

COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT March 2013

Summary

Commonwealth Transportation Fund (CTF) revenues increased by 1.1 percent in March. Year-to-date collections are up 2.5 percent, slightly lagging the forecasted growth rate of 2.8 percent.

Motor Fuels Tax

Motor fuel taxes grew slightly, increasing by 0.3 percent in March. Year-to-date, collections are down 0.6 percent.

During the April-through-September summer driving season this year, regular gasoline retail prices are forecast to average \$3.63 per gallon. The projected monthly average regular retail gasoline price falls from \$3.69 per gallon in May to \$3.57 per gallon in September. The price of regular gasoline is expected to average \$3.56 per gallon in 2013 and \$3.39 per gallon in 2014, compared with \$3.63 per gallon in 2012. The July 2013 New York harbor reformulated blendstock for oxygenate blending (RBOB) futures contract averaged \$2.97 per gallon for the five trading days ending April 4, 2013. Based on the market value of futures and options contracts, there is a 12 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 July 2013.

Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 2.1 percent in March. Year-to-date, collections are up by 7.2 percent.

It does not appear that higher payroll and income taxes are affecting vehicle sales. This is true in part because households that are most vulnerable to higher payroll taxes are also those least able and likely to purchase new vehicles. The impact of federal spending cuts is also not yet evident but is likely to dampen sales somewhat in coming quarters as many workers suffer reduction in income because of furloughs. Vehicles are expected to average 15.25 million units SAAR during the second quarter.

Tax refunds averaging \$3,000 this year may also be contributing to sales, though this impetus to sales is not as large as it might be because tax refunds are being issued with delays. Tax refunds could have a larger impact in coming months.

State Retail Sales Tax

The transportation portion of the state retail sales tax fell by 0.9 percent in March. Year-to-date growth is up 4.5 percent.

Motor Vehicle Licenses

Motor vehicle registration fee collections fell by 7.2 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 2012 and 2013
(Dollars in Thousands)

Revenue	FY 2013 Estimate	As a % of Total Fund	March			Year-To-Date			% Annual Growth Required By Estimate
			FY 2013	FY 2012	% Change	FY 2013	FY 2012	% Change	
Motor Fuel Taxes	\$838,100	22.27	\$62,275	\$62,077	0.3	\$560,140	\$563,443	(0.6)	0.6
Priority Transportation Fund (PTF)	150,100	3.99	4,000	2,000	100.0	144,064	151,297	(4.8)	(4.6)
Motor Vehicle Sales and Use Tax	619,200	16.45	52,732	51,623	2.1	454,877	424,425	7.2	6.7
State Sales and Use Tax	533,000	14.17	39,051	39,425	(0.9)	383,527	366,861	4.5	5.9
Motor Vehicle License Fees	237,300	6.31	21,688	23,377	(7.2)	177,711	174,085	2.1	0.7
International Registration Plan	63,800	1.70	12,795	12,973	(1.4)	47,292	45,748	3.4	2.0
Recordation Tax	40,500	1.08	4,117	3,407	20.8	33,588	28,217	19.0	3.5
Interest Earnings	9,900	0.26	0	67	(100.0)	4,733	8,207	(42.3)	(29.2)
Misc. Taxes, Fees, and Revenues	14,800	0.39	1,425	945	50.8	10,502	9,110	15.3	19.8
Total State Taxes and Fees	\$2,506,700	66.62	\$198,083	\$195,894	1.1	\$1,816,434	\$1,771,393	2.5	2.8

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 2012 and 2013
(Dollars in Thousands)

Revenue	FY 2013 Estimate	As a % of Total Fund	March			Year-To-Date			% Annual Growth Required By Est
			FY 2013	FY 2012	% Change	FY 2013	FY 2012	% Change	
HIGHWAY MAINTENANCE AND OPERATING FUND:									
Motor Fuel Taxes (Includes Road Tax)	\$721,900	19.18	\$52,347	\$53,593	(2.3)	\$481,051	\$486,820	(1.2)	0.6
Motor Vehicle Sales and Use Tax	382,000	10.15	33,034	30,666	7.7	281,606	261,669	7.6	6.9
Motor Vehicle License Fees	215,800	5.74	19,731	20,959	(5.9)	161,958	158,525	2.2	0.6
International Registration Plan	63,800	1.70	12,795	12,973	(1.4)	47,292	45,748	3.4	2.0
Recordation Tax (1 cent)	13,500	0.36	1,372	1,136	20.8	11,196	9,406	19.0	3.5
Misc. Taxes, Fees, and Revenues	14,800	0.39	1,425	945	50.8	10,502	9,110	15.3	19.8
Total State Taxes and Fees	\$1,411,800	37.52	\$120,704	\$120,272	0.4	\$993,605	\$971,278	2.3	2.5
Other Revenues:									
Federal Grants and Contracts	\$0	0.00	\$2,091	\$1,406	48.7	\$18,276	\$18,430	(0.8)	(100.0)
Miscellaneous Revenues	10,604	0.28	1,336	626	113.4	12,194	14,356	(15.1)	(41.5)
Transfer (to) / from Transportation Trust Fund	363,551	9.66	75,000	100,340	(25.3)	245,000	301,020	(18.6)	(17.7)
Total Highway Maintenance and Operating Fund	\$1,785,955	47.46	\$199,131	\$222,644	(10.6)	\$1,269,075	\$1,305,084	(2.8)	(4.1)
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$116,200	3.09	\$9,928	\$8,484	17.0	\$79,089	\$76,623	3.2	0.6
PTF Motor Fuels	20,000	0.53	4,000	2,000	100.0	14,000	14,000	0.0	0.0
PTF Insurance Premiums Tax	130,100	3.46	0	0	-	130,064	137,297	(5.3)	(5.2)
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	237,200	6.30	19,698	20,957	(6.0)	173,271	162,756	6.5	6.3
State Sales and Use Tax	533,000	14.17	39,051	39,425	(0.9)	383,527	366,861	4.5	5.9
Motor Vehicle License Fees	21,500	0.57	1,957	2,418	(19.1)	15,753	15,560	1.2	1.7
Recordation Tax (2 cents)	27,000	0.72	2,745	2,271	20.9	22,392	18,811	19.0	3.5
Interest Earnings	9,900	0.26	0	67	(100.0)	4,733	8,207	(42.3)	(29.2)
Total State Taxes and Fees	\$1,094,900	29.10	\$77,379	\$75,622	2.3	\$822,829	\$800,115	2.8	3.3
Other Revenues:									
Federal Grants and Contracts	\$996,925	26.49	\$82,785	\$96,480	(14.2)	\$1,063,702	\$724,436	46.8	3.6
Receipts from Cities/Counties	210,651	5.60	(2,622)	(7,236)	63.8	44,327	9,810	351.9	916.8
Toll Revenues (Includes Route 28)	30,312	0.81	860	1,064	(19.2)	8,348	8,835	(5.5)	68.2
Miscellaneous Revenues	7,953	0.20	2,461	4,597	(46.5)	40,736	21,967	85.4	(78.5)
Total Other Revenues	\$1,245,841	33.10	\$83,484	\$94,905	(12.0)	\$1,157,113	\$765,048	51.2	20.0
Transfer (to) / from Highway Maintenance and Operating Fund	(\$363,551)	(9.66)	(\$75,000)	(\$100,340)	25.3	(\$245,000)	(\$301,020)	18.6	17.7
Total Transportation Trust Fund	\$1,977,190	52.54	\$85,863	\$70,187	22.3	\$1,734,942	\$1,264,143	37.2	19.4
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND									
	\$3,763,145	100.00	\$284,994	\$292,831	(2.7)	\$3,004,017	\$2,569,227	16.9	6.9

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