

PRESS RELEASE

## Press Release May Revenue Collections Total \$2.002 Billion

Collections are \$8 million below monthly benchmark, \$952 million above year-to-date benchmark

FOR IMMEDIATE RELEASE:

6/05/2019

- Massachusetts Department of Revenue

**BOSTON, MA** — Massachusetts Department of Revenue Commissioner Christopher C. Harding today announced that preliminary revenue collections for May totaled \$2.002 billion, which is \$8 million or 0.4% below the revised monthly benchmark<sup>1</sup>, and \$60 million or 3.1% more than the actual collections in May 2018.

For the fiscal year-to-date through May, revenue collections totaled \$26.511 billion, \$952 million or 3.7% more than the year-to-date benchmark, and \$1.873 billion or 7.6% more than the same fiscal year-to-date period in 2018.

“May revenue collections came in very close to our expectation. Income tax withholding payments and regular sales and use tax were above monthly benchmark, while non-withheld income taxes - especially payments made with income tax returns - fell short of benchmark. As a result of more efficient processing of returns and refunds this year, some of the May return payments and refunds were accelerated into April,” said Commissioner Harding. “Overall on a year-to-date basis through May, collections in the more volatile categories of non-withheld income, corporate and business, and estate remain significantly above benchmark. For the tax categories that are more correlated with current economic condition, income tax

withholding is slightly below benchmark and sales tax collections are significantly above benchmark, reflecting steady labor market conditions and the related consumer spending on taxable items.”

Historically, May is a mid-size month for collections, ranking seventh of 12 months in each of the last six years. Estimated payments from individuals and businesses are not significant in May. The net figure for revenue collections in May is influenced by the individual tax filing season, which generates both inflows and refund outflows during the month. Individual tax returns continue to be received and processed in May, although in a volume well below the peak levels of March and April.

- May 2019 revenues of \$2.002 billion were \$8 million below the monthly benchmark
- Income tax collections were \$29 million below the monthly benchmark
- Withholding collections were \$17 million above the monthly benchmark
- Sales and use tax collections were \$10 million above the monthly benchmark
- Corporate and business taxes were \$1 million below the monthly benchmark
- For the fiscal year-to-date period, revenues of \$26.511 billion were \$952 million or 3.7% above the revised benchmark

- 
- Income tax collections for May were \$1.128 billion, which is \$29 million or 2.5% below benchmark and \$5 million or 0.5% above May 2018.
  - Withholding collections for May totaled \$981 million, \$17 million or 1.8% above benchmark, and \$54 million or 5.9% above May 2018.
  - Income tax estimated payments totaled \$26 million for May, close to benchmark and \$1 million or 2.1% below May 2018.

- Income tax return payments totaled \$204 million for May, \$75 million or 27% less than benchmark and \$77 million or 27.3% below May 2018.
- Income tax refunds in May totaled \$82 million in outflows, \$29 million or 25.9% less than benchmark and \$28 million or 25.2% less than May 2018.
- Sales and use tax collections for May totaled \$581 million, which is \$10 million or 1.7% more than benchmark and \$32 million or 5.8% more than May 2018.
- Corporate and business tax collections for the month totaled \$85 million, \$1 million below benchmark and \$6 million more than May 2018.
- Other tax collections for May totaled \$208 million, which is \$13 million or 6.5% more than benchmark and \$16 million or 8.6% more than May 2018.

<sup>1</sup>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.