

April Revenue Collections Total \$2.86 Billion

April revenues are \$241M below monthly benchmark, \$462M below YTD benchmark

(Boston, MA) – Massachusetts Department of Revenue Commissioner Michael J. Heffernan today announced that preliminary revenue collections for April totaled \$2.863 billion, which is \$241 million or 7.8% below the monthly benchmark, and \$83 million or 2.8% less than April 2016.

For the fiscal year-to-date through April, revenue collections totaled \$20.993 billion, a \$225 million increase over actual previous year collections in the same period or 1.1%, but below the year-to-date benchmark by \$462 million or 2.2%.

“Although revenue is still growing, most noticeably in Withholding, we have seen several revenue categories underperform compared to benchmark, including Payments with Returns and Bills, Estimated Payments, Sales Taxes, and Corporate & Business Taxes,” said Commissioner Heffernan. “These results make it unlikely that the Commonwealth will meet its FY17 revenue target with less than 20% of expected collections remaining in the final two months in the fiscal year, and we will also need to take a look at FY18 projections.”

- April 2017 revenues were \$2.863 billion, which is \$241 million or 7.8% below the monthly benchmark.
- Income tax collections were \$2.070 billion, \$275 million or 11.7% below the monthly benchmark.
- Withholding was \$962 million for the month, \$31 million or 3.3% above the monthly benchmark.
- Sales and use tax collections were \$493 million, which is \$14 million or 2.8% below the monthly benchmark.
- Corporate and business tax collections were \$120 million, \$49 million or 69.6% above the monthly benchmark.
- Other taxes, which include motor fuels, cigarette, estate, and other categories, were \$180 million, which is \$1 million or 0.5% below the monthly benchmark.

- April is a key month from a revenue perspective, usually ranking #1 of the 12 months of the year, with roughly 12% of annual revenues booked in the month.
- Income tax collections for April were \$2.070 billion, \$275 million or 11.7% below the monthly benchmark and \$126 million or 5.7% less than April 2016. For the fiscal year-to-date, income tax collections of \$12.108 billion were \$335 million or 2.7% below benchmark, and \$87 million or 0.7% above the same period in 2016
- Withholding was \$962 million for the month, \$31 million or 3.3% above the benchmark and \$35 million more than last year. For the fiscal year-to-date, withholding was \$10.021 billion, \$4 million below benchmark and \$396 million or 4.1% ahead of 2016.

- Estimated payments totaled \$232 million, \$45 million or 16.2% less than the monthly benchmark and \$21 million less than April 2016. For the fiscal year-to-date, estimated payments of \$1.878 billion were \$72 million or 3.7% below benchmark and \$127 million less than the same period last year.
- Payments with returns and bills for April totaled \$1.19 billion, which is \$279 million or 19.0% less than the monthly benchmark, and \$170 million less than April 2016. On a fiscal year-to-date basis, collections of \$1.591 billion were \$325 million or 17% less than benchmark and \$207 million or 11.5% less than the prior year.
- Refunds were \$315 million for the month of April, which is \$18 million less than benchmark, creating a negative variance of 5.5%. On a fiscal year-to-date basis, refunds were \$1.381 billion, which is \$67 million or 4.6% favorable to the benchmark. Comparing the 2017 figures to prior year, refunds in the month of April were \$29 million or 8.5% less than April 2016, and for the fiscal year-to-date period were \$26 million or 1.8% less than the prior fiscal year.
- Sales and use tax collections for April totaled \$493 million, which is \$14 million or 2.8% below the monthly benchmark and \$10 million or 2.1% below the month of April 2016. On a fiscal year-to-date basis, sales and use tax collections of \$5.107 billion and \$39 million or 0.8% below benchmark and \$92 million or 1.8% greater than 2016.
- Breaking down sales and use tax collections for the fiscal year-to-date period: Regular Sales were \$3.53 billion, which is \$4 million or 0.1% below benchmark. Meals collections were \$913 million, which is \$2 million below benchmark. Vehicles collections were \$666 million, which is \$33 million or 4.7% below benchmark.
- Corporate and business tax collections for the month were \$120 million, which is \$49 million above benchmark and \$52 million more than April 2016. Year-to-date business collections are \$1.966 billion, which is \$34 million or 1.7% below benchmark, and \$70 million or 3.7% above 2016.
- All other tax collections for April totaled \$180 million, \$1 million below the monthly benchmark and about the same as last April. On a fiscal year-to-date basis, other taxes are \$1.811 billion, which is \$54 million or 2.9% below benchmark and \$24 million or 1.3% below last year.