

## COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT March 2008

### Summary

Revenue collections declined by 2.3 percent in March, and on a year-to-date basis, growth is up 4.5 percent, ahead of the 4.0 percent annual target. The decline in monthly growth was mainly attributable to a 21.5 percent drop in motor vehicle sales tax.

### Motor Fuels Tax (including PTF Fuels Tax Revenue)

Motor Fuels Tax collections increased 4.4 percent in March. Annual collections through the first nine months of fiscal year 2008 are up 2.7 percent.

The U.S. average retail price for regular gasoline moved higher, setting another all-time record of 333.2 cents per gallon. The price increased by 4.2 cents, 53.0 cents higher than the price a year ago. Prices increased in every region of the country. The average retail diesel price of 395.5 cents per gallon was 111.5 cents higher than the price at the same time last year.

### Motor Vehicle Sales and Use Tax

Collections in this source dropped by 21.5 percent in March, the largest monthly decline since February 1991. Year-to-date growth is down 5.9 percent.

U.S. vehicle sales fell sharply in March. Consumer spending on vehicles is falling victim to the weak housing market, particularly declining home equity, falling consumer confidence amid concerns that the economy is now in recession and that the labor market could weaken further, and rising energy prices. Consumers are responding to rising energy costs by shifting to more fuel-efficient vehicles. Pickup trucks and SUVs have fared particularly poorly and the light truck share of sales has fallen sharply. Fuel-efficient sedans and crossover vehicles sold well in March.

### State Retail Sales Tax

The transportation portion of retail sales tax increased by 0.9 percent in March. Collections in this source are up 1.6 percent in fiscal year 2008.

### Motor Vehicle Licenses

Motor vehicle registration fee collections increased by 29.9 percent in March. Collections of \$22.1 million include \$5.6 million attributable to the motor vehicle license fee increase. Adjusting for the registration fee increase, this month's collections were down 2.9 percent from last year.

**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 2007 and 2008**  
**(Dollars in Thousands)**

Revenue	FY 2008 Estimate	As a % of Total Fund	March			Year-To-Date			% Annual Growth Required By Estimate
			FY 2008	FY 2007	% Change	FY 2008	FY 2007	% Change	
<b>Motor Fuel Taxes</b>	\$894,000	24.02	\$70,502	\$67,516	4.4	\$594,633	\$578,911	2.7	4.0
<b>Priority Transportation Fund</b>	20,000	0.54	2,000	2,000	0.0	14,000	14,000	0.0	0.0
<b>Motor Vehicle Sales and Use Tax</b>	599,900	16.11	43,726	55,675	(21.5)	429,254	455,947	(5.9)	(4.5)
<b>State Sales and Use Tax</b>	517,800	13.91	37,602	37,259	0.9	394,288	388,200	1.6	0.1
<b>Motor Vehicle License Fees</b>	253,100	6.81	22,121	17,033	29.9	178,480	125,551	42.2	49.4
<b>International Registration Plan</b>	64,500	1.73	10,455	11,523	(9.3)	55,104	41,336	33.3	19.5
<b>Interest Earnings</b>	43,500	1.17	114	36	216.7	34,005	24,632	38.1	(19.4)
<b>Misc. Taxes, Fees, and Revenues</b>	15,800	0.42	1,331	1,224	8.7	11,433	9,170	24.7	28.1
<b>Total State Taxes and Fees</b>	<u>\$2,408,600</u>	<u>64.71</u>	<u>\$187,851</u>	<u>\$192,266</u>	<u>(2.3)</u>	<u>\$1,711,197</u>	<u>\$1,637,747</u>	<u>4.5</u>	<u>4.0</u>

# 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 2007 and 2008  
(Dollars in Thousands)

Revenue	FY 2008 Estimate	As a % of Total Fund	March			Year-To-Date			% Annual Growth Required By Est
			FY 2008	FY 2007	% Change	FY 2008	FY 2007	% Change	
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>									
Motor Fuel Taxes (Includes Road Tax)	\$770,300	20.70	\$59,446	\$56,632	5.0	\$509,171	\$499,212	2.0	3.9
Motor Vehicle Sales and Use Tax	369,400	9.92	27,116	34,794	(22.1)	266,035	282,238	(5.7)	(5.3)
Motor Vehicle License Fees	231,700	6.23	20,157	14,906	35.2	162,874	109,594	48.6	56.4
International Registration Plan	64,500	1.73	10,455	11,523	(9.3)	55,104	41,336	33.3	19.5
Misc. Taxes, Fees, and Revenues	15,800	0.42	1,331	1,224	8.7	11,433	9,170	24.7	28.1
<b>Total State Taxes and Fees</b>	<b>\$1,451,700</b>	<b>39.00</b>	<b>\$118,505</b>	<b>\$119,079</b>	<b>(0.5)</b>	<b>\$1,004,617</b>	<b>\$941,550</b>	<b>6.7</b>	<b>7.9</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$2,476	\$1,807	37.0	\$24,074	\$19,414	24.0	(100.0)
Miscellaneous Revenues	16,937	0.46	1,133	1,175	(3.6)	12,221	13,295	(8.1)	0.1
Transfer (to) / from Transportation Trust Fund	260,570	7.00	0	0	-	265,543	231,205	14.9	12.7
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$1,729,207</b>	<b>46.46</b>	<b>\$122,114</b>	<b>\$122,061</b>	<b>0.0</b>	<b>\$1,306,455</b>	<b>\$1,205,464</b>	<b>8.4</b>	<b>6.4</b>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$123,700	3.32	\$11,056	\$10,884	1.6	\$85,462	\$79,699	7.2	4.8
Priority Transportation Fund	20,000	0.54	2,000	2,000	0.0	14,000	14,000	0.0	0.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	230,500	6.19	16,610	20,881	(20.5)	163,219	173,709	(6.0)	(3.4)
State Sales and Use Tax	517,800	13.91	37,602	37,259	0.9	394,288	388,200	1.6	0.1
Motor Vehicle License Fees	21,400	0.58	1,964	2,127	(7.7)	15,606	15,957	(2.2)	0.7
Interest Earnings	43,500	1.17	114	36	216.7	34,005	24,632	38.1	(19.4)
<b>Total State Taxes and Fees</b>	<b>\$956,900</b>	<b>25.71</b>	<b>\$69,346</b>	<b>\$73,187</b>	<b>(5.2)</b>	<b>\$706,580</b>	<b>\$696,197</b>	<b>1.5</b>	<b>(1.3)</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$1,101,708	29.60	\$63,844	\$43,741	46.0	\$601,797	\$464,491	29.6	78.1
Receipts from Cities/Counties	78,428	2.11	1,168	3,059	(61.8)	33,494	37,500	(10.7)	86.4
Toll Revenues (Includes Route 28)	100,598	2.70	11,716	5,471	114.1	89,346	72,667	23.0	(3.0)
Miscellaneous Revenues	15,758	0.42	951	1,026	(7.3)	11,455	15,433	(25.8)	(26.9)
<b>Total Other Revenues</b>	<b>\$1,296,492</b>	<b>34.83</b>	<b>\$77,679</b>	<b>\$53,297</b>	<b>45.7</b>	<b>\$736,092</b>	<b>\$590,091</b>	<b>24.7</b>	<b>65.0</b>
Transfer (to) / from Highway Maintenance and Operating Fund	(\$260,570)	(7.00)	\$0	\$0	-	(\$265,543)	(\$231,205)	(14.9)	(12.7)
<b>Total Transportation Trust Fund</b>	<b>\$1,992,822</b>	<b>53.54</b>	<b>\$147,025</b>	<b>\$126,484</b>	<b>16.2</b>	<b>\$1,177,129</b>	<b>\$1,055,083</b>	<b>11.6</b>	<b>30.8</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>									
	<b>\$3,722,029</b>	<b>100.00</b>	<b>\$269,139</b>	<b>\$248,545</b>	<b>8.3</b>	<b>\$2,483,584</b>	<b>\$2,260,547</b>	<b>9.9</b>	<b>18.2</b>

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