

## COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT June 2015

### Summary

Commonwealth Transportation Fund (CTF) revenues increased by 37.9 percent in June, driven primarily by strong retail sales and motor vehicle sales tax collections. Year-to-date collections are up 11.8 percent, close to two percentage points above the official estimate of 10.0 percent.

### Motor Fuels Tax

Motor fuel taxes increased by 33.0 percent in June, and are up 9.4 percent for the year. March collections (representing January sales) marked the first period in which a higher tax rate was imposed on the sales of gasoline. The higher rate, effective January 1, 2015, was a provision of Chapter 766 (2013).

U.S. regular gasoline monthly average retail prices reached a 2015 high of \$2.72/gallon (gal) in May, an increase of 25¢/gal from April. The higher prices reflect rising crude oil prices and isolated outages at West Coast and Midwest refineries. Monthly average gasoline prices are expected to decline from their May level through the rest of the year, averaging \$2.43/gal during the second half of 2015. U.S. regular gasoline retail prices are forecast to average \$2.44/gal in 2015 and \$2.55/gal in 2016.

### Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 11.7 percent in June. Annual growth is up 8.3 percent.

Vehicle sales surged in May, but some of the strong performance could reflect catch-up buying. The very strong May sales pace of 17.8 million units SAAR follow three months of sales that were solid but somewhat disappointing. Year-to-date sales averaging 16.9 million units are in line with the expectations for the full year. The strong vehicle industry is providing the U.S. economy and manufacturing in particular considerable support in view of the pressures that energy producers and manufacturers dependent on the energy and commodities sectors face. Manufacturers are also facing challenges created by the strong dollar, which is reducing demand for their products abroad.

### State Retail Sales Tax

The transportation portion of the state retail sales tax increased by 83.2 percent in June, due to the increased amount of general fund sales tax collections being deposited into the Highway Maintenance Fund as stipulated by Chapter 766 (2013) as well as collections of accelerated sales taxes in June. Annual collections increased by 20.9 percent, slightly ahead of the official forecast of 20.5 percent growth.

### Motor Vehicle Licenses

Motor vehicle registration fee collections increased by 9.5 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 2014 and 2015**  
**(Dollars in Thousands)**

Revenue	FY 2015 Estimate	As a % of Total Fund	June			Year-To-Date			% Annual Growth Required By Estimate
			FY 2015	FY 2014	% Change	FY 2015	FY 2014	% Change	
<b>Motor Fuel Taxes</b>	\$722,600	17.11	\$144,173	\$108,376	33.0	\$722,534	\$660,256	9.4	9.4
<b>Priority Transportation Fund (PTF)</b>	150,397	3.56	0	0	-	150,397	130,769	15.0	15.0
<b>Motor Vehicle Sales and Use Tax</b>	849,300	20.11	86,979	77,901	11.7	890,442	821,937	8.3	3.3
<b>State Sales and Use Tax</b>	991,100	23.46	142,365	77,729	83.2	994,855	822,560	20.9	20.5
<b>Motor Vehicle License Fees</b>	245,600	5.81	24,336	22,220	9.5	245,122	249,333	(1.7)	(1.5)
<b>International Registration Plan</b>	60,200	1.43	6,026	5,656	6.5	66,036	59,647	10.7	0.9
<b>Recordation Tax</b>	37,900	0.90	4,663	3,615	29.0	42,001	37,340	12.5	1.5
<b>Interest Earnings</b>	14,300	0.34	1,563	1,576	(0.8)	7,533	7,159	5.2	99.7
<b>Misc. Taxes, Fees, and Revenues</b>	15,700	0.37	1,572	1,415	11.1	18,320	17,320	5.8	(9.4)
<b>Total State Taxes and Fees</b>	<b>\$3,087,097</b>	<b>73.09</b>	<b>\$411,677</b>	<b>\$298,488</b>	<b>37.9</b>	<b>\$3,137,240</b>	<b>\$2,806,321</b>	<b>11.8</b>	<b>10.0</b>

# 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 2014 and 2015  
(Dollars in Thousands)

Revenue	FY 2015 Estimate	As a % of Total Fund	June			Year-To-Date			% Annual Growth Required By Est
			FY 2015	FY 2014	% Change	FY 2015	FY 2014	% Change	
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>									
Motor Fuel Taxes (Includes Road Tax)	\$576,200	13.64	\$116,965	\$87,004	34.4	\$574,545	\$527,826	8.9	9.2
Motor Vehicle Sales and Use Tax	606,400	14.36	63,164	52,500	20.3	638,577	581,187	9.9	4.3
State Sales and Use Tax	284,600	6.74	39,728	18,548	114.2	277,880	191,217	45.3	48.8
Motor Vehicle License Fees	223,600	5.29	22,174	20,226	9.6	223,334	227,629	(1.9)	(1.8)
International Registration Plan	60,200	1.43	6,026	5,656	6.5	66,036	59,647	10.7	0.9
Recordation Tax (1 cent)	12,700	0.30	1,554	1,205	29.0	14,000	12,456	12.4	2.0
Misc. Taxes, Fees, and Revenues	15,700	0.37	1,572	1,415	11.1	18,320	17,320	5.8	(9.4)
<b>Total State Taxes and Fees</b>	<b>\$1,779,400</b>	<b>42.13</b>	<b>\$251,183</b>	<b>\$186,554</b>	<b>34.6</b>	<b>\$1,812,692</b>	<b>\$1,617,282</b>	<b>12.1</b>	<b>10.0</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$4,088	\$1,268	222.4	\$31,021	\$26,038	19.1	(100.0)
Miscellaneous Revenues	10,424	0.25	2,464	3,045	(19.1)	29,203	20,511	42.4	(49.2)
Transfer (to) / from Transportation Trust Fund	164,579	3.90	84,579	3,578	#	164,579	317,520	(48.2)	(48.2)
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$1,954,403</b>	<b>46.28</b>	<b>\$342,314</b>	<b>\$194,445</b>	<b>76.0</b>	<b>\$2,037,495</b>	<b>\$1,981,351</b>	<b>2.8</b>	<b>(1.4)</b>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$146,400	3.47	\$27,208	\$21,372	27.3	\$147,989	\$132,430	11.7	10.5
PTF Insurance Premiums Tax	150,397	3.56	0	0	-	150,397	130,769	15.0	15.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	242,900	5.75	23,815	25,401	(6.2)	251,865	240,750	4.6	0.9
State Sales and Use Tax	706,500	16.72	102,637	59,181	73.4	716,975	631,343	13.6	11.9
Motor Vehicle License Fees	22,000	0.52	2,162	1,994	8.4	21,788	21,704	0.4	1.4
Recordation Tax (2 cents)	25,200	0.60	3,109	2,410	29.0	28,001	24,884	12.5	1.3
Interest Earnings	14,300	0.34	1,563	1,576	(0.8)	7,533	7,159	5.2	99.7
<b>Total State Taxes and Fees</b>	<b>\$1,307,697</b>	<b>30.96</b>	<b>\$160,494</b>	<b>\$111,934</b>	<b>43.4</b>	<b>\$1,324,548</b>	<b>\$1,189,039</b>	<b>11.4</b>	<b>10.0</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$902,510	21.37	\$68,067	\$73,967	(8.0)	\$1,271,926	\$1,244,619	2.2	(27.5)
Receipts from Cities/Counties	203,616	4.82	16,054	14,330	12.0	132,187	81,476	62.2	149.9
Toll Revenues (Includes Route 28)	16,000	0.38	1,164	920	26.5	18,254	17,730	3.0	(9.8)
Miscellaneous Revenues	3,669	0.09	4,114	7,231	(43.1)	28,335	30,027	(5.6)	(87.8)
<b>Total Other Revenues</b>	<b>\$1,125,795</b>	<b>26.66</b>	<b>\$89,399</b>	<b>\$96,448</b>	<b>(7.3)</b>	<b>\$1,450,702</b>	<b>\$1,373,852</b>	<b>5.6</b>	<b>(18.1)</b>
<b>Transfer (to) / from Highway Maintenance and Operating Fund</b>									
Maintenance and Operating Fund	(\$164,579)	(3.90)	(\$84,579)	(\$3,578)	#	(\$164,579)	(\$317,520)	48.2	48.2
<b>Total Transportation Trust Fund</b>	<b>\$2,268,913</b>	<b>53.72</b>	<b>\$165,314</b>	<b>\$204,804</b>	<b>(19.3)</b>	<b>\$2,610,671</b>	<b>\$2,245,371</b>	<b>16.3</b>	<b>1.0</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>									
	<b>\$4,223,316</b>	<b>100.00</b>	<b>\$507,628</b>	<b>\$399,249</b>	<b>27.1</b>	<b>\$4,648,166</b>	<b>\$4,226,722</b>	<b>10.0</b>	<b>(0.1)</b>

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