



COMMONWEALTH of VIRGINIA

Office of the Governor

Jody M. Wagner
Secretary of Finance

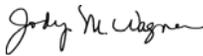
P.O. Box 1475
Richmond, Virginia 23218

April 14, 2008

MEMORANDUM

TO: The Honorable Timothy M. Kaine

THROUGH: The Honorable Wayne M. Turnage

FROM: Jody M. Wagner 

SUBJECT: March Revenue Data

March is not typically a significant month for revenue collections. Collections consist mainly of withholding and sales tax revenues in addition to normal collections for most minor sources. Final payments from insurance companies for tax year 2007 are due in March. No payments are due from either individuals or corporations, although March collections do include the leading edge of corporate payments which are due April 15.

General fund revenues grew 3.2 percent in March 2008 compared to March 2007. On a year-to-date basis, total revenues grew 2.5 percent over the same period last year, ahead of the revised annual forecast of 1.2 percent. Receipts of individual withholding and nonwithholding taxes continue to track slightly ahead of their respective forecasts, while sales and recordation tax collections are trailing their annual estimates.

National Economic Indicators

Most recent indicators suggest the outlook for the national economy has weakened further.

- The job market contracted in March – payroll employment fell by 80,000 jobs, the third consecutive monthly decline. In the first quarter, the economy lost 232,000 jobs, with the construction and manufacturing sectors leading the losses. Among the service industries, only leisure and hospitality, and education and health care continued to grow. In a separate report, the unemployment rate rose from 4.8 to 5.1 percent, its highest rate since the aftermath of Hurricane Katrina.
- Initial claims for unemployment rose by 38,000 to 407,000 during the week ending March 29. The four-week moving average increased from 358,750 to 374,500, consistent with a contracting labor market.
- The Consumer Price Index was flat in February, driven by weak demand. Core inflation, excluding food and energy, fell from 2.5 percent in January to 2.3 percent in February.

- Activity in the manufacturing sector was essentially unchanged in March. The Institute of Supply Management index rose slightly from 48.3 to 48.6, the second monthly reading below the expansionary threshold of 50 in the past three months, and new orders are at the lowest level since the last recession. The index suggests the manufacturing industry is contracting.
- The Conference Board's index of leading indicators fell 0.3 percent to 135.0 in February, the fifth consecutive monthly decline and its lowest level since Hurricane Katrina. Generally, a negative reading for six to nine months is indicative of a recession.
- The Conference Board's index of consumer confidence dropped from 76.4 to 64.5 in March, its lowest level since October 1993. Both the expectations and current conditions components fell sharply, but the current conditions component led the decline.
- The Federal Reserve cut the federal funds target rate by 75 basis points to 2.25 percent at its March meeting, following the 75-basis point cut at its emergency January meeting. The Board notes, "Financial markets remain under considerable stress, and the tightening of credit conditions and the deepening of the housing contraction are likely to weigh on economic growth over the next few quarters."

In Virginia, payroll employment grew by 0.5 percent in February. Jobs grew by 0.8 percent in Northern Virginia, 0.9 percent in Hampton Roads, and 0.2 percent in Richmond-Petersburg. The unemployment rate was flat at 3.8 percent in February.

The Virginia Leading Index edged up 0.3 percent in February for the second increase in three months. All three components -- auto registrations, building permits, and initial claims for unemployment -- contributed to the growth in February. On a regional level, the leading index rose in eight of the Commonwealth's eleven metro areas in February. The regional indices dropped in Harrisonburg, Danville, and Lynchburg.

March Revenue Collections

General fund revenues grew 3.2 percent in March 2008 compared to March 2007. On a year-to-date basis, total revenues grew 2.5 percent over the same period last year, ahead of the revised annual forecast of 1.2 percent. Individual withholding and nonwithholding are tracking slightly ahead of their respective forecasts, while sales and recordation tax collections are trailing their annual estimates.

Net Individual Income Tax (65% of general fund revenues): Year-to-date net individual income tax growth is 5.3 percent, slightly ahead of the revised annual estimate of 3.9 percent. Performance in each component of individual income tax is as follows:

Individual Income Tax Withholding (57% of general fund revenues): With one less deposit day than March 2007, collections of payroll withholding taxes grew 3.4 percent

in March. Year-to-date withholding growth is 5.4 percent, slightly ahead of the projected annual growth rate of 5.2 percent.

Individual Income Tax Nonwithholding (18% of general fund revenues): March is not typically a significant month for nonwithholding collections. A total of \$76.0 million was collected in March, compared with \$56.3 million in March of last year.

To date, about 42 percent of the nonwithholding forecast has been collected, and collections during this period are 6.8 percent above the same period last year, which is ahead of the revised annual estimate of 3.2 percent. The majority of the remaining collections in this source will occur in April and May, with both final payments for tax year 2007 and estimated payments for the current year due May 1.

Individual Income Tax Refunds: TAX issued \$313.2 million in individual refunds in March 2008, compared with \$342.2 million in March 2007. March of this year had one less processing day than March 2007. Year to date, refunds are 8.2 percent ahead of the same period last year, trailing the annual forecast of a 9.6 percent increase. For the filing season beginning January, 1.55 million refunds have been issued compared with 1.5 million during the same period last year and the average check size increased 7.3 percent – ahead of an anticipated 5.0 percent increase.

Sales Tax (20% of general fund revenues): Collections of sales and use taxes, reflecting February sales, grew 2.3 percent in March. On a year-to-date basis, collections of sales and use taxes have increased 1.0 percent, trailing the revised annual estimate of 1.6 percent growth.

Corporate Income Tax (4% of general fund revenues): Corporate income tax collections were \$84.4 million in March of 2008 compared with \$102.8 million in March of 2007. March receipts are typically from companies paying ahead of the April 15 filing date for final payments on tax year 2007 liability, and those making estimated payments for the first quarter of the current fiscal year. April receipts will provide a clearer picture of growth in this source. Year-to-date collections are down 16.1 percent compared to the same period last year, ahead of the annual projected decline of 20.5 percent.

Wills, Suits, Deeds, Contracts (3% of general fund revenues): Wills, suits, deeds, and contracts – mainly recordation tax collections – fell 27.5 percent in March as the housing market continued to slow. On a year-to-date basis, collections in this source declined 20.2 percent from last year, compared with the revised estimate of a 15.0 percent annual decline.

Insurance Premiums (3% of general fund revenues): Final payments from insurance companies, due March 1, were disappointing. Receipts of the tax on insurance premiums were \$15.7 million compared with \$34.9 million in March of 2007. Year-to-date, collections in this source are 4.3 percent above last year, behind the annual estimate of 8.7 percent growth.

Other Revenue Sources

The following list provides data on March collections for other revenue sources.

	<u>Year-to-Date</u>	<u>Annual Estimate</u>
Interest Income (1% GF revenues)	11.1%	-3.5%
ABC Taxes (1% GF revenues)	4.8%	5.0%

Note: Approximately 65 percent of the interest for the current quarter is due to nongeneral funds and will be transferred in April.

All Other Revenue: Receipts in All Other Revenue grew 4.3 percent in March – \$48.6 million compared with \$46.6 million in March 2007. Most of the increase was in inheritance, gift, and estate taxes -- \$16.7 million compared with \$9.2 million in March 2007. For the fiscal year-to-date, collections of All Other Revenue are 10.3 percent ahead of the same period in fiscal year 2007, ahead of the revised annual estimate of a 3.2 percent decline.

Lottery Revenues: Net income totaled \$38.4 million in March 2008 or \$7.7 million less than March 2007. March 2008 was 16.8 percent below March 2007, primarily because sales of Mega Millions tickets in March 2007 grew due to a strong jackpot total that reached over \$370 million. Year-to-date, net income is up 6.8 percent compared to the annual forecast of a 3.7 percent increase.

Summary

General fund revenues grew 3.2 percent in March 2008 compared to March 2007. On a year-to-date basis, total revenues grew 2.5 percent over the same period last year, ahead of the revised annual forecast of 1.2 percent. Collections of individual withholding and nonwithholding are tracking slightly ahead of their respective forecasts, while sales and recordation tax collections are trailing their annual estimates.

Total general fund revenue collections are currently ahead of the annual estimate. The last three months of the fiscal year, particularly April and May, are significant collection months. Estimated and final payments from both corporations and individuals are due in April and May, and estimated payments are again due in June.

Commonwealth of Virginia/Department of Accounts
Summary Report on General Fund and Lottery Revenue Collections
For the Fiscal Years 2007 and 2008
(Dollars in Thousands)

Revenue	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2008 Estimate	As a % of Gen Fund Rev & Net Lottery Profits	March FY 2008	March FY 2007	% Change	Year-To-Date FY 2008	Year-To-Date FY 2007	% Change	% Annual Growth Req By Est
Individual Income Tax:									
Withholding (a)	\$9,010,900	55.62	\$795,122	\$768,758	3.4	\$6,719,645	\$6,373,307	5.4	5.2
Tax Dues/Estimated Payments (a)	2,870,800	17.72	75,986	56,289	35.0	1,210,822	1,133,713	6.8	3.2
Gross Individual Income Tax (a)	<u>\$11,881,700</u>	<u>73.34</u>	<u>\$871,108</u>	<u>\$825,047</u>	<u>5.6</u>	<u>\$7,930,467</u>	<u>\$7,507,020</u>	<u>5.6</u>	<u>4.7</u>
Individual and Fiduciary Income (Refunds)	(1,709,200)	(10.55)	(313,207)	(342,244)	(8.5)	(1,038,819)	(960,353)	8.2	9.6
Net Individual Income Tax (a)	<u>\$10,172,500</u>	<u>62.79</u>	<u>\$557,901</u>	<u>\$482,803</u>	<u>15.6</u>	<u>\$6,891,648</u>	<u>\$6,546,667</u>	<u>5.3</u>	<u>3.9</u>
Sales and Use Tax	\$3,096,400	19.11	\$218,596	\$213,607	2.3	\$2,307,212	\$2,284,024	1.0	1.6
Corporations Income Tax (a)	699,100	4.32	84,376	102,759	(17.9)	471,873	562,136	(16.1)	(20.5)
Wills, Suits, Deeds, Contracts	495,500	3.05	35,901	49,542	(27.5)	341,892	428,291	(20.2)	(15.0)
Insurance Premiums	418,400	2.58	15,685	34,907	(55.1)	195,325	187,338	4.3	8.7
Interest Income (a) (b)	169,800	1.05	40,610	40,214	1.0	209,177	188,319	11.1	(3.5)
Alcoholic Beverage Sales (c)	170,000	1.05	3,021	2,789	8.3	98,912	94,340	4.8	5.0
All Other Revenues (a)	526,300	3.25	48,648	46,644	4.3	404,777	366,983	10.3	(3.2)
Total General Fund Revenues	<u>\$15,748,000</u>	<u>97.20</u>	<u>\$1,004,738</u>	<u>\$973,265</u>	<u>3.2</u>	<u>\$10,920,816</u>	<u>\$10,658,098</u>	<u>2.5</u>	<u>1.2</u>
Gross Lottery Revenue	\$1,399,051	8.64	\$122,810	\$138,568	(11.4)	\$1,039,193	\$1,017,107	2.2	2.7
Less: Expenses	(945,871)	(5.84)	(84,396)	(92,406)	(8.7)	(695,541)	(695,464)	0.0	2.2
Net Lottery Profits	<u>\$453,180</u>	<u>2.80</u>	<u>\$38,414</u>	<u>\$46,162</u>	<u>(16.8)</u>	<u>\$343,652</u>	<u>\$321,643</u>	<u>6.8</u>	<u>3.7</u>
Total General Fund Revenues and Net Lottery Profits	<u>\$16,201,180</u>	<u>100.00</u>	<u>\$1,043,152</u>	<u>\$1,019,427</u>	<u>2.3</u>	<u>\$11,264,468</u>	<u>\$10,979,741</u>	<u>2.6</u>	<u>1.3</u>

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

(a) Certain revenue reclassifications among line items were made by the Department of Taxation to the monthly and year-to-date amounts for Fiscal Year 2007 and the first four months of Fiscal Year 2008. Total revenue was unchanged.

(b) Approximately 65% of the interest for the current quarter is due to nongeneral funds and will be transferred in April.

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

Commonwealth of Virginia/Department of Accounts
General Fund Statement of Revenue Collections and Estimates
For the Fiscal Years 2007 and 2008
(Dollars in Thousands)

Revenue	(1)	(2)	(3) (4)		(5)	(6) (7)		(8)	(9)
	FY 2008 Estimate	As a % of Total Gen Fund Rev	FY 2008	March FY 2007	% Change	FY 2008	Year-To-Date FY 2007	% Change	% Annual Growth Req By Est
Taxes:									
Individual Income Tax - Withholding (a)	\$9,010,900	57.22	\$795,122	\$768,758	3.4	\$6,719,645	\$6,373,307	5.4	5.2
Tax Dues/Estimated Payments (a)	2,870,800	18.23	75,986	56,289	35.0	1,210,822	1,133,713	6.8	3.2
Gross Individual Income Tax (a)	\$11,881,700	75.45	\$871,108	\$825,047	5.6	\$7,930,467	\$7,507,020	5.6	4.7
Individ and Fiduc Income (Refunds)	(1,709,200)	(10.85)	(313,207)	(342,244)	(8.5)	(1,038,819)	(960,353)	8.2	9.6
Net Individual Income Tax (a)	\$10,172,500	64.60	\$557,901	\$482,803	15.6	\$6,891,648	\$6,546,667	5.3	3.9
Sales and Use Tax	3,096,400	19.66	218,596	213,607	2.3	2,307,212	2,284,024	1.0	1.6
Corporations Income (a)	699,100	4.44	84,376	102,759	(17.9)	471,873	562,136	(16.1)	(20.5)
Public Service Corporations	88,000	0.56	9,116	8,092	12.7	70,068	63,228	10.8	0.0
Insurance Premiums	418,400	2.65	15,685	34,907	(55.1)	195,325	187,338	4.3	8.7
Alcoholic Beverage Excise	126,000	0.80	0	0	-	66,372	62,319	6.5	6.1
Beer and Beverage Excise	44,000	0.28	3,021	2,789	8.3	32,540	32,021	1.6	2.0
Wills, Suits, Deeds, Contracts	495,500	3.15	35,901	49,542	(27.5)	341,892	428,291	(20.2)	(15.0)
Inheritance, Gift, and Estate	118,500	0.75	16,702	9,179	82.0	139,400	108,615	28.3	(22.5)
Bank Franchise	13,100	0.08	926	0	-	963	(39)	#	4.2
Other Taxes	10,500	0.07	(1,440)	143	#	2,129	5,461	(61.0)	57.7
Total Taxes (a)	\$15,282,000	97.04	\$940,784	\$903,821	4.1	\$10,519,422	\$10,280,061	2.3	1.2
Rights and Privileges:									
Licenses and Permits	\$5,000	0.03	\$465	\$526	(11.6)	\$3,382	\$3,521	(3.9)	3.5
Corp. Franchise and Charters	47,900	0.31	608	656	(7.3)	16,417	16,729	(1.9)	(0.1)
Fees for Misc. Privileges & Services	15,900	0.10	732	539	35.8	8,744	8,998	(2.8)	1.6
Total Rights and Privileges	\$68,800	0.44	\$1,805	\$1,721	4.9	\$28,543	\$29,248	(2.4)	0.6
Other Revenues:									
Sales of Property & Commodities	\$2,600	0.02	\$1	(\$13)	107.7	\$2	\$0	-	#
Assessmts & Rcpts for Support of Special Svcs	300	0.00	28	63	(55.6)	237	163	45.4	33.9
Institutional Revenue	7,500	0.05	1,006	274	267.2	5,745	5,689	1.0	4.6
Interest (a) (b)	169,800	1.08	40,610	40,214	1.0	209,177	188,319	11.1	(3.5)
Dividends and Rent	300	0.00	15	18	(16.7)	295	236	25.0	9.9
Fines, Forfeitures & Fees (a)	232,000	1.46	20,162	21,113	(4.5)	163,927	169,604	(3.3)	2.3
Other Revenue	4,000	0.03	1,033	(69)	#	4,782	2,364	102.3	2.1
Excess Fees	(29,600)	(0.19)	(1,637)	5,181	(131.6)	(18,836)	(25,090)	24.9	10.7
Private Donations, Gifts & Cont.	0	0.00	0	9	(100.0)	131	16	718.8	(100.0)
Cities, Counties, and Towns	10,300	0.07	931	933	(0.2)	7,391	7,488	(1.3)	0.2
Total Other Revenues (a)	\$397,200	2.52	\$62,149	\$67,723	(8.2)	\$372,851	\$348,789	6.9	1.5
Total General Fund Revenues	\$15,748,000	100.00	\$1,004,738	\$973,265	3.2	\$10,920,816	\$10,658,098	2.5	1.2

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

(a) Certain revenue reclassifications among line items were made by the Department of Taxation to the monthly and year-to-date amounts for Fiscal Year 2007 and the first four months of Fiscal Year 2008. Total revenue was unchanged.

(b) Approximately 65% of the interest for the current quarter is due to nongeneral funds and will be transferred in April.

**Commonwealth of Virginia/Department of Lottery
Summary Report on Lottery Collections
For the Fiscal Years 2007 and 2008
(Dollars in Thousands)**

	FY 2008 Estimate (a)	March			Year-To-Date			% Annual Growth Required By Estimate
		FY 2008	FY 2007	% Change	FY 2008	FY 2007	% Change (b)	
Lottery Collections								
Win for Life	\$33,336	\$3,197	\$3,576	(10.6)	\$27,586	\$32,241	(14.4)	(19.3)
Cash 5	28,734	2,592	2,568	0.9	21,793	20,446	6.6	4.4
Pick 4	189,580	16,716	17,259	(3.1)	137,519	132,800	3.6	5.4
Pick 3	269,995	23,128	25,312	(8.6)	193,250	197,849	(2.3)	1.7
Mega Millions	146,653	12,843	22,614	(43.2)	126,629	101,247	25.1	12.6
Scratch/Bingo/Raffle (c)	<u>730,753</u>	<u>64,334</u>	<u>67,239</u>	<u>(4.3)</u>	<u>532,416</u>	<u>532,524</u>	<u>0.0</u>	<u>1.8</u>
Gross Lottery Revenue	<u>1,399,051</u>	<u>122,810</u>	<u>138,568</u>	<u>(11.4)</u>	<u>1,039,193</u>	<u>1,017,107</u>	<u>2.2</u>	<u>2.7</u>
Expenses (d)	<u>945,871</u>	<u>84,396 (e)</u>	<u>92,406</u>	<u>(8.7)</u>	<u>695,541 (e)</u>	<u>695,464</u>	<u>0.0</u>	<u>2.2</u>
Net Lottery Ticket Profits	<u>\$453,180</u>	<u>\$38,414 (e)</u>	<u>\$46,162</u>	<u>(16.8)</u>	<u>\$343,652 (e)</u>	<u>\$321,643</u>	<u>6.8</u>	<u>3.7</u>

(a) Estimate established in December 2007, and includes the residual amount of FY 2007 profits (\$3,180,128) that were transferred in FY 2008.

(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) Fast Play Bingo began on February 4, 2007. Fast Play Bingo is an online game which plays like a Scratch game. Millionaire Raffle began on April 15, 2007, and drawing occurred June 14, 2007. Raffle is an online game which has a limited amount of tickets. The Lottery will have two separate Raffle drawings in FY 2008; the first drawing occurred on December 31, 2007.

(d) "Expenses" includes prizes to winners, compensation to retailers, instant ticket printing costs, Lottery operating expenses, and net other income/expense.

(e) 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 2007 and 2008
(Dollars in Thousands)

Revenue	FY 2008 Estimate	As a % of Total Fund	March			Year-To-Date			% Annual Growth Required By Estimate
			FY 2008	FY 2007	% Change	FY 2008	FY 2007	% Change	
Motor Fuel Taxes	\$894,000	24.02	\$70,502	\$67,516	4.4	\$594,633	\$578,911	2.7	4.0
Priority Transportation Fund	20,000	0.54	2,000	2,000	0.0	14,000	14,000	0.0	0.0
Motor Vehicle Sales and Use Tax	599,900	16.11	43,726	55,675	(21.5)	429,254	455,947	(5.9)	(4.5)
State Sales and Use Tax	517,800	13.91	37,602	37,259	0.9	394,288	388,200	1.6	0.1
Motor Vehicle License Fees	253,100	6.81	22,121	17,033	29.9	178,480	125,551	42.2	49.4
International Registration Plan	64,500	1.73	10,455	11,523	(9.3)	55,104	41,336	33.3	19.5
Interest Earnings	43,500	1.17	114	36	216.7	34,005	24,632	38.1	(19.4)
Misc. Taxes, Fees, and Revenues	15,800	0.42	1,331	1,224	8.7	11,433	9,170	24.7	28.1
Total State Taxes and Fees	<u>\$2,408,600</u>	<u>64.71</u>	<u>\$187,851</u>	<u>\$192,266</u>	<u>(2.3)</u>	<u>\$1,711,197</u>	<u>\$1,637,747</u>	<u>4.5</u>	<u>4.0</u>

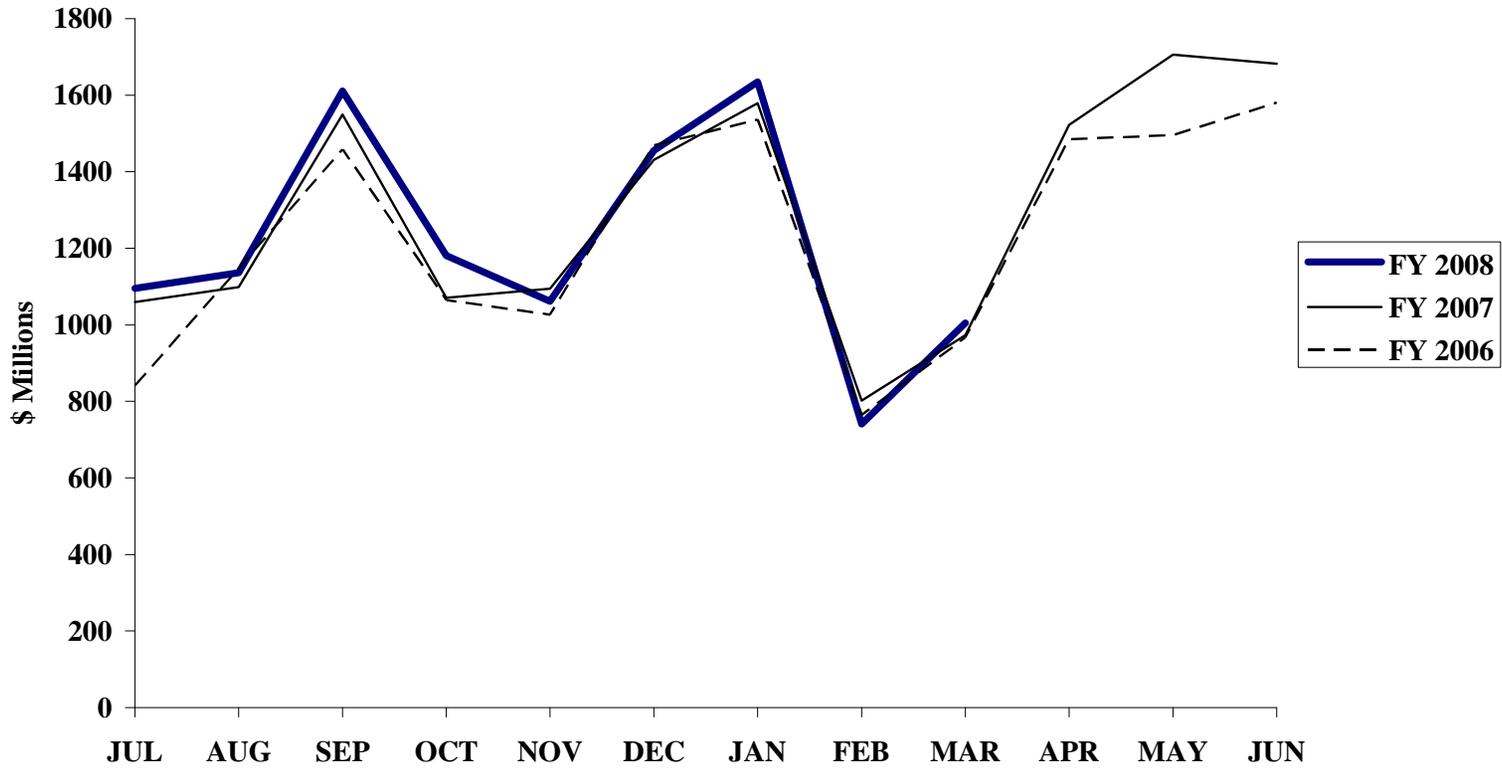
Percentage is greater than or equal to 1,000%.

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 2007 and 2008
(Dollars in Thousands)

Revenue	FY 2008 Estimate	As a % of Total Fund	March			Year-To-Date			% Annual Growth Required By Est
			FY 2008	FY 2007	% Change	FY 2008	FY 2007	% Change	
HIGHWAY MAINTENANCE AND OPERATING FUND:									
Motor Fuel Taxes (Includes Road Tax)	\$770,300	20.70	\$59,446	\$56,632	5.0	\$509,171	\$499,212	2.0	3.9
Motor Vehicle Sales and Use Tax	369,400	9.92	27,116	34,794	(22.1)	266,035	282,238	(5.7)	(5.3)
Motor Vehicle License Fees	231,700	6.23	20,157	14,906	35.2	162,874	109,594	48.6	56.4
International Registration Plan	64,500	1.73	10,455	11,523	(9.3)	55,104	41,336	33.3	19.5
Misc. Taxes, Fees, and Revenues	15,800	0.42	1,331	1,224	8.7	11,433	9,170	24.7	28.1
Total State Taxes and Fees	\$1,451,700	39.00	\$118,505	\$119,079	(0.5)	\$1,004,617	\$941,550	6.7	7.9
Other Revenues:									
Federal Grants and Contracts	\$0	0.00	\$2,476	\$1,807	37.0	\$24,074	\$19,414	24.0	(100.0)
Miscellaneous Revenues	16,937	0.46	1,133	1,175	(3.6)	12,221	13,295	(8.1)	0.1
Transfer (to) / from Transportation Trust Fund	260,570	7.00	0	0	-	265,543	231,205	14.9	12.7
Total Highway Maintenance and Operating Fund	\$1,729,207	46.46	\$122,114	\$122,061	0.0	\$1,306,455	\$1,205,464	8.4	6.4
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$123,700	3.32	\$11,056	\$10,884	1.6	\$85,462	\$79,699	7.2	4.8
Priority Transportation Fund	20,000	0.54	2,000	2,000	0.0	14,000	14,000	0.0	0.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	230,500	6.19	16,610	20,881	(20.5)	163,219	173,709	(6.0)	(3.4)
State Sales and Use Tax	517,800	13.91	37,602	37,259	0.9	394,288	388,200	1.6	0.1
Motor Vehicle License Fees	21,400	0.58	1,964	2,127	(7.7)	15,606	15,957	(2.2)	0.7
Interest Earnings	43,500	1.17	114	36	216.7	34,005	24,632	38.1	(19.4)
Total State Taxes and Fees	\$956,900	25.71	\$69,346	\$73,187	(5.2)	\$706,580	\$696,197	1.5	(1.3)
Other Revenues:									
Federal Grants and Contracts	\$1,101,708	29.60	\$63,844	\$43,741	46.0	\$601,797	\$464,491	29.6	78.1
Receipts from Cities/Counties	78,428	2.11	1,168	3,059	(61.8)	33,494	37,500	(10.7)	86.4
Toll Revenues (Includes Route 28)	100,598	2.70	11,716	5,471	114.1	89,346	72,667	23.0	(3.0)
Miscellaneous Revenues	15,758	0.42	951	1,026	(7.3)	11,455	15,433	(25.8)	(26.9)
Total Other Revenues	\$1,296,492	34.83	\$77,679	\$53,297	45.7	\$736,092	\$590,091	24.7	65.0
Transfer (to) / from Highway Maintenance and Operating Fund	(\$260,570)	(7.00)	\$0	\$0	-	(\$265,543)	(\$231,205)	(14.9)	(12.7)
Total Transportation Trust Fund	\$1,992,822	53.54	\$147,025	\$126,484	16.2	\$1,177,129	\$1,055,083	11.6	30.8
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND									
	\$3,722,029	100.00	\$269,139	\$248,545	8.3	\$2,483,584	\$2,260,547	9.9	18.2

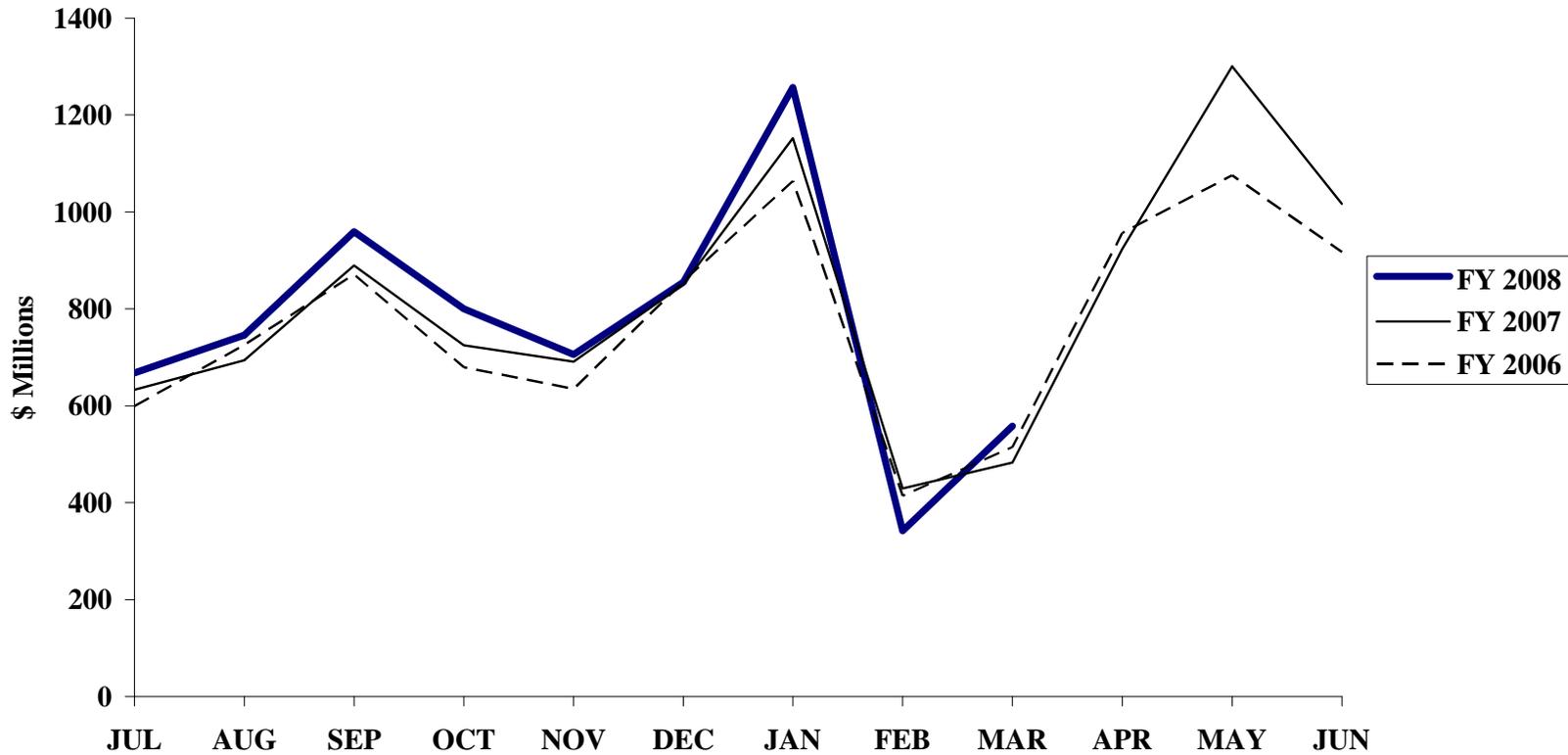
Percentage is greater than or equal to 1,000%.

Total General Fund Revenues



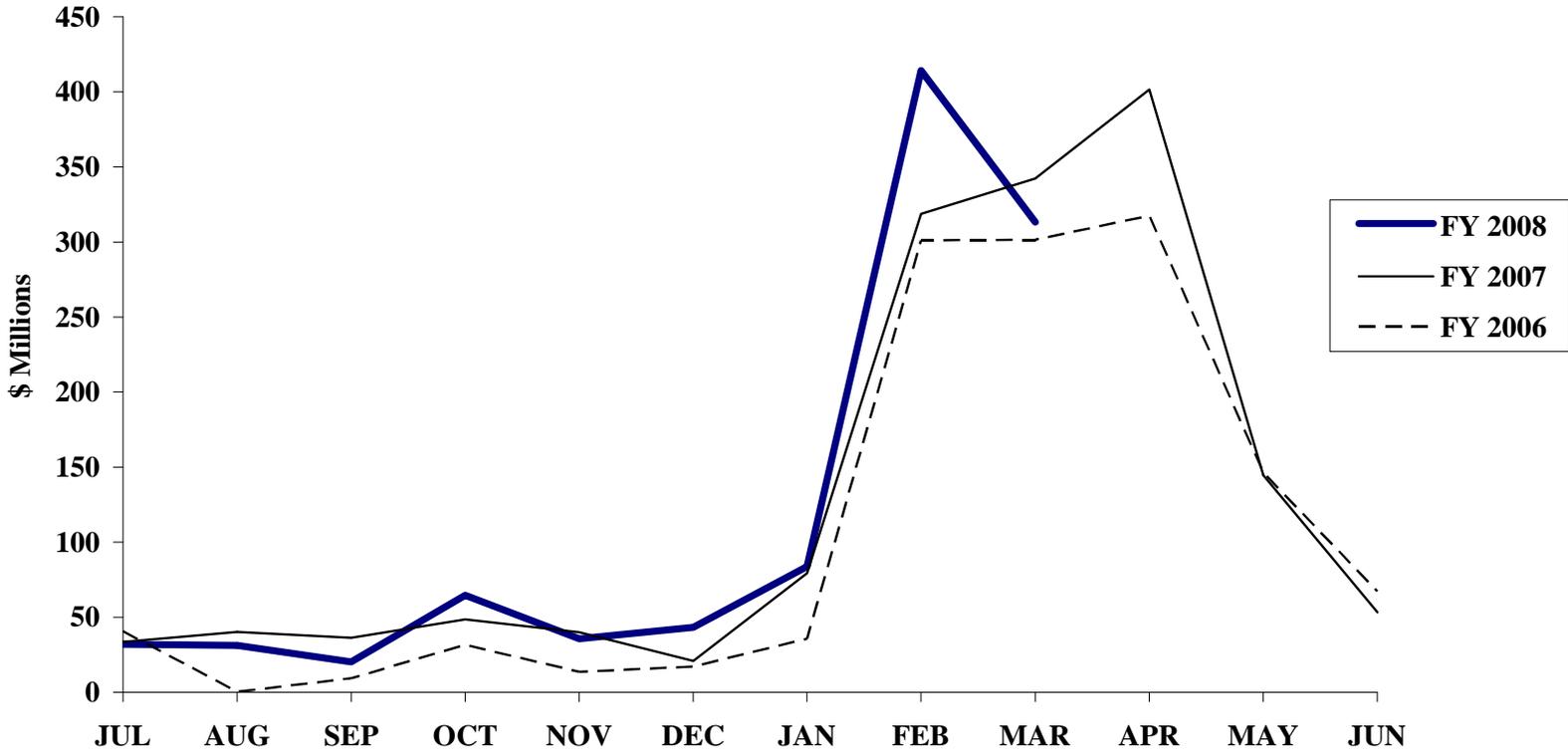
FY 2006 Actual = \$14,834.3 Million
FY 2007 Actual = \$15,565.8 Million
FY 2008 Estimate = \$15,748.0 Million

Net Individual Income Tax



FY 2006 Actual = \$9,308.6 Million
FY 2007 Actual = \$9,787.6 Million
FY 2008 Estimate = \$10,172.5 Million

Individual and Fiduciary Income Tax Refunds



FY 2006 Actual = \$1,282.6 Million
FY 2007 Actual = \$1,559.8 Million
FY 2008 Estimate = \$1,709.2 Million

DEPARTMENT OF THE TREASURY

General Account Investment Portfolio

Monthly Average Balances and Rates

For the Fiscal Year 2008

(Dollars in Millions)

MONTH	PRIMARY LIQUIDITY		EXTERNAL MANAGEMENT EXTENDED DURATION		COMPOSITE	
	Avg. Balance	Yield	Avg. Balance	Annualized Total Return	Avg. Balance	Rate
July, 2007	\$5,727.9	5.35%	\$1,723.0	9.69%	\$7,450.9	6.35%
August	\$5,110.8	5.45%	\$1,737.9	11.29%	\$6,848.7	6.93%
September	\$5,243.4	5.58%	\$1,752.3	8.79%	\$6,995.7	6.38%
October	\$5,492.7	5.47%	\$1,764.6	8.48%	\$7,257.3	6.20%
November	\$5,180.7	5.48%	\$1,783.7	17.87%	\$6,964.4	8.65%
December	\$4,958.2	5.28%	\$1,798.6	2.57% ¹	\$6,756.8	4.56% ¹
January, 2008	\$5,283.2	5.06%	\$1,814.3	18.84%	\$7,097.5	8.58%
February	\$5,285.2	4.79%	\$1,829.7	2.14%	\$7,114.9	4.11%
March	\$4,856.5	4.29%	\$1,829.5	-2.27%	\$6,686.0	2.49%
April						
May						
June						
Year-to-Date Average	\$5,237.6	5.20%	\$1,781.5	8.56%	\$7,019.1	6.05%

- 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 Annualized Total Return and Composite Rate for December 2007.

**Commonwealth of Virginia/Department of Accounts
Report on the Revenue Stabilization Fund
For the Fiscal Year 2008**

Month	Beginning Balance	Deposits	Withdrawals	Interest Allocated (A)	Ending Balance
July	\$1,189,834,417	\$0	\$0	\$0	\$1,189,834,417
August	\$1,189,834,417	\$0	\$0	\$0	\$1,189,834,417
September	\$1,189,834,417	\$0	\$0	\$0	\$1,189,834,417
October	\$1,189,834,417	\$0	\$0	\$15,138,454	\$1,204,972,871
November	\$1,204,972,871	\$0	\$0	\$0	\$1,204,972,871
December	\$1,204,972,871	\$0	\$0	\$0	\$1,204,972,871
January	\$1,204,972,871	\$0	\$0	\$17,925,393	\$1,222,898,264
February	\$1,222,898,264	\$0	\$0	\$0	\$1,222,898,264
March	\$1,222,898,264	\$0	\$0	\$0	\$1,222,898,264
April					
May					
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.