

Press Release

# Press Release September Revenue Collections Total \$3.223 Billion

Revenue collections are \$271 million above monthly benchmark, \$323 million above year-to-date benchmark

For immediate release:

10/03/2018

- Massachusetts Department of Revenue

BOSTON — Massachusetts Department of Revenue Commissioner Christopher C. Harding today announced that preliminary revenue collections for September totaled \$3.223 billion, which is \$271 million or 9.2% above the monthly benchmark, and \$377 million or 13.3% more than the actual collections in September 2017.

For the fiscal year-to-date through September, revenue collections totaled \$6.965 billion, \$323 million or 4.9% more than the year-to-date benchmark and \$610 million or 9.6% more than the same fiscal year-to-date period in 2017.

“Revenues for September exceeded the monthly benchmark, mainly driven by estate taxes, which are reflected in the ‘Other’ tax grouping, and by corporate tax payments,” said Commissioner Harding. “The Department has identified some one-time revenue events that improved September revenue performance, beyond which we see modest growth across most other tax categories, roughly in line with expectations. The largest categories, Withholding and Sales & Use taxes, are close to benchmark. The other categories, Non-Withholding Income, Corporate, and Other, are notably volatile, so their current performance may not indicate a trend.”

- September 2018 revenues of \$3.223 billion were \$271 million above benchmark
- Income tax collections were \$46 million above the monthly benchmark
- Withholding collections were \$8 million below the monthly benchmark
- Sales and use tax collections were \$2 million below the monthly benchmark
- Corporate and business taxes were \$98 million above the monthly benchmark
- For the fiscal year-to-date period, revenues of \$6.965 billion are \$323 million or 4.9% above benchmark and \$610 million or 9.6% above the prior year figure

September is a significant month for revenues because many individuals and corporations are required to make estimated payments, usually producing about 10% of annual revenue and making September the fourth-largest revenue month of the year.

- Income tax collections for September were \$1.704 billion, which is \$46 million or 2.8% above benchmark and \$105 million or 6.5% above September 2017.

- Withholding collections for September totaled \$1.085 billion, \$8 million or 0.7% below benchmark, but very close to the amount received in September 2017.
- Income tax estimated payments totaled \$602 million for September, \$34 million or 6.0% more than benchmark and \$85 million or 16.5% above September 2017.
- Income tax refunds in September totaled \$29 million in outflows, \$19 million less than benchmark and also \$18 million less than September 2017.
- Sales and use tax collections for September totaled \$559 million, which is \$2 million or 0.4% less than benchmark but \$18 million or 3.4% more than September 2017(\*).
- Corporate and business tax collections for the month totaled \$635 million, \$98 million or 18.3% above benchmark and \$129 million or 25.6% more than September 2017.
- Other tax collections for September totaled \$324 million, which is \$129 million or 66.2% more than benchmark and \$125 million or 62.8% more than September 2017.

(\*) Regular sales tax, a subcategory of sales & use tax, reflects the impact of the August sales tax holiday on September revenue figures. The benchmark for September was created before the tax holiday was authorized, and therefore is higher than it would have been if it reflected the impact of the sales tax holiday. The reported performance versus benchmark for regular sales and for the sales & use category are lower because the benchmark did not reflect the sales tax holiday. DOR will prepare a statutory report on the impact of August sales tax holiday by December 30, 2018.