

COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT September 2009

Summary

Commonwealth Transportation Fund (CTF) revenues declined by 0.3 percent in September. Solid gains in the motor vehicle sales tax were offset by continuing weakness in retail sales tax collections.

Motor Fuels Tax

Motor fuels tax collections increased by 0.3 this month and are down 6.1 percent on a year-to-date basis, well behind the required decline of 1.3 percent in the official forecast.

The monthly average regular-grade gasoline retail price is expected to fall from \$2.62 per gallon in August to an average of \$2.44 per gallon for the last 3 months of the year. Higher projected crude oil prices in 2010 lead to an expected increase in regular-grade gasoline prices to an average of \$2.65 per gallon next year. Projected diesel fuel retail prices, which averaged \$2.63 per gallon in August and September, will average \$2.60 during the fourth quarter of 2009, as the winter heating fuel season begins.

Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 7.4 percent in September, the first monthly increase since February 2008. Annual growth is down 2.9 percent. September's surge in car sales can be attributed to the federal government's Cash for Clunkers program. Given the weak labor market conditions, the program likely pushed forward sales which would have taken place later this year or next year.

Consumer fundamentals will remain difficult for some time: Unemployment is expected to increase through mid-2010, many more households are threatened with foreclosure, credit markets have eased only slightly, household wealth has been depleted, and confidence is low. Therefore, a convincing recovery of vehicle sales will not occur for another year.

State Retail Sales Tax

The TTF portion of the state retail sales tax declined by 6.6 percent in September.

Motor Vehicle Licenses

Motor vehicle registration fee collections declined by 3.3 percent in September.

Commonwealth of Virginia/Department of Accounts
Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues
Summary Statement of Selected Revenue Estimates & Collections
For the Fiscal Years 2009 and 2010
(Dollars in Thousands)

Revenue	FY 2010 Estimate	As a % of Total Fund	September			Year-To-Date			% Annual Growth Required By Estimate
			FY 2010	FY 2009	% Change	FY 2010	FY 2009	% Change	
Motor Fuel Taxes	\$828,600	25.53	\$73,439	\$73,235	0.3	\$146,359	\$155,818	(6.1)	(1.3)
Priority Transportation Fund (PTF)	149,100	4.59	98,327	100,082	(1.8)	105,674	107,764	(1.9)	(2.1)
Motor Vehicle Sales and Use Tax	401,100	12.36	47,443	44,183	7.4	129,927	133,832	(2.9)	(9.3)
State Sales and Use Tax	478,400	14.74	39,794	42,592	(6.6)	124,081	132,403	(6.3)	(4.2)
Motor Vehicle License Fees	241,900	7.45	19,963	20,639	(3.3)	59,713	64,156	(6.9)	0.1
International Registration Plan	59,000	1.81	2,621	2,648	(1.0)	11,031	10,946	0.8	0.3
Recordation Tax	33,500	1.04	3,265	2,293	42.4	10,329	9,593	7.7	(6.2)
Interest Earnings	41,200	1.26	153	19	705.3	220	67	228.4	48.5
Misc. Taxes, Fees, and Revenues	13,200	0.40	954	1,177	(18.9)	2,878	3,421	(15.9)	2.1
Total State Taxes and Fees	\$2,246,000	69.18	\$285,959	\$286,868	(0.3)	\$590,212	\$618,000	(4.5)	(2.8)

Percentage is greater than or equal to 1,000%.

Commonwealth of Virginia/Department of Accounts
Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues
Statement of Revenue Estimates & Collections
For the Fiscal Years 2009 and 2010
(Dollars in Thousands)

Revenue	FY 2010 Estimate	As a % of Total Fund	September			Year-To-Date			% Annual Growth Required By Est
			FY 2010	FY 2009	% Change	FY 2010	FY 2009	% Change	
HIGHWAY MAINTENANCE AND OPERATING FUND:									
Motor Fuel Taxes (Includes Road Tax)	\$714,800	22.02	\$62,020	\$64,542	(3.9)	\$125,349	\$135,054	(7.2)	(1.1)
Motor Vehicle Sales and Use Tax	241,100	7.43	27,932	26,995	3.5	78,084	81,557	(4.3)	(10.6)
Motor Vehicle License Fees	221,000	6.81	17,963	18,706	(4.0)	54,196	58,378	(7.2)	0.4
International Registration Plan	59,000	1.81	2,621	2,648	(1.0)	11,031	10,946	0.8	0.3
Recordation Tax (1 cent)	11,200	0.35	1,088	764	42.4	3,443	3,198	7.7	(5.9)
Misc. Taxes, Fees, and Revenues	13,200	0.40	954	1,177	(18.9)	2,878	3,421	(15.9)	2.1
Total State Taxes and Fees	\$1,260,300	38.82	\$112,578	\$114,832	(2.0)	\$274,981	\$292,554	(6.0)	(2.8)
Other Revenues:									
Federal Grants and Contracts	\$0	0.00	\$3,579	\$1,227	191.7	\$5,517	\$7,315	(24.6)	(100.0)
Miscellaneous Revenues	10,543	0.33	862	1,665	(48.2)	2,654	4,593	(42.2)	(23.8)
Transfer (to) / from Transportation Trust Fund	523,898	16.14	100,000	120,000	(16.7)	150,000	220,000	(31.8)	43.6
Total Highway Maintenance and Operating Fund	\$1,794,741	55.29	\$217,019	\$237,724	(8.7)	\$433,152	\$524,462	(17.4)	5.9
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$113,800	3.51	\$11,419	\$8,693	31.4	\$21,010	\$20,764	1.2	(2.6)
PTF Motor Fuels	20,000	0.62	2,000	0	-	2,000	2,000	0.0	0.0
PTF Insurance Premiums Tax	129,100	3.97	96,327	100,082	(3.8)	103,674	105,764	(2.0)	(2.4)
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	160,000	4.93	19,511	17,188	13.5	51,843	52,275	(0.8)	(7.3)
State Sales and Use Tax	478,400	14.74	39,794	42,592	(6.6)	124,081	132,403	(6.3)	(4.2)
Motor Vehicle License Fees	20,900	0.64	2,000	1,933	3.5	5,517	5,778	(4.5)	(3.2)
Recordation Tax (2 cents)	22,300	0.69	2,177	1,529	42.4	6,886	6,395	7.7	(6.3)
Interest Earnings	41,200	1.26	153	19	705.3	220	67	228.4	48.5
Total State Taxes and Fees	\$985,700	30.36	\$173,381	\$172,036	0.8	\$315,231	\$325,446	(3.1)	(2.8)
Other Revenues:									
Federal Grants and Contracts	\$812,448	25.03	\$133,876	\$63,834	109.7	\$261,094	\$210,481	24.0	3.0
Receipts from Cities/Counties	109,510	3.37	(2,677)	(11,135)	76.0	2,941	9,896	(70.3)	133.9
Toll Revenues (Includes Route 28) (a)	52,309	1.61	1,411	6,391	(77.9)	4,971	19,073	(73.9)	(32.9)
Miscellaneous Revenues	15,436	0.48	1,012	516	96.1	5,411	3,995	35.4	(15.8)
Total Other Revenues	\$989,703	30.49	\$133,622	\$59,606	124.2	\$274,417	\$243,445	12.7	6.2
Transfer (to) / from Highway Maintenance and Operating Fund	(\$523,898)	(16.14)	(\$100,000)	(\$120,000)	16.7	(\$150,000)	(\$220,000)	31.8	(43.6)
Total Transportation Trust Fund	\$1,451,505	44.71	\$207,003	\$111,642	85.4	\$439,648	\$348,891	26.0	(8.2)
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND									
	\$3,246,246	100.00	\$424,022	\$349,366	21.4	\$872,800	\$873,353	(0.1)	(0.9)

Percentage is greater than or equal to 1,000%.

(a) The Dulles Toll Road was transferred to the Metropolitan Washington Airport Authority effective November 1, 2008. No toll revenues will be recorded for the Dulles Toll Road after November 1, 2008.