

May Revenue Collections Total \$1.92 Billion

May revenues are \$30M above monthly benchmark, \$439M below YTD benchmark

(Boston, MA) – Massachusetts Department of Revenue Commissioner Michael J. Heffernan today announced that preliminary revenue collections for May totaled \$1.922 billion, which is \$30 million or 1.6% above the monthly benchmark, and \$57 million or 3.1% more than the actual collections in May 2016.

For the fiscal year-to-date through May, revenue collections totaled \$22.906 billion, a \$274 million increase over actual previous year collections in the same period or 1.2%, and \$439 million, or 1.9%, below the year-to-date benchmark for Fiscal Year 2017.

“We continue to see steady year-to-date growth in revenues from income withholding, a sign of a healthy economy,” said Commissioner Heffernan. “This tax filing season, we processed a higher-than-anticipated number of individual returns into the first week of May, resulting in additional revenue collections during the early part of the month. As a result, May monthly revenues were moderately ahead of expectations, and we continue to experience modest actual growth over the previous fiscal year. The longer-term trend for Fiscal Year 2017 revenues coming in below annual projections has not changed.”

- May 2017 revenues were \$1.922 billion, which is \$30 million or 1.6% above the monthly benchmark.
- Income tax collections were \$1.149 billion, \$35 million or 3.2% above the monthly benchmark.
- Withholding was \$954 million for the month, \$39 million or 4.0% below the monthly benchmark.
- Sales and use tax collections were \$528 million, which is \$20 million or 4.0% above the monthly benchmark.
- Corporate and business tax collections were \$44 million, meeting the monthly benchmark.
- Other taxes, which include motor fuels, cigarette, estate, and other categories, were \$201 million, which is \$26 million or 11.3% below the monthly benchmark.

- Historically, May is a mid-size month for collections, ranking seventh of twelve months in each of the last five years. May is not a significant month for estimated payments from individuals or businesses.
- Income tax collections for May were \$1.149 billion, \$35 million or 3.2% above the monthly benchmark and \$123 million or 12.0% more than May 2016. For the fiscal year-to-date, income tax collections of \$13.255 billion were \$303 million or 2.2% below benchmark, and \$206 million or 1.6% above the same period in 2016.

- Withholding was \$954 million for the month, \$39 million or 4.0% below the benchmark and \$44 million more than last year. For the fiscal year-to-date, withholding was \$10.975 billion, \$43 million or 0.4% below benchmark and \$439 million or 4.2% ahead of 2016.
- Estimated payments totaled \$27 million, \$2 million or 7.8% more than the monthly benchmark and \$4 million more than May 2016. For the fiscal year-to-date, estimated payments of \$1.905 billion were \$69 million or 3.5% below benchmark and \$122 million less than the same period last year.
- Payments with returns and bills for May totaled \$275 million, which is \$87 million or 46.0% more than the monthly benchmark, and \$93 million more than May 2016. On a fiscal year-to-date basis, collections of \$1.862 billion were \$243 million or 11.5% less than benchmark and \$118 million or 5.9% less than the prior year. Tax season processing extends into May each year; in the current cycle, more payments were processed in early May rather than late April compared with last year.
- Refunds were \$107 million for the month of May, which is \$14 million more than benchmark, creating an unfavorable variance of 15.3%. On a fiscal year-to-date basis, refunds were \$1.488 billion, which is \$53 million or 3.4% favorable to the benchmark.
- Sales and use tax collections for May totaled \$528 million, which is \$20 million or 4.0% above the monthly benchmark and \$22 million or 4.3% above the month of May 2016. On a fiscal year-to-date basis, sales and use tax collections of \$5.637 billion are \$17 million or 0.3% below benchmark and \$115 million or 2.1% greater than 2016.
- Breaking down sales and use tax collections for the fiscal year-to-date period: Regular Sales were \$3.882 billion, which is \$11 million or 0.3% above benchmark. Meals collections were \$1.007 billion, which is \$1 million below benchmark. Vehicles collections were \$748 million, which is \$27 million or 3.5% below benchmark.
- Corporate and business tax collections for the month were \$44 million, which is at benchmark and \$72 million less than May 2016. Year-to-date business collections are \$2.012 billion, which is \$32 million or 1.5% below benchmark, and \$1 million or 0.05% above 2016.
- All other tax collections for May totaled \$201 million, \$26 million below the monthly benchmark and \$16 million less than May 2016. On a fiscal year-to-date basis, other taxes are \$2.003 billion, which is \$88 million or 4.2% below benchmark and \$49 million or 2.4% below last year.