

August Revenue Collections Total \$1.712 Billion

Revenue collections are \$16 million below August monthly benchmark, \$11 million below year-to-date benchmark *

(Boston, MA) – Massachusetts Department of Revenue Commissioner Christopher C. Harding today announced that preliminary revenue collections for August 2017 totaled \$1.712 billion, which is \$25 million or 1.5% less than August 2016 actual state tax collections. August 2017 preliminary collections are \$16 million, or 0.9%, below the monthly benchmark.

Over the first two months of Fiscal Year 2018, total actual tax collections are up \$66 million, or 1.9%, over the same period last year, and \$11 million below the year-to-date benchmark.

“Total revenues are slightly below actual collections from the same period last year, and are also below the monthly benchmark,” said Harding. “The small shortfall in August collections reflects mostly lower than expected income withholding payments, partially offset by slightly better than expected performance in regular sales tax and estate tax. While most economic indicators remain generally positive about the Massachusetts economy, we will continue to monitor revenue collections closely, especially for September, which is traditionally one of the largest collection months.”

- August 2017 revenues of \$1.712 billion were \$25 million less than actual August 2016 revenues, and \$16 million or 0.9% below the monthly benchmark
- Income tax collections were \$33 million below the monthly benchmark
- Withholding collections were \$30 million below the monthly benchmark
- Corporate and business taxes were \$2 million above the monthly benchmark
- Sales and use tax collections were \$8 million above the monthly benchmark
- For the first two months of the Fiscal Year, July and August, total revenues are 1.9% greater than the same period last year, and \$11 million or 0.3% below benchmark

August is a small tax collection month with no quarterly estimated payments due for most individuals and businesses. As July and August are both relatively small tax collection months, it is not advisable at this time to use year-to-date collections to formulate trends or patterns for the full fiscal year.

- Income tax collections for August were \$927 million, which is \$54 million or 5.5% less than a year ago and \$33 million below the monthly benchmark.
- Withholding collections for August totaled \$913 million, down \$53 million or 5.5% from last August and \$30 million below the monthly benchmark.
- Income tax payments with returns or tax bills for August totaled \$41 million, up \$3 million or 9.1% over last August and \$3 million above the monthly benchmark.

- Income tax estimated payments totaled \$29 million for August, \$5 million or 19.7% more than a year ago and \$5 million above the monthly benchmark.
- Income cash refunds in August totaled \$56 million in outflows, which are \$9 million greater than last August and \$9 million above the monthly benchmark.
- Corporate and business tax collections for the month totaled \$41 million, up \$2 million or 6.0% from last August and \$2 million above the monthly benchmark.
- Sales and use tax collections for August totaled \$541 million, an increase of \$20 million or 3.9% from last August and \$8 million above the monthly benchmark.
- Other tax collections for August totaled \$203 million, up \$7 million or 3.4% from last August and \$6 million above the monthly benchmark.

** Benchmark is based on the anticipated state tax revenue collections used by the Baker-Polito administration when the FY18 budget was signed in July 2017.*