



MASSACHUSETTS DEPARTMENT OF REVENUE

Michael J. Heffernan, Commissioner

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Contact:

Nicole St. Peter Mac Dermott

(617) 626-2805

stpetermacdn@dor.state.ma.us

May Revenue Collections Total \$1.868 Billion

Revenue collections are \$50 million below benchmark for the month*

(Boston, MA) - Revenue Commissioner Michael J. Heffernan today announced that preliminary revenue collections for May totaled \$1.868 billion, \$34 million or 1.8 percent more than the state took in last May, due mainly to payments collected during the Amnesty program.

“May revenue collections continue to reflect the trends we saw last month with lower than expected payments with returns and higher than expected income cash refunds, as well as a shift in withholding from May to April,” said Commissioner Heffernan. “It appears that most of the adjustments being made to estimated payments due to the volatile stock market have leveled off at this point. We continue to have confidence in the state’s economy as overall sales tax and income withholding revenues remain healthy.”

- May revenues were \$34 million more than last May’s total.
- Revenue collections are \$50 million below benchmark for the month.
- Year-to-date revenues now stand at \$311 million below benchmark.
- Corporate & business taxes were \$41 million above the monthly benchmark.
- Income tax collections were \$101 million below the monthly benchmark.
- Withholding (a subcategory of income tax) was \$53 million below the May benchmark.
- Sales and use tax collections were \$27 million below the monthly benchmark.

May is normally a small tax collection month, as there are no quarterly estimated payments due for most corporate and business taxpayers or individuals, and the filing season is winding down.

The two-month tax amnesty program came to an end on May 31, and \$112 million has been collected since April 1. The Department anticipates additional minor amnesty revenues to be counted in the June revenue totals. The budget assumed a \$100 million amnesty target for the program.

With one month remaining in the current fiscal year, year-to-date revenues total \$22.661 billion, \$417 million or 1.9 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 \$22.634 billion, \$573 million or 2.6 percent above last year at this time but \$311 million below the year-to-date benchmark.

Income tax collections were \$1.026 billion, \$60 million or 5.6 percent below last May and \$101 million below the monthly benchmark.

Withholding collections, a subcategory of income tax collections, totaled \$911 million, down \$4 million or 0.4 percent from the same period last year and \$53 million below benchmark for the month.

Income tax payments with returns or bills totaled \$181 million, \$50 million or 21.6 percent less than last May and \$36 million below the monthly benchmark.

Income tax estimated payments totaled \$22 million, 1.8 percent less than last May and met the May benchmark.

Income tax cash refunds totaled \$88 million, \$6 million or 7.7 percent more than last May and \$12 million above the monthly benchmark.

Corporate and business tax collections totaled \$116 million, \$35 million or 42.7 percent more than last May and \$41 million above the monthly benchmark, due to Amnesty payments.

Sales and use tax collections totaled \$505 million for the month, \$16 million or 3.3 percent more than last May, and \$27 million below the May benchmark, mostly due to a weakness in motor vehicle sales.

Other tax collections totaled \$221 million, \$44 million or 24.6 percent more than last year and \$37 million above 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.*

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