

Press Release

Press Release February Revenue Collections Total \$1.43 Billion

Collections are \$111 million above monthly benchmark, \$292 million below year-to-date benchmark

For immediate release:

3/05/2019

- Massachusetts Department of Revenue

Boston, MA — Massachusetts Department of Revenue Commissioner Christopher C. Harding today announced that preliminary revenue collections for February totaled \$1.43 billion, which is \$111 million or 8.5% above the revised monthly benchmark¹, and \$167 million or 13.3% more than the actual collections in February 2018.

For the fiscal year-to-date through February, revenue collections totaled \$17.52 billion, \$292 million or 1.6% less than the year-to-date benchmark and \$374 million or 2.2% more than the same fiscal year-to-date period in 2018.

“Most major categories of revenue performed as expected in February. The withholding revenue category was the primary contributor to the above-benchmark performance for the month,” said Commissioner Harding. “With approximately 60% of revenue collections in the door for Fiscal Year 2019 (FY19), revenue remains behind the year-to-date benchmark by \$292 million due to shortfall in income estimated payments in December and January, a significant component of which is likely due to volatile capital gains.”

“Year-to-date withholding and sales & use tax, the two largest revenue categories, show continued growth over the prior year. These categories are associated with overall economic conditions in the state, which show steady growth.”

“The remaining four months of the fiscal year, from March through June, have in the past contributed nearly 40% of total revenues on average, making it the largest four-month revenue period in each of the past 15 fiscal years. DOR will monitor revenue trends closely in the coming months,” said Commissioner Harding.

February has historically been the smallest net tax collection month of the fiscal year as there are no quarterly or annual payments due, and post-holiday sales tax collections are relatively low. February is also the month in which refunds, which are an outflow of revenues, begin to accelerate as taxpayers submit their annual returns.

- February 2019 revenues of \$1.43 billion were \$111 million above benchmark
- Income tax collections were \$98 million above the monthly benchmark

- Withholding collections were \$107 million above the monthly benchmark
 - Sales and use tax collections were \$1 million below the monthly benchmark
 - Corporate and business taxes were \$12 million above the monthly benchmark
 - For the fiscal year-to-date period, revenues of \$17.52 billion were \$292 million or 1.6% below the revised benchmark and \$374 million or 2.2% above the prior year figure
-
- Income tax collections for February were \$724 million, which is \$98 million or 15.7% above benchmark and \$134 million or 22.7% above February 2018.
 - Withholding collections for February totaled \$1.165 billion, \$107 million or 10.1% above benchmark, and \$148 million or 14.5% above February 2018.
 - Income tax estimated payments totaled \$16 million for February, \$7 million or 82.1% above benchmark and \$7 million or 69.5% above February 2018.
 - Income tax return payments totaled \$41 million for February, \$3 million or 6.2% less than benchmark and \$3 million or 6.6% below February 2018.
 - Income tax refunds in February totaled \$498 million in outflows, \$13 million or 2.7% more than benchmark and \$18 million or 3.7% more than February 2018.
 - Sales and use tax collections for February totaled \$497 million, which is \$1 million or 0.3% less than benchmark and \$19 million or 4.0% more than February 2018.
 - Corporate and business tax collections for the month totaled \$14 million, \$12 million above benchmark and \$15 million more than February 2018.
 - Other tax collections for February totaled \$191 million, which is \$3 million or 1.4% more than benchmark and close to February 2018.

¹ The original benchmark for fiscal year 2019 is \$28.392 billion. On December 31, 2018, as part of the fiscal year 2020 Consensus Revenue process, the fiscal year 2019 figure was adjusted to \$28.592 billion. The adjustment was reflected beginning with the January revenue report.