

## COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT May 2014

### Summary

Commonwealth Transportation Fund (CTF) revenues increased by 12.0 percent in May. On a year-to-date basis, collections are up 12.7 percent. Adjusting for the impacts of HB2313 (2013), annual collections are up 2.6 percent.

### Motor Fuels Tax

Motor fuel taxes fell by 26.8 percent in May and are down 22.2 percent for the fiscal year.

During the April-through-September summer driving season this year, regular gasoline retail prices are forecast to average \$3.62/gallon (gal), 4 cents higher than last year. The projected monthly national average regular gasoline retail price falls from the high this year of \$3.67/gal in May to \$3.54/gal in September. Regular gasoline retail prices are expected to average \$3.50/gal in 2014 and \$3.38/gal in 2015, compared with \$3.51/gal in 2013.

### Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 28.8 percent in May and are up 31.1 percent for the year. Adjusting for the July 1 increase in the motor vehicle sales tax rate and excluding the rental taxes, motor vehicle sales tax collections fell by 2.7 percent this month and are down 4.1 percent annually.

U.S. vehicle sales dipped slightly in April compared with March, but the slight decline was more the result of catch-up buying than of any weakening in demand drivers. Vehicle sales have been very volatile over the past year but are still trending higher. Sales growth is expected to accelerate throughout the remainder of the year and reach 17 million units SAAR by the end of the year. Sales will climb even higher in 2015 before receding to a more sustainable pace below 16 million units.

### State Retail Sales Tax

The transportation portion of the state retail sales tax increased by 65.5 percent in May, due to the 0.3 percent increase in the state retail sales tax and the increased amount of general fund sales tax collections being deposited into the Highway Maintenance Fund

as stipulated by HB2313 (2013). Adjusting for HB2313, sales tax collections were up 2.9 percent for the month and are up 0.4 percent for the year.

#### Motor Vehicle Licenses

Motor vehicle registration fee collections fell by 1.1 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 2013 and 2014**  
**(Dollars in Thousands)**

Revenue	FY 2014 Estimate	As a % of Total Fund	May			Year-To-Date			% Annual Growth Required By Estimate
			FY 2014	FY 2013	% Change	FY 2014	FY 2013	% Change	
Motor Fuel Taxes (b)	\$607,500	15.24	\$52,816	\$72,197	(26.8)	\$551,880	\$709,554	(22.2)	(27.8)
Priority Transportation Fund (PTF) (b)	130,800	3.28	0	0	-	130,769	130,064	0.5	0.6
Motor Vehicle Sales and Use Tax	859,200	21.55	73,017	56,673	28.8	744,036	567,691	31.1	38.0
State Sales and Use Tax (a)	837,800	21.01	74,221	44,859	65.5	744,831	474,807	56.9	60.8
Motor Vehicle License Fees	250,700	6.29	22,913	23,173	(1.1)	227,113	224,469	1.2	2.1
International Registration Plan	62,300	1.56	4,369	4,297	1.7	53,990	56,120	(3.8)	0.9
Recordation Tax	45,500	1.15	3,063	4,302	(28.8)	33,725	41,778	(19.3)	(1.8)
Interest Earnings	13,100	0.33	3	14	(78.6)	5,582	7,477	(25.3)	41.1
Misc. Taxes, Fees, and Revenues	16,100	0.40	1,581	1,591	(0.6)	15,905	13,840	14.9	8.7
<b>Total State Taxes and Fees</b>	<b>\$2,823,000</b>	<b>70.81</b>	<b>\$231,983</b>	<b>\$207,106</b>	<b>12.0</b>	<b>\$2,507,831</b>	<b>\$2,225,800</b>	<b>12.7</b>	<b>13.2</b>

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

(a) New revenue streams for State Sales and Use Tax are included in the Fiscal Year 2014 Highway Maintenance and Operating Fund Revenue Forecast. As there were no collections for state sales and use tax recorded in the Highway Maintenance and Operating Fund during Fiscal Year 2013, a comparison between Fiscal Years 2013 and 2014 may not be appropriate. Refer to the "State Sales and Use Tax" line item on page 5 for the detailed information pertaining to the "State Sales and Use Tax" line item.

(b) Certain Fiscal Year 2013 monthly and year-to-date amounts have been reclassified. Refer to (b) on page 5 for additional information.

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 2013 and 2014  
(Dollars in Thousands)

Revenue	FY 2014 Estimate	As a % of Total Fund	May			Year-To-Date			% Annual Growth Required By Est
			FY 2014	FY 2013	% Change	FY 2014	FY 2013	% Change	
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>									
Motor Fuel Taxes (Includes Road Tax)	\$485,100	12.17	\$43,167	\$61,154	(29.4)	\$440,822	\$595,427	(26.0)	(31.3)
Motor Vehicle Sales and Use Tax	611,700	15.34	53,149	35,752	48.7	528,687	351,523	50.4	57.9
State Sales and Use Tax (a)	199,500	5.00	17,784	0	-	172,669	0	-	-
Motor Vehicle License Fees	228,800	5.74	20,971	21,165	(0.9)	207,403	204,550	1.4	2.2
International Registration Plan	62,300	1.56	4,369	4,297	1.7	53,990	56,120	(3.8)	0.9
Recordation Tax (1 cent)	15,000	0.39	1,021	1,434	(28.8)	11,251	13,926	(19.2)	(2.9)
Misc. Taxes, Fees, and Revenues	16,100	0.40	1,581	1,591	(0.6)	15,905	13,840	14.9	8.7
<b>Total State Taxes and Fees</b>	<b>\$1,618,500</b>	<b>40.60</b>	<b>\$142,042</b>	<b>\$125,393</b>	<b>13.3</b>	<b>\$1,430,727</b>	<b>\$1,235,386</b>	<b>15.8</b>	<b>14.8</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$2,751	\$1,468	87.4	\$24,770	\$22,136	11.9	(100.0)
Miscellaneous Revenues	18,658	0.47	1,644	1,101	49.3	17,466	15,876	10.0	11.5
Transfer (to) / from Transportation Trust Fund	313,942	7.87	0	0	-	313,942	261,905	19.9	(10.4)
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$1,951,100</b>	<b>48.94</b>	<b>\$146,437</b>	<b>\$127,962</b>	<b>14.4</b>	<b>\$1,786,905</b>	<b>\$1,535,303</b>	<b>16.4</b>	<b>8.3</b>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes) (b)	\$122,400	3.07	\$9,649	\$11,043	(12.6)	\$111,058	\$114,127	(2.7)	(9.5)
PTF Insurance Premiums Tax	130,800	3.28	0	0	-	130,769	130,064	0.5	0.6
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	247,500	6.21	19,868	20,921	(5.0)	215,349	216,168	(0.4)	5.2
State Sales and Use Tax	638,300	16.01	56,437	44,859	25.8	572,162	474,807	20.5	22.5
Motor Vehicle License Fees	21,900	0.55	1,942	2,008	(3.3)	19,710	19,919	(1.0)	1.1
Recordation Tax (2 cents)	30,500	0.76	2,042	2,868	(28.8)	22,474	27,852	(19.3)	(1.3)
Interest Earnings	13,100	0.33	3	14	(78.6)	5,582	7,477	(25.3)	41.1
<b>Total State Taxes and Fees</b>	<b>\$1,204,500</b>	<b>30.21</b>	<b>\$89,941</b>	<b>\$81,713</b>	<b>10.1</b>	<b>\$1,077,104</b>	<b>\$990,414</b>	<b>8.8</b>	<b>11.2</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$929,928	23.33	\$55,236	\$90,316	(38.8)	\$1,170,653	\$1,242,656	(5.8)	(28.8)
Receipts from Cities/Counties	178,614	4.48	6,075	4,399	38.1	67,146	50,034	34.2	208.5
Toll Revenues (Includes Route 28)	16,768	0.42	937	921	1.7	16,810	16,730	0.5	(5.0)
Miscellaneous Revenues	19,854	0.49	2,057	1,551	32.6	22,796	43,804	(48.0)	(57.6)
<b>Total Other Revenues</b>	<b>\$1,145,164</b>	<b>28.72</b>	<b>\$64,305</b>	<b>\$97,187</b>	<b>(33.8)</b>	<b>\$1,277,405</b>	<b>\$1,353,224</b>	<b>(5.6)</b>	<b>(19.9)</b>
<b>Transfer (to) / from Highway Maintenance and Operating Fund</b>									
Maintenance and Operating Fund	(\$313,942)	(7.87)	\$0	\$0	-	(\$313,942)	(\$261,905)	(19.9)	10.4
<b>Total Transportation Trust Fund</b>	<b>\$2,035,722</b>	<b>51.06</b>	<b>\$154,246</b>	<b>\$178,900</b>	<b>(13.8)</b>	<b>\$2,040,567</b>	<b>\$2,081,733</b>	<b>(2.0)</b>	<b>(5.8)</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>									
	<b>\$3,986,822</b>	<b>100.00</b>	<b>\$300,683</b>	<b>\$306,862</b>	<b>(2.0)</b>	<b>\$3,827,472</b>	<b>\$3,617,036</b>	<b>5.8</b>	<b>0.6</b>

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

(a) This line item was added to the Fiscal Year 2014 Revenue Forecast. Since there were no collections for this line item during Fiscal Year 2013, the Monthly and Year-To-Date % Change columns do not provide comparable data.

(b) The "PTF Motor Fuels" line item was removed from the Transportation Trust Fund Revenue Forecast. The amount previously reported in "PTF Motor Fuels" was reclassified to "Motor Fuel Taxes (Includes Aviation & Roads Taxes)." In order to provide comparable data, the Fiscal Year 2013 monthly and year-to-date amounts were likewise reclassified.