

For Immediate Release - July 21, 2016

FY16 Preliminary Revenues Total \$25.267 Billion, 2.2% Increase over FY15, \$484 Million Below Annual Benchmark

June 2016 collections total \$2.634 billion, 0.9% decrease from June 2015, \$173 million below the monthly benchmark

(Boston, MA) - Revenue Commissioner Michael J. Heffernan today announced that June 2016 monthly revenues totaled \$2.634 billion, which is \$23 million or 0.9% less than the Commonwealth collected during June 2015, and \$173 million below the monthly benchmark for June.

Commissioner Heffernan also announced that preliminary revenue collections for Fiscal Year 2016 (FY16) totaled \$25.267 billion, an increase of \$550 million or 2.2% from actual Fiscal Year 2015 (FY15) revenues, but \$484 million below the FY16 tax revenue benchmark.

“Fiscal Year 2016 finished below expectations reflecting the effects of a volatile stock market, resulting in lower-than-anticipated income estimated tax payments and higher-than-expected refunds,” said Commissioner Heffernan. “The Massachusetts economy continues to show healthy signs of growth, including low unemployment, and we will continue to monitor tax trends as we move into Fiscal Year 2017.”

Revenues were \$173 million below benchmark for June and \$484 million below benchmark for the fiscal year, but 2.2% above the FY15 total.

Corporate & business taxes were \$24 million below the monthly benchmark and \$48 million above benchmark for the year.

Income tax collections were \$104 million below benchmark in June and \$478 million below benchmark for the year.

Sales and use tax collections were \$44 million below benchmark for June and \$113 million below benchmark for the year.

June Revenue Collections

- Income tax collections were \$1.340 billion, \$25 million or 1.8% below last June and \$104 million below the monthly benchmark.
- Withholding collections, a subcategory of income tax collections, totaled \$887 million, up \$30 million or 3.5% from the same period last year and \$48 million below benchmark for the month.

- Income tax payments with returns or bills totaled \$62 million, \$1 million or 1.9% less than last June and \$13 million below the monthly benchmark.
- Income tax estimated payments totaled \$483 million, \$41 million or 7.9% less than last June and \$31 million below benchmark for the month.
- Income tax cash refunds totaled \$92 million, \$13 million or 16.1% more than last June and \$12 million above the monthly benchmark.
- Corporate and business tax collections totaled \$523 million, \$1 million or 0.3% less than last June and \$24 million below the monthly benchmark.
- Sales and use tax collections totaled \$525 million for the month, \$7 million or 1.3% less than last June, and \$44 million below the June benchmark.
- Other tax collections totaled \$244 million, \$10 million or 4.5% more than last year, meeting the benchmark for the month.

FY16 Revenue Collections

- FY16 income tax collections were \$14.390 billion, \$15 million or 0.1% more than a year ago and \$478 million below the benchmark.
- FY16 withholding collections, a subcategory of income tax collections, totaled \$11.424 billion, up \$360 million or 3.3% from last year and \$60 million below the benchmark.
- FY16 income tax payments with returns or bills totaled \$2.042 billion, \$141 million or 6.5% less than last year and \$173 million below the benchmark.
- Income tax estimated payments totaled \$2.511 billion, \$42 million or 1.7% less than FY15 and \$127 million below benchmark.
- Income tax cash refunds totaled \$1.585 billion, \$164 million or 11.5% more than last year and \$120 million more than was expected.
- Corporate and business tax collections totaled \$2.532 billion, \$112 million or 4.6% more than last year and \$48 million above the benchmark.
- Sales and use tax collections totaled \$6.049 billion, \$275 million or 4.8% more than last year, and \$113 million less than the benchmark.
- Other tax collections totaled \$2.296 billion, \$148 million or 6.9% more than last year and \$59 million above benchmark.

Settlements and Capital Gains

On July 8, 2016, DOR and the Office of the Attorney General jointly certified that FY16 tax-related settlement and judgment payments totaled \$155.3 million.

The Commonwealth collected approximately \$1.370 billion in capital gains tax during FY16.

Tax Amnesty Program

The two-month tax amnesty program collected approximately \$136 million, exceeding projections. The budget assumed a \$100 million amnesty target for the program. A final detailed report will be released in September.