

## COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT March 2012

### Summary

Commonwealth Transportation Fund (CTF) revenues increased by 2.4 percent in March. March's collections were driven by solid growth in retail sales tax collections. On a year-to-date basis, collections are up 2.8 percent, slightly ahead of the annual estimate of 2.2 percent growth.

### Motor Fuels Tax

Motor fuel taxes declined by 1.2 percent in March. Year-to-date, collections have declined by 1.5 percent.

During the April-through-September summer driving season this year, regular gasoline retail prices are forecast to average about \$3.95 per gallon, peaking in May at a monthly average price of \$4.01 per gallon. Regular gasoline retail prices are expected to average \$3.81 per gallon in 2012 and \$3.73 per gallon in 2013, compared with \$3.53 per gallon in 2011.

The June 2012 New York Harbor Reformulated Blendstock for Oxygenate Blending (RBOB) futures contract averaged \$3.28 per gallon for the five trading days ending April 5. Based on the market value of futures and options contracts, there is a 40 percent probability that its price at expiration will exceed \$3.35 per gallon, consistent with a monthly average regular-grade gasoline retail price exceeding \$4.00 per gallon in June.

### Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 2.4 percent in March, bringing annual growth to 8.3 percent.

Vehicle sales have been growing strongly during the first quarter. The unseasonably warm and storm-free winter likely pulled some sales forward from the spring months, but the fact that consumers have been willing to buy more vehicles than at any time during the past four years also reflects improving conditions. Sales during the next two months will remain roughly at the first quarter pace.

Among the factors that are driving vehicle sales are the release of pent-up demand; better access to credit for consumers with less than stellar credit; rising gasoline prices, which are inducing some consumers to trade in their aging and gas-guzzling vehicles for the many new more fuel-efficient models, an improving employment situation and

confidence in the recovery; and healthy profits, which are supporting business purchases of vehicles.

### State Retail Sales Tax

The transportation portion of the state retail sales tax increased by 6.2 percent in March. Year-to-date growth is up 5.4 percent.

### Motor Vehicle Licenses

Motor vehicle registration fee collections declined by 3.1 percent in March.

**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 2011 and 2012**  
**(Dollars in Thousands)**

Revenue	FY 2012 Estimate	As a % of Total Fund	March			Year-To-Date			% Annual Growth Required By Estimate
			FY 2012	FY 2011	% Change	FY 2012	FY 2011	% Change	
<b>Motor Fuel Taxes</b>	\$832,900	23.23	\$62,077	\$62,844	(1.2)	\$563,443	\$571,741	(1.5)	(1.4)
<b>Priority Transportation Fund (PTF)</b>	157,300	4.39	2,000	2,000	0.0	151,297	144,327	4.8	4.6
<b>Motor Vehicle Sales and Use Tax</b>	554,600	15.47	51,623	50,393	2.4	424,425	391,961	8.3	4.2
<b>State Sales and Use Tax</b>	504,800	14.09	39,425	37,113	6.2	366,861	348,023	5.4	5.8
<b>Motor Vehicle License Fees</b>	239,200	6.67	23,377	24,134	(3.1)	174,085	175,599	(0.9)	0.6
<b>International Registration Plan</b>	62,000	1.72	12,973	10,792	20.2	45,748	45,903	(0.3)	1.6
<b>Recordation Tax</b>	38,400	1.07	3,407	2,720	25.3	28,217	25,785	9.4	9.8
<b>Interest Earnings</b>	19,400	0.54	67	22	204.5	8,207	9,255	(11.3)	6.2
<b>Misc. Taxes, Fees, and Revenues</b>	12,800	0.36	945	1,330	(28.9)	9,110	9,718	(6.3)	(0.7)
<b>Total State Taxes and Fees</b>	<u>\$2,421,400</u>	<u>67.54</u>	<u>\$195,894</u>	<u>\$191,348</u>	<u>2.4</u>	<u>\$1,771,393</u>	<u>\$1,722,312</u>	<u>2.8</u>	<u>2.2</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 2011 and 2012  
(Dollars in Thousands)

Revenue	FY 2012 Estimate	As a % of Total Fund	March			Year-To-Date			% Annual Growth Required By Est
			FY 2012	FY 2011	% Change	FY 2012	FY 2011	% Change	
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>									
Motor Fuel Taxes (Includes Road Tax)	\$718,000	20.03	\$53,593	\$51,992	3.1	\$486,820	\$490,353	(0.7)	(1.2)
Motor Vehicle Sales and Use Tax	340,900	9.51	30,666	31,523	(2.7)	261,669	238,380	9.8	4.9
Motor Vehicle License Fees	217,900	6.08	20,959	21,970	(4.6)	158,525	159,955	(0.9)	0.6
International Registration Plan	62,000	1.72	12,973	10,792	20.2	45,748	45,903	(0.3)	1.6
Recordation Tax (1 cent)	12,800	0.36	1,136	907	25.2	9,406	8,595	9.4	9.8
Misc. Taxes, Fees, and Revenues	12,800	0.36	945	1,330	(28.9)	9,110	9,718	(6.3)	(0.7)
<b>Total State Taxes and Fees</b>	<b>\$1,364,400</b>	<b>38.06</b>	<b>\$120,272</b>	<b>\$118,514</b>	<b>1.5</b>	<b>\$971,278</b>	<b>\$952,904</b>	<b>1.9</b>	<b>0.8</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$1,406	\$1,904	(26.2)	\$18,430	\$15,324	20.3	(100.0)
Miscellaneous Revenues	11,479	0.32	626	1,441	(56.6)	14,356	8,080	77.7	(24.2)
Transfer (to) / from Transportation Trust Fund	447,767	12.49	100,340	100,000	0.3	301,020	266,940	12.8	(3.3)
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$1,823,646</b>	<b>50.87</b>	<b>\$222,644</b>	<b>\$221,859</b>	<b>0.4</b>	<b>\$1,305,084</b>	<b>\$1,243,248</b>	<b>5.0</b>	<b>(1.6)</b>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$114,900	3.20	\$8,484	\$10,852	(21.8)	\$76,623	\$81,388	(5.9)	(2.3)
PTF Motor Fuels	20,000	0.56	2,000	2,000	0.0	14,000	14,000	0.0	0.0
PTF Insurance Premiums Tax	137,300	3.83	0	0	-	137,297	130,327	5.3	5.4
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	213,700	5.96	20,957	18,870	11.1	162,756	153,581	6.0	3.1
State Sales and Use Tax	504,800	14.09	39,425	37,113	6.2	366,861	348,023	5.4	5.8
Motor Vehicle License Fees	21,300	0.59	2,418	2,164	11.7	15,560	15,644	(0.5)	0.4
Recordation Tax (2 cents)	25,600	0.71	2,271	1,813	25.3	18,811	17,190	9.4	9.8
Interest Earnings	19,400	0.54	67	22	204.5	8,207	9,255	(11.3)	6.2
<b>Total State Taxes and Fees</b>	<b>\$1,057,000</b>	<b>29.48</b>	<b>\$75,622</b>	<b>\$72,834</b>	<b>3.8</b>	<b>\$800,115</b>	<b>\$769,408</b>	<b>4.0</b>	<b>4.1</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$1,006,822	28.08	\$96,480	\$63,374	52.2	\$724,436	\$655,681	10.5	12.5
Receipts from Cities/Counties	102,383	2.85	(7,236)	456	#	9,810	34,498	(71.6)	135.2
Toll Revenues (Includes Route 28)	28,949	0.81	1,064	808	31.7	8,835	10,934	(19.2)	43.7
Miscellaneous Revenues	14,219	0.40	4,597	3,512	30.9	21,967	52,495	(58.2)	(74.0)
<b>Total Other Revenues</b>	<b>\$1,152,373</b>	<b>32.14</b>	<b>\$94,905</b>	<b>\$68,150</b>	<b>39.3</b>	<b>\$765,048</b>	<b>\$753,608</b>	<b>1.5</b>	<b>13.8</b>
<b>Transfer (to) / from Highway Maintenance and Operating Fund</b>									
Maintenance and Operating Fund	(\$447,767)	(12.49)	(\$100,340)	(\$100,000)	(0.3)	(\$301,020)	(\$266,940)	(12.8)	3.3
<b>Total Transportation Trust Fund</b>	<b>\$1,761,606</b>	<b>49.13</b>	<b>\$70,187</b>	<b>\$40,984</b>	<b>71.3</b>	<b>\$1,264,143</b>	<b>\$1,256,076</b>	<b>0.6</b>	<b>12.5</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>									
	<b>\$3,585,252</b>	<b>100.00</b>	<b>\$292,831</b>	<b>\$262,843</b>	<b>11.4</b>	<b>\$2,569,227</b>	<b>\$2,499,324</b>	<b>2.8</b>	<b>4.9</b>

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