues	12,700	0.39	1,186	1,502	(21.0)	12,752	12,934	(1.4)	(1.8)
Total State Taxes and Fees	$2,240,100	68.54	$273,163	$261,228	4.6	$2,304,499	$2,310,329	(0.3)	(3.0)

 # 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	June			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)	$710,800	21.75	$122,932	$119,617	2.8	$715,089	$722,709	(1.1)	(1.6)
Motor Vehicle Sales and Use Tax	253,200	7.75	29,598	26,839	10.3	289,456	269,731	7.3	(6.1)
Motor Vehicle License Fees	218,700	6.69	21,413	21,130	1.3	209,464	220,035	(4.8)	(0.6)
International Registration Plan	58,600	1.79	6,851	9,424	(27.3)	59,770	58,833	1.6	(0.4)
Recordation Tax (1 cent)	11,200	0.34	1,258	1,234	1.9	11,729	11,901	(1.4)	(5.9)
Misc. Taxes, Fees, and Revenues	12,700	0.39	1,186	1,502	(21.0)	12,752	12,934	(1.4)	(1.8)
Total State Taxes and Fees	$1,265,200	38.71	$183,238	$179,746	1.9	$1,298,260	$1,296,143	0.2	(2.4)
Other Revenues:									
Federal Grants and Contracts	$0	0.00	$1,992	$3,255	(38.8)	$19,253	$20,341	(5.3)	(100.0)
Miscellaneous Revenues	15,698	0.48	684	893	(23.4)	14,423	13,842	4.2	13.4
Transfer (to) / from Transportation Trust Fund	500,188	15.31	157,604	0	-	507,604	364,831	39.1	37.1
Total Highway Maintenance and Operating Fund	$1,781,086	54.50	$343,518	$183,894	86.8	$1,839,540	$1,695,157	8.5	5.1
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	$113,200	3.46	$18,778	$17,551	7.0	$115,023	$116,804	(1.5)	(3.1)
PTF Motor Fuels	20,000	0.61	2,000	2,000	0.0	20,000	20,000	0.0	0.0
PTF Insurance Premiums Tax	129,100	3.95	0	0	-	129,102	132,286	(2.4)	(2.4)
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	166,900	5.11	18,530	16,485	12.4	184,251	172,578	6.8	(3.3)
State Sales and Use Tax	478,300	14.64	41,247	39,900	3.4	490,714	499,366	(1.7)	(4.2)
Motor Vehicle License Fees	21,200	0.65	2,070	2,051	0.9	20,736	21,601	(4.0)	(1.9)
Recordation Tax (2 cents)	22,300	0.68	2,516	2,469	1.9	23,457	23,802	(1.4)	(6.3)
Interest Earnings	23,900	0.73	4,784	1,026	366.3	22,956	27,749	(17.3)	(13.9)
Total State Taxes and Fees	$974,900	29.83	$89,925	$81,482	10.4	$1,006,239	$1,014,186	(0.8)	(3.9)
Other Revenues:									
Federal Grants and Contracts	$844,434	25.84	$86,508	$37,159	132.8	$824,119	$789,086	4.4	7.0
Receipts from Cities/Counties	96,900	2.97	2,273	3,790	(40.0)	46,086	46,810	(1.5)	107.0
Toll Revenues (Includes Route 28)	52,309	1.60	1,041	7,817	(86.7)	44,454	77,947	(43.0)	(32.9)
Miscellaneous Revenues	18,542	0.57	3,996	2,569	55.5	29,604	18,328	61.5	1.2
Total Other Revenues	$1,012,185	30.98	$93,818	$51,335	82.8	$944,263	$932,171	1.3	8.6
Transfer (to) / from Highway Maintenance and Operating Fund	($500,188)	(15.31)	($157,604)	$0	-	($507,604)	($364,831)	(39.1)	(37.1)
Total Transportation Trust Fund	$1,486,897	45.50	$26,139	$132,817	(80.3)	$1,442,898	$1,581,526	(8.8)	(6.0)
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND	$3,267,983	100.00	$369,657	$316,711	16.7	$3,282,438	$3,276,683	0.2	(0.3)

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