

PRESS RELEASE

Press Release December Revenue Collections Total \$3.006 Billion

Revenue collections are \$527 million above monthly benchmark, \$728 million above year-to-date benchmark

Boston, MA – Massachusetts Department of Revenue Commissioner Christopher C. Harding today announced that preliminary revenue collections for December totaled \$3.006 billion, which is \$527 million or 21.2% above the monthly benchmark, and \$517 million or 20.8% more than the actual collections in December 2016.

"December and January are important collection months, especially for individual estimated payments, which are by their nature volatile collections," said Commissioner Harding.

"Estimated payments are 153.3% above their projected December benchmark, and thus it is likely that a portion of those payments are borrowed from January and future months within the fiscal year (*). "

For the fiscal year-to-date through December, revenue collections totaled \$12.924 billion, \$728 million or 6.0% more than the year-to-date benchmark and \$966 million or 8.1% more than the same fiscal year-to-date period in 2016.

"Withholding payments in December also performed better than expected, which may reflect increased bonus-related activities. Regular sales tax collections, which reflect actual sales activity from November, likely include better-than-expected seasonal shopping such as Black Friday and Cyber Monday," continued Harding. "While the revenue numbers appear strong halfway through the fiscal year, we caution against using these results to project full year revenue growth given that some tax categories may have been affected by timing factors. We will closely monitor revenues in January and during the filing season."

- December 2017 revenues of \$3.006 billion were \$527 million above benchmark
- Income tax collections were \$479 million above benchmark
- Withholding collections (a subcategory of income tax) were \$67 million above the monthly benchmark
- Sales and use tax collections were \$25 million above the monthly benchmark
- Corporate and business taxes were \$11 million above the monthly benchmark
- For the fiscal year-to-date period, revenues of \$12.924 billion are \$728 million or 6.0% above benchmark and \$966 million or 8.1% above the prior year figure

Details:

- Income tax collections for December were \$1.966 billion, \$479 million or 32.2% above benchmark and \$487 million or 32.9% above last year.
- Withholding collections for December totaled \$1.263 billion, \$67 million or 5.6% above benchmark and \$115 million or 10.0% more than 2016.
- Income tax estimated payments totaled \$696 million for December, \$422 million or 153.3% more than benchmark and \$389 million or 126.5% above December 2016.
- Income cash refunds in December totaled \$36 million in outflows, \$29 million more than benchmark and also \$36 million more than prior year.
- Sales and use tax collections for December totaled \$527 million, which is \$25 million or 4.9% more than benchmark and \$30 million or 6.0% more than December 2016.
- Corporate and business tax collections for the month totaled \$329 million, \$11 million or 3.5% above benchmark and \$5 million or 1.4% below last December.
- Other tax collections for December totaled \$184 million, which is \$12 million or 6.7% more than benchmark and \$5 million or 2.5% more than December 2016.

(*) December is one of the larger tax collection months, with quarterly estimated payments due for businesses. Although estimated payments for individuals are not due until January, there is also considerable inflow in this category each December, largely due to individuals choosing to make the January payment early, in order to claim the related deduction on their previous year's federal tax returns. This year's inflow of such payments was very significant from historical standards.