



COMMONWEALTH of VIRGINIA

September 12, 2013

PO Box 1475
Richmond, VA. 23218

MEMORANDUM

TO: The Honorable Robert F. McDonnell

THROUGH: The Honorable Martin Kent

FROM: Richard D. Brown 

SUBJECT: August Revenue Data

August is not a significant month for revenue collections, with collections mainly from withholding payments, sales taxes, and other sources that have regular monthly payments.

Total general fund revenue collections fell 4.8 percent in August, driven by a drop in individual withholding payments. The decline in withholding is typical following double-digit growth in July. On a year-to-date basis, total revenue collections rose 3.0 percent through August, ahead of the annual forecast of 1.5 percent growth. Adjusting for the accelerated sales tax program and the 0.125 percent sales tax transfer required by the provisions of HB 2313, total revenues grew 3.6 percent through August, ahead of the adjusted forecast of 1.4 percent growth.

National Economic Indicators

Most national indicators suggest the economy continues to expand at a slow pace.

- According to the second estimate, real GDP grew at an annualized rate of 2.5 percent in the second quarter of 2013, up from a 1.1 percent increase in the first quarter.
- Payroll employment grew by 169,000 jobs in August, while July payrolls were revised down from 162,000 to 104,000 and June was revised down from 188,000 to 172,000. In a separate report, the unemployment rate fell slightly from 7.4 to 7.3 percent as the labor force contracted.

- Initial claims for unemployment fell by 9,000 to 323,000 during the week ending August 31. The four-week moving average fell from 331,500 to 328,500. Although initial claims have fallen in three of the last four weeks, new filings tend to fluctuate around the Labor Day holiday and are less useful in analysis of the job market.
- The Conference Board's index of leading indicators rose 0.6 percent in July after remaining flat in June. Movement of the leading indicator is consistent with continued slow economic growth.
- The Conference Board's index of consumer confidence rose from 81.0 to 81.5 in August, exceeding expectations and standing above 80 for three consecutive months. The expectations component drove the increase, while the current conditions component declined.
- Activity in the manufacturing sector beat expectations in August, with the Institute of Supply Management index increasing from 55.4 to 55.7.
- The CPI rose 0.2 percent in July and stands 2.0 percent above July 2012. Core inflation (excluding food and energy prices) also rose 0.2 percent in July, and has increased 1.7 percent from July 2012.
- The Federal Reserve announced at its July meeting that it will keep the federal funds target rate at 0.0 to 0.25 percent, and continued its quantitative easing program.

Virginia Economy

In Virginia, payroll employment rose 1.5 percent in July from July of last year. Northern Virginia posted job growth of 1.9 percent; Hampton Roads rose 2.8 percent; and Richmond-Petersburg rose 0.8 percent. The unemployment rate in the Commonwealth fell 0.1 percentage point to 5.8 percent in July and is 0.4 percentage point below July 2012.

The Virginia Leading Index rose less than 0.1 percent in July after decreasing 0.2 percent in June. Building permits, the U.S. leading index, and auto registrations improved, while future employment was little changed and initial claims for unemployment increased. The indexes increased in nine of the eleven major metro areas, while the indexes for Harrisonburg and Lynchburg contracted.

August Revenue Collections

Total general fund revenue collections fell 4.8 percent in August, driven by a drop in individual withholding payments. The decline in withholding is typical following double-digit growth in July. On a year-to-date basis, total revenue collections rose 3.0 percent through August, ahead of the annual forecast of 1.5 percent growth. Adjusting for the accelerated sales tax program and the 0.125 percent sales tax transfer as set forth in HB 2313, total revenues grew 3.6 percent through August, ahead of the adjusted forecast of 1.4 percent growth.

Net Individual Income Tax (69% of general fund revenues): Through August, collections of net individual income tax rose 5.4 percent from the same period last year, ahead of the annual estimate of 2.5 percent growth. Performance in each component of individual income tax is as follows:

Individual Income Tax Withholding (64% of general fund revenues): With one less deposit day than August of last year, collections of payroll withholding taxes fell 5.5 percent in August. Year-to-date, withholding collections rose 5.8 percent compared with the same period last year, ahead of the projected annual growth rate of 5.4 percent.

Individual Income Tax Nonwithholding (16% of general fund revenues): August is not a significant month in collections of this source since the first estimated payment for fiscal year 2014 is due in September.

Through the first two months of the fiscal year, collections were \$40.8 million compared with \$37.2 million in the same period last year.

Individual Income Tax Refunds: Through August, TAX issued \$35.0 million in refunds, about the same amount as last year. Year-to-date, refunds have risen 15.1 percent, ahead of the annual estimate of 6.3 percent growth.

Sales Tax (19% of general fund revenues): Collections of sales and use taxes, reflecting July sales, fell 5.6 percent in August. On a year-to-date basis, collections also fell 5.6 percent through August, trailing the annual estimate of a 1.0 percent decline. Adjusting for the accelerated sales tax program and the 0.125 percent sales tax transfer as set forth in HB 2313, sales tax collections have fallen by 1.0 percent year-to-date, lagging the economic-base forecast of 5.2 percent growth.

Corporate Income Tax (5% of general fund revenues): As with nonwithholding, August is not typically a significant month in corporate income tax collections since the first estimated payment for the fiscal year is due in September. Through August, collections in this source were \$20.5 million compared with \$13.7 million in the same period last year.

Wills, Suits, Deeds, Contracts (2% of general fund revenues): Collections of wills, suits, deeds, and contracts – mainly recordation tax collections – were \$31.4 million in August, compared with \$32.0 million in August of last year, a 1.9 percent decline. On a year-to-date basis, collections are up 5.6 percent, far ahead of the annual forecast of a 10.9 percent decline.

Other Revenue Sources

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

	<u>Year-to-Date</u>	<u>Annual Estimate</u>
Insurance Premiums Tax (2% GF revenues)	NA%	7.0%
Interest Income (0.5% GF revenues)	-36.9%	-4.2%
ABC Taxes (1% GF revenues)	-6.3%	-0.6%

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Note: Monthly collections of insurance company premiums are being transferred to the Transportation Trust Fund per Chapter 896, 2007 Acts of the Assembly until the required amount of \$130.8 million has been deposited.

All Other Revenue (3% of general fund revenues): Receipts in All Other Revenue rose 7.3 percent in August, \$30.1 million compared with \$28.0 million last year. On a year-to-date basis, collections of All Other Revenue grew 3.7 percent over the same period last year, ahead of the annual estimate of a 2.7 percent decline.

Summary

August is not a significant month for revenue collections, with collections mainly from withholding payments, sales taxes, and other sources that have regular monthly payments.

Total general fund revenue collections fell 4.8 percent in August, driven by a drop in individual withholding payments. On a year-to-date basis, total revenue collections rose 3.0 percent through August, ahead of the annual forecast of 1.5 percent growth. Adjusting for the accelerated sales tax program and the 0.125 percent sales tax transfer as set forth in HB 2313, total revenues grew 3.6 percent through August, ahead of the adjusted forecast of 1.4 percent growth.

September collections will complete the first quarter of fiscal year 2014 and provide a clearer assessment of revenue growth. The first estimated payments from individuals, corporations, and insurance companies are due in September.

FY 2014 Estimate (a)

**Commonwealth of Virginia/Department of Accounts
Summary Report on General Fund Revenue Collections
For the Fiscal Years 2013 and 2014
(Dollars in Thousands)**

Revenue	(1)	(2)	(3) August			(6) Year-To-Date			(9)
	FY 2014 Estimate	As a % of Gen Fund Rev	FY 2014	FY 2013	% Change	FY 2014	FY 2013	% Change	% Annual Growth Req By Est
Individual Income Tax:									
Withholding	\$10,809,800	63.81	\$800,278	\$847,015	(5.5)	\$1,630,386	\$1,541,053	5.8	5.4
Tax Dues/Estimated Payments	2,641,900	15.59	40,774	37,198	9.6	84,999	80,412	5.7	(5.9)
Gross Individual Income Tax	\$13,451,700	79.40	\$841,052	\$884,213	(4.9)	\$1,715,385	\$1,621,465	5.8	3.0
Individual and Fiduciary Income (Refunds)	(1,827,100)	(10.79)	(34,981)	(34,765)	0.6	(83,645)	(72,645)	15.1	6.3
Net Individual Income Tax	\$11,624,600	68.61	\$806,071	\$849,448	(5.1)	\$1,631,740	\$1,548,820	5.4	2.5
Sales and Use Tax	\$3,187,400	18.82	\$242,930	\$257,334	(5.6)	\$402,479	\$426,242	(5.6)	(1.0)
Corporations Income Tax	839,800	4.96	17,893	16,128	10.9	20,515	13,690	49.9	5.4
Wills, Suits, Deeds, Contracts	336,500	1.99	31,430	32,040	(1.9)	67,310	63,754	5.6	(10.9)
Insurance Premiums	280,700	1.66	0	0	-	0	0	-	7.0
Interest Income (b)	64,700	0.38	6,123	9,218	(33.6)	12,060	19,099	(36.9)	(4.2)
Alcoholic Beverage Sales (c)	194,000	1.14	7,042	7,405	(4.9)	10,749	11,469	(6.3)	(0.6)
All Other Revenues	414,100	2.44	30,072	28,037	7.3	56,562	54,540	3.7	(2.7)
Total General Fund Revenues	\$16,941,800	100.00	\$1,141,561	\$1,199,610	(4.8)	\$2,201,415	\$2,137,614	3.0	1.5

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

(a) The general fund revenue estimate reflected in this report will not agree to the official general fund revenue estimate included in Chapter 806, 2013 Virginia Acts of Assembly (Appropriation Act). The revenue estimate in this report has been reduced by \$115.2 million to incorporate the effect of an additional 1/8 cent Standards of Quality sales tax transfer required by Chapter 766, 2013 Virginia Acts of Assembly (Transportation Legislation). Chapter 806 will be modified to reflect this change during the 2014 General Assembly session.

(b) Interest will be allocated in accordance with Section 3-3.03 of Chapter 806, 2013 Virginia Acts of Assembly.

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

FY 2014 Estimate (a)

**Commonwealth of Virginia/Department of Accounts
General Fund Statement of Revenue Collections and Estimates
For the Fiscal Years 2013 and 2014
(Dollars in Thousands)**

Revenue	(1)	(2)	(3) August			(7) Year-To-Date			(9)
	FY 2014 Estimate	As a % of Total Gen Fund Rev	FY 2014	FY 2013	% Change	FY 2014	FY 2013	% Change	% Annual Growth Req By Est
Taxes:									
Individual Income Tax - Withholding	\$10,809,800	63.81	\$800,278	\$847,015	(5.5)	\$1,630,386	\$1,541,053	5.8	5.4
Tax Dues/Estimated Payments	2,641,900	15.59	40,774	37,198	9.6	84,999	80,412	5.7	(5.9)
Gross Individual Income Tax	\$13,451,700	79.40	\$841,052	\$884,213	(4.9)	\$1,715,385	\$1,621,465	5.8	3.0
Individ and Fiduc Income (Refunds)	(1,827,100)	(10.79)	(34,981)	(34,765)	0.6	(83,645)	(72,645)	15.1	6.3
Net Individual Income Tax	\$11,624,600	68.61	\$806,071	\$849,448	(5.1)	\$1,631,740	\$1,548,820	5.4	2.5
Sales and Use Tax	3,187,400	18.82	242,930	257,334	(5.6)	402,479	426,242	(5.6)	(1.0)
Corporations Income	839,800	4.96	17,893	16,128	10.9	20,515	13,690	49.9	5.4
Public Service Corporations	95,300	0.56	7,344	7,063	4.0	13,390	12,989	3.1	(1.0)
Insurance Premiums	280,700	1.66	0	0	-	0	0	-	7.0
Alcoholic Beverage Excise	151,000	0.89	3,032	3,673	(17.5)	3,032	3,673	(17.5)	(1.2)
Beer and Beverage Excise	43,000	0.25	4,010	3,732	7.4	7,717	7,796	(1.0)	1.6
Wills, Suits, Deeds, Contracts	336,500	1.99	31,430	32,040	(1.9)	67,310	63,754	5.6	(10.9)
Inheritance, Gift, and Estate	0	0.00	(14)	15	(193.3)	(14)	15	(193.3)	100.0
Bank Franchise	16,000	0.09	1	(40)	102.5	10	79	(87.3)	(21.7)
Other Taxes	1,900	0.01	1,415	442	220.1	1,664	958	73.7	461.9
Total Taxes	\$16,576,200	97.84	\$1,114,112	\$1,169,835	(4.8)	\$2,147,843	\$2,078,016	3.4	1.6
Rights and Privileges:									
Licenses and Permits	\$4,300	0.03	\$477	\$463	3.0	\$672	\$658	2.1	3.0
Corp. Franchise and Charters	40,500	0.23	527	57	824.6	1,087	991	9.7	(14.0)
Fees for Misc. Privileges & Services	9,800	0.06	694	658	5.5	1,325	1,277	3.8	(10.0)
Total Rights and Privileges	\$54,600	0.32	\$1,698	\$1,178	44.1	\$3,084	\$2,926	5.4	(12.2)
Other Revenues:									
Sales of Property & Commodities	\$10,500	0.06	\$61	\$0	-	\$62	\$0	-	#
Assessmts & Rcpts for Support of Special Svcs	400	0.00	0	0	-	4	24	(83.3)	23.1
Institutional Revenue	5,700	0.03	340	371	(8.4)	915	985	(7.1)	0.1
Interest (b)	64,700	0.38	6,123	9,218	(33.6)	12,060	19,099	(36.9)	(4.2)
Dividends and Rent	300	0.00	73	80	(8.8)	120	103	16.5	(12.5)
Fines, Forfeitures & Fees	220,100	1.30	18,721	19,283	(2.9)	37,114	36,938	0.5	(2.0)
Other Revenue	9,600	0.06	250	298	(16.1)	513	452	13.5	(50.7)
Excess Fees	(8,700)	(0.05)	(259)	(1,148)	77.4	(1,173)	(2,054)	42.9	19.4
Private Donations, Gifts & Cont.	0	0.00	0	0	-	0	0	-	(100.0)
Cities, Counties, and Towns	8,400	0.06	442	495	(10.7)	873	1,125	(22.4)	5.9
Total Other Revenues	\$311,000	1.84	\$25,751	\$28,597	(10.0)	\$50,488	\$56,672	(10.9)	(1.3)
Total General Fund Revenues	\$16,941,800	100.00	\$1,141,561	\$1,199,610	(4.8)	\$2,201,415	\$2,137,614	3.0	1.5

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

(a) The general fund revenue estimate reflected in this report will not agree to the official general fund revenue estimate included in Chapter 806, 2013 Virginia Acts of Assembly (Appropriation Act). The revenue estimate in this report has been reduced by \$115.2 million to incorporate the effect of an additional 1/8 cent Standards of Quality sales tax transfer required by Chapter 766, 2013 Virginia Acts of Assembly (Transportation Legislation). Chapter 806 will be modified to reflect this change during the 2014 General Assembly session.

(b) Interest will be allocated in accordance with Section 3-3.03 of Chapter 806, 2013 Virginia Acts of Assembly.

**Commonwealth of Virginia/Department of Lottery
Summary Report on Lottery Collections
For the Fiscal Years 2013 and 2014
(Dollars in Thousands)**

	FY 2014 Estimate	August			Year-To-Date			% Annual Growth Required By Estimate	
		(a)	FY 2014 (b)	FY 2013	% Change	FY 2014 (b)	FY 2013		% Change (c)
Lottery Collections									
Total Lottery Sales	\$1,618,900		\$148,541	\$137,812	7.8	\$287,509	\$260,107	10.5	(4.2)
Other Income	1,500		115	134	(14.2)	225	249	(9.6)	(5.5)
Total Income	<u>\$1,620,400</u>		<u>\$148,656</u>	<u>\$137,946</u>	<u>7.8</u>	<u>\$287,734</u>	<u>\$260,356</u>	<u>10.5</u>	<u>(4.2)</u>
Less:									
Prize Expenses	\$977,800		\$86,252	\$81,499	5.8	\$163,246	\$149,814	9.0	(4.6)
Retailer Commissions	92,000		8,323	7,581	9.8	15,927	14,343	11.0	(3.1)
Operating Expenses	88,600		6,644	6,355	4.5	13,543	12,761	6.1	5.3
Total Expenses	<u>\$1,158,400</u>		<u>\$101,219</u>	<u>\$95,435</u>	<u>6.1</u>	<u>\$192,716</u>	<u>\$176,918</u>	<u>8.9</u>	<u>(3.8)</u>
Net Proceeds from Operations									
Net Lottery Ticket Profits	\$462,000		\$47,437	\$42,511	11.6	\$95,018	\$83,438	13.9	(0.5)
Prior Year Residual Profit Transfer	0		22,199	22,971	(3.4)	22,199	22,971	(3.4)	-
Available to Lottery Proceeds Fund	<u>\$462,000</u>		<u>\$69,636</u>	<u>\$65,482</u>	<u>6.3</u>	<u>\$117,217</u>	<u>\$106,409</u>	<u>10.2</u>	<u>(5.2)</u>

(a) Estimate established by Chapter 806, 2013 Virginia Acts of Assembly. Prior Year Residual Profit Transfer of \$22,199,087 was made on August 20, 2013.

The Residual Profit Transfer from FY 2013 will be included in the Lottery's revised FY 2014 revenue estimate in the Governor's Revised Budget in December 2013.

(b) Amounts reported are accrual-based estimates (unaudited closing).

(c) 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.

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 2013 and 2014
(Dollars in Thousands)

Revenue	FY 2014 Estimate	As a % of Total Fund	August			Year-To-Date			% Annual Growth Required By Estimate
			FY 2014	FY 2013	% Change	FY 2014	FY 2013	% Change	
Motor Fuel Taxes (b)	\$630,100	15.73	\$75,414	\$71,853	5.0	\$84,342	\$81,154	3.9	(25.1)
Priority Transportation Fund (PTF) (b)	131,000	3.27	3,226	6,032	(46.5)	5,966	12,599	(52.6)	0.7
Motor Vehicle Sales and Use Tax	833,700	20.82	74,476	56,907	30.9	139,062	109,010	27.6	33.9
State Sales and Use Tax (a)	866,900	21.66	72,142	44,657	61.5	101,410	71,672	41.5	66.3
Motor Vehicle License Fees	243,900	6.09	22,611	23,180	(2.5)	44,772	45,138	(0.8)	(0.7)
International Registration Plan	65,300	1.63	4,169	3,983	4.7	8,313	8,564	(2.9)	5.7
Recordation Tax	40,500	1.01	3,790	3,897	(2.7)	8,176	7,746	5.6	(12.6)
Interest Earnings	11,900	0.30	0	19	(100.0)	0	19	(100.0)	28.2
Misc. Taxes, Fees, and Revenues	17,400	0.43	1,496	1,002	49.3	3,184	2,246	41.8	17.4
Total State Taxes and Fees	\$2,840,700	70.94	\$257,324	\$211,530	21.6	\$395,225	\$338,148	16.9	13.9

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

(a) New revenue streams for State Sales and Use Tax are included in the Fiscal Year 2014 Highway Maintenance and Operating Fund Revenue Forecast. As there were no collections for state sales and use tax recorded in the Highway Maintenance and Operating Fund during Fiscal Year 2013, a comparison between Fiscal Years 2013 and 2014 may not be appropriate. Refer to the "State Sales and Use Tax" line item on page 5 for the detailed information pertaining to the "State Sales and Use Tax" line item.

(b) Certain Fiscal Year 2013 monthly and year-to-date amounts have been reclassified. Refer to (b) on page 5 for additional information.

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 2013 and 2014
(Dollars in Thousands)

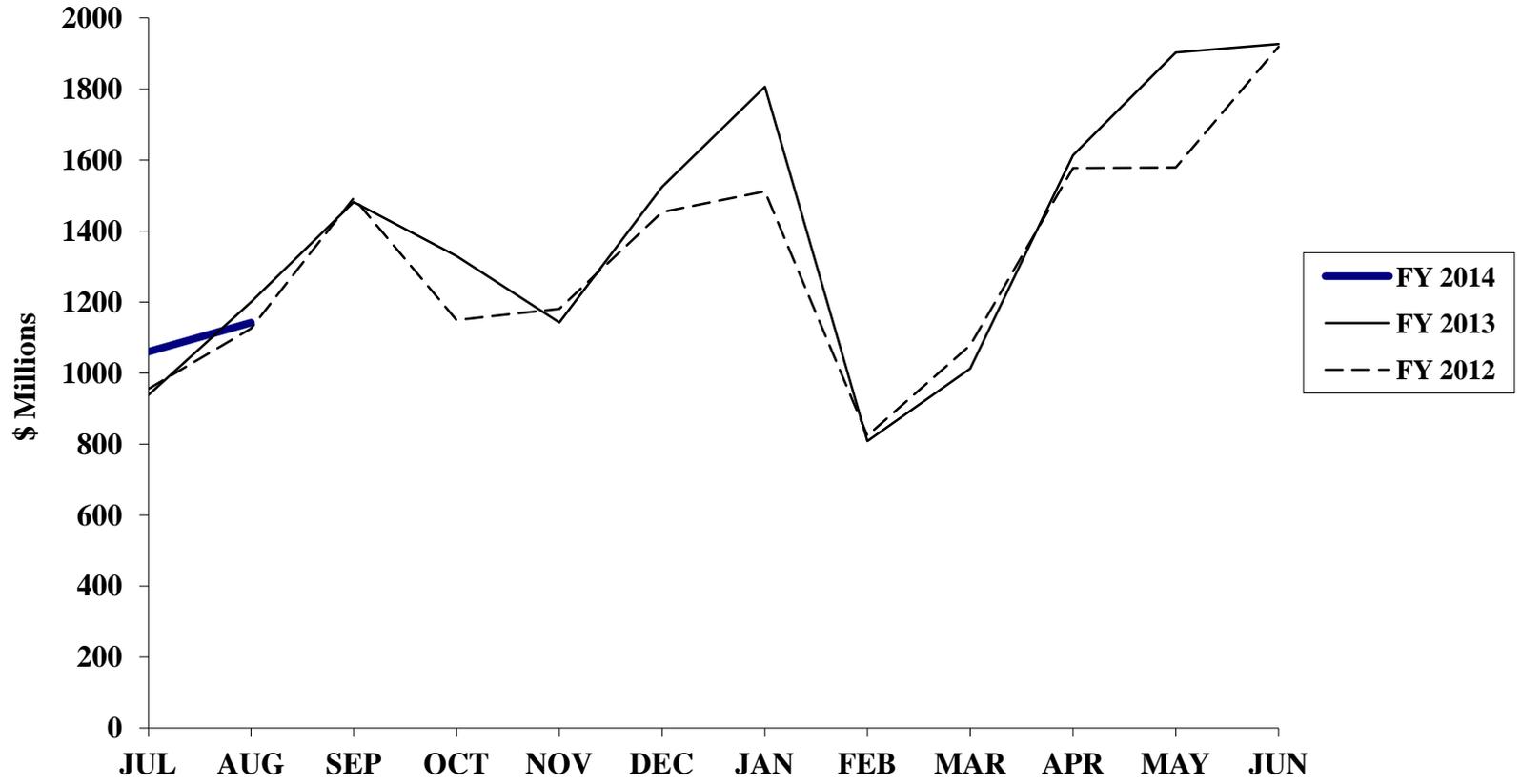
Revenue	FY 2014 Estimate	As a % of Total Fund	August			Year-To-Date			% Annual Growth Required By Est
			FY 2014	FY 2013	% Change	FY 2014	FY 2013	% Change	
HIGHWAY MAINTENANCE AND OPERATING FUND:									
Motor Fuel Taxes (Includes Road Tax)	\$500,700	12.50	\$61,115	\$62,684	(2.5)	\$69,610	\$70,784	(1.7)	(29.1)
Motor Vehicle Sales and Use Tax	585,000	14.61	53,000	35,054	51.2	99,429	67,772	46.7	51.0
State Sales and Use Tax (a)	204,000	5.10	17,668	0	-	19,926	0	-	-
Motor Vehicle License Fees	222,400	5.55	20,672	21,135	(2.2)	40,984	41,229	(0.6)	(0.7)
International Registration Plan	65,300	1.63	4,169	3,983	4.7	8,313	8,564	(2.9)	5.7
Recordation Tax (1 cent)	13,500	0.34	1,263	1,299	(2.8)	2,725	2,582	5.5	(12.6)
Misc. Taxes, Fees, and Revenues	17,400	0.43	1,496	1,002	49.3	3,184	2,246	41.8	17.4
Total State Taxes and Fees	\$1,608,300	40.16	\$159,383	\$125,157	27.3	\$244,171	\$193,177	26.4	14.1
Other Revenues:									
Federal Grants and Contracts	\$0	0.00	\$1,449	\$3,552	(59.2)	\$2,995	\$5,742	(47.8)	(100.0)
Miscellaneous Revenues	18,658	0.47	1,766	1,818	(2.9)	2,549	3,538	(28.0)	11.5
Transfer (to) / from Transportation Trust Fund	313,942	7.84	0	0	-	0	20,000	(100.0)	(10.4)
Total Highway Maintenance and Operating Fund	\$1,940,900	48.47	\$162,598	\$130,527	24.6	\$249,715	\$222,457	12.3	7.7
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes) (b)	\$129,400	3.23	\$14,299	\$9,169	55.9	\$14,732	\$10,370	42.1	(4.3)
PTF Insurance Premiums Tax	131,000	3.27	3,226	6,032	(46.5)	5,966	12,599	(52.6)	0.7
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	248,700	6.21	21,476	21,853	(1.7)	39,633	41,238	(3.9)	5.7
State Sales and Use Tax	662,900	16.56	54,474	44,657	22.0	81,484	71,672	13.7	27.2
Motor Vehicle License Fees	21,500	0.54	1,939	2,045	(5.2)	3,788	3,909	(3.1)	(0.8)
Recordation Tax (2 cents)	27,000	0.67	2,527	2,598	(2.7)	5,451	5,164	5.6	(12.6)
Interest Earnings	11,900	0.30	0	19	(100.0)	0	19	(100.0)	28.2
Total State Taxes and Fees	\$1,232,400	30.78	\$97,941	\$86,373	13.4	\$151,054	\$144,971	4.2	13.7
Other Revenues:									
Federal Grants and Contracts	\$929,928	23.22	\$223,909	\$264,992	(15.5)	\$457,312	\$380,092	20.3	(28.8)
Receipts from Cities/Counties	178,614	4.46	8,973	374	#	24,257	967	#	208.5
Toll Revenues (Includes Route 28)	16,768	0.42	866	876	(1.1)	1,692	1,746	(3.1)	(5.0)
Miscellaneous Revenues	19,854	0.49	3,875	2,524	53.5	4,961	24,682	(79.9)	(57.6)
Total Other Revenues	\$1,145,164	28.59	\$237,623	\$268,766	(11.6)	\$488,222	\$407,487	19.8	(19.9)
Transfer (to) / from Highway Maintenance and Operating Fund	(\$313,942)	(7.84)	\$0	\$0	-	\$0	(\$20,000)	100.0	10.4
Total Transportation Trust Fund	\$2,063,622	51.53	\$335,564	\$355,139	(5.5)	\$639,276	\$532,458	20.1	(4.6)
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND	\$4,004,522	100.00	\$498,162	\$485,666	2.6	\$888,991	\$754,915	17.8	1.0

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

(a) This line item was added to the Fiscal Year 2014 Revenue Forecast. Since there were no collections for this line item during Fiscal Year 2013, the Monthly and Year-To-Date % Change columns do not provide comparable data.

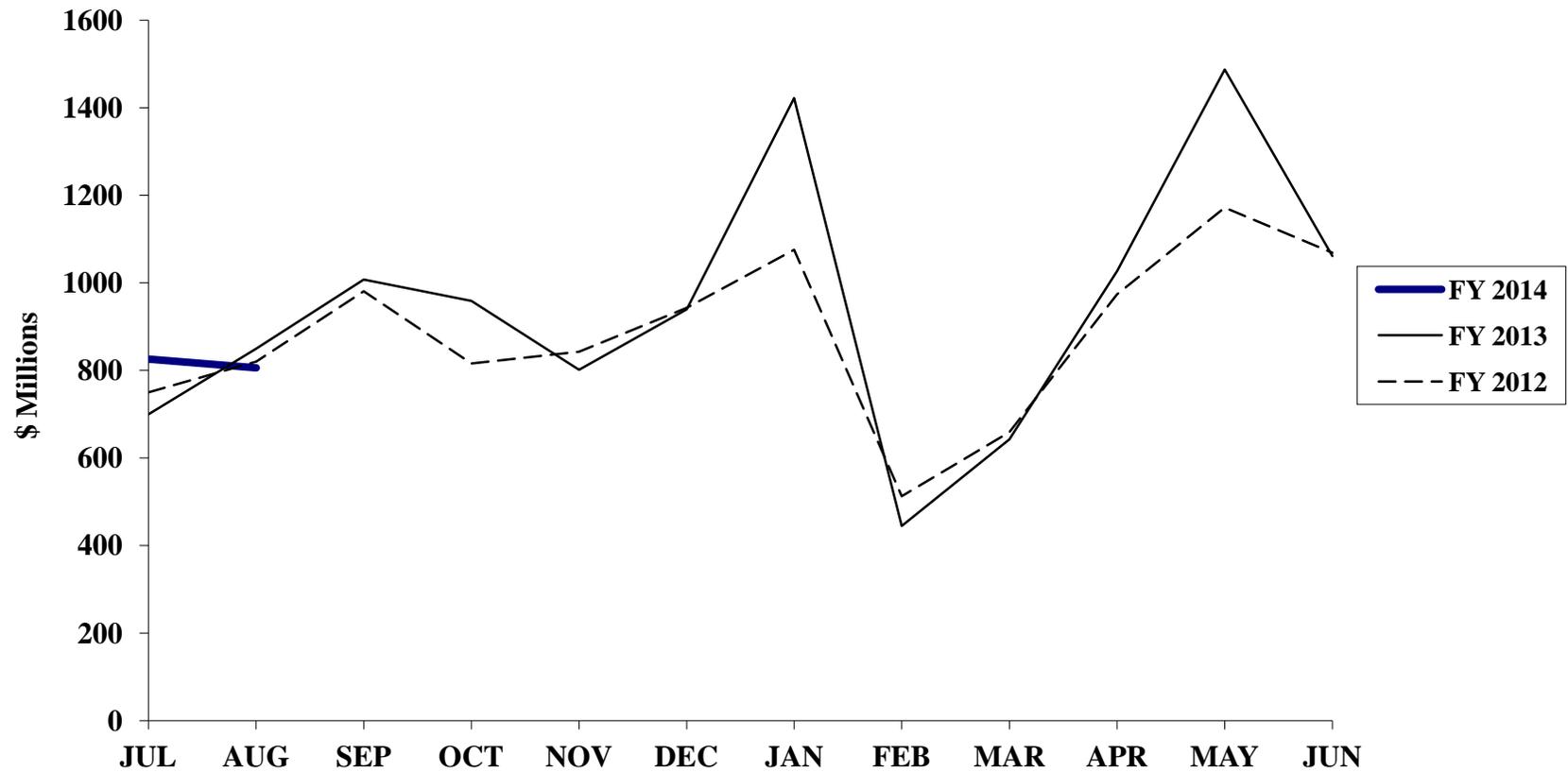
(b) The "PTF Motor Fuels" line item was removed from the Transportation Trust Fund Revenue Forecast. The amount previously reported in "PTF Motor Fuels" was reclassified to "Motor Fuel Taxes (Includes Aviation & Roads Taxes)." In order to provide comparable data, the Fiscal Year 2013 monthly and year-to-date amounts were likewise reclassified.

Total General Fund Revenues



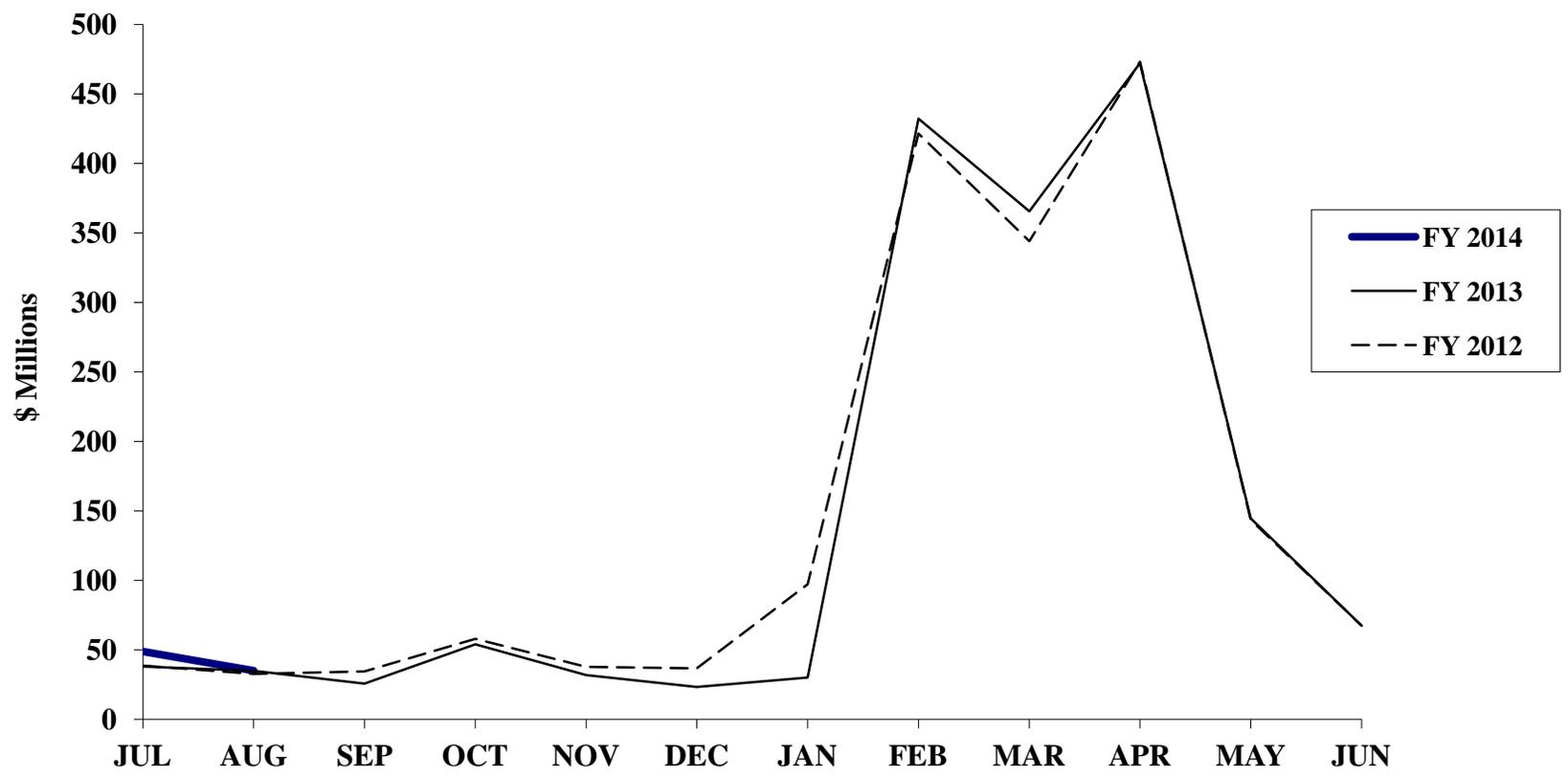
FY 2012 Actual = \$15,846.7 Million
FY 2013 Actual = \$16,684.6 Million
FY 2014 Estimate = \$16,941.8 Million

Net Individual Income Tax



FY 2012 Actual = \$10,612.8 Million
FY 2013 Actual = \$11,340.0 Million
FY 2014 Estimate = \$11,624.6 Million

Individual and Fiduciary Income Tax Refunds



FY 2012 Actual = \$1,784.7 Million
FY 2013 Actual = \$1,719.1 Million
FY 2014 Estimate = \$1,827.1 Million

DEPARTMENT OF THE TREASURY

General Account Investment Portfolio

Monthly Average Balances and Rates

For the Fiscal Year 2014

(Dollars in Millions)

MONTH	PRIMARY LIQUIDITY		EXTERNAL MANAGEMENT EXTENDED DURATION		COMPOSITE		TREASURY 1 YR. CONSTANT MATURITY ¹
	Avg. Balance	Yield	Avg. Balance	Annualized Total Return	Avg. Balance	Rate	Yield
July, 2013	\$4,340.0	0.23%	\$1,157.6	2.22%	\$5,497.6	0.65%	0.12%
August	\$3,872.1	0.25%	\$1,156.3	-4.33%	\$5,028.4	-0.80%	0.13%
September							
October							
November							
December							
January, 2014							
February							
March							
April							
May							
June							
Year-to-Date Average	\$4,106.1	0.24%	\$1,157.0	-1.05%	\$5,263.1	-0.04%	0.13%

• 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.

¹ Federal Reserve Bank H.15 Release.

**Commonwealth of Virginia/Department of Accounts
Report on the Revenue Stabilization Fund
For the Fiscal Year 2014**

Month	Beginning Balance	Deposits	Withdrawals	Interest Allocated (A)	Ending Balance
July	\$439,971,765	\$0	\$0	\$0	\$439,971,765
August	\$439,971,765	\$0	\$0	\$0	\$439,971,765
September					
October					
November					
December					
January					
February					
March					
April					
May					
June					

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