

March Revenue Collections Total \$2.277 Billion

Revenue collections are \$37 million above benchmark* for the month

(Boston, MA) - Acting Revenue Commissioner Kevin Brown today announced that preliminary revenue collections for March totaled \$2.277 billion, \$252 million or 12.4 percent more than the state took in last March.

“March revenues finished above benchmark, thanks to a particularly good month for business taxes,” said Acting Commissioner Brown. “DOR will continue to monitor revenues very closely as April has historically been the largest tax collection month of the year. We are cautiously optimistic that the strength in the Massachusetts economy will be reflected in the revenue numbers in the months to come.”

- March revenues were \$37 million above benchmark
- Year-to-date revenues now stand at \$86 million below benchmark.
- Corporate & business taxes were \$36 million above the monthly benchmark
- Income tax collections were \$2 million above the monthly benchmark
- Withholding (a subcategory of income tax) was \$4 million above the March benchmark
- Sales and use tax collections were \$0.2 million below the monthly benchmark

March is an important tax collection month. It represents the largest month of the year for corporate and business tax collections with payments for the prior tax year being due for most corporations, as well as the first quarter estimated payments for the current tax year. March is also generally the second largest month for income tax refunds.

Revenues were above benchmark for the month mostly due to a greater than anticipated increase in corporate and business revenues.

Nine months into the fiscal year, year-to-date revenues total \$17.855 billion, \$502 million or 2.9 percent more than last year at this time. Excluding the \$26.9 million in one-time tax settlements received year-to-date, tax collections totaled \$17.828 billion, \$634 million or 3.7 percent above last year at this time and \$86 million below benchmark.

- Income tax collections were \$850 million, \$160 million or 23.2 percent above last March and \$2 million above the monthly benchmark.
- Withholding collections, a subcategory of income tax collections, totaled \$1.077 billion, up \$40 million or 3.8 percent from the same period last year and \$4 million above benchmark for the month.

- Income tax payments with returns or bills totaled \$86 million, \$6 million or 7.5 percent more than last March and \$8 million below the monthly benchmark.
- Income tax estimated payments totaled \$23 million, \$3 million or 16.2 percent more than last March and \$4 million above the March benchmark.
- Income tax cash refunds totaled \$336 million, \$111 million or 24.8 percent below last March and \$2 million below the monthly benchmark. The expected decrease in income tax cash refunds is mostly timing-related. There was a significant (but temporary) refund shift from February to March last year when DOR held refunds for further scrutiny in response to reports of increased refund fraud; such delays did not occur this year.
- Corporate and business tax collections totaled \$812 million, \$54 million or 7.1 percent above last March and \$36 million above the monthly benchmark.
- Sales tax collections totaled \$448 million for the month, \$34 million or 8.2 percent more than last March, and \$0.2 million below the March benchmark.
- Other tax collections totaled \$168 million, \$4 million or 2.5 percent more than last year and, \$1 million below benchmark for the month.

*For the purpose of this revenue release and going forward in Fiscal Year 2016 (FY16), the “benchmark” refers to the new benchmark, revised and released in **January 2016**.