

For Immediate Release - February 04, 2016

# January Revenue Collections Total \$2.588 Billion

## Revenue collections are \$48 million above the monthly and year-to-date newly-revised FY16 benchmark which was reestablished in January 2016

**(Boston, MA)**- Revenue Commissioner Mark Nunnelly today announced that preliminary revenue collections for January 2016 totaled \$2.588 billion, \$110 million or 4.4 percent more than the state took in January 2015.

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

On January 14, 2016, Administration and Finance Secretary Kristen Lepore announced an upward revision for FY16 revenue collections of \$140 million in conjunction with the Fiscal Year 2017 consensus revenue agreement. Accordingly, the yearly benchmark has been adjusted to \$25.751, up from \$25.611 billion.

Revenue collections for January would be \$78 million above the previous monthly benchmark. Under the revised benchmark, January monthly revenue came in \$48 million above what was expected.

“January closed above expectations largely due to strong performance in withholding, which was partly driven by bonus-related income payments,” Commissioner Nunnelly said. “We must continue to monitor revenues closely as a significant portion of the month’s revenues could be due to temporary or timing-related factors, which may not recur in upcoming months.”

- Income tax collections were \$20 million above the monthly benchmark
- Withholding collections were \$91 million above the January benchmark
- Income tax estimated payments were \$81 million below the monthly benchmark
- Corporate & business taxes were \$22 million above the January benchmark
- Sales and use tax collections were \$6 million below the monthly benchmark
- All other collections came in \$11 million above the January benchmark

Revenues were \$48 million above benchmark for January largely due to strong income tax withholding collections and corporate and business tax collections. These combined offset weak income tax cash estimated payments. It appears that more taxpayers have shifted their estimated payments from January to December this year as compared to last year.

Seven months into the fiscal year, year-to-date revenues total \$14.306 billion, \$526 million or 3.8 percent more than last year at this time. Excluding the \$26.9 million in large one-time tax settlements received year-to-date, tax collections totaled \$14.279 billion, \$621 million or 4.5 percent above last year at this time and \$48 million above benchmark.

- Income tax collections were \$1.788 billion, \$45 million or 2.6 percent more than last January and \$20 million above the monthly benchmark.
- Withholding collections totaled \$1.074 billion, up \$123 million or 12.9 percent from the same period last year and \$91 million above benchmark for the month.
- Income tax estimated payments totaled \$711 million, \$88 million or 11 percent below last January and \$81 million below the January benchmark.
- Income tax payments with returns or tax bills totaled \$32 million, \$3 million or 12.0 percent more than last January and \$4 million above the monthly benchmark.
- Income cash refunds totaled \$30 million, \$5 million or 14.1 percent less than last January and \$5 million below the monthly benchmark.
- Corporate and business tax collections totaled \$37 million, \$22 million more than last January and \$22 million above the monthly benchmark, which was due to lower corporate refunds this January.
- Sales tax collections totaled \$578 million for the month, \$25 million or 4.6 percent more than last January and \$6 million below the January benchmark.
- Other tax collections totaled \$184 million, \$17 million or 10.4 percent more than last year and \$11 million above benchmark for the month.