

# COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT

## September 2012

### Summary

Commonwealth Transportation Fund (CTF) revenues increased by 4.7 percent in September. Annual growth stands at 7.3 percent.

### Motor Fuels Tax

Motor fuel taxes increased by 4.7 percent in September and year-to-date growth is at 4.1 percent.

After a sharp increase in retail gasoline prices earlier this year, the monthly average price for regular grade gasoline reached \$3.90 per gallon in April 2012. Prices then fell for three consecutive months, averaging \$3.44 per gallon in July. Rising crude prices contributed to a second run-up in regular gasoline retail prices to an average of \$3.85 per gallon in September 2012. Retail gasoline prices are expected to begin declining in October as the gasoline market transitions from summer-grade to winter-grade gasoline specifications and forecast crude oil prices begin to fall.

### Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 7.0 percent in September and have increased by 8.4 percent in fiscal year 2013.

Nationally, vehicle sales continued to improve in September, reaching 14.9 million units seasonally adjusted annualized rate. Sales were strongest since March 2008. The pace for the third quarter reached 14.5 million units. Most of the spurt in September vehicle sales came from cars. Persistently higher gasoline prices and the availability of many new models are driving car sales. Less positive is the weakness in pickup trucks, which is a good barometer of construction activity and the overall health of the economy.

Sales are expected to rise steadily through the end of 2014, when they will top out at 17 million units as the economy gains momentum and reaches its strongest post-recession pace. A risk to the steady upward trend in sales driven by replacement demand is that the pace could peter out if economic fundamentals such as employment and income growth fail to improve as well.

### State Retail Sales Tax

The transportation portion of the state retail sales tax increased by 6.2 percent in September and is up 10.7 percent in fiscal year 2013.

### Motor Vehicle Licenses

Motor vehicle registration fee collections increased by 1.4 percent in September.

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 2012 and 2013  
(Dollars in Thousands)

Revenue	FY 2013 Estimate	As a % of Total Fund	September			Year-To-Date			% Annual Growth Required By Estimate
			FY 2013	FY 2012	% Change	FY 2013	FY 2012	% Change	
Motor Fuel Taxes	\$851,700	22.73	\$74,645	\$71,285	4.7	\$155,799	\$149,641	4.1	2.2
Priority Transportation Fund (PTF)	161,800	4.31	96,240	92,595	3.9	108,838	99,619	9.3	2.9
Motor Vehicle Sales and Use Tax	576,200	15.38	50,680	47,361	7.0	159,690	147,276	8.4	(0.7)
State Sales and Use Tax	526,300	14.05	45,201	42,554	6.2	116,873	105,573	10.7	4.6
Motor Vehicle License Fees	241,800	6.45	20,015	19,741	1.4	65,152	62,672	4.0	2.6
International Registration Plan	62,600	1.67	3,117	3,425	(9.0)	11,681	12,179	(4.1)	0.1
Recordation Tax	38,400	1.02	3,306	2,991	10.5	11,053	9,262	19.3	(1.9)
Interest Earnings	17,600	0.47	75	71	5.6	94	81	16.0	25.9
Misc. Taxes, Fees, and Revenues	14,800	0.39	967	938	3.1	3,213	3,132	2.6	19.8
<b>Total State Taxes and Fees</b>	<b>\$2,491,200</b>	<b>66.47</b>	<b>\$294,246</b>	<b>\$280,961</b>	<b>4.7</b>	<b>\$632,393</b>	<b>\$589,435</b>	<b>7.3</b>	<b>2.2</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 2012 and 2013  
(Dollars in Thousands)

Revenue	FY 2013 Estimate	As a % of Total Fund	September			Year-To-Date			% Annual Growth Required By Est
			FY 2013	FY 2012	% Change	FY 2013	FY 2012	% Change	
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>									
Motor Fuel Taxes (Includes Road Tax)	\$734,100	19.59	\$63,156	\$60,046	5.2	\$133,940	\$128,600	4.2	2.3
Motor Vehicle Sales and Use Tax	354,100	9.45	30,104	28,885	4.2	97,876	89,939	8.8	(0.9)
Motor Vehicle License Fees	220,400	5.88	18,192	17,909	1.6	59,421	57,020	4.2	2.8
International Registration Plan	62,600	1.67	3,117	3,425	(9.0)	11,681	12,179	(4.1)	0.1
Recordation Tax (1 cent)	12,800	0.34	1,102	997	10.5	3,684	3,087	19.3	(1.9)
Misc. Taxes, Fees, and Revenues	14,800	0.39	967	938	3.1	3,213	3,132	2.6	19.8
<b>Total State Taxes and Fees</b>	<b>\$1,398,800</b>	<b>37.32</b>	<b>\$116,638</b>	<b>\$112,200</b>	<b>4.0</b>	<b>\$309,815</b>	<b>\$293,957</b>	<b>5.4</b>	<b>1.5</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$1,421	\$1,058	34.3	\$7,163	\$6,114	17.2	(100.0)
Miscellaneous Revenues	10,604	0.29	800	1,213	(34.0)	4,338	4,322	0.4	(41.5)
Transfer (to) / from Transportation Trust Fund	363,551	9.70	50,000	100,340	(50.2)	70,000	100,340	(30.2)	(17.7)
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$1,772,955</b>	<b>47.31</b>	<b>\$168,859</b>	<b>\$214,811</b>	<b>(21.4)</b>	<b>\$391,316</b>	<b>\$404,733</b>	<b>(3.3)</b>	<b>(4.8)</b>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$117,600	3.14	\$11,489	\$11,239	2.2	\$21,859	\$21,041	3.9	1.8
PTF Motor Fuels	20,000	0.53	2,000	2,000	0.0	2,000	2,000	0.0	0.0
PTF Insurance Premiums Tax	141,800	3.78	94,240	90,595	4.0	106,838	97,619	9.4	3.3
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	222,100	5.93	20,576	18,476	11.4	61,814	57,337	7.8	(0.4)
State Sales and Use Tax	526,300	14.05	45,201	42,554	6.2	116,873	105,573	10.7	4.6
Motor Vehicle License Fees	21,400	0.57	1,823	1,832	(0.5)	5,731	5,652	1.4	1.3
Recordation Tax (2 cents)	25,600	0.68	2,204	1,994	10.5	7,369	6,175	19.3	(1.9)
Interest Earnings	17,600	0.47	75	71	5.6	94	81	16.0	25.9
<b>Total State Taxes and Fees</b>	<b>\$1,092,400</b>	<b>29.15</b>	<b>\$177,608</b>	<b>\$168,761</b>	<b>5.2</b>	<b>\$322,578</b>	<b>\$295,478</b>	<b>9.2</b>	<b>3.0</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$996,925	26.60	\$148,694	\$96,126	54.7	\$528,787	\$278,201	90.1	3.6
Receipts from Cities/Counties	210,651	5.62	7,973	2,954	169.9	8,940	11,073	(19.3)	916.8
Toll Revenues (Includes Route 28)	30,312	0.81	865	901	(4.0)	2,611	2,480	5.3	68.2
Miscellaneous Revenues	7,953	0.21	1,285	1,640	(21.6)	25,968	9,611	170.2	(78.5)
<b>Total Other Revenues</b>	<b>\$1,245,841</b>	<b>33.24</b>	<b>\$158,817</b>	<b>\$101,621</b>	<b>56.3</b>	<b>\$566,306</b>	<b>\$301,365</b>	<b>87.9</b>	<b>20.0</b>
Transfer (to) / from Highway Maintenance and Operating Fund	(\$363,551)	(9.70)	(\$50,000)	(\$100,340)	50.2	(\$70,000)	(\$100,340)	30.2	17.7
<b>Total Transportation Trust Fund</b>	<b>\$1,974,690</b>	<b>52.69</b>	<b>\$286,425</b>	<b>\$170,042</b>	<b>68.4</b>	<b>\$818,884</b>	<b>\$496,503</b>	<b>64.9</b>	<b>19.2</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>									
	<b>\$3,747,645</b>	<b>100.00</b>	<b>\$455,284</b>	<b>\$384,853</b>	<b>18.3</b>	<b>\$1,210,200</b>	<b>\$901,236</b>	<b>34.3</b>	<b>6.5</b>

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