4/1/10 — March Collections Total $1.624 Billion

Thursday, April 1, 2010
Robert R. Bliss
blissr@dor.state.ma.us
617-626-2369

Monthly collection is $21 million more than a year ago; FY10 revenues $9 million below benchmark

Revenue Commissioner Navjeet K. Bal today announced that preliminary revenue collections for March 2010 totaled $1.624 billion, up $21 million or 1.3 percent from last March.

Total tax collections were $42 million below the March monthly benchmark corresponding to the January 7th FY10 revised revenue estimate of $18.460 billion.

FY10 year-to-date tax collections total $13.184 billion, down $222 million or 1.7 percent from the same period a year ago, and are $9 million below the FY10 year-to-date benchmark.

Commissioner Bal said "Stronger than expected withholding and sales tax collections were offset by corporate and business tax collections that were less than expected largely due to transferable tax credits and lower financial institutions tax payments that reduced corporate and business tax collections to $80 million below benchmark."

Overall March income tax collections totaled $554 million, up $32 million or 6.2 percent and $21 million above the monthly benchmark. Withholding taxes totaled $803 million, up $43 million or 5.6 percent from a year ago, $53 million above the benchmark. Income tax refunds totaled $323 million, up $3 million or 0.8 percent from a year ago and $14 million over the benchmark. Income tax payments with returns and bills totaled $65 million, down $4 million or 5.8 percent from a year ago, $16 million below the benchmark. Income tax estimated payments in March are small since it is not a month for quarterly reporting; the collection of $10 million was $3 million less than a year ago and was $2 million below benchmark.

Corporate/business tax collections of $598 million for March 2010 were down $93 million or 13.4 percent from a year ago and were $80 million below the monthly benchmark. All the subcategories of corporate and business tax were down from a year ago and were below benchmark, although at least $11 million of the public utilities tax shortfall was the result of public utilities companies filing under the corporate excise. The corporate and financial institutions tax rate cuts that took affect on January 1, 2010 are estimated to have reduced March corporate and business tax collections by approximately $26 million.

Sales and use tax collections of $354 million in March 2010 were up $79 million or 29.0 percent from a year ago and were $13 million above the monthly benchmark. On a baseline basis, factoring out the sales tax increase that took effect Aug. 1, 2009, monthly collections were even with March 2009. Regular sales tax was down 3.3 percent baseline, although sales tax in the retail sector was up about 1.4% baseline, but was offset by declines in sales tax on energy purchases and business-to-business sales. Meals and motor vehicle sales tax collections were up 1.3 percent and 16.4 percent baseline, respectively.

Overall, year to date sales tax collections are up $461 million or 15.8 percent and are $31 million above benchmark. Corporate and business tax collections are $45 million or 2.8 percent behind the same period a year ago and are $39 million below the benchmark. Income taxes are $596 million or 7.9 percent less than a year ago and are equal to the benchmark.

March 2010 Tax Collection Summary (in $ millions)
(Preliminary as of April 1, 2010)

	Month of March					FY10 Year-to-Date				
	3/10 Collections	3/10 v. 3/09 $ Change	3/10 v. 3/09 Actual % Change	3/10 v. 3/09 Baseline % Change	3/10 $ Above/(Below) Benchmark Based on FY10 Estimate of $18.460 Billion	3/10 FY10 YTD Collections	3/10 FY10 YTD $ Change	3/10 FY10 YTD Actual % Change	3/10 FY10 YTD Baseline % Change	FY10 YTD $ Above/(Below) Benchmark Based on FY10 Estimate of $18.460 Billion
Income - Total	**554**	**32**	**6.2%**	**4.1%**	**21**	**6,972**	**(596)**	**-7.9%**	**-8.0%**	**0**
Income Withholding	803	43	5.6%	4.8%	53	6,704	(133)	-1.9%	-2.1%	93
Income Est. Payments (Cash)	10	(3)	-24.0%	-24.0%	(2)	978	(336)	-25.6%	-23.3%	(85)
Income Returns/Bills	65	(4)	-5.8%	-5.8%	(16)	325	(54)	-14.2%	-14.9%	(10)
Income Refunds (Cash)	323	3	0.8%	2.3%	14	1,044	74	7.6%	10.1%	2
Sales & Use - Total	**354**	**79**	**29.0%**	**0.0%**	**13**	**3,378**	**461**	**15.8%**	**-5.4%**	**31**
Sales - Regular	244	49	25.3%	-3.3%	2	2,411	290	13.7%	-7.5%	8
Sales - Meals	56	12	27.2%	1.3%	1	556	82	17.4%	-1.9%	8
Sales - Motor Vehicles	54	18	50.9%	16.4%	10	411	89	27.5%	3.6%	15
Corporate & Business - Total	**598**	**(93)**	**-13.4%**	**-5.3%**	**(80)**	**1,586**	**(45)**	**-2.8%**	**-3.7%**	**(39)**
Corporate Excise	432	(9)	-2.1%	-8.1%	(17)	1,180	3	0.3%	-7.9%	9
Insurance Excise	100	(15)	-13.1%	12.1%	(6)	208	(30)	-12.7%	8.6%	(5)
Financial Institutions Excise	66	(49)	-42.4%	-5.2%	(31)	201	(20)	-8.9%	9.2%	(16)
Public Utilities Excise	1	(19)	-97.5%	-43.8%	(25)	(2)	1	N/A	N/A	(27)
All Other	**118**	**2**	**1.7%**	**2.1%**	**3**	**1,249**	**(42)**	**-3.3%**	**-5.1%**	**(1)**
Total Tax Collections	**1,624**	**21**	**1.3%**	**-0.8%**	**(42)**	**13,184**	**(222)**	**-1.7%**	**-6.6%**	**(9)**
Memo: Cigarette Tax Increase for Commonwealth Care Trust Fund (Not in FY10 Estimate or Budgetary Fund Benchmarks)	13	(0.1)	-0.8%	-0.8%	5	85	(20)	-19.3%	-10.8%	6

Note: Detail may not add to total due to rounding and other technical factors.

5/5/10 — April Revenue Collections Total $1.748 Billion

Wednesday, May 5, 2010
Robert R. Bliss
blissr@dor.state.ma.us
617-626-2369

Due to May 11 filing extension deadline, monthly collections are $31 million less than a year ago

Revenue Commissioner Navjeet K. Bal today announced that preliminary revenue collections for April 2010 totaled $1.748 billion, down $31 million or 1.8 percent from the same period a year ago. Comparisons with last year are not meaningful because the filing deadline for tax returns this year was extended from April 15th to May 11th due to the recent flooding in Massachusetts.

Total tax collections were $252 million below the monthly benchmark based on the FY10 revenue estimate of $18.460 billion. The decline was largely due to the extension of the filing deadline to May 11, with total income tax collections of $1.131 billion coming in $183 million less than a year ago.

"It is no surprise that April income tax payments with returns and refunds, and perhaps income tax estimated payments as well, were artificially reduced by the extension of the filing deadline from April 15 to May 11 due to the federal disaster declaration for seven Massachusetts counties hit by flooding," Bal said.

"However, it is also well worth noting that income tax withholding, sales and corporate taxes, which reflect current economic activity, were all strong in April, each one well over benchmark," she said. "In those numbers we are clearly seeing signs of economic recovery."

April withholding of $723 million was $58 million more than a year ago and $61 million above benchmark, but income received with the filing of tax returns, extensions, and payment of tax bills was down $319 million and was $469 million below the April benchmark. Overall, income tax collections were $395 million below benchmark for the month.

Navjeet K. Bal 100 Cambridge Street Commissioner P.O. Box 9494 Boston, MA 02114 (617) 626-2201 – F: (617) 626-2299

Sales tax collections of $414 million were up $105 million, or 33.9 percent, $38 million above benchmark and, factoring out the elimination of the sales tax exemption for alcoholic beverages, were up 3.3 percent on a baseline basis.

Regular sales tax collections in April were up $74 million or 33.1 percent and were $26 million above benchmark, exceeding the collections a year ago by 2.0 percent on a baseline basis. This is the best regular sales tax collection performance since August 2008. Meals tax collections were up $14 million but down 2.6 percent baseline over a year ago, while motor vehicle sales tax was up $17 million or 18.9 percent baseline from a year ago.

Corporate/business tax collections of $74 million were up $47 million or 174.3 percent from a year ago and were $95 million above benchmark.

Year to date, income tax collections of $8.104 billion are $392 million below benchmark; sales and use tax collections are $69 million above benchmark; and corporate and business tax collections are $56 million above benchmark. Total tax collections are now $261 million below benchmark.

"The monthly revenue report for May – which will include income tax payments remitted with tax returns as well as income tax refunds – should be a much better indicator of how the Commonwealth is going to finish out FY10," Bal concluded.

April 2010 Tax Collection Summary (in $ millions)
(Preliminary as of May 5, 2010)

	Month of April					FY10 Year-to-Date				
	4/10 Collections	4/10 v. 4/09 $ Change	4/10 v. 4/09 Actual % Change	4/10 v. 4/09 Baseline % Change	4/10 $ Above/(Below) Benchmark Based on FY10 Estimate of $18.460 Billion	4/10 FY10 YTD Collections	4/10 FY10 YTD $ Change	4/10 FY10 YTD Actual % Change	4/10 FY10 YTD Baseline % Change	FY10 YTD $ Above/(Below) Benchmark Based on FY10 Estimate of $18.460 Billion
Income - Total	**1,131**	**(183)**	**-13.9%**	**N/A***	**(395)***	**8,104**	**(778)**	**-8.8%**	**N/A***	**(392)***
Income Withholding	723	58	8.7%	8.7%	61	7,427	(75)	-1.0%	-1.1%	154
Income Est. Payments (Cash)*	154	(14)	-8.5%	N/A*	(3)*	1,133	(350)	-23.6%	N/A*	(87)*
Income Returns/Bills*	544	(319)	-36.9%	N/A*	(469)*	869	(372)	-30.0%	N/A*	(479)*
Income Refunds (Cash)*	290	(92)	-24.1%	N/A*	(16)*	1,334	(19)	-1.4%	N/A*	(14)*
Sales & Use - Total	**414**	**105**	**33.9%**	**3.3%**	**38**	**3,791**	**566**	**17.5%**	**-4.3%**	**69**
Sales - Regular	296	74	33.1%	2.0%	26	2,707	364	15.5%	-6.4%	34
Sales - Meals	63	14	27.6%	-2.6%	1	619	96	18.3%	-1.6%	9
Sales - Motor Vehicles	54	17	47.0%	18.9%	11	465	106	29.5%	5.8%	26
Corporate & Business - Total	**74**	**47**	**174.3%**	**174.3%**	**95**	**1,660**	**2**	**0.1%**	**-0.8%**	**56**
Corporate Excise	64	16	33.0%	33.0%	14	1,244	19	1.6%	-6.3%	23
Insurance Excise	(1)	18	N/A	N/A	18	207	(12)	-5.5%	17.7%	13
Financial Institutions Excise	11	14	N/A	N/A	64	211	(6)	-2.8%	15.6%	48
Public Utilities Excise	0	(1)	-96.6%	-96.6%	(1)	(2)	0	N/A	N/A	(27)
All Other	**129**	**(0)**	**-0.1%**	**6.1%**	**9**	**1,378**	**(42)**	**-3.0%**	**-4.1%**	**7**
Total Tax Collections*	**1,748**	**(31)**	**-1.8%**	**N/A***	**(252)***	**14,933**	**(253)**	**-1.7%**	**N/A***	**(261)***
Memo: Cigarette Tax Increase for Commonwealth Care Trust Fund (Not in FY10 Estimate or Budgetary Fund Benchmarks)	11	3	39.3%	39.3%	3	96	(17)	-15.2%	-7.0%	9

*Due to an extension of the filing deadline from April 15, 2010 to May 11, 2010 as a result of recent flooding, income tax payments with returns, income tax estimated payments, and income tax refunds have been delayed, resulting in below-benchmark performance in those revenue categories, and making it impossible to calculate baseline tax revenue growth at this time.

Note: Detail may not add to total due to rounding and other technical factors.