

Press Release

# Press Release August Revenue Collections Total \$1.988 Billion

Monthly collections up \$146 million vs. August 2018 actual; \$33 million above monthly benchmark

For immediate release:

9/05/2019

- Massachusetts Department of Revenue

Boston, MA — Massachusetts Department of Revenue (DOR) Commissioner Christopher C. Harding today announced that preliminary revenue collections for August totaled \$1.988 billion, which is \$146 million or 7.9% more than the actual collections in August 2018, and \$33 million or 1.7% more than benchmark.<sup>1</sup>

“August collections were strong across most major tax types,” said Harding. “On a fiscal year-to-date basis, withholding and sales taxes, which are considered reflective of economic conditions in the state, show continued modest growth. Total revenues are slightly above benchmark so far in fiscal 2020, but September is the first month of substantial revenues in each fiscal year, with both individuals and corporations making estimated payments, so we will be monitoring collections closely.”

August is one of the smaller months for revenue collection, because neither individual nor business taxpayers make significant estimated payments during the month. On average for the past several years, roughly 6.7% of annual revenue has been received during August. Because August is a relatively small tax collection month, year-to-date collections should not be used to predict any meaningful trend for the full fiscal year.

- August 2019 revenues of \$1.988 billion were \$146 million or 7.9% more than last August, and \$33 million above benchmark
- Income tax collections were \$1.089 billion or 8.3% ahead of last August, and \$22million above benchmark
- Withholding tax collections (a subcategory of income tax) were \$1.036 billion or 6.6% more than last August, and \$18 million above benchmark
- Sales and use tax collections were \$606 million or 5.0% ahead of last August, and close to benchmark
- Corporate and business taxes were \$58 million or 14.5% more than last August, and \$6 million above benchmark
- Other taxes, which include motor fuels, cigarette, estate, and other tax categories, were \$235 million or 13.1% ahead of last August, and \$4 million above benchmark

Details:

- Income tax collections for August were \$1.089 billion, \$22 million or 2.1% above benchmark, and \$83 million or 8.3% more than August 2018.
- Withholding tax collections for August totaled \$1.036 billion, \$18 million or 1.8% above benchmark, and \$64 million or 6.6% more than August 2018.
- Income tax estimated payments totaled \$37 million for August, \$4 million or 12.0% more than benchmark, and \$3 million or 7.9% more than August 2018.
- Income returns and bills totaled \$36 million for August, \$2 million or 6.0% more than benchmark, and \$1 million or 3.4% more than August 2018.
- Income cash refunds in August totaled \$20 million in outflows, \$2 million or 13.7% more than benchmark, but \$15 million less than August 2018.
- Sales and use tax collections for August totaled \$606 million, close to benchmark, and \$29 million or 5.0% more than August 2018.
- Corporate and business tax collections for the month totaled \$58 million, \$6 million or 11.3% above benchmark, and \$7 million more than August 2018.
- Other tax collections for August totaled \$235 million, \$4 million or 1.9% more than benchmark, and \$27 million or 13.1% more than August 2018.

<sup>1</sup> The FY20 revenue benchmark of \$30.099 billion was used in building the signed FY20 General Appropriations Act.