



# COMMONWEALTH of VIRGINIA

June 13, 2012

PO Box 1475  
Richmond, VA. 23218

## MEMORANDUM

TO: The Honorable Robert F. McDonnell

THROUGH: The Honorable Martin Kent

FROM: Richard D. Brown 

SUBJECT: May Revenue Data

This month's revenue report contains the official general fund revenue forecast included in House Bill 1300 (*Acts of Assembly 2012 Special Session I, Chapter 2*), which was approved on May 25, 2012. The approved forecast estimates an increase of 4.5 percent for fiscal year 2012, compared with 4.6 percent in the forecast used with the proposed budget (HB/SB 29) introduced on December 19, 2011.

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

Total general fund revenue collections rose 8.3 percent in May, driven by strong individual withholding receipts partially due to an extra deposit day compared with May of last year. On a year-to-date basis, total revenue collections rose 6.2 percent through May, ahead of the revised annual forecast of 4.5 percent growth. Adjusting for the accelerated sales tax program, total revenues grew 5.9 percent through May, ahead of the adjusted forecast of 4.7 percent growth.

### **National Economic Indicators**

Current national indicators suggest the modest economic expansion may be slowing.

- According to the second estimate, real GDP grew at an annualized rate of 1.9 percent in the first quarter of 2012, slowing from 3.0 percent growth in the fourth quarter of 2011.

- Labor market growth further slowed in May, as employers added only 69,000 jobs. In addition, figures for March and April were revised down by a combined 49,000 jobs. In a separate report, the unemployment rate rose from 8.1 percent to 8.2 percent in May, as more people entered the labor force.
- Following four weekly increases, initial claims for unemployment fell by 12,000 to 377,000 during the week ending June 2. The four-week moving average rose slightly from 376,000 to 377,750. The recent uptick in jobless claims followed by the decline last week reflects the uneven recovery in the labor market.
- The Conference Board's index of leading indicators fell 0.1 percent in April, following six consecutive monthly gains. Falling housing permits, rising jobless claims, and lower consumer expectations offset small gains in the remaining components. The recent behavior of the index is consistent with a slow recovery.
- The Conference Board's index of consumer confidence fell 3.8 points to 64.9 in May, its third consecutive decline. Both the present situation and expectations components fell to their lowest levels since January.
- Activity in the manufacturing sector expanded in May for the 34<sup>th</sup> consecutive month. Growth slowed, however, as the Institute of Supply Management index fell from 54.8 to 53.5.
- The CPI was unchanged in April and stands 2.3 percent above April 2011. Core inflation (excluding food and energy prices) rose 0.2 percent, and has also increased 2.3 percent from April 2011.

### **Virginia Economy**

In Virginia, employment rose 0.8 percent in April from April of last year. Northern Virginia posted growth of 1.3 percent; Hampton Roads remained unchanged; and Richmond-Petersburg rose 0.8 percent. The unemployment rate in the Commonwealth fell 0.3 percentage point to 5.4 percent in April.

The Virginia Leading Index fell 0.3 percent in April after remaining unchanged in March. Auto registrations, the U.S. Leading Index, and building permits declined in April, while future employment increased and initial claims fell. The Leading Index fell in seven of the 11 major metro areas in the Commonwealth in April. The indexes for Roanoke, Bristol, Blacksburg and Winchester rose.

### **May Revenue Collections**

Total general fund revenue collections rose 8.3 percent in May, driven by strong individual withholding receipts due to an extra deposit day compared with May of last year. On a year-to-date basis, total revenue collections rose 6.2 percent through May, ahead of the revised annual

forecast of 4.5 percent growth. Adjusting for the accelerated sales tax program, total revenues grew 5.9 percent through May, ahead of the adjusted forecast of 4.7 percent growth.

***Net Individual Income Tax (67% of general fund revenues):*** Through May, collections of net individual income tax rose 7.4 percent from the same period last year, ahead of 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 rose 16.8 percent in May, due to an extra deposit day compared with May 2011. Year-to-date, withholding collections grew 4.4 percent compared with the same period last year, ahead of the projected annual growth rate of 3.8 percent.

***Individual Income Tax Nonwithholding (16% of general fund revenues):*** May is a significant month for collections in this source. Final payments for tax year 2011 and the first estimated payment for tax year 2012 were both due May 1.

May collections were \$444.2 million, compared with \$457.7 million in May of last year, a 3.0 percent decline. Since a large portion of final payments due May 1 are received in April, the two months must be analyzed together to accurately assess growth in this source. Taken together, nonwithholding collections in April and May were up 8.0 percent over the same period last year.

To date, about 86 percent of the nonwithholding forecast has been collected, and collections during this fiscal year are 9.6 percent ahead of the same period last year, trailing the annual estimate of 12.6 percent growth. The final estimated payment for this fiscal year is due in June and \$351.5 million is needed to meet the annual estimate. Last year, \$262.6 million was received in June.

***Individual Income Tax Refunds:*** To date, TAX has issued \$1.7 billion in refunds compared with \$1.8 billion last year. Through May, refunds have fallen 4.9 percent, compared with the revised annual estimate of a 3.3 percent increase.

Since the filing season began in January, TAX has issued roughly 2.6 million refunds, approximately the same number as last year. However, the average size of these refunds is 8.0 percent smaller than last year.

***Sales Tax (19% of general fund revenues):*** Collections of sales and use taxes, reflecting April sales, rose 2.0 percent in May. On a year-to-date basis, collections have risen 4.9 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 3.5 percent year-to-date, ahead of the economic-base forecast of 2.5 percent growth.

***Corporate Income Tax (5% of general fund revenues):*** May is typically not a significant month in corporate income tax collections, as final or extension payments are mainly only due from

retailers who usually have a January 31 close to their fiscal year. Such payments vary significantly from year to year.

Collections of corporate income taxes were \$25.0 million in May, compared with \$16.2 million in May of last year. Year-to-date collections in this source have risen 5.1 percent, ahead of 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 – were \$31.0 million in May, compared with \$24.9 million in May of last year, a 24.4 percent increase. This was the fourth consecutive month of growth exceeding 20 percent. On a year-to-date basis, collections are up 10.3 percent, close to the annual forecast of 10.8 percent growth.

***Insurance Premiums (2% of general fund revenues)***: May is not a significant month for collections in this source. For the fiscal year-to-date, net insurance premiums tax collections are \$156.0 million compared with \$180.2 million during the same period last year. The difference is a result of smaller estimated payments received in September and December. The slow commercial real estate market and lower business and housing valuations are likely dampening premium growth.

### **Other Revenue Sources**

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

	<u>Year-to-Date</u>	<u>Annual Estimate</u>
Interest Income (1% GF revenues)	-7.9%	1.1%
ABC Taxes (1% GF revenues)	5.1%	1.0%

***All Other Revenue (3% of general fund revenues)***: Receipts in All Other Revenue fell 15.0 percent in May – \$39.2 million compared with \$46.2 million last May. On a year-to-date basis, collections of All Other Revenue fell 2.3 percent, trailing the annual estimate of 0.5 percent growth.

### **Summary**

May is a significant month for revenue collections since estimated and final payments for individuals were due May 1, and corporations with a fiscal year ending other than December 31 – primarily retailers – had final payments due in May.

Total general fund revenue collections rose 8.3 percent in May, driven by strong individual withholding receipts partially due to an extra deposit day compared with May of last year. On a year-to-date basis, total revenue collections rose 6.2 percent through May, ahead of the revised

June 13, 2012

Page 5 of 5

annual forecast of 4.5 percent growth. Adjusting for the accelerated sales tax program, total revenues grew 5.9 percent through May, ahead of the adjusted forecast of 4.7 percent growth.

Collections in June must total about \$1.8 billion to attain the forecast for the fiscal year. Last year, \$1.9 billion in general fund revenue was collected in June. This year, legislation reducing the number of businesses required to pay accelerated sales tax will result in \$50 million less in this source than what was received last June.

FY 2012 Revised Estimate  
Per Chapter 2

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)	May			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>									
<b>Withholding</b>	\$10,006,000	63.63	\$871,292	\$746,163	16.8	\$9,160,955	\$8,774,343	4.4	3.8
<b>Tax Dues/Estimated Payments</b>	2,452,200	15.60	444,178	457,697	(3.0)	2,100,658	1,916,001	9.6	12.6
<b>Gross Individual Income Tax</b>	\$12,458,200	79.23	\$1,315,470	\$1,203,860	9.3	\$11,261,613	\$10,690,344	5.3	5.5
<b>Individual and Fiduciary Income (Refunds)</b>	(1,931,800)	(12.28)	(143,470)	(136,338)	5.2	(1,717,444)	(1,806,254)	(4.9)	3.3
<b>Net Individual Income Tax</b>	\$10,526,400	66.95	\$1,172,000	\$1,067,522	9.8	\$9,544,169	\$8,884,090	7.4	5.9
<b>Sales and Use Tax</b>	\$3,066,000	19.49	\$259,133	\$254,112	2.0	\$2,691,373	\$2,566,027	4.9	1.8
<b>Corporations Income Tax</b>	827,800	5.26	25,041	16,164	54.9	675,473	642,783	5.1	0.7
<b>Wills, Suits, Deeds, Contracts</b>	322,900	2.05	30,971	24,887	24.4	290,436	263,366	10.3	10.8
<b>Insurance Premiums</b>	287,300	1.83	6,666	3,814	74.8	156,027	180,214	(13.4)	2.0
<b>Interest Income (a)</b>	82,000	0.52	8,998	10,570	(14.9)	75,778	82,254	(7.9)	1.1
<b>Alcoholic Beverage Sales (b)</b>	180,800	1.15	37,378	34,907	7.1	150,314	143,055	5.1	1.0
<b>All Other Revenues</b>	430,400	2.75	39,219	46,155	(15.0)	343,740	351,724	(2.3)	0.5
<b>Total General Fund Revenues</b>	\$15,723,600	100.00	\$1,579,406	\$1,458,131	8.3	\$13,927,310	\$13,113,513	6.2	4.5

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

(a) Interest will be allocated in accordance with Section 3-3.03 of Chapter 2, 2012 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	May FY 2011	% Change	FY 2012	Year-To-Date FY 2011	% Change	% Annual Growth Req By Est
<b>Taxes:</b>									
Individual Income Tax - Withholding	\$10,006,000	63.63	\$871,292	\$746,163	16.8	\$9,160,955	\$8,774,343	4.4	3.8
Tax Dues/Estimated Payments	2,452,200	15.60	444,178	457,697	(3.0)	2,100,658	1,916,001	9.6	12.6
Gross Individual Income Tax	\$12,458,200	79.23	\$1,315,470	\$1,203,860	9.3	\$11,261,613	\$10,690,344	5.3	5.5
Individ and Fiduc Income (Refunds)	(1,931,800)	(12.28)	(143,470)	(136,338)	5.2	(1,717,444)	(1,806,254)	(4.9)	3.3
Net Individual Income Tax	\$10,526,400	66.95	\$1,172,000	\$1,067,522	9.8	\$9,544,169	\$8,884,090	7.4	5.9
Sales and Use Tax	3,066,000	19.49	259,133	254,112	2.0	2,691,373	2,566,027	4.9	1.8
Corporations Income	827,800	5.26	25,041	16,164	54.9	675,473	642,783	5.1	0.7
Public Service Corporations	93,900	0.60	10,222	14,902	(31.4)	86,039	88,823	(3.1)	0.1
Insurance Premiums	287,300	1.83	6,666	3,814	74.8	156,027	180,214	(13.4)	2.0
Alcoholic Beverage Excise	137,500	0.87	33,909	31,401	8.0	111,488	104,093	7.1	1.1
Beer and Beverage Excise	43,300	0.28	3,469	3,506	(1.1)	38,826	38,962	(0.3)	0.8
Wills, Suits, Deeds, Contracts	322,900	2.05	30,971	24,887	24.4	290,436	263,366	10.3	10.8
Inheritance, Gift, and Estate	0	0.00	(60)	360	(116.7)	298	2,467	(87.9)	(100.0)
Bank Franchise	23,300	0.15	5,181	10,409	(50.2)	5,356	10,515	(49.1)	(4.5)
Other Taxes	2,500	0.02	266	(323)	182.4	2,533	(4,090)	161.9	189.6
<b>Total Taxes</b>	<b>\$15,330,900</b>	<b>97.50</b>	<b>\$1,546,798</b>	<b>\$1,426,754</b>	<b>8.4</b>	<b>\$13,602,018</b>	<b>\$12,777,250</b>	<b>6.5</b>	<b>4.7</b>
<b>Rights and Privileges:</b>									
Licenses and Permits	\$4,100	0.03	\$456	\$480	(5.0)	\$3,763	\$3,882	(3.1)	(5.7)
Corp. Franchise and Charters	43,400	0.27	551	522	5.6	16,809	17,050	(1.4)	(2.3)
Fees for Misc. Privileges & Services	9,700	0.06	625	625	0.0	8,733	7,906	10.5	(12.9)
<b>Total Rights and Privileges</b>	<b>\$57,200</b>	<b>0.36</b>	<b>\$1,632</b>	<b>\$1,627</b>	<b>0.3</b>	<b>\$29,305</b>	<b>\$28,838</b>	<b>1.6</b>	<b>(4.5)</b>
<b>Other Revenues:</b>									
Sales of Property & Commodities	\$4,800	0.03	\$3,353	(\$1)	#	\$4,373	\$2,928	49.4	67.1
Assessmts & Rcpts for Support of Special Svcs	400	0.00	0	25	(100.0)	321	377	(14.9)	(8.3)
Institutional Revenue	6,200	0.04	446	392	13.8	5,744	5,859	(2.0)	(3.8)
Interest (a)	82,000	0.52	8,998	10,570	(14.9)	75,778	82,254	(7.9)	1.1
Dividends and Rent	300	0.00	14	15	(6.7)	342	330	3.6	(17.1)
Fines, Forfeitures & Fees	235,100	1.50	18,025	18,159	(0.7)	204,101	210,565	(3.1)	2.8
Other Revenue	7,400	0.05	183	283	(35.3)	4,961	4,226	17.4	(28.1)
Excess Fees	(10,300)	(0.07)	(782)	(524)	(49.2)	(7,708)	(7,954)	3.1	(19.4)
Private Donations, Gifts & Cont.	0	0.00	8	3	166.7	22	62	(64.5)	(100.0)
Cities, Counties, and Towns	9,600	0.07	731	828	(11.7)	8,053	8,778	(8.3)	(0.2)
<b>Total Other Revenues</b>	<b>\$335,500</b>	<b>2.14</b>	<b>\$30,976</b>	<b>\$29,750</b>	<b>4.1</b>	<b>\$295,987</b>	<b>\$307,425</b>	<b>(3.7)</b>	<b>1.3</b>
<b>Total General Fund Revenues</b>	<b>\$15,723,600</b>	<b>100.00</b>	<b>\$1,579,406</b>	<b>\$1,458,131</b>	<b>8.3</b>	<b>\$13,927,310</b>	<b>\$13,113,513</b>	<b>6.2</b>	<b>4.5</b>

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

(a) Interest will be allocated in accordance with Section 3-3.03 of Chapter 2, 2012 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)**

	<b>FY 2012 Estimate (a)</b>	<b>May</b>			<b>Year-To-Date</b>			<b>% Annual Growth Required By Estimate</b>
		<b>FY 2012</b>	<b>FY 2011</b>	<b>% Change</b>	<b>FY 2012</b>	<b>FY 2011</b>	<b>% Change (b)</b>	
Lottery Collections								
Win for Life / Decades of Dollars	\$32,050	\$2,843	\$3,006	(5.4)	\$30,579	\$26,385	15.9	8.9
Cash 5	25,300	2,380	2,162	10.1	24,446	24,568	(0.5)	(5.1)
Pick 4	217,950	19,376	17,599	10.1	204,665	190,419	7.5	5.2
Pick 3	234,860	21,040	19,809	6.2	223,687	223,356	0.1	(2.9)
Mega Millions / Powerball	199,540	16,032	14,016	14.4	212,765	191,754	11.0	(2.7)
Fast Play	9,420	1,100	999	10.1	11,058	7,998	38.3	5.7
Raffle	6,600	0	0	-	6,625	6,600	0.4	0.0
Scratch	800,000	75,251	65,280	15.3	774,880	695,176	11.5	5.7
Gross Lottery Revenue	<u>1,525,720</u>	<u>138,022</u>	<u>122,871</u>	<u>12.3</u>	<u>1,488,705</u>	<u>1,366,256</u>	<u>9.0</u>	<u>2.9</u>
Expenses (c)	<u>1,052,620</u>	<u>98,657 (d)</u>	<u>87,158</u>	<u>13.2</u>	<u>1,038,505 (d)</u>	<u>959,337</u>	<u>8.3</u>	<u>1.4</u>
Net Lottery Ticket Profits	<u>\$473,100</u>	<u>\$39,365 (d)</u>	<u>\$35,713</u>	<u>10.2</u>	<u>\$450,200 (d)</u>	<u>\$406,919</u>	<u>10.6</u>	<u>6.5</u>

(a) Estimate established by Chapter 2, 2012 Virginia Acts of Assembly, 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) "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 2011 and 2012**  
**(Dollars in Thousands)**

Revenue	FY 2012 Estimate	As a % of Total Fund	May			Year-To-Date			% Annual Growth Required By Estimate
			FY 2012	FY 2011	% Change	FY 2012	FY 2011	% Change	
<b>Motor Fuel Taxes</b>	\$832,900	23.23	\$70,449	\$70,901	(0.6)	\$698,709	\$705,446	(1.0)	(1.4)
<b>Priority Transportation Fund (PTF)</b>	157,300	4.39	2,000	2,000	0.0	155,297	148,327	4.7	4.6
<b>Motor Vehicle Sales and Use Tax</b>	554,600	15.47	52,916	45,472	16.4	527,404	484,305	8.9	4.2
<b>State Sales and Use Tax</b>	504,800	14.09	43,860	42,861	2.3	456,686	434,477	5.1	5.8
<b>Motor Vehicle License Fees</b>	239,200	6.67	20,344	19,708	3.2	216,305	216,669	(0.2)	0.6
<b>International Registration Plan</b>	62,000	1.72	4,568	4,061	12.5	57,457	55,842	2.9	1.6
<b>Recordation Tax</b>	38,400	1.07	3,750	2,748	36.5	35,283	31,404	12.4	9.8
<b>Interest Earnings</b>	19,400	0.54	(9)	6	(250.0)	11,457	13,256	(13.6)	6.2
<b>Misc. Taxes, Fees, and Revenues</b>	12,800	0.36	1,133	958	18.3	11,416	11,815	(3.4)	(0.7)
<b>Total State Taxes and Fees</b>	<u>\$2,421,400</u>	<u>67.54</u>	<u>\$199,011</u>	<u>\$188,715</u>	<u>5.5</u>	<u>\$2,170,014</u>	<u>\$2,101,541</u>	<u>3.3</u>	<u>2.2</u>

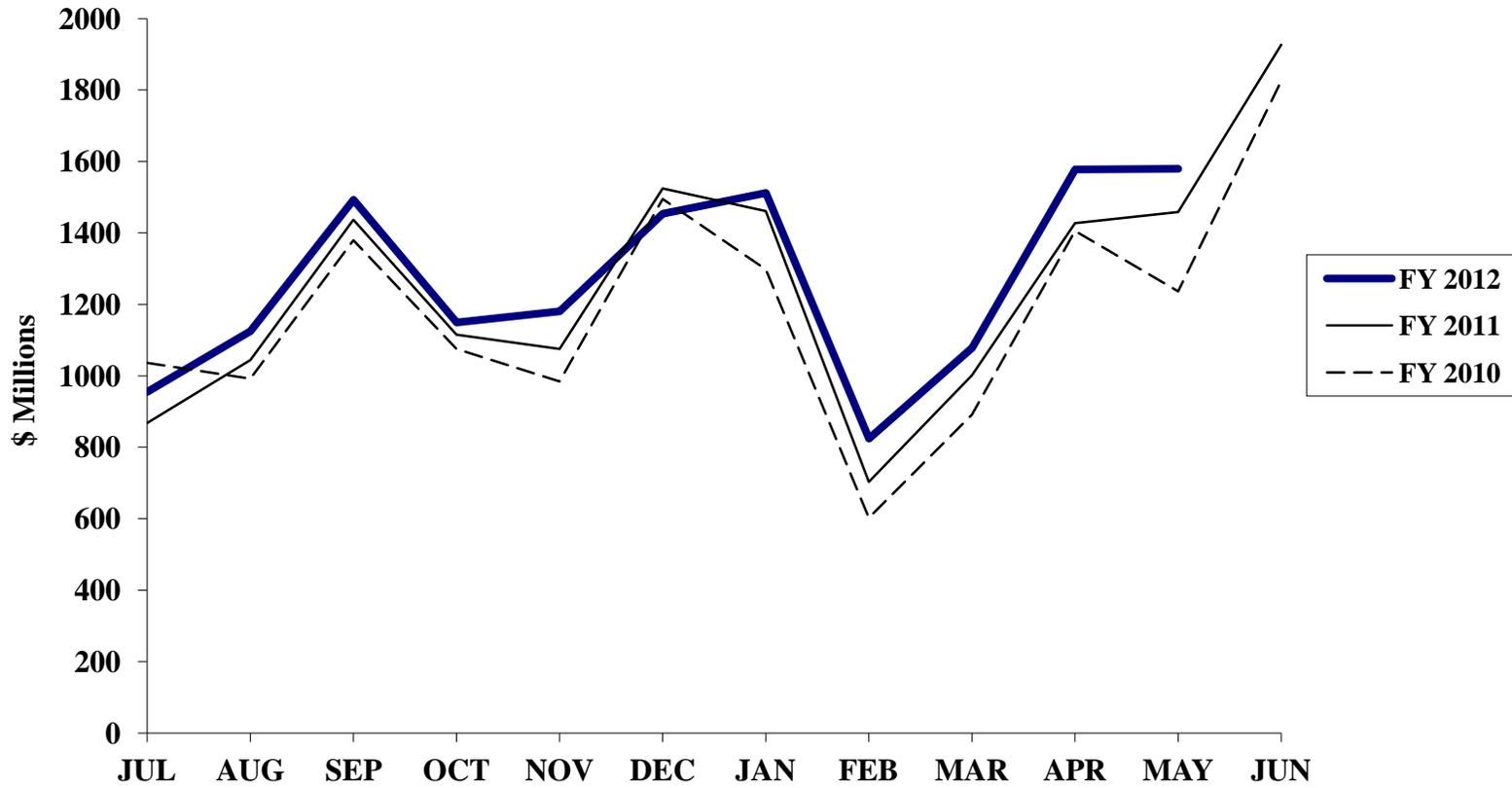
# Percentage is greater than or equal to 1,000%.

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 2011 and 2012  
(Dollars in Thousands)

Revenue	FY 2012 Estimate	As a % of Total Fund	May			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	\$61,569	\$61,647	(0.1)	\$601,152	\$606,813	(0.9)	(1.2)
Motor Vehicle Sales and Use Tax	340,900	9.51	32,812	28,058	16.9	325,392	295,371	10.2	4.9
Motor Vehicle License Fees	217,900	6.08	18,502	17,931	3.2	196,956	197,339	(0.2)	0.6
International Registration Plan	62,000	1.72	4,568	4,061	12.5	57,457	55,842	2.9	1.6
Recordation Tax (1 cent)	12,800	0.36	1,250	916	36.5	11,761	10,468	12.4	9.8
Misc. Taxes, Fees, and Revenues	12,800	0.36	1,133	958	18.3	11,416	11,815	(3.4)	(0.7)
<b>Total State Taxes and Fees</b>	<b>\$1,364,400</b>	<b>38.06</b>	<b>\$119,834</b>	<b>\$113,571</b>	<b>5.5</b>	<b>\$1,204,134</b>	<b>\$1,177,648</b>	<b>2.2</b>	<b>0.8</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$2,035	\$1,089	86.9	\$21,885	\$18,222	20.1	(100.0)
Miscellaneous Revenues	11,479	0.32	709	2,573	(72.4)	17,781	14,065	26.4	(24.2)
Transfer (to) / from Transportation Trust Fund	447,767	12.49	0	95,998	(100.0)	301,020	362,938	(17.1)	(3.3)
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$1,823,646</b>	<b>50.87</b>	<b>\$122,578</b>	<b>\$213,231</b>	<b>(42.5)</b>	<b>\$1,544,820</b>	<b>\$1,572,873</b>	<b>(1.8)</b>	<b>(1.6)</b>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$114,900	3.20	\$8,880	\$9,254	(4.0)	\$97,557	\$98,633	(1.1)	(2.3)
PTF Motor Fuels	20,000	0.56	2,000	2,000	0.0	18,000	18,000	0.0	0.0
PTF Insurance Premiums Tax	137,300	3.83	0	0	-	137,297	130,327	5.3	5.4
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	213,700	5.96	20,104	17,414	15.4	202,012	188,934	6.9	3.1
State Sales and Use Tax	504,800	14.09	43,860	42,861	2.3	456,686	434,477	5.1	5.8
Motor Vehicle License Fees	21,300	0.59	1,842	1,777	3.7	19,349	19,330	0.1	0.4
Recordation Tax (2 cents)	25,600	0.71	2,500	1,832	36.5	23,522	20,936	12.4	9.8
Interest Earnings	19,400	0.54	(9)	6	(250.0)	11,457	13,256	(13.6)	6.2
<b>Total State Taxes and Fees</b>	<b>\$1,057,000</b>	<b>29.48</b>	<b>\$79,177</b>	<b>\$75,144</b>	<b>5.4</b>	<b>\$965,880</b>	<b>\$923,893</b>	<b>4.5</b>	<b>4.1</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$1,006,822	28.08	\$67,870	\$71,058	(4.5)	\$868,966	\$780,059	11.4	12.5
Receipts from Cities/Counties	102,383	2.85	7,071	3,253	117.4	19,128	39,049	(51.0)	135.2
Toll Revenues (Includes Route 28)	28,949	0.81	867	931	(6.9)	17,073	19,139	(10.8)	43.7
Miscellaneous Revenues	14,219	0.40	5,488	2,297	138.9	32,565	50,528	(35.6)	(74.0)
<b>Total Other Revenues</b>	<b>\$1,152,373</b>	<b>32.14</b>	<b>\$81,296</b>	<b>\$77,539</b>	<b>4.8</b>	<b>\$937,732</b>	<b>\$888,775</b>	<b>5.5</b>	<b>13.8</b>
Transfer (to) / from Highway Maintenance and Operating Fund	(\$447,767)	(12.49)	\$0	(\$95,998)	100.0	(\$301,020)	(\$362,938)	17.1	3.3
<b>Total Transportation Trust Fund</b>	<b>\$1,761,606</b>	<b>49.13</b>	<b>\$160,473</b>	<b>\$56,685</b>	<b>183.1</b>	<b>\$1,602,592</b>	<b>\$1,449,730</b>	<b>10.5</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>\$283,051</b>	<b>\$269,916</b>	<b>4.9</b>	<b>\$3,147,412</b>	<b>\$3,022,603</b>	<b>4.1</b>	<b>4.9</b>

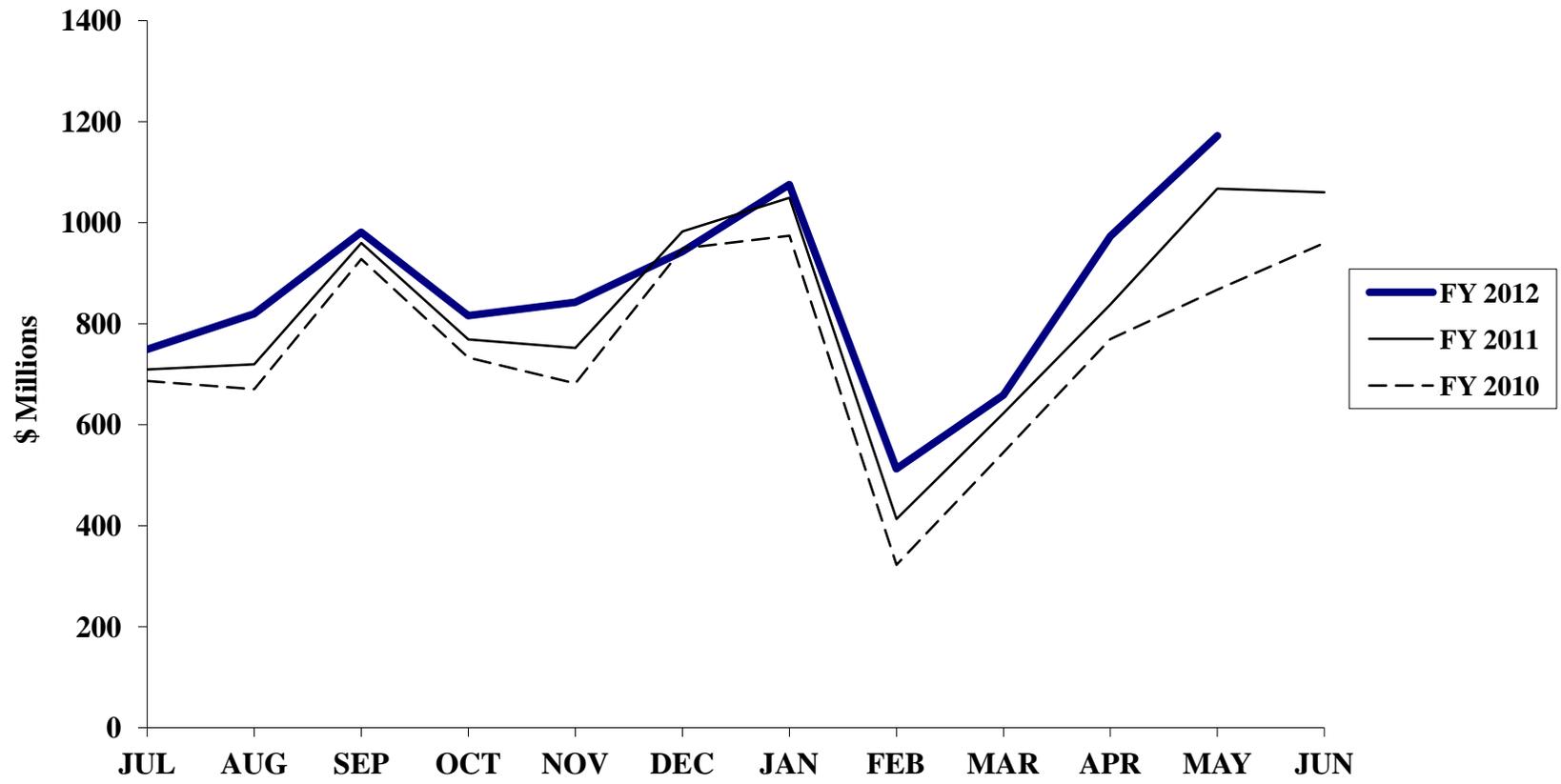
# Percentage is greater than or equal to 1,000%.

# Total General Fund Revenues



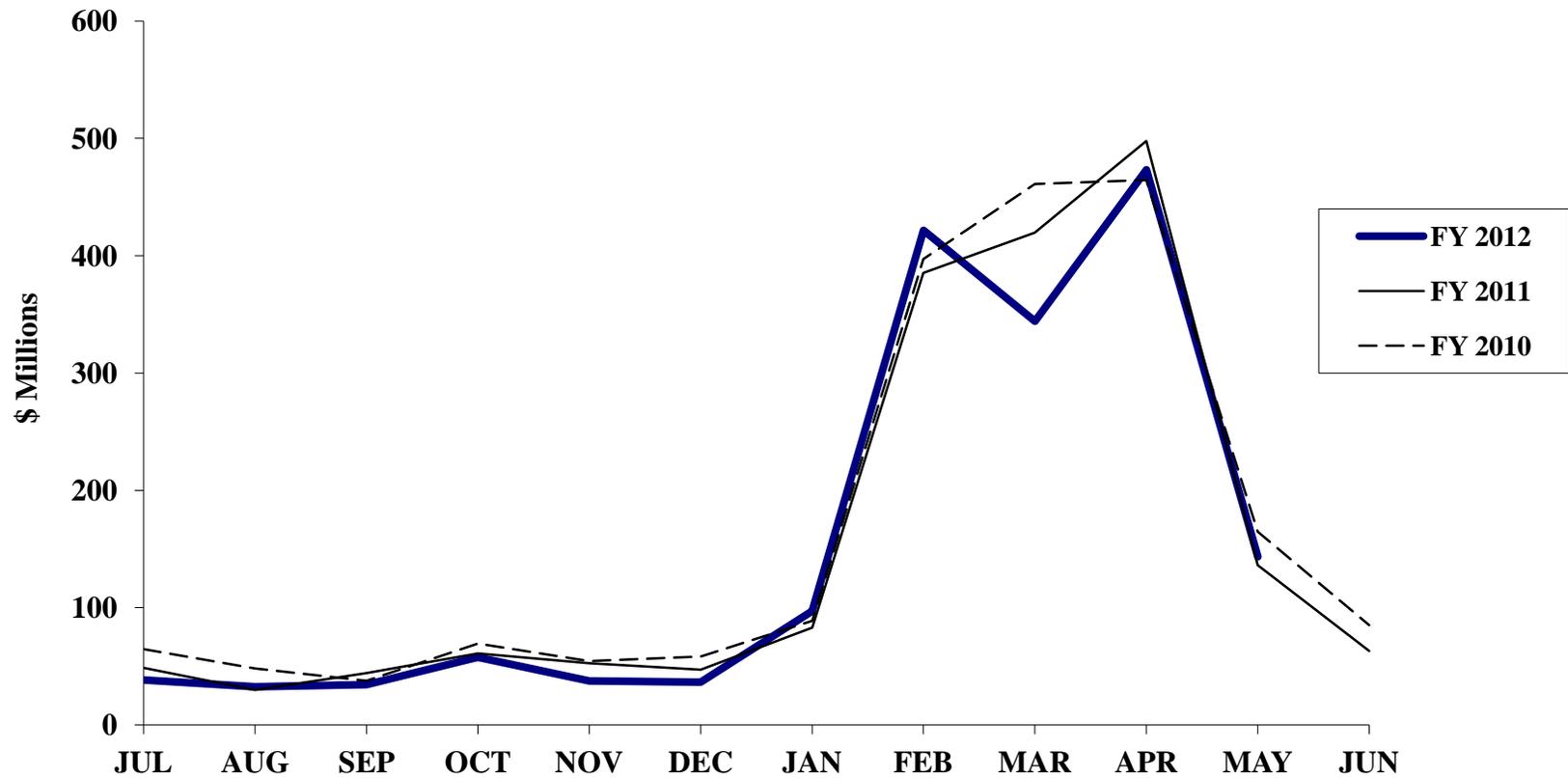
**FY 2010 Actual = \$14,219.5 Million**  
**FY 2011 Actual = \$15,040.2 Million**  
**FY 2012 Estimate = \$15,723.6 Million**

# Net Individual Income Tax



**FY 2010 Actual = \$9,088.3 Million**  
**FY 2011 Actual = \$9,944.4 Million**  
**FY 2012 Estimate = \$10,526.4 Million**

# Individual and Fiduciary Income Tax Refunds



**FY 2010 Actual = \$1,994.7 Million**  
**FY 2011 Actual = \$1,869.3 Million**  
**FY 2012 Estimate = \$1,931.8 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
<b>July, 2011</b>	\$3,889.8	0.31%	\$1,279.0	15.39%	\$5,168.8	4.04%	0.19%
<b>August</b>	\$3,330.4	0.35%	\$1,292.5	10.31%	\$4,622.9	3.13%	0.11%
<b>September</b>	\$3,520.5	0.39%	\$1,299.5	3.09%	\$4,820.0	1.12%	0.10%
<b>October</b>	\$3,681.0	0.35%	\$1,303.3	4.39%	\$4,984.3	1.41%	0.11%
<b>November</b>	\$3,506.4	0.39%	\$1,303.2	-4.26%	\$4,809.6	-0.87%	0.11%
<b>December</b>	\$3,197.0	0.39%	\$1,307.1	11.71%	\$4,504.1	3.68%	0.12%
<b>January, 2012</b>	\$3,747.7	0.36%	\$1,320.6	13.41%	\$5,068.3	3.76%	0.12%
<b>February</b>	\$3,885.2	0.40%	\$1,328.9	2.33%	\$5,214.1	0.89%	0.16%
<b>March</b>	\$3,588.1	0.39%	\$1,328.6	-2.96%	\$4,916.7	-0.52%	0.19%
<b>April</b>	\$3,549.9	0.40%	\$1,332.4	10.22%	\$4,882.3	3.08%	0.18%
<b>May</b>	\$4,035.1	0.36%	\$1,341.2	6.08%	\$5,376.3	1.79%	0.19%
<b>June</b>							
<b>Year-to-Date Average</b>	\$3,630.1	0.37%	\$1,312.4	6.37%	\$4,942.5	1.96%	0.14%

• 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>	\$300,578,468	\$0	\$0	\$1,043,365	\$301,621,833
<b>February</b>	\$301,621,833	\$0	\$0	\$0	\$301,621,833
<b>March</b>	\$301,621,833	\$0	\$0	\$0	\$301,621,833
<b>April</b>	\$301,621,833	\$0	\$0	\$1,042,743	\$302,664,576
<b>May</b>	\$302,664,576	\$0	\$0	\$0	\$302,664,576
<b>June</b>					

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