



AMY PITTER  
COMMISSIONER

*The Commonwealth of Massachusetts*  
*Department of Revenue*  
*Office of the Commissioner*  
*P.O. Box 9550*  
*Boston, MA 02114-9550*

November 19, 2013

The Honorable Brian S. Dempsey, Chair  
House Committee on Ways and Means  
State House  
Room 243  
Boston, MA 02133

The Honorable Viriato Manuel deMacedo, Representative  
House Committee on Ways and Means  
State House  
Room 124  
Boston, MA 02133

The Honorable Stephen M. Brewer, Chair  
Senate Committee on Ways and Means  
State House  
Room 212  
Boston, MA 02133

The Honorable Richard J. Ross, Senator  
Senate Committee on Ways and Means  
State House  
Room 520  
Boston, MA 02133

Honorable Chairmen and Ranking Minority Members of the Ways and Means Committees:

Pursuant to Section 6 of Chapter 14 of the General Laws<sup>1</sup>, the Department of Revenue hereby submits its mid-month tax revenue report for the month of November 2013. The attached table shows November 2013 month-to-date and FY2014 year-to-date tax revenue collections through November 15, 2013, along with the dollar and percentage changes from the same collection period in November 2012. Also shown are the percentage growth amounts for the full month of November 2013 and for FY2014 year-to-date through the end of November 2013 that were assumed in the benchmarks corresponding to the FY2014 tax revenue estimate of \$22.797 billion. (The \$22.797 billion estimate reflects the FY2014 consensus tax estimate of \$22.334 billion adjusted for the impact of subsequent changes affecting revenues: Amazon tax

---

<sup>1</sup> <http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleII/Chapter14/Section6>

agreement, delayed FAS109 deductions, tax enhancements/administrative and technical changes, tax law changes in the transportation finance legislation, and sales tax holiday; the \$22.797 billion estimate was kept unchanged by the Secretary of Administration and Finance on October 15, 2013)

November is one of the smallest net tax collection months of the year, as there are no quarterly estimated payments due for individuals and most corporations, and income and corporate tax refunds are relatively high as DOR will continue processing the prior year's tax returns filed on extension. The November benchmark corresponding to the FY14 tax revenue estimate of \$22.797 billion assumes total tax collections of \$1.485 billion, an increase of \$66 million, or 4.6% actual, and increase of \$57 million, or 4.0% baseline from November 2012. November benchmarks also assume that, the recent change in tobacco tax rates would increase November tobacco tax collections by about \$8.8 million, and the 3 cents increase in gasoline/special fuels tax rate would increase motor fuel tax collections by \$8.3 million in November. November benchmarks also assume that revenues would decrease by \$10 to \$12 million relative to last November because we have one less deposit day this November than we did a year ago.

Through November 15, 2013 month-to-date tax collections total \$657 million, up \$96 million compared with the same period last year, with the full month benchmark projecting a growth of \$66 million from last November's tax collections total. The month-to-date increase is mostly due to a large increase in withholding collections, which seems to be timing related, and increase in sales tax and deeds tax.

November benchmark assumes that income tax collections would total \$860 million, up \$24 million, or 2.9% actual and up \$41 million, or 4.9% baseline from November 2012. Month-to-date income tax collections through November 15, 2013 totaled \$495 million, up \$50 million, or 11.2% from the same period in November 2012. Month-to-date withholding taxes through November 15, 2013 totaled \$485 million, up \$55 million from the same period in November 2012, compared to the benchmark estimate that projects an increase of \$32 million for the full month.

November sales tax is projected to total \$433 million, an increase of \$21 million, or 5.1% actual, and 3.0% baseline from November 2012. November 15<sup>th</sup> was too early in the month for sales tax trends to be meaningful, as monthly sales tax payments (other than those for motor vehicle sales tax) are not due until November 20<sup>th</sup>. Through November 15<sup>th</sup>, month-to-date sales tax collections totaled \$76 million, up \$15 million from the same period in November 2012.

As of November 15, 2013, corporate and business tax collections totaled \$15 million, up \$6 million, or 70.2% from the same period in November 2012. Month-to-date corporate and business returns and bills payments total \$11 million, down \$16 million from the same period last year, with the full month benchmark projecting a growth of \$3 million from last November's same payments total. Month-to-date corporate and business refunds total \$10 million, down \$6 million from the same period last year, with the full month benchmark projecting a growth of \$1 million from the last November's refunds total.

Monthly motor fuels and rooms tax payments are also due on November 20<sup>th</sup>. There may be differences in the due dates for certain tax payments from one fiscal year to the next (e.g., in withholding payments or the timing of refund cycles) which complicate month-to-date comparisons to the prior year. As a result of these factors, revenues received through November 15<sup>th</sup> as reported in the attached table may not be indicative of what the final results for the full month will be. Specifically, they do not necessarily represent one-half of the revenues to be received in the full month and the month-to-date growth rates compared to November 2012 could change significantly by the end of this month. Any variances from the monthly benchmark at this point in the month should not be relied on as an indicator of what total final revenues for the month will be, compared to the full month benchmarks.

If you have any questions concerning this report, please contact either me (at 626-2201) or Kazim P. Ozyurt, Director of the Office of Tax Policy Analysis (at 626-2100).

Sincerely,

A handwritten signature in black ink that reads "Amy A. Pitter". The signature is written in a cursive style with a large initial "A".

Amy Pitter  
Commissioner

Attachment

Cc: Glen Shor, Secretary of Administration and Finance  
Representative Robert A. DeLeo, House Speaker  
Senator Therese Murray, Senate President  
Representative Jay R. Kaufman, House Chair, Joint Committee on Revenue  
Senator Michael J. Rodrigues, Senate Chair, Joint Committee on Revenue  
Representative Bradley H. Jones, Jr., House Minority Leader  
Senator Bruce Tarr, Senate Minority Leader  
Steven Grossman, Treasurer and Receiver General

## Mid-Month Tax Collection Report for November 2013 (in \$ Millions)

Tax Collections as of November 15, 2013, Compared to Same Collection Period in FY2013 and to the FY2014 Tax Revenue Estimate of \$22.797 Billion

	----- Month of November -----						----- FY14 Year-to-Date -----					
	11/13 MTD Collections	11/13 MTD v. 11/12 MTD \$ Change	11/13 MTD v. 11/12 MTD % Change	11/13 Full Month Benchmark (*)	% Growth from 11/12 Assumed in Monthly Benchmark	\$ Needed to Reach 11/13 Full Month Benchmark (*)	11/13 FY14 YTD Collections	11/13 FY14 YTD \$ Change	11/13 FY14 YTD % Change	FY14 YTD Benchmark (*)(**)	% Growth from 11/12 Assumed in FY14 YTD Benchmark	\$ Needed to Reach FY14 YTD Benchmark (*)(**)
<b>Income - Total</b>	<b>495</b>	<b>50</b>	<b>11.2%</b>	<b>860</b>	<b>2.9%</b>	<b>366</b>	<b>4,387</b>	<b>318</b>	<b>7.8%</b>	<b>4,663</b>	<b>4.6%</b>	<b>276</b>
Income Withholding	485	55	12.7%	841	4.0%	355	3,723	212	6.0%	4,073	4.7%	350
Income Est. Payments (Cash)	10	2	21.5%	16	5.0%	5	577	61	11.9%	540	3.5%	(36)
Income Returns/Bills	18	(7)	(28.9%)	35	(20.3%)	17	284	79	38.8%	224	0.3%	(60)
Income Refunds (Cash)	19	(1)	(5.5%)	32	0.0%	13	196	29	17.3%	179	0.0%	(17)
<b>Sales &amp; Use - Total</b>	<b>76</b>	<b>15</b>	<b>24.4%</b>	<b>433</b>	<b>5.1%</b>	<b>357</b>	<b>1,940</b>	<b>124</b>	<b>6.8%</b>	<b>2,273</b>	<b>4.9%</b>	<b>333</b>
Sales - Regular	37	10	36.3%	306	6.6%	269	1,297	75	6.1%	1,557	5.1%	261
Sales - Meals	12	2	21.1%	77	3.7%	65	358	17	4.9%	425	4.7%	67
Sales - Motor Vehicles	27	3	12.4%	50	(0.9%)	23	285	32	12.7%	291	4.1%	6
<b>Corporate &amp; Business - Total</b>	<b>15</b>	<b>6</b>	<b>70.2%</b>	<b>9</b>	<b>(2.4%)</b>	<b>(7)</b>	<b>653</b>	<b>138</b>	<b>26.8%</b>	<b>536</b>	<b>4.1%</b>	<b>(116)</b>
<b>All Other</b>	<b>71</b>	<b>25</b>	<b>53.1%</b>	<b>184</b>	<b>11.9%</b>	<b>113</b>	<b>775</b>	<b>132</b>	<b>20.5%</b>	<b>838</b>	<b>10.1%</b>	<b>63</b>
<b>Total Tax Collections</b>	<b>657</b>	<b>96</b>	<b>17.1%</b>	<b>1,485</b>	<b>4.6%</b>	<b>829</b>	<b>7,755</b>	<b>711</b>	<b>10.1%</b>	<b>8,311</b>	<b>5.2%</b>	<b>556</b>

(\*) Benchmarks are based on the FY14 tax revenue estimate of \$22.797 billion

(\*\*) Year-to-date benchmarks are year-to-date full month benchmark totals (i.e., July through November full month totals)

Note: Detail may not add to total due to rounding and other technical factors.