

The Commonwealth of Massachusetts
Annual Financial Information
Commonwealth Transportation Fund Revenue Bonds
(Accelerated Bridge Program)

March 25, 2014

The following annual financial information is provided by The Commonwealth of Massachusetts (the “Commonwealth”) pursuant to certain continuing disclosure undertakings entered into by the Commonwealth in connection with the Commonwealth’s Transportation Fund Revenue Bonds (Accelerated Bridge Program). Set forth below is certain financial information and operating data relating to the Commonwealth for the fiscal year ended June 30, 2013, updating the financial information presented in the Commonwealth’s statement of annual financial information for transportation fund revenue bonds dated March 27, 2013 with respect to the fiscal year ended June 30, 2012. Specific reference is also made to the Official Statement dated December 15, 2010 relating to the Commonwealth’s Transportation Fund Revenue Bonds (Accelerated Bridge Program) 2010 Series A (the 2010 Official Statement), the Official Statement dated May 8, 2012 relating to the Commonwealth’s Transportation Fund Revenue Bonds (Accelerated Bridge Program) 2012 Series A (the “2012 Official Statement”), and the Official Statement dated November 5, 2013 relating to the Commonwealth’s Transportation Fund Revenue Bonds (Accelerated Bridge Program) 2013 Series A (the “2013 Official Statement,” and together with the 2010 Official Statement and the 2012 Official Statement, the “Official Statements”), copies of which have been filed with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access (EMMA) system. Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Official Statements.

This statement is of limited scope. It contains only an updating of certain financial information and operating data described below. The information set forth herein does not contain all material information concerning the Commonwealth’s transportation fund revenue bonds necessary to make an informed investment decision. This statement does not constitute an offer to sell or the solicitation of an offer to buy Commonwealth transportation fund revenue bonds. This statement is submitted pursuant to various continuing disclosure undertakings relating to bonds that are subject to Rule 15c2-12 promulgated by the Securities and Exchange Commission and is intended to provide only the information necessary to conform to the requirements of said Rule 15c2-12.

Questions regarding information contained in this statement may be directed to Colin MacNaught, Assistant Treasurer for Debt Management, Office of the Treasurer and Receiver-General, One Ashburton Place, 12th floor, Boston, Massachusetts 02108, telephone (617) 367-9333, or to Scott Jordan, Undersecretary of the Executive Office for Administration and Finance, State House, Room 373, Boston, Massachusetts 02133, telephone (617) 727-2040.

1. Summary presentation of actual gasoline sales on a ten-year comparative basis, concluding with the prior fiscal year. Pursuant to the 2010 Official Statement, the 2012 Official Statement and the 2013 Official Statement.

HISTORICAL GASOLINE SALES

Fiscal Year	Average Price of Gasoline ⁽¹⁾	Gasoline Consumed (millions of gallons) ⁽²⁾	Percentage Change in Gasoline Consumed	Non-Farm Employment (thousands) ⁽³⁾	Percentage Change in Non-Farm Employment
2013	\$3.684	2,721	(1.84%)	3,300	1.38%
2012	3.652	2,772	0.19	3,255	1.53
2011	3.204	2,766	0.58	3,205	1.00
2010	2.694	2,750	(0.31)	3,174	(1.99)
2009	2.577	2,759	(2.84)	3,238	(1.71)
2008	3.147	2,839	0.08	3,294	0.89
2007	2.634	2,837	0.90	3,265	1.13
2006	2.583	2,812	(1.69)	3,229	0.83
2005	2.027	2,860	(0.09)	3,202	0.39
2004	1.742	2,863	1.11	3,189	(1.16)

SOURCES: "Average Price of Gasoline": U. S. Department of Energy, Energy Information Administration; "Non-Farm Employment": U. S. Bureau of Labor Statistics; "Gasoline Consumed": Department of Revenue.

(1) Reflects the Average Price of Gasoline in all of Massachusetts.

(2) Based on Historical Gasoline Tax Collections pursuant to Chapter 64A, except Aviation Fuel. See the Official Statements under "COMMONWEALTH MOTOR FUELS TAX - Refunds and Abatements from Gasoline Tax."

(3) Seasonally adjusted. Calculated as fiscal year average of monthly employment.

2. Summary presentation of actual Pledged Motor Fuels Tax receipts on a ten-year comparative basis, concluding with the prior fiscal year. Pursuant to the 2010 Official Statement, the 2012 Official Statement and the 2013 Official Statement.

HISTORICAL ANNUAL COLLECTION OF PLEDGED MOTOR FUELS TAX

Fiscal Year	Average Gasoline Tax Rate ⁽¹⁾	Pledged Motor Fuels Tax Receipts (in thousands) ⁽²⁾	Percentage Change in Motor Fuels Tax Receipts
2013	\$0.21	\$649,779	(1.57%)
2012	0.21	660,177	0.15
2011	0.21	659,183	0.94
2010	0.21	653,045	(0.14)
2009	0.21	652,153	(2.80)
2008	0.21	670,940	(0.52)
2007	0.21	674,438	0.61
2006	0.21	670,377	(2.01)
2005	0.21	684,118	0.18
2004	0.21	682,914	1.18

Sources: "Average Gasoline Tax Rate," Department of Revenue; "Pledged Motor Fuels Tax Receipts," Fiscal Years 2004-2012, Office of the Comptroller and Fiscal Year 2013, Department of Revenue.

- (1) Average of Gasoline Tax Rate in effect during each fiscal year.
- (2) Includes all Pledged Motor Fuels Tax collected by the Commonwealth pursuant to Chapters 64A, 64E and 64F of the Massachusetts General Laws and credited to various budgeted funds, except Aviation Fuel. See the Official Statements under *Commonwealth Motor Fuels Tax – Crediting of Receipts*. Net of refunds and abatements from Gasoline Tax. See the Official Statements under *Commonwealth Motor Fuels Tax – Refunds and Abatements from Gasoline Tax*. The table above reflects tax rates of 21¢ per gallon on fuel (other than liquefied gas), 19.1% of the average price per gallon on liquefied gas and 20.9685¢ of the 21¢ per gallon Gasoline Tax in effect prior to July 31, 2013.

3. Summary presentation of actual monthly Motor Fuels Tax receipts for the two most recently completed fiscal years. Pursuant to the 2010 Official Statement, the 2012 Official Statement and the 2013 Official Statement.

**HISTORICAL MONTHLY COLLECTION OF MOTOR FUELS TAXES
MOST RECENT 24 MONTHS ENDING JUNE 2013**

<u>Month</u>	<u>Gasoline Tax Receipts under Chapter 64A⁽¹⁾⁽²⁾⁽³⁾</u>	<u>Special Fuels Tax Receipts under Chapter 64E⁽¹⁾⁽³⁾</u>	<u>Motor Carrier Fuels Tax Receipts under Chapter 64F⁽¹⁾⁽³⁾</u>	<u>Total</u>
July, 2011	\$49,234,786	\$6,842,333	\$200,056	\$56,277,175
August, 2011	50,448,176	6,237,083	(96,521)	56,588,738
September, 2011	51,920,309	7,473,937	102,237	59,496,482
October, 2011	47,484,461	6,698,858	170,058	54,353,377
November, 2011	49,780,561	6,833,748	(78,902)	56,535,406
December, 2011	47,518,697	6,694,787	286,410	54,499,893
January, 2012	50,111,489	6,484,393	24,119	56,620,001
February, 2012	45,115,069	6,048,340	(39,365)	51,124,044
March, 2012	47,319,819	5,474,435	94,975	52,889,229
April, 2012	47,772,840	6,074,429	217,667	54,064,936
May, 2012	46,650,864	6,318,873	(52,381)	52,917,356
June, 2012	49,589,160	6,898,037	120,770	56,607,967
July, 2012	50,569,305	6,442,681	246,216	57,258,203
August, 2012	49,938,118	6,720,090	(23,932)	56,634,275
September, 2012	51,273,580	6,915,194	63,642	58,252,415
October, 2012	46,947,395	6,257,727	215,047	53,420,169
November, 2012	49,714,074	7,131,407	(80,193)	56,765,288
December, 2012	46,745,540	6,763,252	111,212	53,620,005
January, 2013	47,675,803	6,140,452	172,517	53,988,771
February, 2013	46,000,799	6,255,053	(63,390)	52,192,463
March, 2013	40,536,337	6,103,529	169,453	46,809,319
April, 2013	47,045,454	6,183,683	231,066	53,460,204
May, 2013	46,626,298	6,173,694	(14,531)	52,785,461
June, 2013	49,256,410	7,143,385	44,878	56,444,673

SOURCE: Department of Revenue.

- (1) Net of applicable refunds, abatements and adjustments, if any. See the Official Statements under *Commonwealth Motor Fuels Tax – Refunds and Abatements from Gasoline Tax*.
- (2) Includes aviation gasoline tax receipts. For the period indicated on the table above, 0.09% to 0.24% of total collections of the Gasoline Tax is from aviation fuel, and the average over this period is 0.14%.
- (3) Effective July 31, 2013, the Motor Fuels Tax was increased from 21¢ to 24¢ per gallon.

4. Summary presentation of actual RMV transactions on a ten-year comparative basis, concluding with the prior fiscal year. Pursuant to the 2010 Official Statement, the 2012 Official Statement and the 2013 Official Statement.

The following table shows the number of RMV transactions since fiscal year 2004.

Transaction	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Vehicle Registration Renewals or Modifications	2,440,450	2,518,179	2,513,848	2,554,736	2,531,974	2,685,700	2,640,476	2,643,757	2,552,172	2,644,174
License Duplicates	496,390	486,344	483,403	468,998	450,212	421,102	391,682	201,258	206,378	184,318
License Renewal	953,734	901,467	473,965	699,589	951,117	911,523	902,692	556,539	951,498	946,787
New License	525,721	498,858	495,824	489,611	533,339	539,247	524,761	481,889	358,863	342,456
New Vehicle Registrations	<u>1,494,267</u>	<u>1,425,710</u>	<u>1,360,384</u>	<u>1,279,017</u>	<u>1,213,443</u>	<u>1,083,422</u>	<u>1,119,292</u>	<u>1,079,229</u>	<u>1,175,158</u>	<u>1,123,537</u>
Total Transactions	<u>5,910,562</u>	<u>5,830,558</u>	<u>5,327,424</u>	<u>5,491,951</u>	<u>5,680,085</u>	<u>5,640,994</u>	<u>5,578,903</u>	<u>4,962,672</u>	<u>5,244,069</u>	<u>5,241,272</u>

Source: Massachusetts Department of Transportation

5. Summary presentation of Registry Fee receipts on a ten-year comparative basis, concluding with the prior fiscal year. Pursuant to the 2012 Official Statement and the 2013 Official Statement.

The following table shows the historical collection of Registry Fees since fiscal year 2004.

HISTORICAL ANNUAL COLLECTION OF REGISTRY FEES

<u>Fiscal Year</u>	<u>Pledged Registry Fee Receipts (in thousands)⁽¹⁾</u>	<u>Percentage Change in Registry Fee Receipts</u>
2013	\$522,199 ⁽²⁾	2.67%
2012	508,608	2.53
2011	496,034	2.11
2010	485,789	20.31
2009	403,780	1.73
2008	396,904	2.16
2007	388,496	3.41
2006	375,670	(9.14)
2005	413,481	7.04
2004	386,284	(2.87)

SOURCES: Office of the Comptroller.

- (1) Certain prior years have been adjusted to reflect a reclassification of certain revenues as Pledged Registry Fees.
- (2) Fiscal years 2011 and 2012 do not include \$1 million and \$2 million, respectively, of the Registry Fees which represented civil motor infraction fees collected in such fiscal years and transferred to the CTF in fiscal year 2013. See the Official Statements under *Commonwealth Registry Fees - Crediting of Receipts*.

6. Summary presentation of actual Commonwealth Transportation Fund revenues on a ten-year comparative basis, concluding with the prior fiscal year. Pursuant to the 2010 Official Statement, the 2012 Official Statement and the 2013 Official Statement.

**Historic Pro Forma Commonwealth Transportation Fund Pledged Funds
(in thousands)**

Fiscal Year Ending June 30	Pledged Motor Fuels Tax			
	Chapter 64A Receipts ⁽¹⁾	Chapter 64E and 64F Receipts	Registry Fees	Total
2013	\$570,477	\$79,302	\$522,199	\$1,171,978
2012	581,148	79,028	508,608	1,168,784
2011	580,031	79,152	496,034	1,155,217
2010	576,676	76,369	485,789	1,138,834
2009	578,445	73,462	403,780	1,055,687
2008	595,380	75,560	396,904	1,067,844
2007	594,892	79,545	388,496	1,062,934
2006	589,591	80,785	375,670	1,046,046
2005	599,736	84,382	413,481	1,097,599
2004	600,255	82,659	386,284	1,069,197

SOURCE: Office of the Comptroller of the Commonwealth.

- (1) Equal to 20.9685¢ of the 21¢ Gas Tax imposed under Chapter 64A prior to July 31, 2013; prior to the Transportation Reform Act and the establishment of the Commonwealth Transportation Fund effective fiscal year 2010, the Gas Tax imposed under Chapter 64A was credited to the Highway Fund (84.85%), the General Fund (15.0%) and to the Inland Fisheries and Game Fund (0.15%).
- (2) Certain prior years have been adjusted to reflect reclassification of RMV revenues.
- (3) Fiscal years 2011 and 2012 do not include \$1 million and \$2 million, respectively, of the Registry Fees which represented civil motor infraction fees collected in such fiscal years and transferred to the CTF in fiscal year 2013. See the Official Statements under *Commonwealth Registry Fees - Crediting of Receipts*.