

COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT November 2014

Summary

Commonwealth Transportation Fund (CTF) revenues increased by 4.2 percent in November. Year-to-date collections are up 5.9 percent.

Motor Fuels Tax

Motor fuel taxes decreased by 3.1 percent in November, and are down 10.5 percent for the year.

Driven largely by falling crude oil prices, U.S. weekly regular gasoline retail prices averaged \$2.99/gallon (gal) on November 3, the lowest level since December 20, 2010. U.S. regular gasoline retail prices are projected to continue to decline for the remainder of the year to an average of \$2.80/gal in December, \$0.33/gal lower than in last month's STEO. EIA expects U.S. regular gasoline retail prices, which averaged \$3.51/gal in 2013, to average \$3.39/gal in 2014 and \$2.94/gal in 2015.

Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 0.5 percent in November. Annual growth is up 8.7 percent.

Vehicle sales held almost steady this month, as sales have been flattening out in recent months following the strong gains earlier in the year. Sales were 6% higher NSA than a year earlier. Nonetheless, the pace 16.45 million units is consistent with a steadily improving economy and reflects healthy conditions for the industry.

Sales are supported by a steadily improving job market, favorable financing conditions including long-term loans, favorable leasing terms, replacement demand, and broader credit availability than for other loan products. According to J.D. Power, one-third of vehicles loans have terms of at least six years. Long loans enable consumers to afford more expensive vehicles because monthly payments are reduced. Compounding these sales inducements, dealers and manufacturers are offering more discounting and other sales incentives. The ratio of incentives to average transaction prices has reached the highest level since 2010.

State Retail Sales Tax

The transportation portion of the state retail sales tax increased by 11.5 percent in November, due to the increased amount of general fund sales tax collections being deposited into the Highway Maintenance Fund as stipulated by HB2313 (2013).

Motor Vehicle Licenses

Motor vehicle registration fee collections declined by 4.0 percent in November.

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 2014 and 2015
(Dollars in Thousands)

Revenue	FY 2015 Estimate	As a % of Total Fund	November			Year-To-Date			% Annual Growth Required By Estimate
			FY 2015	FY 2014	% Change	FY 2015	FY 2014	% Change	
Motor Fuel Taxes	\$718,700	17.11	\$49,232	\$50,792	(3.1)	\$219,526	\$245,364	(10.5)	8.9
Priority Transportation Fund (PTF)	150,397	3.58	4,348	3,174	37.0	121,195	117,581	3.1	15.0
Motor Vehicle Sales and Use Tax	909,600	21.66	59,047	58,777	0.5	369,532	339,928	8.7	10.7
State Sales and Use Tax	886,800	21.11	80,464	72,195	11.5	380,303	318,379	19.4	7.8
Motor Vehicle License Fees	247,900	5.90	15,532	16,173	(4.0)	99,168	101,702	(2.5)	(0.6)
International Registration Plan	63,500	1.51	2,472	1,797	37.6	19,890	17,343	14.7	6.5
Recordation Tax	45,500	1.09	2,845	2,898	(1.8)	16,893	17,408	(3.0)	21.9
Interest Earnings	10,500	0.25	0	28	(100.0)	1,599	1,898	(15.8)	46.7
Misc. Taxes, Fees, and Revenues	16,100	0.39	1,419	928	52.9	7,471	6,964	7.3	(7.0)
Total State Taxes and Fees	<u>\$3,048,997</u>	<u>72.60</u>	<u>\$215,359</u>	<u>\$206,762</u>	<u>4.2</u>	<u>\$1,235,577</u>	<u>\$1,166,567</u>	<u>5.9</u>	<u>8.6</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 2014 and 2015
(Dollars in Thousands)

Revenue	FY 2015 Estimate	As a % of Total Fund	November			Year-To-Date			% Annual Growth Required By Est
			FY 2015	FY 2014	% Change	FY 2015	FY 2014	% Change	
HIGHWAY MAINTENANCE AND OPERATING FUND:									
Motor Fuel Taxes (Includes Road Tax)	\$572,900	13.64	\$39,267	\$40,818	(3.8)	\$173,652	\$197,102	(11.9)	8.5
Motor Vehicle Sales and Use Tax	653,500	15.56	41,616	41,828	(0.5)	262,736	240,510	9.2	12.4
State Sales and Use Tax	220,700	5.25	22,212	17,106	29.8	107,940	71,159	51.7	15.4
Motor Vehicle License Fees	225,500	5.37	14,157	14,698	(3.7)	90,264	92,883	(2.8)	(0.9)
International Registration Plan	63,500	1.51	2,472	1,797	37.6	19,890	17,343	14.7	6.5
Recordation Tax (1 cent)	15,000	0.36	948	975	(2.8)	5,631	5,812	(3.1)	20.4
Misc. Taxes, Fees, and Revenues	16,100	0.39	1,419	928	52.9	7,471	6,964	7.3	(7.0)
Total State Taxes and Fees	\$1,767,200	42.08	\$122,091	\$118,150	3.3	\$667,584	\$631,773	5.7	9.3
Other Revenues:									
Federal Grants and Contracts	\$0	0.00	\$2,069	\$4,387	(52.8)	\$11,615	\$12,325	(5.8)	(100.0)
Miscellaneous Revenues	8,878	0.21	974	1,121	(13.1)	7,774	7,103	9.4	(56.7)
Transfer (to) / from Transportation Trust Fund	193,012	4.59	0	50,000	(100.0)	0	100,000	(100.0)	(39.2)
Total Highway Maintenance and Operating Fund	\$1,969,090	46.88	\$125,134	\$173,658	(27.9)	\$686,973	\$751,201	(8.6)	(0.6)
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$145,800	3.47	\$9,965	\$9,974	(0.1)	\$45,874	\$48,262	(4.9)	10.1
PTF Insurance Premiums Tax	150,397	3.58	4,348	3,174	37.0	121,195	117,581	3.1	15.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	256,100	6.10	17,431	16,949	2.8	106,796	99,418	7.4	6.4
State Sales and Use Tax	666,100	15.86	58,252	55,089	5.7	272,363	247,220	10.2	5.5
Motor Vehicle License Fees	22,400	0.53	1,375	1,475	(6.8)	8,904	8,819	1.0	3.2
Recordation Tax (2 cents)	30,500	0.73	1,897	1,923	(1.4)	11,262	11,596	(2.9)	22.6
Interest Earnings	10,500	0.25	0	28	(100.0)	1,599	1,898	(15.8)	46.7
Total State Taxes and Fees	\$1,281,797	30.52	\$93,268	\$88,612	5.3	\$567,993	\$534,794	6.2	7.8
Other Revenues:									
Federal Grants and Contracts	\$902,510	21.49	\$56,010	\$67,373	(16.9)	\$747,916	\$748,419	(0.1)	(27.5)
Receipts from Cities/Counties	203,616	4.85	(1,152)	4,840	(123.8)	76,495	42,380	80.5	149.9
Toll Revenues (Includes Route 28)	16,000	0.38	878	910	(3.5)	5,338	5,266	1.4	(9.8)
Miscellaneous Revenues	19,936	0.47	1,159	2,850	(59.3)	7,202	10,920	(34.0)	(33.6)
Total Other Revenues	\$1,142,062	27.19	\$56,895	\$75,973	(25.1)	\$836,951	\$806,985	3.7	(16.9)
Transfer (to) / from Highway Maintenance and Operating Fund									
	(\$193,012)	(4.59)	\$0	(\$50,000)	100.0	\$0	(\$100,000)	100.0	39.2
Total Transportation Trust Fund	\$2,230,847	53.12	\$150,163	\$114,585	31.0	\$1,404,944	\$1,241,779	13.1	(0.6)
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND									
	\$4,199,937	100.00	\$275,297	\$288,243	(4.5)	\$2,091,917	\$1,992,980	5.0	(0.6)

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