

July Revenue Collections Total \$1.798 Billion

Revenue collections are \$6 million or 0.3% above the monthly benchmark

(Boston, MA) – Massachusetts Department of Revenue Commissioner Michael J. Heffernan today announced that preliminary revenue collections for July totaled \$1.798 billion, which is \$6 million or 0.3% more than benchmark [1].

“July revenues came in as expected,” said Commissioner Heffernan. “We see continued growth in withholding, in regular sales tax, and in meals tax. The more volatile categories, including income returns and bills, refunds, and corporate/ business taxes, showed mixed results.”

- July 2017 revenues were \$1.798 billion, \$6 million or 0.3% above the monthly benchmark.
- Income tax collections were \$1.004 billion, \$10 million or 0.9% below the monthly benchmark.
- Withholding was \$993 million for the month, reaching the monthly benchmark.
- Sales and use tax collections were \$541 million, also at the monthly benchmark.
- Corporate and business tax collections were \$78 million, \$6 million or 8.0% above the monthly benchmark.
- Other taxes, which include motor fuels, cigarette, estate, and other categories, were \$175 million, \$10 million or 6.1% above the monthly benchmark.

July is one of the smaller tax collection months; no quarterly estimated payments are due for most individuals and businesses

Overall, July revenues were in line with expectations and the trends and patterns of the past several months that were used to develop the FY18 benchmark.

- Income tax collections for July were \$1.004 billion, \$56 million or 5.9% more than a year ago, which left them \$10 million or 0.9% below the monthly benchmark.
- Withholding collections for July totaled \$993 million, up \$98 million or 10.9% from last July and at the monthly benchmark
- Income tax payments with returns or tax bills for July totaled \$25 million, \$15 million or 36.8% less than last July and at the monthly benchmark.
- Income tax estimated payments totaled \$25 million for July, \$8 million or 24.6% less than a year ago, and \$3 million below the monthly benchmark.

- Income refunds (which are an outflow) totaled \$39 million in July, greater than the July 2016 figure by \$19 million or 92.9%. While large proportionally, this change represents normal fluctuations in the timing of tax season activities. Versus the monthly benchmark, it is a more modest \$6 million or 16.6% below.
- Corporate and business tax collections for the month totaled \$78 million, up \$26 million or 49% from last July and \$6 million above the monthly benchmark.
- Sales and use tax collections for July totaled \$541 million, down \$4 million or 0.7% from last July and at the monthly benchmark, mainly due to a substantial decrease in motor vehicle revenues. The motor vehicle category is notably volatile, with strong fluctuations month-by-month. DOR will monitor the category to see if a trend emerges.
- Other tax collections totaled \$175 million in July, \$15 million or 9.1% more than last July and \$10 million above the monthly benchmark.

[1] The FY18 revenue benchmark of \$26.504 billion was used in building the signed FY18 General Appropriations Act.