

## COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT March 2016

### Summary

Commonwealth Transportation Fund (CTF) revenues increased by 3.8 percent in March, mainly due to strong motor vehicle sales tax collections. Year-to-date growth stands at 9.1 percent.

### Motor Fuels Tax

Motor fuels tax collections declined by 12.8 percent this month. Year-to-date collections are up 29.2 percent.

During the 2016 April-through-September summer driving season, U.S. regular gasoline retail prices are forecast to average \$2.04/gallon (gal), compared with \$2.63/gal last summer. For all of 2016, the forecast average price is \$1.94/gal, which if realized would save the average U.S. household about \$350 on gasoline in 2016 compared with 2015, with annual average motor fuel expenditures at the lowest level in 12 years.

### Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 13.8 percent in March, and are up 8.8 percent for the year.

U.S. vehicle sales maintained their strong pace this month but were down from the better than 18 million-unit SAAR pace achieved in the fall. Sales have remained above 16 million units since early 2014. The persistently high pace reflects a variety of factors including the steadily improving labor market, now accompanied by rising wages; the availability of attractive financing, including leases and long loan terms that improve vehicle affordability; declining gasoline prices, which are spurring more of a shift into light trucks; and the persistence of pent-up demand due to the deep downturn and long recovery of the U.S. economy. In addition, used-vehicle prices have remained high, supporting trade-in value and the willingness of dealers to offer attractive leases. On top of this, discounting has continued to spark sales.

### State Retail Sales Tax

The transportation portion of the state retail sales tax increased by 9.5 percent in March.

### Motor Vehicle Licenses

Motor vehicle registration fee collections increased by 4.4 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 2015 and 2016**  
**(Dollars in Thousands)**

Revenue	FY 2016 Estimate	As a % of Total Fund	March			Year-To-Date			% Annual Growth Required By Estimate
			FY 2016	FY 2015	% Change	FY 2016	FY 2015	% Change	
<b>Motor Fuel Taxes</b>	\$883,500	19.21	\$60,870	\$69,767	(12.8)	\$583,961	\$451,854	29.2	22.3
<b>Priority Transportation Fund (PTF)</b>	150,346	3.27	0	0	-	150,346	150,397	0.0	0.0
<b>Motor Vehicle Sales and Use Tax</b>	931,700	20.26	84,451	74,233	13.8	706,319	648,991	8.8	4.6
<b>State Sales and Use Tax</b>	1,006,200	21.88	73,194	66,842	9.5	687,440	688,885	(0.2)	1.1
<b>Motor Vehicle License Fees</b>	244,400	5.31	25,842	24,759	4.4	185,958	173,551	7.1	(0.3)
<b>International Registration Plan</b>	66,400	1.44	10,954	9,994	9.6	49,571	47,799	3.7	0.6
<b>Recordation Tax</b>	44,600	0.96	3,752	3,813	(1.6)	32,030	29,650	8.0	6.2
<b>Interest Earnings</b>	13,600	0.30	21	138	(84.8)	1,772	3,937	(55.0)	80.5
<b>Misc. Taxes, Fees, and Revenues</b>	17,000	0.37	1,679	1,592	5.5	13,149	13,441	(2.2)	(7.2)
<b>Total State Taxes and Fees</b>	<u>\$3,357,746</u>	<u>73.00</u>	<u>\$260,763</u>	<u>\$251,138</u>	<u>3.8</u>	<u>\$2,410,546</u>	<u>\$2,208,505</u>	<u>9.1</u>	<u>7.0</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 2015 and 2016**  
(Dollars in Thousands)

Revenue	FY 2016 Estimate	As a % of Total Fund	March			Year-To-Date			% Annual Growth Required By Est
			FY 2016	FY 2015	% Change	FY 2016	FY 2015	% Change	
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>									
Motor Fuel Taxes (Includes Road Tax)	\$705,900	15.35	\$45,247	\$52,752	(14.2)	\$464,819	\$355,596	30.7	22.9
Motor Vehicle Sales and Use Tax	669,000	14.55	61,908	51,939	19.2	511,103	464,169	10.1	4.8
State Sales and Use Tax	280,100	6.09	19,946	18,276	9.1	189,913	192,817	(1.5)	0.8
Motor Vehicle License Fees	222,700	4.84	23,549	22,458	4.9	170,098	157,942	7.7	(0.3)
International Registration Plan	66,400	1.44	10,954	9,994	9.6	49,571	47,799	3.7	0.6
Recordation Tax (1 cent)	14,900	0.32	1,251	1,271	(1.6)	10,677	9,883	8.0	6.4
Misc. Taxes, Fees, and Revenues	17,000	0.37	1,679	1,592	5.5	13,149	13,441	(2.2)	(7.2)
<b>Total State Taxes and Fees</b>	<b>\$1,976,000</b>	<b>42.96</b>	<b>\$164,534</b>	<b>\$158,282</b>	<b>3.9</b>	<b>\$1,409,330</b>	<b>\$1,241,647</b>	<b>13.5</b>	<b>9.0</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$4,470	\$2,833	57.8	\$28,157	\$22,245	26.6	(100.0)
Miscellaneous Revenues	14,595	0.32	1,807	1,535	17.7	17,440	22,537	(22.6)	(50.0)
Transfer (to) / from Transportation Trust Fund	122,489	2.66	50,000	50,000	0.0	46,700	80,000	(41.6)	(25.6)
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$2,113,084</b>	<b>45.94</b>	<b>\$220,811</b>	<b>\$212,650</b>	<b>3.8</b>	<b>\$1,501,627</b>	<b>\$1,366,429</b>	<b>9.9</b>	<b>3.7</b>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$177,600	3.86	\$15,623	\$17,015	(8.2)	\$119,142	\$96,258	23.8	20.0
PTF Insurance Premiums Tax	150,346	3.27	0	0	-	150,346	150,397	0.0	0.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	262,700	5.71	22,543	22,294	1.1	195,216	184,822	5.6	4.3
State Sales and Use Tax	726,100	15.79	53,248	48,566	9.6	497,527	496,068	0.3	1.3
Motor Vehicle License Fees	21,700	0.47	2,293	2,301	(0.3)	15,860	15,609	1.6	(0.4)
Recordation Tax (2 cents)	29,700	0.64	2,501	2,542	(1.6)	21,353	19,767	8.0	6.1
Interest Earnings	13,600	0.30	21	138	(84.8)	1,772	3,937	(55.0)	80.5
<b>Total State Taxes and Fees</b>	<b>\$1,381,746</b>	<b>30.04</b>	<b>\$96,229</b>	<b>\$92,856</b>	<b>3.6</b>	<b>\$1,001,216</b>	<b>\$966,858</b>	<b>3.6</b>	<b>4.3</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$968,328	21.05	\$102,139	\$91,743	11.3	\$981,004	\$1,043,521	(6.0)	(23.9)
Receipts from Cities/Counties	237,187	5.15	13,893	11,714	18.6	66,374	99,126	(33.0)	79.4
Toll Revenues (Includes Route 28)	16,045	0.35	1,016	943	7.7	9,110	8,851	2.9	(12.1)
Miscellaneous Revenues	5,832	0.13	3,335	4,238	(21.3)	19,381	19,693	(1.6)	(79.4)
<b>Total Other Revenues</b>	<b>\$1,227,392</b>	<b>26.68</b>	<b>\$120,383</b>	<b>\$108,638</b>	<b>10.8</b>	<b>\$1,075,869</b>	<b>\$1,171,191</b>	<b>(8.1)</b>	<b>(15.4)</b>
<b>Transfer (to) / from Highway Maintenance and Operating Fund</b>	<b>(\$122,489)</b>	<b>(2.66)</b>	<b>(\$50,000)</b>	<b>(\$50,000)</b>	<b>0.0</b>	<b>(\$46,700)</b>	<b>(\$80,000)</b>	<b>41.6</b>	<b>25.6</b>
<b>Total Transportation Trust Fund</b>	<b>\$2,486,649</b>	<b>54.06</b>	<b>\$166,612</b>	<b>\$151,494</b>	<b>10.0</b>	<b>\$2,030,385</b>	<b>\$2,058,049</b>	<b>(1.3)</b>	<b>(4.8)</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>	<b>\$4,599,733</b>	<b>100.00</b>	<b>\$387,423</b>	<b>\$364,144</b>	<b>6.4</b>	<b>\$3,532,012</b>	<b>\$3,424,478</b>	<b>3.1</b>	<b>(1.0)</b>

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