



**COMMONWEALTH of VIRGINIA**  
*Office of the Governor*

Richard D. Brown  
Secretary of Finance

PO Box 1475  
Richmond, VA. 23218

January 12, 2012

**MEMORANDUM**

TO: The Honorable Robert F. McDonnell

THROUGH: The Honorable Martin Kent

FROM: Richard D. Brown 

SUBJECT: December Revenue Data

This month's revenue report contains general fund revenue collections for the first half of fiscal year 2012. The report incorporates the revised general fund revenue forecast included in the budget (HB/SB29) introduced on December 19. With the upward revision in December, total general fund revenues are now projected to grow by 4.6 percent in fiscal year 2012.

Total general fund revenue collections fell 4.7 percent in December. The decline was not unexpected and is largely due to calendar effects in the timing of individual withholding receipts. Wednesday is a significant day for receiving withholding payments and this December had only four Wednesdays, while December 2010 had five. On a year-to-date basis, total revenue collections rose 4.2 percent through December, slightly behind the revised annual forecast of 4.6 percent growth. Adjusting for the accelerated sales tax program, total revenues grew 3.7 percent through December, trailing the adjusted forecast of 4.7 percent growth.

December and January are significant months for revenue collections. However, growth can be distorted during this time of year due to several timing issues. In December, along with normal monthly collections of withholding and holiday sales taxes, quarterly estimated payments are due from most corporations and some fourth quarter individual estimated payments due January 17 are received. Also, some withholding payments can be delayed by a larger volume of mail over the holidays, pushing some December payments into January. In addition, the bulk of sales tax collections from the holiday shopping season will be received in January. Due to all of these

factors, the months of December and January must be analyzed together to form a complete and accurate assessment of revenue growth.

### **National Economic Indicators**

Most national indicators suggest the economy is poised for slow growth in 2012. Modest improvement in the labor market and a recent uptick in consumer confidence reinforce evidence of a sustained, if weak, recovery. Uncertainty about domestic policy decisions and continued weakness in the Eurozone remain significant threats to growth.

- According to the final estimate, real GDP grew at an annualized rate of 1.8 percent in the third quarter of 2011, up from growth of 1.3 percent in the second quarter and 0.4 percent in the first quarter. The economy has expanded for nine consecutive quarters, and growth appears to have picked up in the fourth quarter.
- The labor market continues to show signs of improvement. Payroll employment grew by 200,000 jobs in December. For calendar year 2011, job gains averaged 137,000 per month, compared with 78,000 per month in 2010. In a separate report, the unemployment rate fell from 8.7 to 8.5 percent in December, its lowest rate since February 2009.
- Initial claims for unemployment fell by 15,000 to 372,000 during the week ending December 31, while the four-week moving average fell from 376,500 to 373,250. The four-week moving average of initial claims has been declining since late October, suggesting sustained improvement in the labor market.
- The Conference Board's index of leading indicators rose 0.5 percent in November, its seventh consecutive monthly increase. Seven of the ten components of the index rose in November, with an increase in the interest rate spread driving the gain. The rise in the index is consistent with a continuing recovery.
- The Conference Board's index of consumer confidence jumped in December, rising from 55.2 to 64.5, its highest level since April. Both the expectations and present situation components rose in December, with the expectations component leading the gain. The gain in the index suggests that consumer spending will continue to improve.
- The manufacturing sector continued to expand in December as the Institute of Supply Management index rose from 52.7 to 53.9, its highest level since June. Activity suggests that economic growth will continue.
- Following a dip of 0.1 in October, the CPI was unchanged in November from the previous month and stands 3.4 percent above November of last year. Core inflation (excluding food and energy prices) rose 0.2 percent in November, and has increased 2.2 percent from November 2010.

- The Federal Reserve announced at its December meeting that it will keep the federal funds rate target unchanged at 0.0 to 0.25 percent.

## **Virginia Economy**

In Virginia, job growth has improved slightly over the last few months, although the pace remains modest. Payroll employment rose 0.5 percent in November from November of last year. Employment grew 1.0 percent in Northern Virginia, but fell 0.5 percent in Hampton Roads, and 1.0 percent in Richmond-Petersburg. The unemployment rate in the Commonwealth fell 0.3 percent to 5.7 percent in November, and is 0.8 percent below November 2010.

The Virginia Leading Index rose 0.5 percent in November, after remaining unchanged in October. The U.S. leading index, auto registrations, future employment, and initial claims for unemployment contributed positively to the index, while building permits declined. The Leading Index rose in November for nine of the eleven major metro areas. The index was little changed in Bristol, with only Lynchburg declining.

## **December Revenue Collections**

Total general fund revenue collections fell 4.7 percent in December. The decline is largely due to calendar effects in the timing of individual withholding receipts. On a year-to-date basis, total revenue collections rose 4.2 percent through December, slightly behind the revised annual forecast of 4.6 percent growth. Adjusting for the accelerated sales tax program, total revenues grew 3.7 percent through December, trailing the adjusted forecast of 4.7 percent growth.

***Net Individual Income Tax (67% of general fund revenues)***: Through the first six months of the fiscal year, collections of net individual income tax rose 5.3 percent from the same period last year, slightly behind the annual estimate of 5.9 percent growth. Performance in each component of individual income tax is as follows:

***Individual Income Tax Withholding (64% of general fund revenues)***: Collections of payroll withholding taxes fell 6.7 percent in December. As mentioned earlier, the decline was due to December having only four Wednesdays while December 2010 had five. Year-to-date, withholding collections grew 3.0 percent compared with the same period last year, lagging the projected annual growth rate of 3.8 percent.

***Individual Income Tax Nonwithholding (16% of general fund revenues)***: Collections in this source rose 11.0 percent in December. Year-to-date, collections through the first half of the fiscal year rose 14.7 percent over the same period last year, well ahead of the annual estimate of 12.6 percent growth.

December and January are significant months for collections in this source, and results can be distorted by the timing of payments. Taxpayers have until January 17 to submit their fourth estimated payment for tax year 2011. A clearer assessment of growth will occur at the end of January, when all quarterly payments have been received.

**Individual Income Tax Refunds:** In December, TAX issued \$36.6 million in refunds compared with \$47.1 million last year. Year-to-date, refunds have fallen 16.3 percent, compared with the revised annual estimate of a 3.0 percent increase.

**Sales Tax (19% of general fund revenues):** Collections of sales and use taxes, reflecting November sales, rose 3.9 percent in December. On a year-to-date basis, collections have risen 5.1 percent, compared with the annual estimate of 1.8 percent growth. The strong year-to-date growth is due to the partial repeal of the accelerated sales tax program, which ended the participation of numerous small dealers. Adjusting for this legislation, sales tax collections have grown by 2.6 percent year-to-date, close to the economic-base forecast of 2.5 percent.

**Corporate Income Tax (5% of general fund revenues):** December is a significant month for collections in this source as quarterly estimated payments are due from most corporations. Collections of corporate income tax fell 7.8 percent in December. Year-to-date collections have fallen 3.7 percent, lagging the annual estimate of a 0.7 percent increase.

**Wills, Suits, Deeds, Contracts (2% of general fund revenues):** Collections of wills, suits, deeds, and contracts – mainly recordation tax collections – rose 8.9 percent in December. On a year-to-date basis, collections are up 3.5 percent, lagging the annual forecast of 10.8 percent growth.

**Insurance Premiums (2% of general fund revenues):** Collections of taxes on insurance premiums were \$56.4 million in December, compared with \$80.5 million in December of last year. Chapter 896 of the 2007 Acts of the Assembly required that \$137.3 million of collections in this source be transferred to the Transportation Trust Fund in fiscal year 2012 before making any deposits to the general fund. The required transfer was completed during December. The gross estimated payments were down 9 percent for the month, lagging the annual forecast of a 2 percent increase.

**Other Revenue Sources**

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

	<u>Year-to-Date</u>	<u>Annual Estimate</u>
Interest Income (1% GF revenues)	-1.9%	1.1%
ABC Taxes (1% GF revenues)	5.0%	1.0%

**All Other Revenue (3% of general fund revenues):** Receipts in All Other Revenue fell 17.0 percent in December – \$24.2 million compared with \$29.1 million last December. For the fiscal year, collections of All Other Revenue fell 2.5 percent, trailing the annual estimate of a 0.3 percent decline.

## **Summary**

Total general fund revenue collections fell 4.7 percent in December. The decline is largely due to calendar effects in the timing of individual withholding receipts. On a year-to-date basis, total revenue collections rose 4.2 percent through December, slightly behind the revised annual forecast of 4.6 percent growth. Adjusting for the accelerated sales tax program, total revenues grew 3.7 percent through December, trailing the adjusted forecast of 4.7 percent growth.

Because a number of factors can influence the flow of payments and monthly growth rates this time of year, December and January receipts must be considered together to get a clear picture of revenue growth.

FY 2012 Revised Estimate  
Per House Bill 29, December 19, 2011

Commonwealth of Virginia/Department of Accounts  
Summary Report on General Fund Revenue Collections  
For the Fiscal Years 2011 and 2012  
(Dollars in Thousands)

Revenue	(1)	(2)	(3) December			(6) Year-To-Date			(9)
	FY 2012 Estimate	As a % of Gen Fund Rev	FY 2012	FY 2011	% Change	FY 2012	FY 2011	% Change	% Annual Growth Req By Est
<b>Individual Income Tax:</b>									
Withholding	\$10,006,000	63.63	\$864,260	\$926,014	(6.7)	\$4,818,907	\$4,678,933	3.0	3.8
Tax Dues/Estimated Payments	2,452,200	15.59	115,377	103,920	11.0	570,744	497,556	14.7	12.6
<b>Gross Individual Income Tax</b>	<b>\$12,458,200</b>	<b>79.22</b>	<b>\$979,637</b>	<b>\$1,029,934</b>	<b>(4.9)</b>	<b>\$5,389,651</b>	<b>\$5,176,489</b>	<b>4.1</b>	<b>5.5</b>
Individual and Fiduciary Income (Refunds)	(1,925,200)	(12.24)	(36,582)	(47,146)	(22.4)	(237,773)	(284,001)	(16.3)	3.0
<b>Net Individual Income Tax</b>	<b>\$10,533,000</b>	<b>66.98</b>	<b>\$943,055</b>	<b>\$982,788</b>	<b>(4.0)</b>	<b>\$5,151,878</b>	<b>\$4,892,488</b>	<b>5.3</b>	<b>5.9</b>
<b>Sales and Use Tax</b>	<b>\$3,066,000</b>	<b>19.49</b>	<b>\$256,726</b>	<b>\$247,066</b>	<b>3.9</b>	<b>\$1,392,398</b>	<b>\$1,324,203</b>	<b>5.1</b>	<b>1.8</b>
<b>Corporations Income Tax</b>	<b>827,800</b>	<b>5.26</b>	<b>131,681</b>	<b>142,752</b>	<b>(7.8)</b>	<b>325,720</b>	<b>338,110</b>	<b>(3.7)</b>	<b>0.7</b>
<b>Wills, Suits, Deeds, Contracts</b>	<b>322,900</b>	<b>2.05</b>	<b>29,037</b>	<b>26,663</b>	<b>8.9</b>	<b>158,756</b>	<b>153,402</b>	<b>3.5</b>	<b>10.8</b>
<b>Insurance Premiums</b>	<b>287,300</b>	<b>1.83</b>	<b>56,417</b>	<b>80,532</b>	<b>(29.9)</b>	<b>56,417</b>	<b>80,532</b>	<b>(29.9)</b>	<b>2.0</b>
<b>Interest Income (a)</b>	<b>82,000</b>	<b>0.52</b>	<b>8,938</b>	<b>12,343</b>	<b>(27.6)</b>	<b>46,451</b>	<b>47,358</b>	<b>(1.9)</b>	<b>1.1</b>
<b>Alcoholic Beverage Sales (b)</b>	<b>180,800</b>	<b>1.15</b>	<b>3,406</b>	<b>3,457</b>	<b>(1.5)</b>	<b>58,748</b>	<b>55,934</b>	<b>5.0</b>	<b>1.0</b>
<b>All Other Revenues</b>	<b>426,800</b>	<b>2.72</b>	<b>24,159</b>	<b>29,094</b>	<b>(17.0)</b>	<b>166,300</b>	<b>170,557</b>	<b>(2.5)</b>	<b>(0.3)</b>
<b>Total General Fund Revenues</b>	<b>\$15,726,600</b>	<b>100.00</b>	<b>\$1,453,419</b>	<b>\$1,524,695</b>	<b>(4.7)</b>	<b>\$7,356,668</b>	<b>\$7,062,584</b>	<b>4.2</b>	<b>4.6</b>

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

- (a) Interest will be allocated in accordance with Section 3-3.03 of Chapter 890, 2011 Virginia Acts of Assembly.
- (b) 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 2011 and 2012  
(Dollars in Thousands)

Revenue	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2012 Estimate	As a % of Total Gen Fund Rev	FY 2012	FY 2011	% Change	FY 2012	FY 2011	% Change	% Annual Growth Req By Est
<b>Taxes:</b>									
Individual Income Tax - Withholding	\$10,006,000	63.63	\$864,260	\$926,014	(6.7)	\$4,818,907	\$4,678,933	3.0	3.8
Tax Dues/Estimated Payments	2,452,200	15.59	115,377	103,920	11.0	570,744	497,556	14.7	12.6
Gross Individual Income Tax	\$12,458,200	79.22	\$979,637	\$1,029,934	(4.9)	\$5,389,651	\$5,176,489	4.1	5.5
Individ and Fiduc Income (Refunds)	(1,925,200)	(12.24)	(36,582)	(47,146)	(22.4)	(237,773)	(284,001)	(16.3)	3.0
Net Individual Income Tax	\$10,533,000	66.98	\$943,055	\$982,788	(4.0)	\$5,151,878	\$4,892,488	5.3	5.9
Sales and Use Tax	3,066,000	19.49	256,726	247,066	3.9	1,392,398	1,324,203	5.1	1.8
Corporations Income	827,800	5.26	131,681	142,752	(7.8)	325,720	338,110	(3.7)	0.7
Public Service Corporations	93,900	0.60	3,129	6,517	(52.0)	40,671	38,399	5.9	0.1
Insurance Premiums	287,300	1.83	56,417	80,532	(29.9)	56,417	80,532	(29.9)	2.0
Alcoholic Beverage Excise	137,500	0.87	0	0	-	36,332	33,149	9.6	1.1
Beer and Beverage Excise	43,300	0.28	3,406	3,457	(1.5)	22,416	22,785	(1.6)	0.8
Wills, Suits, Deeds, Contracts	322,900	2.05	29,037	26,663	8.9	158,756	153,402	3.5	10.8
Inheritance, Gift, and Estate	0	0.00	0	78	(100.0)	(452)	464	(197.4)	(100.0)
Bank Franchise	23,300	0.15	0	0	-	217	55	294.5	(4.5)
Other Taxes	2,500	0.02	530	177	199.4	42	2,059	(98.0)	189.6
<b>Total Taxes</b>	<b>\$15,337,500</b>	<b>97.53</b>	<b>\$1,423,981</b>	<b>\$1,490,030</b>	<b>(4.4)</b>	<b>\$7,184,395</b>	<b>\$6,885,646</b>	<b>4.3</b>	<b>4.7</b>
<b>Rights and Privileges:</b>									
Licenses and Permits	\$4,100	0.03	\$446	\$469	(4.9)	\$2,133	\$2,224	(4.1)	(5.7)
Corp. Franchise and Charters	43,400	0.27	491	492	(0.2)	2,875	2,901	(0.9)	(2.3)
Fees for Misc. Privileges & Services	9,700	0.06	606	597	1.5	4,317	4,400	(1.9)	(12.9)
<b>Total Rights and Privileges</b>	<b>\$57,200</b>	<b>0.36</b>	<b>\$1,543</b>	<b>\$1,558</b>	<b>(1.0)</b>	<b>\$9,325</b>	<b>\$9,525</b>	<b>(2.1)</b>	<b>(4.5)</b>
<b>Other Revenues:</b>									
Sales of Property & Commodities	\$1,200	0.01	\$0	\$244	(100.0)	\$1,011	\$376	168.9	(58.2)
Assessmts & Rcpts for Support of Special Svcs	400	0.00	6	54	(88.9)	210	243	(13.6)	(8.3)
Institutional Revenue	6,200	0.04	673	750	(10.3)	3,106	3,044	2.0	(3.8)
Interest (a)	82,000	0.52	8,938	12,343	(27.6)	46,451	47,358	(1.9)	1.1
Dividends and Rent	300	0.00	35	38	(7.9)	273	266	2.6	(17.1)
Fines, Forfeitures & Fees	235,100	1.49	17,643	18,505	(4.7)	108,081	113,447	(4.7)	2.8
Other Revenue	7,400	0.05	516	392	31.6	3,816	2,434	56.8	(28.1)
Excess Fees	(10,300)	(0.07)	(626)	23	#	(4,219)	(4,430)	4.8	(19.4)
Private Donations, Gifts & Cont.	0	0.00	(8)	8	(200.0)	1	52	(98.1)	(100.0)
Cities, Counties, and Towns	9,600	0.07	718	750	(4.3)	4,218	4,623	(8.8)	(0.2)
<b>Total Other Revenues</b>	<b>\$331,900</b>	<b>2.11</b>	<b>\$27,895</b>	<b>\$33,107</b>	<b>(15.7)</b>	<b>\$162,948</b>	<b>\$167,413</b>	<b>(2.7)</b>	<b>0.2</b>
<b>Total General Fund Revenues</b>	<b>\$15,726,600</b>	<b>100.00</b>	<b>\$1,453,419</b>	<b>\$1,524,695</b>	<b>(4.7)</b>	<b>\$7,356,668</b>	<b>\$7,062,584</b>	<b>4.2</b>	<b>4.6</b>

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

(a) Interest will be allocated in accordance with Section 3-3.03 of Chapter 890, 2011 Virginia Acts of Assembly.

**Commonwealth of Virginia/Department of Lottery  
Summary Report on Lottery Collections  
For the Fiscal Years 2011 and 2012  
(Dollars in Thousands)**

	FY 2012 <u>Estimate</u>	(a)	December			Year-To-Date			% Annual Growth Required By Estimate
			<u>FY 2012</u>	<u>FY 2011</u>	<u>% Change</u>	<u>FY 2012</u>	<u>FY 2011</u>	<u>% Change</u> (b)	
Lottery Collections									
Win for Life / Decades of Dollars (c)	\$32,050		\$2,862	\$1,824	56.9	\$16,896	\$11,033	53.1	8.9
Cash 5	25,300		2,342	2,262	3.5	13,029	13,728	(5.1)	(5.1)
Pick 4	217,950		21,346	17,635	21.0	108,878	101,155	7.6	5.2
Pick 3	234,860		22,620	21,287	6.3	119,201	121,791	(2.1)	(2.9)
Mega Millions / Powerball	199,540		19,828	22,681	(12.6)	95,902	99,637	(3.7)	(2.7)
Fast Play	9,420		999	509	96.3	5,518	3,092	78.5	5.7
Raffle	6,600		0	0	-	0	0	-	0.0
Scratch	800,000		79,810	69,347	15.1	406,428	369,267	10.1	5.7
Gross Lottery Revenue	<u>1,525,720</u>		<u>149,807</u>	<u>135,545</u>	<u>10.5</u>	<u>765,852</u>	<u>719,703</u>	<u>6.4</u>	<u>2.9</u>
Expenses (d)	<u>1,071,320</u>		<u>106,208</u> (e)	<u>102,383</u>	<u>3.7</u>	<u>543,156</u> (e)	<u>509,229</u>	<u>6.7</u>	<u>3.2</u>
Net Lottery Ticket Profits	<u>\$454,400</u>		<u>\$43,599</u> (e)	<u>\$33,162</u>	<u>31.5</u>	<u>\$222,696</u> (e)	<u>\$210,474</u>	<u>5.8</u>	<u>2.3</u>

(a) Estimate established by House Bill 29, December 19, 2011, and includes the residual amount of FY 2011 Lottery profits of \$9,011,285 at June 30, 2011.

(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) Decades of Dollars began on January 30, 2011.

(d) "Expenses" includes prizes to winners, compensation to retailers, instant and online gaming 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 2011 and 2012**  
**(Dollars in Thousands)**

Revenue	FY 2012 Estimate	As a % of Total Fund	December			Year-To-Date			% Annual Growth Required By Estimate
			FY 2012	FY 2011	% Change	FY 2012	FY 2011	% Change	
Motor Fuel Taxes	\$832,900	23.23	\$55,853	\$69,125	(19.2)	\$350,438	\$368,617	(4.9)	(1.4)
Priority Transportation Fund (PTF)	157,300	4.39	34,751	17,037	104.0	145,297	138,327	5.0	4.6
Motor Vehicle Sales and Use Tax	554,600	15.47	34,567	37,536	(7.9)	269,582	257,789	4.6	4.2
State Sales and Use Tax	504,800	14.09	43,509	41,538	4.7	236,400	224,353	5.4	5.8
Motor Vehicle License Fees	239,200	6.67	14,347	15,747	(8.9)	112,730	115,567	(2.5)	0.6
International Registration Plan	62,000	1.72	4,990	3,603	38.5	24,140	22,137	9.0	1.6
Recordation Tax	38,400	1.07	3,534	3,229	9.4	19,268	18,262	5.5	9.8
Interest Earnings	19,400	0.54	39	25	56.0	4,838	4,871	(0.7)	6.2
Misc. Taxes, Fees, and Revenues	12,800	0.36	728	998	(27.1)	5,980	6,428	(7.0)	(0.7)
<b>Total State Taxes and Fees</b>	<b>\$2,421,400</b>	<b>67.54</b>	<b>\$192,318</b>	<b>\$188,838</b>	<b>1.8</b>	<b>\$1,168,673</b>	<b>\$1,156,351</b>	<b>1.1</b>	<b>2.2</b>

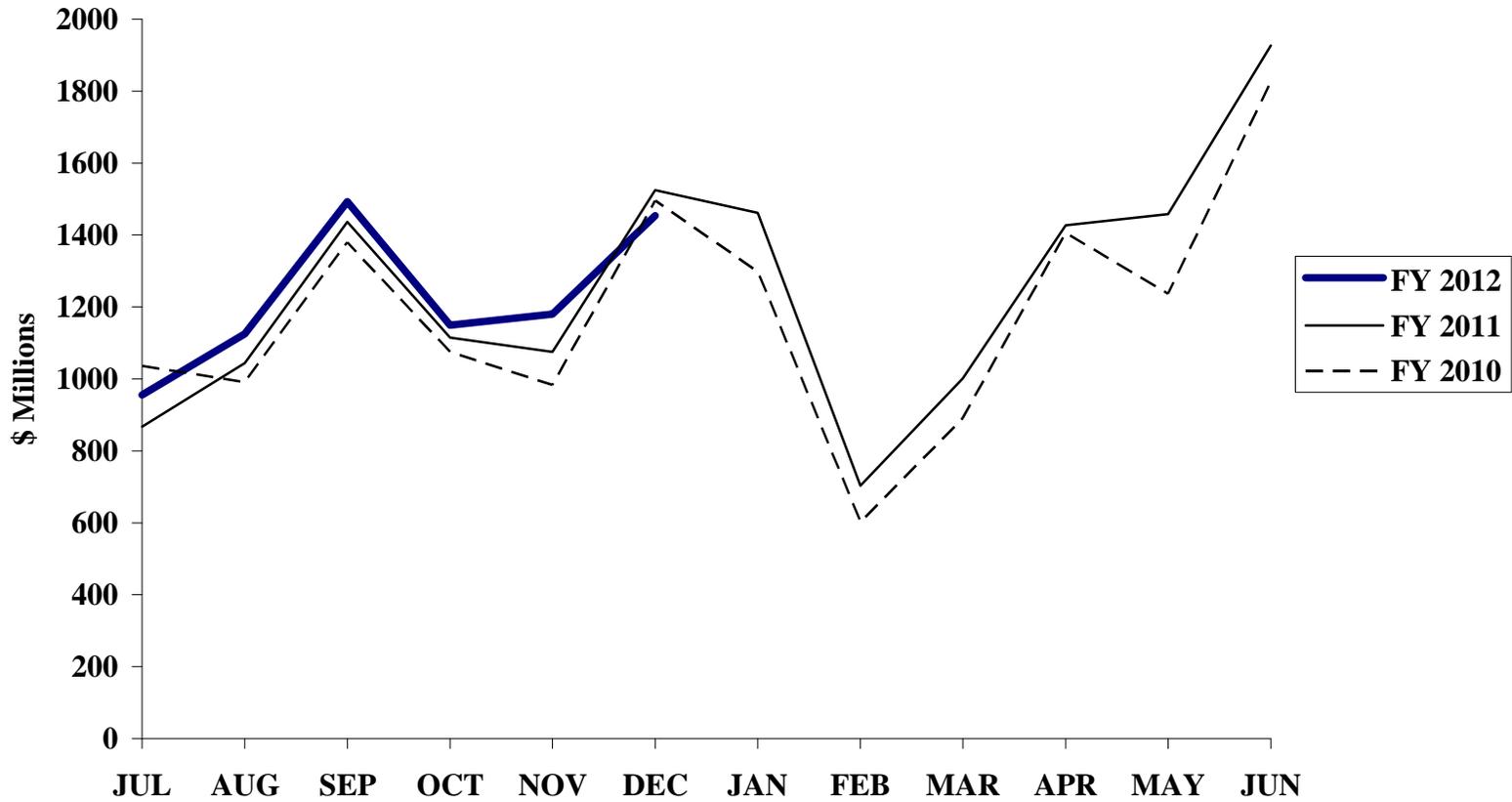
# Percentage is greater than or equal to 1,000%.

**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 2011 and 2012**  
(Dollars in Thousands)

Revenue	FY 2012 Estimate	As a % of Total Fund	December			Year-To-Date			% Annual Growth Required By Est
			FY 2012	FY 2011	% Change	FY 2012	FY 2011	% Change	
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>									
Motor Fuel Taxes (Includes Road Tax)	\$718,000	20.03	\$55,372	\$58,032	(4.6)	\$312,045	\$316,201	(1.3)	(1.2)
Motor Vehicle Sales and Use Tax	340,900	9.51	27,753	22,885	21.3	173,752	155,075	12.0	4.9
Motor Vehicle License Fees	217,900	6.08	13,878	14,327	(3.1)	103,688	105,309	(1.5)	0.6
International Registration Plan	62,000	1.72	4,990	3,603	38.5	24,140	22,137	9.0	1.6
Recordation Tax (1 cent)	12,800	0.36	1,178	1,076	9.5	6,423	6,087	5.5	9.8
Misc. Taxes, Fees, and Revenues	12,800	0.36	728	998	(27.1)	5,980	6,428	(7.0)	(0.7)
<b>Total State Taxes and Fees</b>	<b>\$1,364,400</b>	<b>38.06</b>	<b>\$103,899</b>	<b>\$100,921</b>	<b>3.0</b>	<b>\$626,028</b>	<b>\$611,237</b>	<b>2.4</b>	<b>0.8</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$1,502	\$1,122	33.9	\$11,476	\$9,651	18.9	(100.0)
Miscellaneous Revenues	11,479	0.32	800	470	70.2	8,765	4,406	98.9	(24.2)
Transfer (to) / from Transportation Trust Fund	447,767	12.49	100,340	100,000	0.3	200,680	166,940	20.2	(3.3)
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$1,823,646</b>	<b>50.87</b>	<b>\$206,541</b>	<b>\$202,513</b>	<b>2.0</b>	<b>\$846,949</b>	<b>\$792,234</b>	<b>6.9</b>	<b>(1.6)</b>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$114,900	3.20	\$481	\$11,093	(95.7)	\$38,393	\$52,416	(26.8)	(2.3)
PTF Motor Fuels	20,000	0.56	4,000	2,000	100.0	8,000	8,000	0.0	0.0
PTF Insurance Premiums Tax	137,300	3.83	30,751	15,037	104.5	137,297	130,327	5.3	5.4
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	213,700	5.96	6,814	14,651	(53.5)	95,830	102,714	(6.7)	3.1
State Sales and Use Tax	504,800	14.09	43,509	41,538	4.7	236,400	224,353	5.4	5.8
Motor Vehicle License Fees	21,300	0.59	469	1,420	(67.0)	9,042	10,258	(11.9)	0.4
Recordation Tax (2 cents)	25,600	0.71	2,356	2,153	9.4	12,845	12,175	5.5	9.8
Interest Earnings	19,400	0.54	39	25	56.0	4,838	4,871	(0.7)	6.2
<b>Total State Taxes and Fees</b>	<b>\$1,057,000</b>	<b>29.48</b>	<b>\$88,419</b>	<b>\$87,917</b>	<b>0.6</b>	<b>\$542,645</b>	<b>\$545,114</b>	<b>(0.5)</b>	<b>4.1</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$1,006,822	28.08	\$86,544	\$49,116	76.2	\$478,742	\$483,356	(1.0)	12.5
Receipts from Cities/Counties	102,383	2.85	537	2,765	(80.6)	11,102	27,710	(59.9)	135.2
Toll Revenues (Includes Route 28)	28,949	0.81	833	806	3.3	6,085	7,621	(20.2)	43.7
Miscellaneous Revenues	14,219	0.40	2,205	(60)	#	14,359	28,997	(50.5)	(74.0)
<b>Total Other Revenues</b>	<b>\$1,152,373</b>	<b>32.14</b>	<b>\$90,119</b>	<b>\$52,627</b>	<b>71.2</b>	<b>\$510,288</b>	<b>\$547,684</b>	<b>(6.8)</b>	<b>13.8</b>
Transfer (to) / from Highway Maintenance and Operating Fund	(\$447,767)	(12.49)	(\$100,340)	(\$100,000)	(0.3)	(\$200,680)	(\$166,940)	(20.2)	3.3
<b>Total Transportation Trust Fund</b>	<b>\$1,761,606</b>	<b>49.13</b>	<b>\$78,198</b>	<b>\$40,544</b>	<b>92.9</b>	<b>\$852,253</b>	<b>\$925,858</b>	<b>(7.9)</b>	<b>12.5</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>									
	<b>\$3,585,252</b>	<b>100.00</b>	<b>\$284,739</b>	<b>\$243,057</b>	<b>17.1</b>	<b>\$1,699,202</b>	<b>\$1,718,092</b>	<b>(1.1)</b>	<b>4.9</b>

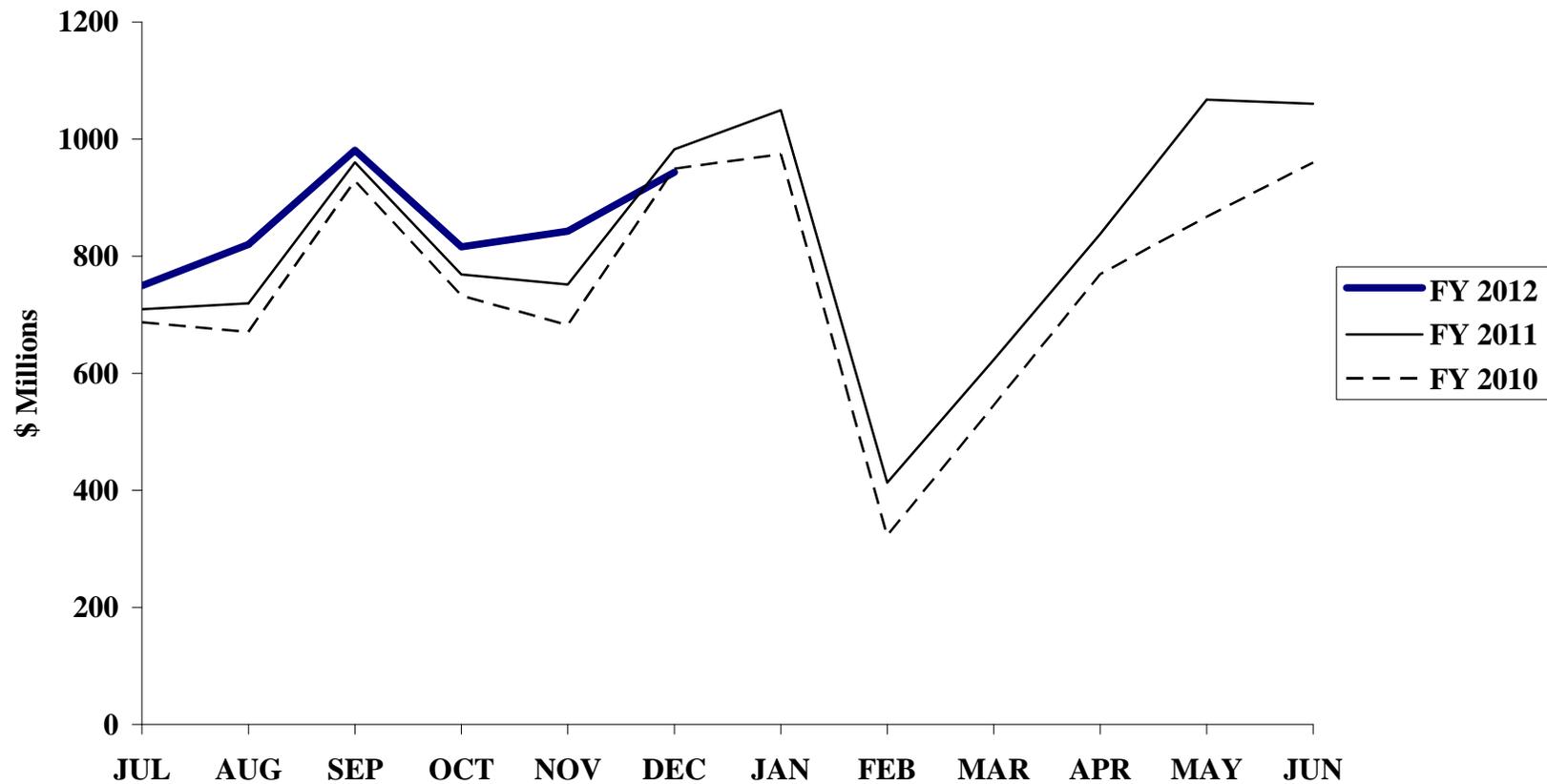
# Percentage is greater than or equal to 1,000%.

## Total General Fund Revenues



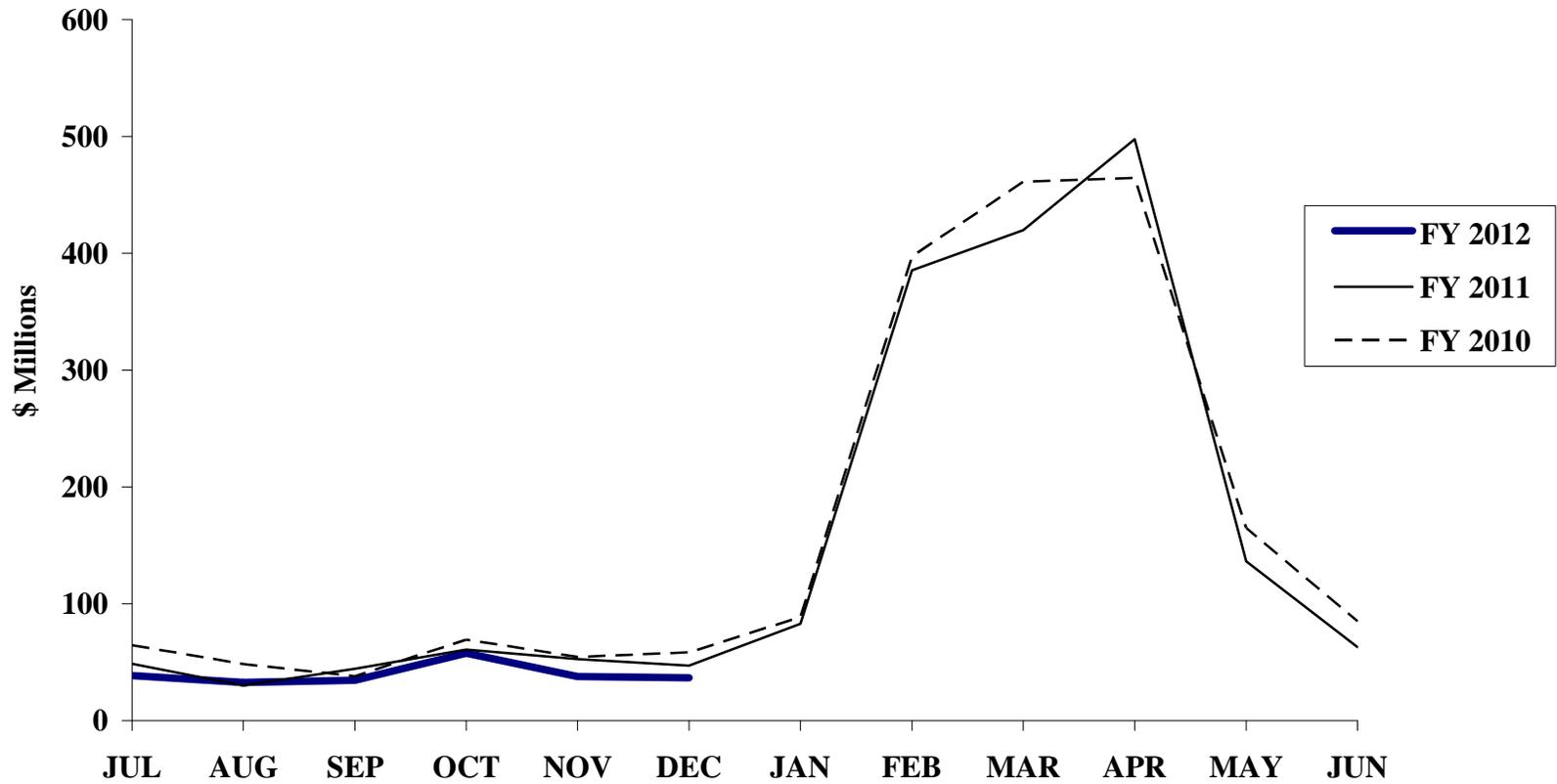
**FY 2010 Actual = \$14,219.5 Million**  
**FY 2011 Actual = \$15,040.2 Million**  
**FY 2012 Estimate = \$15,726.6 Million**

# Net Individual Income Tax



**FY 2010 Actual = \$9,088.3 Million**  
**FY 2011 Actual = \$9,944.4 Million**  
**FY 2012 Estimate = \$10,533.0 Million**

## Individual and Fiduciary Income Tax Refunds



**FY 2010 Actual = \$1,994.7 Million**  
**FY 2011 Actual = \$1,869.3 Million**  
**FY 2012 Estimate = \$1,925.2 Million**

## DEPARTMENT OF THE TREASURY

General Account Investment Portfolio  
 Monthly Average Balances and Rates  
 For the Fiscal Year 2012  
 (Dollars in Millions)

MONTH	PRIMARY LIQUIDITY		EXTERNAL MANAGEMENT EXTENDED DURATION		COMPOSITE		TREASURY 1 YR. CONSTANT MATURITY <sup>1</sup>
	Avg. Balance	Yield	Avg. Balance	Annualized Total Return	Avg. Balance	Rate	Yield
July, 2011	\$3,889.8	0.31%	\$1,279.0	15.39%	\$5,168.8	4.04%	0.19%
August	\$3,330.4	0.35%	\$1,292.5	10.31%	\$4,622.9	3.13%	0.11%
September	\$3,520.5	0.39%	\$1,299.5	3.09%	\$4,820.0	1.12%	0.10%
October	\$3,681.0	0.35%	\$1,303.3	4.39%	\$4,984.3	1.41%	0.11%
November	\$3,506.4	0.39%	\$1,303.2	-4.26%	\$4,809.6	-0.87%	0.11%
December	\$3,197.0	0.39%	\$1,307.1	11.71%	\$4,504.1	3.68%	0.12%
January, 2012							
February							
March							
April							
May							
June							
<b>Year-to-Date Average</b>	<b>\$3,520.9</b>	<b>0.36%</b>	<b>\$1,297.4</b>	<b>6.82%</b>	<b>\$4,818.3</b>	<b>2.10%</b>	<b>0.12%</b>

• Performance on the extended duration portion of the General Account is 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.

<sup>1</sup> Federal Reserve Bank H.15 Release.

**Commonwealth of Virginia/Department of Accounts  
Report on the Revenue Stabilization Fund  
For the Fiscal Year 2012**

<b>Month</b>	<b>Beginning Balance</b>	<b>Deposits</b>	<b>Withdrawals</b>	<b>Interest Allocated (A)</b>	<b>Ending Balance</b>
<b>July</b>	\$299,361,498	\$0	\$0	\$0	\$299,361,498
<b>August</b>	\$299,361,498	\$0	\$0	\$0	\$299,361,498
<b>September</b>	\$299,361,498	\$0	\$0	\$0	\$299,361,498
<b>October</b>	\$299,361,498	\$0	\$0	\$1,216,970	\$300,578,468
<b>November</b>	\$300,578,468	\$0	\$0	\$0	\$300,578,468
<b>December</b>	\$300,578,468	\$0	\$0	\$0	\$300,578,468
<b>January</b>					
<b>February</b>					
<b>March</b>					
<b>April</b>					
<b>May</b>					
<b>June</b>					

Notes: (A) Interest is earned monthly but credited to the Revenue Stabilization Fund on a quarterly basis.