

For Immediate Release - January 06, 2016

December Revenue Collections Total \$2.427 Billion

Revenue collections are \$39 million above benchmark for month, \$114 million above benchmark year-to-date

(Boston, MA) - Revenue Commissioner Mark Nunnely today announced that preliminary revenue collections for December totaled \$2.427 billion, \$121 million or 5.2 percent more than the state took in last December. Excluding the \$12.7 million in one-time tax settlement payments received in December, revenue collections totaled \$2.414 billion, \$108 million or 4.7 percent more than the state took in at this time last year and \$39 million above benchmark.

“While revenues to date are tracking above our benchmark, it is too early to tell how much of the growth comes from core economic growth like sales tax and employment withholding versus more volatile capital gains income,” said Commissioner Nunnely. “As we move into the second half of the fiscal year, we will continue to monitor revenues closely.”

- Income tax collections were \$8 million above the monthly benchmark
- Withholding collections were \$2 million below the December benchmark
- Corporate & business taxes were \$20 million above the monthly benchmark
- Sales and use tax collections were \$10 million above the monthly benchmark
- All other collections came in \$1 million above the December benchmark

Revenues were \$39 million above benchmark for December largely due to stronger than anticipated individual estimated tax payments, corporate and business collections, and sales and use tax collections, which combined to offset weaker withholding, payments with returns, and higher than anticipated refunds.

It is important to note that due to the rollout of MassTaxConnect at the beginning of last month, some withholding revenue shifted into December. However, bonus payments which typically begin to come in December and continue well into the next calendar year are weaker than expected, offsetting the positive effect of the shift. As a result, withholding is slightly below benchmark.

Six months into the fiscal year, revenues total \$11.719 billion, \$515 million or 4.6 percent more than last year at this time. Excluding the \$26.9 million in one-time tax settlements received year-to-date, tax collections totaled \$11.692 billion, \$488 million or 4.4 percent above last year at this time and \$114 million above benchmark.

- Income tax collections were \$1.368 billion, \$47 million or 3.5 percent more than last December and \$8 million above the monthly benchmark
- Withholding collections totaled \$1.092 billion, up \$47 million or 4.5 percent from the same period last year and \$2 million below benchmark for the month.
- Income tax payments with returns or tax bills totaled \$10 million, \$23 million or 69.6 percent less than last December and \$20 million below the monthly benchmark.
- Income tax cash estimated payments totaled \$291million, \$40 million or 16.1 percent above last December and \$47 million above the December benchmark. December estimated payments are due on January 15. Sometimes taxpayers elect to pay them in December to enable a current year expense. As such, income tax estimated payments received in December and January should be considered together.
- Income cash refunds totaled \$25 million, \$17 million or 209.9 percent more than last December and \$17 million above the monthly benchmark
- Excluding the \$12.7 million in one-time tax settlement payments received in December, corporate and business tax collections totaled \$359 million, \$25 million or 7.6 percent more than last December and \$20 million above the monthly benchmark.
- Sales tax collections totaled \$488 million for the month, \$31 million or 6.8 percent more than last December and \$10 million above the December benchmark.
- Other tax collections totaled \$200 million, \$5 million or 2.4 percent more than last year and \$1 million above benchmark for the month.