

## COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT November 2015

### Summary

Commonwealth Transportation Fund (CTF) revenues increased by 21.2 percent in November, mainly due to strong motor fuels tax and motor vehicle sales tax collections. Year-to-date growth stands at 10.3 percent.

### Motor Fuels Tax

Motor fuels tax collections increased by 52.5 percent this month. Year-to-date collections are up 40.9 percent.

The monthly average price of U.S. regular retail gasoline was \$2.16/gallon (gal) in November, a decrease of 13 cents/gal from October and 75 cents/gal lower than in November 2014. EIA forecasts U.S. regular gasoline retail prices to average \$2.04/gal in December 2015 and \$2.36/gal for 2016.

### Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 9.8 percent in November, and are up 7.9 percent for the year.

Surging light truck sales will likely enable the U.S. auto industry to complete a record year this month. Low gasoline prices, ample discounting, new models, access to credit, an improving labor market, and the long-awaited acceleration in wage growth have also helped propel sales forward. Sales benefited from the rollout of holiday discounts; according to TrueCar, average discounts topped \$3,000 in November.

The current pace of sales cannot be sustained since it well exceeds the pace consistent with the expanding driving-age population, income growth, and household wealth. Yet there is sufficient pent-up demand to keep the party going for a little while longer. Pent-up demand—the result of the deep recession and slow recovery—is estimated at 2 million to 3 million. Purchasing a motor vehicle is still out of reach for many households, but improving household conditions are moving the mark closer.

This year will mark the peak of auto sales. Through 2018, sales will slowly ease off and

reach 16.5 million units, the trend pace. Oil prices, which have been so important in driving sales of light trucks higher this year, will begin to climb next year, but the WTI price will remain well below the \$100 per barrel mark reached early in the decade. With prices not expected to exceed \$80 per barrel again this decade, consumers will continue to flock to light trucks.

### State Retail Sales Tax

The transportation portion of the state retail sales tax increased by 9.1 percent in November.

### Motor Vehicle Licenses

Motor vehicle registration fee collections increased by 7.6 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 2015 and 2016**  
**(Dollars in Thousands)**

Revenue	FY 2016 Estimate	As a % of Total Fund	November			Year-To-Date			% Annual Growth Required By Estimate
			FY 2016	FY 2015	% Change	FY 2016	FY 2015	% Change	
Motor Fuel Taxes	\$850,200	18.90	\$75,103	\$49,232	52.5	\$309,223	\$219,526	40.9	17.7
Priority Transportation Fund (PTF)	150,346	3.34	9,265	4,348	113.1	133,819	121,195	10.4	0.0
Motor Vehicle Sales and Use Tax	875,600	19.47	64,820	59,047	9.8	398,839	369,532	7.9	(1.7)
State Sales and Use Tax	1,007,300	22.39	87,793	80,464	9.1	370,832	380,303	(2.5)	1.3
Motor Vehicle License Fees	244,600	5.44	16,707	15,532	7.6	103,843	99,168	4.7	(0.2)
International Registration Plan	60,400	1.34	3,677	2,472	48.7	21,214	19,890	6.7	(8.5)
Recordation Tax	37,900	0.84	3,163	2,845	11.2	18,522	16,893	9.6	(9.8)
Interest Earnings	14,800	0.33	37	0	-	840	1,599	(47.5)	96.5
Misc. Taxes, Fees, and Revenues	15,700	0.35	428	1,419	(69.8)	6,157	7,471	(17.6)	(14.3)
<b>Total State Taxes and Fees</b>	<b>\$3,256,846</b>	<b>72.40</b>	<b>\$260,993</b>	<b>\$215,359</b>	<b>21.2</b>	<b>\$1,363,289</b>	<b>\$1,235,577</b>	<b>10.3</b>	<b>3.8</b>

# 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	November			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)	\$679,100	15.10	\$61,809	\$39,267	57.4	\$247,875	\$173,652	42.7	18.2
Motor Vehicle Sales and Use Tax	628,300	13.97	45,371	41,616	9.0	283,816	262,736	8.0	(1.6)
State Sales and Use Tax	281,700	6.26	24,136	22,212	8.7	102,860	107,940	(4.7)	1.4
Motor Vehicle License Fees	222,700	4.95	15,247	14,157	7.7	94,682	90,264	4.9	(0.3)
International Registration Plan	60,400	1.34	3,677	2,472	48.7	21,214	19,890	6.7	(8.5)
Recordation Tax (1 cent)	12,700	0.28	1,054	948	11.2	6,174	5,631	9.6	(9.3)
Misc. Taxes, Fees, and Revenues	15,700	0.35	428	1,419	(69.8)	6,157	7,471	(17.6)	(14.3)
<b>Total State Taxes and Fees</b>	<b>\$1,900,600</b>	<b>42.25</b>	<b>\$151,722</b>	<b>\$122,091</b>	<b>24.3</b>	<b>\$762,778</b>	<b>\$667,584</b>	<b>14.3</b>	<b>4.8</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$4,276	\$2,069	106.7	\$14,512	\$11,615	24.9	(100.0)
Miscellaneous Revenues	14,595	0.32	1,348	974	38.4	9,339	7,774	20.1	(50.0)
Transfer (to) / from Transportation Trust Fund	122,489	2.72	0	0	-	0	0	-	(25.6)
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$2,037,684</b>	<b>45.29</b>	<b>\$157,346</b>	<b>\$125,134</b>	<b>25.7</b>	<b>\$786,629</b>	<b>\$686,973</b>	<b>14.5</b>	<b>0.0</b>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$171,100	3.80	\$13,294	\$9,965	33.4	\$61,348	\$45,874	33.7	15.6
PTF Insurance Premiums Tax	150,346	3.34	9,265	4,348	113.1	133,819	121,195	10.4	0.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	247,300	5.50	19,449	17,431	11.6	115,023	106,796	7.7	(1.8)
State Sales and Use Tax	725,600	16.13	63,657	58,252	9.3	267,972	272,363	(1.6)	1.2
Motor Vehicle License Fees	21,900	0.49	1,460	1,375	6.2	9,161	8,904	2.9	0.5
Recordation Tax (2 cents)	25,200	0.56	2,109	1,897	11.2	12,348	11,262	9.6	(10.0)
Interest Earnings	14,800	0.33	37	0	-	840	1,599	(47.5)	96.5
<b>Total State Taxes and Fees</b>	<b>\$1,356,246</b>	<b>30.15</b>	<b>\$109,271</b>	<b>\$93,268</b>	<b>17.2</b>	<b>\$600,511</b>	<b>\$567,993</b>	<b>5.7</b>	<b>2.4</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$968,328	21.52	\$74,998	\$56,010	33.9	\$736,761	\$747,916	(1.5)	(23.9)
Receipts from Cities/Counties	237,187	5.27	2,828	(1,152)	345.5	26,387	76,495	(65.5)	79.4
Toll Revenues (Includes Route 28)	16,045	0.36	929	878	5.8	5,367	5,338	0.5	(12.1)
Miscellaneous Revenues	5,832	0.13	4,234	1,159	265.3	11,471	7,202	59.3	(79.4)
<b>Total Other Revenues</b>	<b>\$1,227,392</b>	<b>27.28</b>	<b>\$82,989</b>	<b>\$56,895</b>	<b>45.9</b>	<b>\$779,986</b>	<b>\$836,951</b>	<b>(6.8)</b>	<b>(15.4)</b>
Transfer (to) / from Highway Maintenance and Operating Fund	(\$122,489)	(2.72)	\$0	\$0	-	\$0	\$0	-	25.6
<b>Total Transportation Trust Fund</b>	<b>\$2,461,149</b>	<b>54.71</b>	<b>\$192,260</b>	<b>\$150,163</b>	<b>28.0</b>	<b>\$1,380,497</b>	<b>\$1,404,944</b>	<b>(1.7)</b>	<b>(5.7)</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>									
	<b>\$4,498,833</b>	<b>100.00</b>	<b>\$349,606</b>	<b>\$275,297</b>	<b>27.0</b>	<b>\$2,167,126</b>	<b>\$2,091,917</b>	<b>3.6</b>	<b>(3.2)</b>

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