



COMMONWEALTH of VIRGINIA
Office of the Governor

Richard D. Brown
Secretary of Finance

PO Box 1475
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June 15, 2009

MEMORANDUM

TO: The Honorable Timothy M. Kaine

THROUGH: The Honorable Wayne M. Turnage

FROM: Richard D. Brown 

SUBJECT: May Revenue Data

May is a significant month for revenue collections. In addition to regular collections of withholding and sales taxes, estimated and final payments for individuals are due May 1, and corporations with a fiscal year ending other than December 31 – primarily retailers – have final payments due in May.

The weak economy continues to negatively affect general fund revenue collections. In May, total general fund revenues fell 15.6 percent compared to May 2008. Most of the decline was due to a drop in collections of sales tax, individual nonwithholding, and recordation taxes, along with a continuing surge in individual refunds. Individual withholding also contributed to the decline from last May, largely due to one less deposit day than last year.

On a year-to-date basis, total revenues fell 9.3 percent, trailing the revised annual forecast of a 7.3 percent decline. Most of the revenue sources with the exception of nonwithholding and recordation taxes are lagging their forecasts, while individual refunds are up sharply from the same period last year.

National Economic Indicators

The economy remains in a deep recession; however, most national indicators suggest the rate of decline is slowing.

- First-quarter real GDP was revised up from a 6.1 percent decline in the advance estimate to a 5.7 percent annualized decline.
- The labor market continued to contract in May; however, the magnitude of job losses has grown smaller. Payroll employment fell by 345,000 jobs in May, following losses of 504,000 in April and 652,000 in March. The job loss in May was about half of the average monthly job loss over the last six months. However, the unemployment rate rose to 9.4 percent from 8.9 percent.
- Initial claims for unemployment fell by 4,000 to 621,000 during the week ending May 30. The four-week moving average rose slightly from 627,000 to 631,000. Although the level of initial claims is indicative of continued weakness in the labor market, layoffs appear to be slowing.
- The Conference Board's index of leading indicators rose 1.0 percent to 99.0 in April, the first increase since June 2008. Seven of the ten components contributed to the increase. The rise in the index suggests the downturn has moderated.
- Consumer confidence continued to improve in May. The Conference Board's index of consumer confidence jumped from 40.8 to 54.9 in May. Similar to last month, the expectations component drove the increase, while the current conditions component rose only modestly. Although the index posted the largest two-month gain on record, it is still below its September level, suggesting confidence remains weak.
- The rate of contraction in the manufacturing sector continues to slow. The Institute of Supply Management index increased by 2.7 points in May, rising from 40.1 to 42.8. Although the index remains at recessionary levels, the gradual improvement over the last several months also suggests a moderation in the decline in industrial production.
- Inflation remains very low -- the CPI was flat in April. Core inflation rose 0.3 percent from March and stands 1.9 percent above April of last year.

Virginia Economy

In Virginia, payroll employment fell by 2.8 percent in April, the largest monthly drop since July 1991. Northern Virginia posted a decline of 1.5 percent, Hampton Roads fell 0.8 percent, and employment in the Richmond-Petersburg area fell 3.9 percent in April. The unemployment rate in Virginia fell from 6.9 percent to 6.6 percent, its second monthly decline.

The Virginia Leading Index fell 0.3 percent in April, its eighth consecutive decline. Two of the three components – auto registrations and initial unemployment claims – contributed to the decline. Building permits, the third component, increased in April. The leading index declined in eight of the eleven metro areas in the Commonwealth in April. The index remained flat in Richmond and Winchester, and increased modestly in Hampton Roads.

May Revenue Collections

Total general fund revenues fell 15.6 percent in May compared to May 2008. The decline in May was due to a drop in collections of most major sources, along with a continuing surge in individual refunds. On a year-to-date basis, total revenues fell 9.3 percent, trailing the revised annual forecast of a 7.3 percent decline.

Net Individual Income Tax (66% of general fund revenues): Collections of net individual income tax fell 16.7 percent in May. On a year-to-date basis, a decline of 5.9 percent is trailing the annual estimate of a 4.1 percent decline. Performance in each component of individual income tax is as follows:

Individual Income Tax Withholding (63% of general fund revenues): Collections of payroll withholding taxes fell 4.5 percent in May, partially due to one less deposit day than May 2008. Year-to-date withholding growth is 1.7 percent, trailing the projected annual growth rate of 2.5 percent. June will have one more deposit day than June 2008, evening out the number of deposit days in the year.

Individual Income Tax Nonwithholding (16% of general fund revenues): May is a significant month for nonwithholding collections, since final payments for tax year 2008 and the first estimated payment for tax year 2009 are both due May 1.

May collections were \$403.7 million compared with \$516.7 million in May 2008, a 21.9 percent decrease. Since a portion of final payments due May 1 are received in April, April and May collections must be analyzed together to accurately assess growth in this source. Taken together, nonwithholding collections in April and May were down 26.5 percent.

Through May, about 89 percent of the nonwithholding forecast has been collected, and collections during this period are 17.9 percent below the same period last year, matching the revised annual estimate. The final estimated payment for this fiscal year is due June 15.

Individual Income Tax Refunds: Through May, \$1.8 billion in individual refunds have been issued, compared with \$1.6 billion in the same period last year. Year to date, refunds are 13.7 percent ahead of the same period last year and are also ahead of the annual forecast of a 7.4 percent increase. Both the number of refunds and the average check size are greater than last year. For the filing season beginning in January, 2.5 million refunds have been issued – about 3.0 percent more than during the same period last year with the average check size up 10 percent.

Sales Tax (20% of general fund revenues): Collections of sales and use taxes, reflecting April sales, fell 8.2 percent in May. On a year-to-date basis, collections have fallen 5.1 percent, lagging the annual estimate of a 3.7 percent decline.

Corporate Income Tax (5% of general fund revenues): May is typically not a significant month in corporate income tax collections, with final or extension payments due mainly from retailers who typically have a January 31 close to their fiscal year. Such payments vary significantly from year to year.

Year-to-date collections are down 20.2 percent from the same period last year, trailing the annual estimate of a 15.2 percent decline. The second estimated payment for tax year 2009 is due June 15. About \$175 million is needed to meet the annual forecast in this source. Last year, about \$168 million was collected in June.

Wills, Suits, Deeds, Contracts (2% of general fund revenues): Collections of wills, suits, deeds, and contracts – mainly recordation tax collections – fell 22.4 percent in May, and are down 32.6 percent on a year-to-date basis, near the forecast of a 34.7 percent decline.

Other Revenue Sources

The following list provides data on May collections for other revenue sources:

	<u>Year-to-Date</u>	<u>Annual Estimate</u>
Insurance Premiums (2% GF revenues)	-47.5%	-35.1%
Interest Income (1% GF revenues)	-53.5%	-36.2%
ABC Taxes (1% GF revenues)	2.7%	3.6%

All Other Revenue (3% of general fund revenues): Receipts in All Other Revenue rose 10.8 percent in May; \$48.5 million compared with \$43.8 million last May. For the fiscal year-to-date, collections of All Other Revenue fell 24.5 percent from the same period in fiscal year 2008, close to the annual estimate of a 24.8 percent decline. The large decline in year-to-date collections and the annual forecast is attributable to the repeal of the estate tax. The tax was repealed effective July 1, 2007, and estates from deaths prior to that date had up to nine months to file.

Lottery Revenues: Net income for May 2009 totaled \$35.6 million, a decline of \$4.4 million from May 2008. In May of last year, a large Mega Millions jackpot boosted sales as the jackpot grew to nearly \$200 million. In addition, interest earnings were lower in May this year because of the accelerated profit transfer schedule. Year-to-date, net income is down 4.4 percent, ahead of the annual estimate of a 5.4 percent decline.

Summary

May is a significant month for revenue collections. Total general fund revenues fell 15.6 percent in May compared to May of last year. On a year-to-date basis, total revenues fell 9.3 percent, trailing the revised annual forecast of a 7.3 percent decline. Most of the revenue sources with the

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exception of nonwithholding and recordation taxes are lagging their forecasts, while individual refunds are up sharply from the same period last year.

June is another significant month for revenue collections, and typically accounts for 11 to 12 percent of total general fund revenue for the fiscal year. June collections include receipts of individual and corporate estimated payments, estimated payments for insurance premiums, and corporate franchise fees, along with regular monthly collections in other sources.

FY 2009 Revised Estimate
Per Chapter 781

Commonwealth of Virginia/Department of Accounts
Summary Report on General Fund and Lottery Revenue Collections
For the Fiscal Years 2008 and 2009
(Dollars in Thousands)

Revenue	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2009 Estimate	As a % of Gen Fund Rev & Net Lottery Profits	May		% Change	Year-To-Date		% Change	% Annual Growth Req By Est
			FY 2009	FY 2008		FY 2009	FY 2008		
Individual Income Tax:									
Withholding	\$9,154,000	62.64	\$674,002	\$705,830	(4.5)	\$8,337,663	\$8,196,751	1.7	2.5
Tax Dues/Estimated Payments	2,348,300	16.07	403,702	516,685	(21.9)	2,093,322	2,549,718	(17.9)	(17.9)
Gross Individual Income Tax	<u>\$11,502,300</u>	<u>78.71</u>	<u>\$1,077,704</u>	<u>\$1,222,515</u>	<u>(11.8)</u>	<u>\$10,430,985</u>	<u>\$10,746,469</u>	<u>(2.9)</u>	<u>(2.5)</u>
Individual and Fiduciary Income (Refunds)	(1,805,000)	(12.35)	(196,342)	(164,534)	19.3	(1,843,175)	(1,620,845)	13.7	7.4
Net Individual Income Tax	<u>\$9,697,300</u>	<u>66.36</u>	<u>\$881,362</u>	<u>\$1,057,981</u>	<u>(16.7)</u>	<u>\$8,587,810</u>	<u>\$9,125,624</u>	<u>(5.9)</u>	<u>(4.1)</u>
Sales and Use Tax	\$2,960,900	20.26	\$229,928	\$250,466	(8.2)	\$2,671,312	\$2,815,570	(5.1)	(3.7)
Corporations Income Tax	685,000	4.69	17,340	1,814	855.9	510,008	639,400	(20.2)	(15.2)
Wills, Suits, Deeds, Contracts	298,100	2.04	27,731	35,713	(22.4)	279,500	414,756	(32.6)	(34.7)
Insurance Premiums	257,500	1.76	2,442	3,155	(22.6)	157,027	298,851	(47.5)	(35.1)
Interest Income (a)	120,800	0.83	(2,324)	42,325	(105.5)	101,518	218,110	(53.5)	(36.2)
Alcoholic Beverage Sales (b)	174,900	1.20	33,436	32,516	2.8	138,218	134,647	2.7	3.6
All Other Revenues	419,400	2.86	48,503	43,784	10.8	365,878	484,899	(24.5)	(24.8)
Total General Fund Revenues	<u>\$14,613,900</u>	<u>100.00</u>	<u>\$1,238,418</u>	<u>\$1,467,754</u>	<u>(15.6)</u>	<u>\$12,811,271</u>	<u>\$14,131,857</u>	<u>(9.3)</u>	<u>(7.3)</u>
Gross Lottery Revenue (c)	-	-	-	-	-	-	-	-	-
Less: Expenses (c)	-	-	-	-	-	-	-	-	-
Net Lottery Profits (c)	-	-	-	-	-	-	-	-	-
Total General Fund Revenues and Net Lottery Profits (c)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

(a) Interest will be allocated in accordance with Section 3-3.04 of Chapter 781, 2009 Virginia Acts of Assembly.

(b) Includes Beer and Beverage Excise Tax and Alcoholic Beverage State Tax.

(c) Beginning in Fiscal Year 2009, Lottery proceeds will be deposited directly to the non-general Lottery Proceeds Fund and will no longer be reflected as part of the General Fund.

Commonwealth of Virginia/Department of Accounts
General Fund Statement of Revenue Collections and Estimates
For the Fiscal Years 2008 and 2009
(Dollars in Thousands)

Revenue	(1)	(2)	May			Year-To-Date		(8)	(9)
	FY 2009 Estimate	As a % of Total Gen Fund Rev	FY 2009	FY 2008	% Change	FY 2009	FY 2008	% Change	% Annual Growth Req By Est
Taxes:									
Individual Income Tax - Withholding	\$9,154,000	62.64	\$674,002	\$705,830	(4.5)	\$8,337,663	\$8,196,751	1.7	2.5
Tax Dues/Estimated Payments	2,348,300	16.07	403,702	516,685	(21.9)	2,093,322	2,549,718	(17.9)	(17.9)
Gross Individual Income Tax	\$11,502,300	78.71	\$1,077,704	\$1,222,515	(11.8)	\$10,430,985	\$10,746,469	(2.9)	(2.5)
Individ and Fiduc Income (Refunds)	(1,805,000)	(12.35)	(196,342)	(164,534)	19.3	(1,843,175)	(1,620,845)	13.7	7.4
Net Individual Income Tax	\$9,697,300	66.36	\$881,362	\$1,057,981	(16.7)	\$8,587,810	\$9,125,624	(5.9)	(4.1)
Sales and Use Tax	2,960,900	20.26	229,928	250,466	(8.2)	2,671,312	2,815,570	(5.1)	(3.7)
Corporations Income	685,000	4.69	17,340	1,814	855.9	510,008	639,400	(20.2)	(15.2)
Public Service Corporations	92,800	0.64	16,691	9,733	71.5	87,919	87,938	0.0	(3.7)
Insurance Premiums	257,500	1.76	2,442	3,155	(22.6)	157,027	298,851	(47.5)	(35.1)
Alcoholic Beverage Excise	131,000	0.90	29,654	28,867	2.7	98,526	95,239	3.5	4.5
Beer and Beverage Excise	43,900	0.30	3,782	3,649	3.6	39,692	39,408	0.7	0.9
Wills, Suits, Deeds, Contracts	298,100	2.04	27,731	35,713	(22.4)	279,500	414,756	(32.6)	(34.7)
Inheritance, Gift, and Estate	0	0.00	140	7,850	(98.2)	5,352	152,668	(96.5)	(100.0)
Bank Franchise	13,300	0.09	10,583	6,071	74.3	14,795	7,034	110.3	(3.4)
Other Taxes	2,600	0.01	759	471	61.1	5,239	3,478	50.6	54.5
Total Taxes	\$14,182,400	97.05	\$1,220,412	\$1,405,770	(13.2)	\$12,457,180	\$13,679,966	(8.9)	(7.2)
Rights and Privileges:									
Licenses and Permits	\$4,600	0.03	\$460	\$441	4.3	\$3,817	\$4,057	(5.9)	(0.2)
Corp. Franchise and Charters	43,200	0.30	496	610	(18.7)	17,157	17,702	(3.1)	(8.2)
Fees for Misc. Privileges & Services	16,100	0.11	603	705	(14.5)	10,333	11,545	(10.5)	1.9
Total Rights and Privileges	\$63,900	0.44	\$1,559	\$1,756	(11.2)	\$31,307	\$33,304	(6.0)	(5.3)
Other Revenues:									
Sales of Property & Commodities	\$1,800	0.01	\$0	\$0	-	\$1	\$3	(66.7)	-
Assessmts & Rcpts for Support of Special Svcs	400	0.00	11	21	(47.6)	346	335	3.3	(13.2)
Institutional Revenue	7,500	0.05	256	698	(63.3)	5,929	7,008	(15.4)	(1.2)
Interest (a)	120,800	0.83	(2,324)	42,325	(105.5)	101,518	218,110	(53.5)	(36.2)
Dividends and Rent	300	0.00	14	13	7.7	312	324	(3.7)	(19.6)
Fines, Forfeitures & Fees	227,200	1.55	17,838	17,937	(0.6)	195,847	200,694	(2.4)	3.1
Other Revenue	20,600	0.14	1,370	243	463.8	24,949	5,318	369.1	103.4
Excess Fees	(22,000)	(0.15)	(1,622)	(1,933)	16.1	(15,497)	(22,504)	31.1	9.7
Private Donations, Gifts & Cont.	900	0.01	5	0	-	76	131	(42.0)	#
Cities, Counties, and Towns	10,100	0.07	899	924	(2.7)	9,303	9,168	1.5	0.1
Total Other Revenues	\$367,600	2.51	\$16,447	\$60,228	(72.7)	\$322,784	\$418,587	(22.9)	(11.2)
Total General Fund Revenues	\$14,613,900	100.00	\$1,238,418	\$1,467,754	(15.6)	\$12,811,271	\$14,131,857	(9.3)	(7.3)

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

(a) Interest will be allocated in accordance with Section 3-3.04 of Chapter 781, 2009 Virginia Acts of Assembly.

**Commonwealth of Virginia/Department of Lottery
Summary Report on Lottery Collections
For the Fiscal Years 2008 and 2009
(Dollars in Thousands)**

	FY 2009 Estimate	(a)	May			Year-To-Date			% Annual Growth Required By Estimate
			FY 2009	FY 2008	% Change	FY 2009	FY 2008	% Change	
Lottery Collections									
Win for Life	\$34,900		\$2,735	\$3,963	(31.0)	\$29,744	\$35,094	(15.2)	(7.5)
Cash 5	29,000		2,521	2,469	2.1	26,853	26,701	0.6	(0.1)
Pick 4	191,400		15,491	16,027	(3.3)	170,475	169,070	0.8	4.0
Pick 3	277,200		22,038	21,626	1.9	230,495	236,264	(2.4)	8.0
Mega Millions	137,500		14,359	16,990	(15.5)	149,467	156,797	(4.7)	(17.2)
Fast Play	10,900		407	548	(25.7)	5,575	6,623	(15.8)	18.1
Raffle	10,600		0	0	-	8,906	8,799	1.2	20.5
Scratch	699,800		59,924	62,084	(3.5)	633,078	639,231	(1.0)	0.7
Gross Lottery Revenue	<u>1,391,300</u>		<u>117,475</u>	<u>123,707</u>	<u>(5.0)</u>	<u>1,254,593</u>	<u>1,278,579</u>	<u>(1.9)</u>	<u>0.4</u>
Expenses (c)	<u>960,800</u>		<u>81,860</u> (d)	<u>83,720</u>	<u>(2.2)</u>	<u>851,227</u> (d)	<u>856,437</u>	<u>(0.6)</u>	<u>3.2</u>
Net Lottery Ticket Profits	<u>\$430,500</u>		<u>\$35,615</u> (d)	<u>\$39,987</u>	<u>(10.9)</u>	<u>\$403,366</u> (d)	<u>\$422,142</u>	<u>(4.4)</u>	<u>(5.4)</u>

(a) Estimate established in Chapter 781, 2009 Acts of Assembly, and includes the residual amount of FY 2008 profits (\$259,003) that were transferred in FY 2009. The estimated profit pursuant to FY 2009 Lottery operations is \$430,200,000.

(b) The current year figures on this chart, including growth percentages, are not an indicator of the probable outcome for the fiscal year. Lottery revenues can have dramatic swings up and down month to month depending on the lotto jackpots, prize expense, and game related administrative expenses.

(c) "Expenses" includes prizes to winners, compensation to retailers, instant and online gaming costs, Lottery operating expenses, and net other income/expense.

(d) Current month includes operating expenses estimated (unaudited closing).

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 2008 and 2009
(Dollars in Thousands)

Revenue	FY 2009 Estimate	As a % of Total Fund	May			Year-To-Date			% Annual Growth Required By Estimate
			FY 2009	FY 2008	% Change	FY 2009	FY 2008	% Change	
Motor Fuel Taxes	\$842,300	23.84	\$73,232	\$70,015	4.6	\$702,346	\$728,850	(3.6)	(2.4)
Priority Transportation Fund (PTF) (a)	152,300	4.31	2,000	2,000	0.0	150,286	18,000	734.9	-
Motor Vehicle Sales and Use Tax	460,300	13.03	34,310	43,623	(21.3)	398,985	521,607	(23.5)	(19.7)
State Sales and Use Tax	514,500	14.56	39,727	42,586	(6.7)	459,466	480,872	(4.5)	(2.0)
Motor Vehicle License Fees	239,200	6.78	20,993	20,625	1.8	218,455	220,762	(1.0)	(1.2)
International Registration Plan	51,400	1.46	4,674	11,382	(58.9)	49,409	68,031	(27.4)	(30.7)
Recordation Tax (b)	35,400	1.00	3,056	0	-	31,999	0	-	-
Interest Earnings	30,700	0.87	104	33	215.2	26,723	49,198	(45.7)	(50.6)
Misc. Taxes, Fees, and Revenues	13,200	0.37	694	1,196	(42.0)	11,434	13,788	(17.1)	(11.4)
Total State Taxes and Fees	\$2,339,300	66.22	\$178,790	\$191,460	(6.6)	\$2,049,103	\$2,101,108	(2.5)	(1.5)

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

(a) A new revenue stream, Insurance Premiums Tax, is included in the Fiscal Year 2009 Transportation Trust Fund Revenue Forecast. As there were no collections for insurance premiums tax recorded in the Transportation Trust Fund during Fiscal Year 2008, a comparison of the total "Priority Transportation Fund (PTF)" between Fiscal Years 2008 and 2009 may not be appropriate. Refer to the "PTF Motor Fuels" and "PTF Insurance Premiums Tax" line items on page 5 for the detailed information pertaining to the "Priority Transportation Trust Fund (PTF)" line item.

(b) New revenue streams for Recordation Tax are included in the Fiscal Year 2009 Highway Maintenance and Operating Fund and the Transportation Trust Fund Revenue Estimates, respectively. As there were no collections for recordation taxes recorded in these funds during Fiscal Year 2008, a comparison between Fiscal Years 2008 and 2009 may not be appropriate. Refer to the "Recordation Tax (1 cent)" and "Recordation Tax (2 cents)" line items on page 5 for the detailed information pertaining to the "Recordation Tax" line item.

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 2008 and 2009
(Dollars in Thousands)

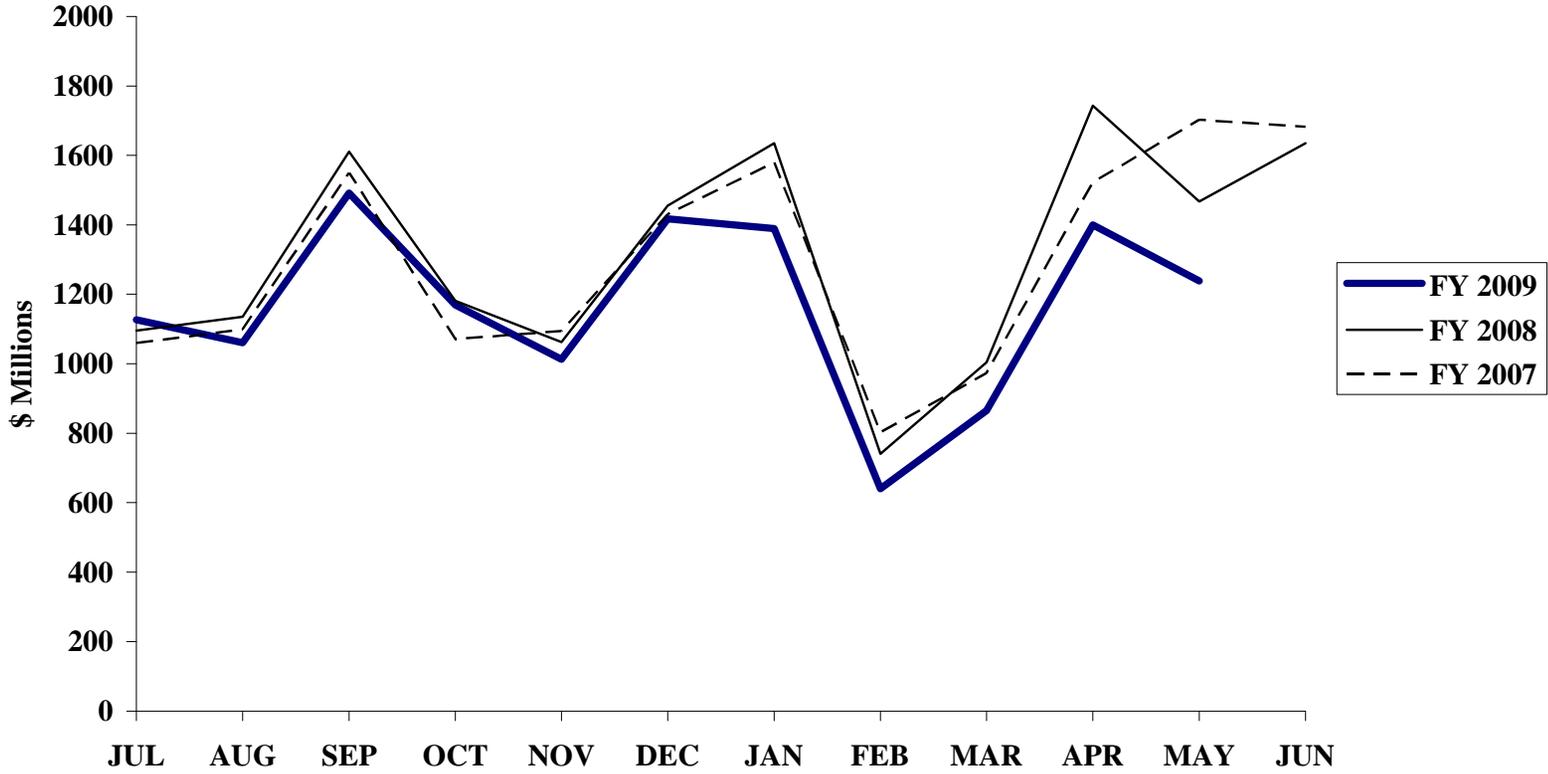
Revenue	FY 2009 Estimate	As a % of Total Fund	May			Year-To-Date			% Annual Growth Required By Est
			FY 2009	FY 2008	% Change	FY 2009	FY 2008	% Change	
HIGHWAY MAINTENANCE AND OPERATING FUND:									
Motor Fuel Taxes (Includes Road Tax)	\$725,300	20.53	\$61,481	\$61,285	0.3	\$603,093	\$626,357	(3.7)	(2.1)
Motor Vehicle Sales and Use Tax	277,900	7.87	20,890	26,826	(22.1)	242,892	323,077	(24.8)	(21.7)
Motor Vehicle License Fees	218,500	6.19	19,142	18,757	2.1	198,904	201,314	(1.2)	(1.0)
International Registration Plan	51,400	1.46	4,674	11,382	(58.9)	49,409	68,031	(27.4)	(30.7)
Recordation Tax (1 cent) (a)	11,800	0.33	1,019	0	-	10,666	0	-	-
Misc. Taxes, Fees, and Revenues	13,200	0.37	694	1,196	(42.0)	11,434	13,788	(17.1)	(11.4)
Total State Taxes and Fees	\$1,298,100	36.75	\$107,900	\$119,446	(9.7)	\$1,116,398	\$1,232,567	(9.4)	(7.6)
Other Revenues:									
Federal Grants and Contracts	\$0	0.00	\$601	\$1,699	(64.6)	\$17,086	\$27,486	(37.8)	(100.0)
Miscellaneous Revenues	19,605	0.55	549	1,979	(72.3)	12,950	15,415	(16.0)	16.3
Transfer (to) / from Transportation Trust Fund	384,970	10.90	0	0	-	364,831	265,543	37.4	45.0
Total Highway Maintenance and Operating Fund	\$1,702,675	48.20	\$109,050	\$123,124	(11.4)	\$1,511,265	\$1,541,011	(1.9)	(0.8)
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$117,000	3.31	\$11,751	\$8,730	34.6	\$99,253	\$102,493	(3.2)	(4.4)
PTF Motor Fuels	20,000	0.57	2,000	2,000	0.0	18,000	18,000	0.0	0.0
PTF Insurance Premiums Tax (a)	132,300	3.74	0	0	-	132,286	0	-	-
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	182,400	5.16	13,420	16,797	(20.1)	156,093	198,530	(21.4)	(16.3)
State Sales and Use Tax	514,500	14.56	39,727	42,586	(6.7)	459,466	480,872	(4.5)	(2.0)
Motor Vehicle License Fees	20,700	0.59	1,851	1,868	(0.9)	19,551	19,448	0.5	(3.0)
Recordation Tax (2 cents) (a)	23,600	0.67	2,037	0	-	21,333	0	-	-
Interest Earnings	30,700	0.87	104	33	215.2	26,723	49,198	(45.7)	(50.6)
Total State Taxes and Fees	\$1,041,200	29.47	\$70,890	\$72,014	(1.6)	\$932,705	\$868,541	7.4	7.5
Other Revenues:									
Federal Grants and Contracts	\$938,474	26.57	\$86,484	\$95,631	(9.6)	\$751,926	\$767,230	(2.0)	9.7
Receipts from Cities/Counties	97,299	2.76	1,347	2,616	(48.5)	43,020	40,790	5.5	114.4
Toll Revenues (Includes Route 28) (b)	106,041	3.00	3,299	20,273	(83.7)	70,130	122,564	(42.8)	(18.3)
Miscellaneous Revenues	31,806	0.90	1,305	1,841	(29.1)	15,760	13,935	13.1	115.1
Total Other Revenues	\$1,173,620	33.23	\$92,435	\$120,361	(23.2)	\$880,836	\$944,519	(6.7)	12.2
Transfer (to) / from Highway Maintenance and Operating Fund	(\$384,970)	(10.90)	\$0	\$0	-	(\$364,831)	(\$265,543)	(37.4)	(45.0)
Total Transportation Trust Fund	\$1,829,850	51.80	\$163,325	\$192,375	(15.1)	\$1,448,710	\$1,547,517	(6.4)	4.6
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND	\$3,532,525	100.00	\$272,375	\$315,499	(13.7)	\$2,959,975	\$3,088,528	(4.2)	2.0

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

(a) These line items were added to the Fiscal Year 2009 Revenue Forecast. Since there were no collections for these line items during Fiscal Year 2008, the Monthly and Year-To-Date % Change columns do not provide comparable data.

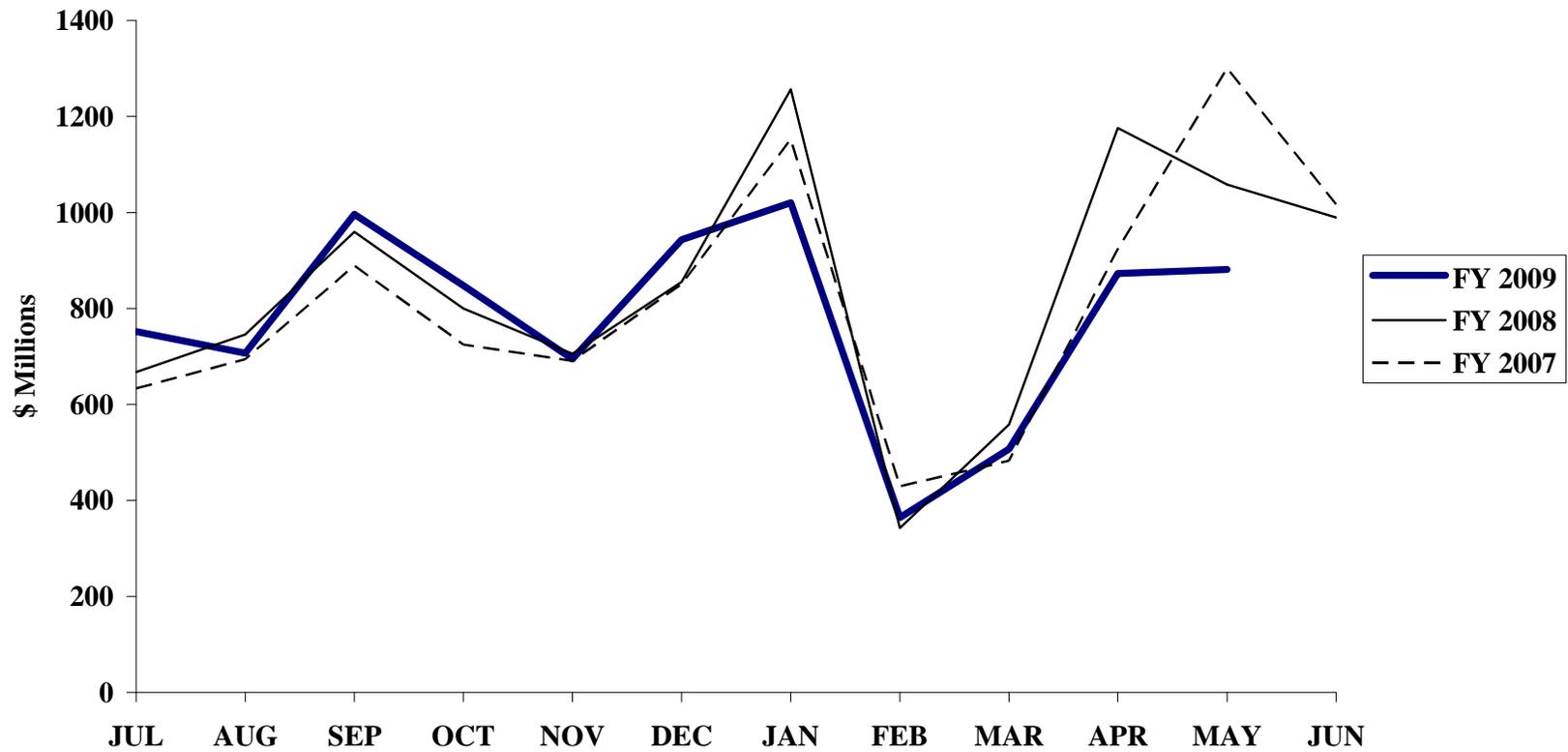
(b) The Dulles Toll Road was transferred to the Metropolitan Washington Airport Authority effective November 1, 2008. No toll revenues will be recorded for the Dulles Toll Road after November 1, 2008.

Total General Fund Revenues



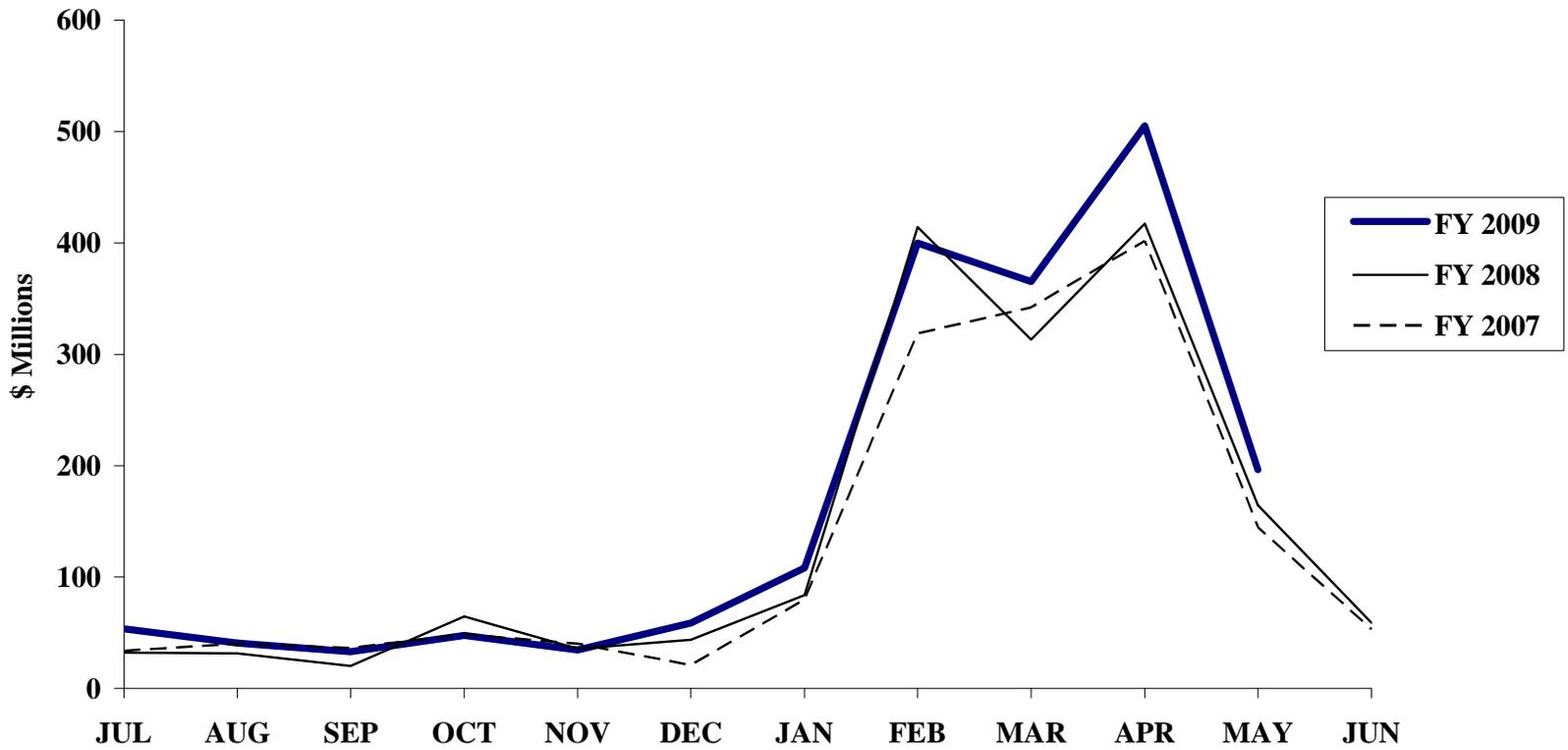
FY 2007 Actual = \$15,565.8 Million
FY 2008 Actual = \$15,766.9 Million
FY 2009 Estimate = \$14,613.9 Million

Net Individual Income Tax



FY 2007 Actual = \$9,787.6 Million
FY 2008 Actual = \$10,114.8 Million
FY 2009 Estimate = \$9,697.3 Million

Individual and Fiduciary Income Tax Refunds



FY 2007 Actual = \$1,559.8 Million
FY 2008 Actual = \$1,679.9 Million
FY 2009 Estimate = \$1,805.0 Million

DEPARTMENT OF THE TREASURY

General Account Investment Portfolio

Monthly Average Balances and Rates

For the Fiscal Year 2009

(Dollars in Millions)

MONTH	PRIMARY LIQUIDITY		EXTERNAL MANAGEMENT EXTENDED DURATION		COMPOSITE	
	Avg. Balance	Yield	Avg. Balance	Annualized Total Return	Avg. Balance	Rate
July, 2008	\$4,914.2	3.16%	\$1,812.2	-3.54%	\$6,726.4	1.35%
August	\$4,238.3	3.20%	\$1,812.8	6.74%	\$6,051.1	4.26%
September	\$4,315.2	3.27%	\$1,800.1	-24.46%	\$6,115.3	-4.89%
October	\$4,146.7	3.64%	\$1,767.2	-21.27%	\$5,913.9	-3.80%
November	\$3,820.7	3.48%	\$1,702.0 ¹	14.82% ¹	\$5,522.7 ¹	6.97% ¹
December	\$3,567.5	3.01%	\$1,662.0	36.73%	\$5,229.5	13.73%
January, 2009	\$3,772.3	2.69%	\$1,661.9	3.13%	\$5,434.2	2.82%
February	\$3,702.5	2.46%	\$1,632.0	-9.28%	\$5,334.5	-1.13%
March	\$3,433.1	2.19%	\$1,604.0	14.05%	\$5,037.1	5.97%
April	\$3,045.4	2.21%	\$1,604.0	11.87%	\$4,649.4	5.54%
May	\$3,273.0	1.70%	\$1,600.0	13.89%	\$4,873.0	5.70%
June						
Year-to-Date Average	\$3,839.0	2.88%	\$1,696.2	3.59%	\$5,535.2	3.10%

▪ Performance on the extended duration portion of the General Account is now reported on an annualized total return basis.

Total return includes unrealized gains and losses, which in the short term can make returns more volatile.

Over an extended time period the fluctuations average out and total return approaches the portfolio yield.

▪ Unaudited.

¹ Revised External Manager Extended Duration Avg. Balance & Annualized Total Return and Composite Avg. Balance & Rate for November 2008.

**Commonwealth of Virginia/Department of Accounts
Report on the Revenue Stabilization Fund
For the Fiscal Year 2009**

Month	Beginning Balance	Deposits	Withdrawals	Interest Allocated (A)	Ending Balance
July	\$1,014,870,245	\$0	\$0	\$0	\$1,014,870,245
August	\$1,014,870,245	\$0	\$0	\$0	\$1,014,870,245
September	\$1,014,870,245	\$0	\$0	\$0	\$1,014,870,245
October	\$1,014,870,245	\$0	\$0	\$9,828,002	\$1,024,698,247
November	\$1,024,698,247	\$0	\$0	\$0	\$1,024,698,247
December	\$1,024,698,247	\$0	\$0	\$0	\$1,024,698,247
January	\$1,024,698,247	\$0	\$0	\$8,825,266	\$1,033,523,513
February	\$1,033,523,513	\$0	\$0	\$0	\$1,033,523,513
March	\$1,033,523,513	\$0	\$0	\$0	\$1,033,523,513
April	\$1,033,523,513	\$0	(\$490,000,000) (B)	\$8,504,961	\$552,028,474
May	\$552,028,474	\$0	\$0	\$0	\$552,028,474
June					

Notes: (A) Interest is earned monthly but credited to nongeneral funds on a quarterly basis and will appear on this report in the months of October, January, April, and final June.

(B) A withdrawal of \$490,000,000 was made as required by Item 265.D.2 of Chapter 781, 2009 VA Acts of Assembly.