

## COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT October 2003

### Summary

Revenue collections increased by 3.8 percent in October. Most of the monthly increase was attributable to strong motor vehicle sales and retail sales tax collections. On a year-to-date basis, growth is up 3.3 percent.

The Governor's Advisory Council on Revenue Estimates will meet in November as the next step in assessing the strength of the Virginia economy over the next biennium.

### Motor Fuels Tax (adjusted for PTF Fuels Tax Revenue)

Motor Fuels Tax collections grew by 3.0 percent in October. Annual collections through the first four months of fiscal year 2004 are up 1.7 percent.

The outlook is good for motor gasoline consumption, as slower seasonal demand has resulted in a sizable build in gasoline stocks. The build in stocks should translate into moderating prices at the pump before long.

### Motor Vehicle Sales and Use Tax

Consumer spending on motor vehicles had been pumped up during the third quarter by incentive spending to clear out 2003 inventory, the introduction of new models, and tax rebate checks. Collections in this source increased by 10.0 percent in October and are up 9.9 percent for the year.

Third quarter sales borrowed a bit from October sales (November sales tax collections). Vehicle sales are expected to pick up somewhat from the October pace during the balance of the year. High affordability, tax cuts, favorable demographic trends with the maturation of the echo-boom generation, and an improving economy will support sales.

### State Retail Sales Tax

The transportation portion of the State Retail Sales Tax increased by 5.6 percent in October. Collections in this source are up 3.7 percent in fiscal year 2004.

### Motor Vehicle Licenses

Motor Vehicle Registration transactions were up 2.5 percent in October. Collections of \$13.6 million were slightly higher than the \$13.2 million collected last October. Motor vehicle license receipts are down 1.0 percent for the year.

Commonwealth of Virginia/Department of Accounts  
Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues  
Summary Statement of Revenue Estimates & Collections  
For the Fiscal Years 2003 and 2004  
(Dollars in Thousands)

Revenue	FY 2004 Estimate	As a % of Total Fund	October			Year-To-Date			% Annual Growth Required By Estimate
			FY 2004	FY 2003	% Change	FY 2004	FY 2003	% Change	
Motor Fuel Taxes	\$842,000	25.32	\$74,223	\$69,998	6.0	\$220,808	\$217,121	1.7	4.1
Priority Transportation Fund	20,000	0.60	2,000	4,000	(50.0)	4,000	4,000	0.0	0.0
Motor Vehicle Sales and Use Tax	546,000	16.42	52,147	47,415	10.0	213,938	194,684	9.9	0.6
State Sales and Use Tax	398,000	11.97	36,390	34,467	5.6	120,237	115,986	3.7	5.9
Motor Vehicle License Fees	178,200	5.36	13,571	13,238	2.5	56,331	56,883	(1.0)	12.3
International Registration Plan	64,400	1.94	2,274	2,853	(20.3)	10,392	14,458	(28.1)	11.9
Interest Earnings	11,500	0.35	3,475	4,677	(25.7)	3,480	4,688	(25.8)	(21.4)
Misc. Taxes, Fees, and Revenues	24,000	0.72	2,981	3,600	(17.2)	7,930	9,039	(12.3)	3.3
<b>Total State Taxes and Fees</b>	<b>\$2,084,100</b>	<b>62.68</b>	<b>\$187,061</b>	<b>\$180,248</b>	<b>3.8</b>	<b>\$637,116</b>	<b>\$616,859</b>	<b>3.3</b>	<b>4.1</b>

# Percentage is greater than 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 2003 and 2004  
(Dollars in Thousands)

Revenue	FY 2004 Estimate	As a % of Total Fund	October			Year-To-Date			% Annual Growth Required By Est
			FY 2004	FY 2003	% Change	FY 2004	FY 2003	% Change	
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>									
Motor Fuel Taxes (Includes Road Tax)	\$718,900	21.62	\$67,569	\$58,764	15.0	\$190,868	\$182,533	4.6	4.4
Motor Vehicle Sales and Use Tax	350,800	10.55	34,881	30,198	15.5	138,158	124,174	11.3	0.8
Motor Vehicle License Fees	153,600	4.62	11,861	11,525	2.9	49,280	49,623	(0.7)	10.5
International Registration Plan	64,400	1.94	2,274	2,853	(20.3)	10,392	14,458	(28.1)	11.9
Misc. Taxes, Fees, and Revenues	24,000	0.72	2,981	3,600	(17.2)	7,930	9,039	(12.3)	3.3
<b>Total State Taxes and Fees</b>	<b>\$1,311,700</b>	<b>39.45</b>	<b>\$119,566</b>	<b>\$106,940</b>	<b>11.8</b>	<b>\$396,628</b>	<b>\$379,827</b>	<b>4.4</b>	<b>4.4</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$1,583	\$1,225	29.2	\$3,957	\$6,034	(34.4)	(100.0)
Transfer (to) / from Transportation Trust Fund	\$20,200	0.61	\$0	\$0	-	\$20,177	\$72,271	(72.1)	(79.2)
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$1,331,900</b>	<b>40.06</b>	<b>\$121,149</b>	<b>\$108,165</b>	<b>12.0</b>	<b>\$420,762</b>	<b>\$458,132</b>	<b>(8.2)</b>	<b>(2.5)</b>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$123,100	3.70	\$6,654	\$11,234	(40.8)	\$29,940	\$34,588	(13.4)	2.5
Priority Transportation Fund	20,000	0.60	2,000	4,000	(50.0)	4,000	4,000	0.0	0.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	195,200	5.87	17,266	17,217	0.3	75,780	70,510	7.5	0.2
State Sales and Use Tax	398,000	11.97	36,390	34,467	5.6	120,237	115,986	3.7	5.9
Motor Vehicle License Fees	24,600	0.74	1,710	1,713	(0.2)	7,051	7,260	(2.9)	24.9
Interest Earnings	11,500	0.35	3,475	4,677	(25.7)	3,480	4,688	(25.8)	(21.4)
<b>Total State Taxes and Fees</b>	<b>\$772,400</b>	<b>23.23</b>	<b>\$67,495</b>	<b>\$73,308</b>	<b>(7.9)</b>	<b>\$240,488</b>	<b>\$237,032</b>	<b>1.5</b>	<b>3.7</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$1,068,800	32.14	\$99,461	\$44,592	123.0	\$311,317	\$245,153	27.0	57.6
Receipts from Cities/Counties	45,500	1.37	1,996	3,886	(48.6)	16,859	15,349	9.8	80.0
Toll Revenues (Includes Route 28)	60,800	1.83	5,350	4,006	33.5	21,707	20,660	5.1	(3.2)
Miscellaneous Revenues	65,900	1.98	1,259	(310)	506.1	5,653	5,816	(2.8)	279.1
<b>Total Other Revenues</b>	<b>\$1,241,000</b>	<b>37.32</b>	<b>\$108,066</b>	<b>\$52,174</b>	<b>107.1</b>	<b>\$355,536</b>	<b>\$286,978</b>	<b>23.9</b>	<b>58.3</b>
Transfer (to) / from Highway Maintenance and Operating Fund	(\$20,200)	(0.61)	\$0	\$0	-	(\$20,177)	(\$72,271)	72.1	79.2
<b>Total Transportation Trust Fund</b>	<b>\$1,993,200</b>	<b>59.94</b>	<b>\$175,561</b>	<b>\$125,482</b>	<b>39.9</b>	<b>\$575,847</b>	<b>\$451,739</b>	<b>27.5</b>	<b>39.2</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>									
	<b>\$3,325,100</b>	<b>100.00</b>	<b>\$296,710</b>	<b>\$233,647</b>	<b>27.0</b>	<b>\$996,609</b>	<b>\$909,871</b>	<b>9.5</b>	<b>18.8</b>

# Percentage is greater than 1,000%.