

COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT October 2005

Summary

Revenue collections were basically flat in October, increasing by 0.7 percent. Most of the monthly increase was attributable to motor fuel tax collections. On a year-to-date basis, growth is up 6.1 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 (including PTF Fuels Tax Revenue)

Motor Fuels Tax collections increased by 6.6 percent in October. Annual collections through the first four months of fiscal year 2006 are up 7.1 percent. It is important to note that consumption data has a two-month lag, i.e., October revenue collections represent August motor fuel consumption. The higher fuel costs associated with the gulf state hurricanes has not as of yet impacted the motor fuels tax.

The U.S. average retail price for regular gasoline dropped by 10.4 cents to 237.6 cents per gallon, falling for the fifth week in a row. Over the past five weeks, retail prices have dropped a total of 55.2 cents per gallon. Nevertheless, this week's price is 37.5 cents higher than this time last year.

Motor Vehicle Sales and Use Tax

Collections in this source declined by 8.8 percent in October and are up 4.9 percent for the year.

U.S. vehicle sales fell to their lowest one-month pace since mid-1998, as incentives fell and pull-ahead buying from the summer borrowed from fall sales. Part of the reason for the weakness in October was payback for the blow out sales held during the summer when automakers cleared out their inventories of light trucks by offering employee discounts for everyone. Not only did summer sales subtract from the fall but lower incentives also affected demand.

State Retail Sales Tax

The transportation portion of the State Retail Sales Tax fell by 6.0 percent in October. Collections in this source are up 4.3 percent in fiscal year 2006.

Motor Vehicle Licenses

Collections of \$13.3 million this month were slightly higher than the \$12.8 million collected last October. Motor vehicle license receipts are up 7.6 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 2005 and 2006
(Dollars in Thousands)

Revenue	FY 2006 Estimate	As a % of Total Fund	October			Year-To-Date			% Annual Growth Required By Estimate
			FY 2006	FY 2005	% Change	FY 2006	FY 2005	% Change	
Motor Fuel Taxes	\$878,900	25.30	\$78,754	\$73,901	6.6	\$239,735	\$223,748	7.1	3.5
Priority Transportation Fund	20,000	0.58	2,000	2,000	0.0	4,000	4,000	0.0	0.0
Motor Vehicle Sales and Use Tax	655,700	18.88	47,979	52,590	(8.8)	225,333	214,888	4.9	6.6
State Sales and Use Tax	463,400	13.34	37,190	39,553	(6.0)	135,451	129,831	4.3	3.0
Motor Vehicle License Fees	166,500	4.79	13,330	12,780	4.3	58,668	54,532	7.6	1.2
International Registration Plan	59,600	1.71	1,853	2,403	(22.9)	9,445	10,715	(11.9)	(1.8)
Interest Earnings	11,200	0.32	7,134	3,629	96.6	7,152	3,491	104.9	(36.5)
Misc. Taxes, Fees, and Revenues	20,400	0.59	1,835	1,893	(3.1)	10,291	9,390	9.6	(22.9)
Total State Taxes and Fees	\$2,275,700	65.51	\$190,075	\$188,749	0.7	\$690,075	\$650,595	6.1	3.3

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 2005 and 2006
(Dollars in Thousands)

Revenue	FY 2006 Estimate	As a % of Total Fund	October			Year-To-Date			% Annual Growth Required By Est
			FY 2006	FY 2005	% Change	FY 2006	FY 2005	% Change	
HIGHWAY MAINTENANCE AND OPERATING FUND:									
Motor Fuel Taxes (Includes Road Tax)	\$754,100	21.71	\$72,730	\$64,021	13.6	\$210,069	\$194,750	7.9	3.2
Motor Vehicle Sales and Use Tax	406,400	11.70	31,607	33,770	(6.4)	145,223	138,727	4.7	2.6
Motor Vehicle License Fees	145,500	4.19	11,879	11,199	6.1	51,543	47,904	7.6	1.1
International Registration Plan	59,600	1.71	1,853	2,403	(22.9)	9,445	10,715	(11.9)	(1.8)
Misc. Taxes, Fees, and Revenues	20,400	0.59	1,835	1,893	(3.1)	10,291	9,390	9.6	(22.9)
Total State Taxes and Fees	\$1,386,000	39.90	\$119,904	\$113,286	5.8	\$426,571	\$401,486	6.2	2.1
Other Revenues:									
Federal Grants and Contracts	\$0	0.00	\$4,721	\$1,404	236.3	\$14,800	\$5,918	150.1	(100.0)
Transfer (to) / from Transportation Trust Fund	186,200	5.36	0	24,462	(100.0)	186,199	170,515	9.2	(4.5)
Total Highway Maintenance and Operating Fund	\$1,572,200	45.26	\$124,625	\$139,152	(10.4)	\$627,570	\$577,919	8.6	(0.6)
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$124,800	3.59	\$6,024	\$9,880	(39.0)	\$29,666	\$28,998	2.3	4.8
Priority Transportation Fund	20,000	0.58	2,000	2,000	0.0	4,000	4,000	0.0	0.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	249,300	7.18	16,372	18,820	(13.0)	80,110	76,161	5.2	13.7
State Sales and Use Tax	463,400	13.34	37,190	39,553	(6.0)	135,451	129,831	4.3	3.0
Motor Vehicle License Fees	21,000	0.60	1,451	1,581	(8.2)	7,125	6,628	7.5	2.0
Interest Earnings	11,200	0.32	7,134	3,629	96.6	7,152	3,491	104.9	(36.5)
Total State Taxes and Fees	\$889,700	25.61	\$70,171	\$75,463	(7.0)	\$263,504	\$249,109	5.8	5.1
Other Revenues:									
Federal Grants and Contracts	\$1,011,300	29.12	\$36,001	\$18,892	90.6	\$188,504	\$183,256	2.9	121.8
Receipts from Cities/Counties	70,400	2.03	3,305	(90)	#	15,467	13,402	15.4	174.6
Toll Revenues (Includes Route 28)	88,700	2.55	15,462	9,425	64.1	36,825	35,756	3.0	(20.5)
Miscellaneous Revenues	27,500	0.79	1,058	1,031	2.6	5,623	15,818	(64.5)	1.1
Total Other Revenues	\$1,197,900	34.49	\$55,826	\$29,258	90.8	\$246,419	\$248,232	(0.7)	93.1
Transfer (to) / from Highway Maintenance and Operating Fund	(\$186,200)	(5.36)	\$0	(\$24,462)	100.0	(\$186,199)	(\$170,515)	(9.2)	4.5
Total Transportation Trust Fund	\$1,901,400	54.74	\$125,997	\$80,259	57.0	\$323,724	\$326,826	(0.9)	49.5
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND									
	\$3,473,600	100.00	\$250,622	\$219,411	14.2	\$951,294	\$904,745	5.1	21.7

Percentage is greater than 1,000%.