

## COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT May 2013

### Summary

Commonwealth Transportation Fund (CTF) revenues increased by 4.1 percent in May. Year-to-date collections are up 2.6 percent, slightly lagging the forecasted growth rate of 2.8 percent.

### Motor Fuels Tax

Collections fell by 0.4 percent in May. Year-to-date, collections are down 1.0 percent.

The price of regular gasoline is expected to average \$3.53 per gallon over the summer driving season (April through September). The annual average regular gasoline retail price is projected to decline from \$3.63 per gallon in 2012 to \$3.49 per gallon in 2013 and to \$3.37 per gallon in 2014. Energy price forecasts are highly uncertain, and the current values of futures and options contracts suggest that prices could differ significantly from the projected levels.

### Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 7.1 percent in May. Year-to-date, collections are up by 7.6 percent.

The drivers of vehicle sales for consumers are mixed: Employment growth is weakening, and income growth is constrained by the large amount of slack in the labor market. New-vehicle prices have been rising steadily also. However, vehicle affordability is high thanks to lower interest rates, longer loan maturities, expanded leasing, and the increase in access to credit for buyers with less than stellar credit histories. Further, vehicle buying plans have increased in recent months, as measured by the Conference Board.

### State Retail Sales Tax

The transportation portion of the state retail sales tax increased by 2.3 percent in May. Year-to-date growth is up 4.0 percent.

## Motor Vehicle Licenses

Motor vehicle registration fee collections increased by 13.9 percent in May.

**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<br>Estimate | As a %<br>of Total<br>Fund | May              |                  |             | Year-To-Date       |                    |             | % Annual<br>Growth<br>Required<br>By Estimate |
|---|---------------------|----------------------------|------------------|------------------|-------------|--------------------|--------------------|-------------|---|
|   |                     |                            | FY 2013          | FY 2012          | %<br>Change | FY 2013            | FY 2012            | %<br>Change |   |
| <b>Motor Fuel Taxes</b>                   | \$838,100           | 22.27                      | \$70,197         | \$70,449         | (0.4)       | \$691,554          | \$698,709          | (1.0)       | 0.6   |
| <b>Priority Transportation Fund (PTF)</b> | 150,100             | 3.99                       | 2,000            | 2,000            | 0.0         | 148,064            | 155,297            | (4.7)       | (4.6)   |
| <b>Motor Vehicle Sales and Use Tax</b>    | 619,200             | 16.45                      | 56,673           | 52,916           | 7.1         | 567,691            | 527,404            | 7.6         | 6.7   |
| <b>State Sales and Use Tax</b>            | 533,000             | 14.17                      | 44,859           | 43,860           | 2.3         | 474,807            | 456,686            | 4.0         | 5.9   |
| <b>Motor Vehicle License Fees</b>         | 237,300             | 6.31                       | 23,173           | 20,344           | 13.9        | 224,469            | 216,305            | 3.8         | 0.7   |
| <b>International Registration Plan</b>    | 63,800              | 1.70                       | 4,297            | 4,568            | (5.9)       | 56,120             | 57,457             | (2.3)       | 2.0   |
| <b>Recordation Tax</b>                    | 40,500              | 1.08                       | 4,302            | 3,750            | 14.7        | 41,778             | 35,283             | 18.4        | 3.5   |
| <b>Interest Earnings</b>                  | 9,900               | 0.26                       | 14               | (9)              | 255.6       | 7,477              | 11,457             | (34.7)      | (29.2)  |
| <b>Misc. Taxes, Fees, and Revenues</b>    | 14,800              | 0.39                       | 1,591            | 1,133            | 40.4        | 13,840             | 11,416             | 21.2        | 19.8  |
| <b>Total State Taxes and Fees</b>         | <u>\$2,506,700</u>  | <u>66.62</u>               | <u>\$207,106</u> | <u>\$199,011</u> | <u>4.1</u>  | <u>\$2,225,800</u> | <u>\$2,170,014</u> | <u>2.6</u>  | <u>2.8</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 2012 and 2013  
(Dollars in Thousands)

| Revenue  | FY 2013<br>Estimate | As a %<br>of Total<br>Fund | May              |                  |             | Year-To-Date       |                    |              | % Annual<br>Growth<br>Required<br>By Est |
|--|---------------------|----------------------------|------------------|------------------|-------------|--------------------|--------------------|--------------|--|
|  |                     |                            | FY 2013          | FY 2012          | %<br>Change | FY 2013            | FY 2012            | %<br>Change  |  |
| <b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>                               |                     |                            |                  |                  |             |                    |                    |              |  |
| Motor Fuel Taxes (Includes Road Tax)   | \$721,900           | 19.18                      | \$61,154         | \$61,569         | (0.7)       | \$595,427          | \$601,152          | (1.0)        | 0.6                                      |
| Motor Vehicle Sales and Use Tax  | 382,000             | 10.15                      | 35,752           | 32,812           | 9.0         | 351,523            | 325,392            | 8.0          | 6.9                                      |
| Motor Vehicle License Fees   | 215,800             | 5.74                       | 21,165           | 18,502           | 14.4        | 204,550            | 196,956            | 3.9          | 0.6                                      |
| International Registration Plan  | 63,800              | 1.70                       | 4,297            | 4,568            | (5.9)       | 56,120             | 57,457             | (2.3)        | 2.0                                      |
| Recordation Tax (1 cent)   | 13,500              | 0.36                       | 1,434            | 1,250            | 14.7        | 13,926             | 11,761             | 18.4         | 3.5                                      |
| Misc. Taxes, Fees, and Revenues  | 14,800              | 0.39                       | 1,591            | 1,133            | 40.4        | 13,840             | 11,416             | 21.2         | 19.8                                     |
| <b>Total State Taxes and Fees</b>  | <b>\$1,411,800</b>  | <b>37.52</b>               | <b>\$125,393</b> | <b>\$119,834</b> | <b>4.6</b>  | <b>\$1,235,386</b> | <b>\$1,204,134</b> | <b>2.6</b>   | <b>2.5</b>                               |
| <b>Other Revenues:</b>   |                     |                            |                  |                  |             |                    |                    |              |  |
| Federal Grants and Contracts   | \$0                 | 0.00                       | \$1,468          | \$2,035          | (27.9)      | \$22,136           | \$21,885           | 1.1          | (100.0)                                  |
| Miscellaneous Revenues   | 10,604              | 0.28                       | 1,101            | 709              | 55.3        | 15,876             | 17,781             | (10.7)       | (41.5)                                   |
| Transfer (to) / from Transportation Trust Fund                               | 363,551             | 9.66                       | 0                | 0                | -           | 261,905            | 301,020            | (13.0)       | (17.7)                                   |
| <b>Total Highway Maintenance and Operating Fund</b>                          | <b>\$1,785,955</b>  | <b>47.46</b>               | <b>\$127,962</b> | <b>\$122,578</b> | <b>4.4</b>  | <b>\$1,535,303</b> | <b>\$1,544,820</b> | <b>(0.6)</b> | <b>(4.1)</b>                             |
| <b>TRANSPORTATION TRUST FUND:</b>  |                     |                            |                  |                  |             |                    |                    |              |  |
| Motor Fuel Taxes (Includes Aviation & Road Taxes)                            | \$116,200           | 3.09                       | \$9,043          | \$8,880          | 1.8         | \$96,127           | \$97,557           | (1.5)        | 0.6                                      |
| PTF Motor Fuels  | 20,000              | 0.53                       | 2,000            | 2,000            | 0.0         | 18,000             | 18,000             | 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                       | 20,921           | 20,104           | 4.1         | 216,168            | 202,012            | 7.0          | 6.3                                      |
| State Sales and Use Tax  | 533,000             | 14.17                      | 44,859           | 43,860           | 2.3         | 474,807            | 456,686            | 4.0          | 5.9                                      |
| Motor Vehicle License Fees   | 21,500              | 0.57                       | 2,008            | 1,842            | 9.0         | 19,919             | 19,349             | 2.9          | 1.7                                      |
| Recordation Tax (2 cents)  | 27,000              | 0.72                       | 2,868            | 2,500            | 14.7        | 27,852             | 23,522             | 18.4         | 3.5                                      |
| Interest Earnings  | 9,900               | 0.26                       | 14               | (9)              | 255.6       | 7,477              | 11,457             | (34.7)       | (29.2)                                   |
| <b>Total State Taxes and Fees</b>  | <b>\$1,094,900</b>  | <b>29.10</b>               | <b>\$81,713</b>  | <b>\$79,177</b>  | <b>3.2</b>  | <b>\$990,414</b>   | <b>\$965,880</b>   | <b>2.5</b>   | <b>3.3</b>                               |
| <b>Other Revenues:</b>   |                     |                            |                  |                  |             |                    |                    |              |  |
| Federal Grants and Contracts   | \$996,925           | 26.49                      | \$90,316         | \$67,870         | 33.1        | \$1,242,656        | \$868,966          | 43.0         | 3.6                                      |
| Receipts from Cities/Counties  | 210,651             | 5.60                       | 4,399            | 7,071            | (37.8)      | 50,034             | 19,128             | 161.6        | 916.8                                    |
| Toll Revenues (Includes Route 28)  | 30,312              | 0.81                       | 921              | 867              | 6.2         | 16,730             | 17,073             | (2.0)        | 68.2                                     |
| Miscellaneous Revenues   | 7,953               | 0.20                       | 1,551            | 5,488            | (71.7)      | 43,804             | 32,565             | 34.5         | (78.5)                                   |
| <b>Total Other Revenues</b>  | <b>\$1,245,841</b>  | <b>33.10</b>               | <b>\$97,187</b>  | <b>\$81,296</b>  | <b>19.5</b> | <b>\$1,353,224</b> | <b>\$937,732</b>   | <b>44.3</b>  | <b>20.0</b>                              |
| Transfer (to) / from Highway Maintenance and Operating Fund                  | (\$363,551)         | (9.66)                     | \$0              | \$0              | -           | (\$261,905)        | (\$301,020)        | 13.0         | 17.7                                     |
| <b>Total Transportation Trust Fund</b>                                       | <b>\$1,977,190</b>  | <b>52.54</b>               | <b>\$178,900</b> | <b>\$160,473</b> | <b>11.5</b> | <b>\$2,081,733</b> | <b>\$1,602,592</b> | <b>29.9</b>  | <b>19.4</b>                              |
| <b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b> | <b>\$3,763,145</b>  | <b>100.00</b>              | <b>\$306,862</b> | <b>\$283,051</b> | <b>8.4</b>  | <b>\$3,617,036</b> | <b>\$3,147,412</b> | <b>14.9</b>  | <b>6.9</b>                               |

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