



## COMMONWEALTH of VIRGINIA

Richard D. Brown  
Secretary of Finance

September 12, 2016

PO Box 1475  
Richmond, VA. 23218

### MEMORANDUM

TO: The Honorable Terence R. McAuliffe

THROUGH: The Honorable Paul Reagan

FROM: Richard D. Brown 

SUBJECT: August Revenue Data

This month's revenue report incorporates the official revised revenue forecast for fiscal year 2017 released on August 26<sup>th</sup>. The revised forecast anticipates total general fund revenue growth of 1.7 percent in fiscal year 2017.

August is not a significant month for revenue collections with collections mainly from withholding, sales taxes, and other sources that have regular monthly payments. Total general fund revenue collections rose 12.0 percent in August, with two additional deposit days boosting receipts in withholding and recordation taxes. On a fiscal year-to-date basis, total revenue collections rose 8.1 percent in August, ahead of the annual forecast of 1.7 percent growth.

### **National Economic Indicators**

Most current national indicators suggest the economic expansion should continue.

- According to the second estimate, real GDP rose at an annualized rate of 1.1 percent in the second quarter of 2016, following a 0.8 percent increase in the first quarter.
- Payroll employment rose by 151,000 jobs in August, following gains of 275,000 in July and 271,000 in June. The three-month average of 232,000 is consistent with a healthy labor market expansion. In a separate report, the unemployment rate remained unchanged at 4.9 percent in August.

- Initial claims for unemployment fell by 4,000 to 259,000 during the week ending September 3. The four-week moving average fell by 1,750 to 261,250. Initial claims have been below 300,000 for 79 consecutive weeks, the longest streak since 1970.
- The Conference Board's index of leading indicators rose 0.4 percent in July, after increasing 0.3 percent in June. Eight of the ten components increased in July. The increase suggests the economy will advance at a healthy pace in the near term.
- The Conference Board's index of consumer confidence jumped from 96.7 to 101.1 in August, the highest level since September. Both the expectations and present conditions components saw healthy increases.
- Activity in the manufacturing sector stalled in August. The Institute of Supply Management index fell from 52.6 to 49.4, below expectations and sliding below the expansionary threshold of 50.0.
- The CPI was unchanged in July after rising 0.2 percent in June and stands 0.9 percent above July 2015. Core inflation (excluding food and energy prices) increased 0.1 percent in July and is 2.2 percent above a year ago.
- At its July meeting, the Federal Reserve announced that it is maintaining the federal funds target rate at the range of 0.25 to 0.5 percent.

### **Virginia Economy**

In Virginia, payroll employment rose 1.6 percent in July from July of last year. Northern Virginia posted growth of 1.9 percent; Hampton Roads grew 0.6 percent; and Richmond-Petersburg rose 2.9 percent. The seasonally adjusted unemployment rate was unchanged at 3.7 percent in July, the third consecutive month at 3.7 percent.

The Virginia Leading Index rose 0.6 percent in July after increasing 0.1 percent in June. All four components improved in July: the U.S. leading index, initial claims for unemployment, auto registrations, and future employment. On a regional basis, the indexes for Lynchburg and Harrisonburg declined in July while the indexes for the remaining MSAs increased.

### **August Revenue Collections**

Total general fund revenue collections rose 12.0 percent in August, with two extra deposit days boosting receipts in withholding and recordation taxes. On a fiscal year-to-date basis, total revenue collections rose 8.1 percent in August, ahead of the annual forecast of 1.7 percent growth.

***Net Individual Income Tax (70% of general fund revenues):*** Through August, collections of net individual income taxes increased 9.7 percent from the same period last year, exceeding the annual estimate of 1.8 percent growth. Performance in each component of individual income tax is as follows:

**Individual Income Tax Withholding (64% of general fund revenues):** With two additional deposit days compared with August of last year, payroll withholding taxes rose 17.7 percent for the month. Year-to-date, withholding collections are 9.5 percent ahead of the same period last year, exceeding the estimate of 3.0 percent growth.

**Individual Income Tax Nonwithholding (17% of general fund revenues):** August is not a significant month for collections in this source since the first estimated payment for fiscal year 2017 is due in September. Through the first two months of the fiscal year, collections were \$52.0 million compared with \$50.9 million in the same period last year.

**Individual Income Tax Refunds:** August is not a significant month for refunds. The Department of Taxation issued \$41.4 million in refunds in August compared with \$32.2 million in the same period last year.

**Sales Tax (18% of general fund revenues):** Collections of sales and use taxes, reflecting July sales, rose 1.1 percent in August. On a year-to-date basis, collections have risen 2.7 percent, close to the annual estimate of 2.6 percent growth. Adjusting for the accelerated sales tax program, sales tax collections have grown by 2.7 percent year-to-date, trailing the forecast of 3.7 percent growth.

**Corporate Income Tax (4% of general fund revenues):** August is not typically a significant month for collections in this source, as the first estimated payment for the fiscal year is due in September. Through August, collections in this source were \$9.9 million compared with \$19.1 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 taxes – were \$37.8 million in August, compared with \$30.3 million in August of last year, a 24.9 percent increase. On a year-to-date basis, collections are up 12.0 percent, ahead of the annual forecast of 5.5 percent growth.

**Insurance Premiums (2% of general fund revenues):** Monthly collections of insurance company premiums are being transferred to the Transportation Trust Fund per Chapter 986, 2007 Acts of the Assembly until the required amount of \$163.1 million has been deposited.

**Other Revenue Sources**

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

	<u>Year-to-Date</u>	<u>Annual Estimate</u>
Interest Income (0.3% GF revenues)	41.1%	5.3%
ABC Taxes (1% GF revenues)	26.1%	-2.8%

***All Other Revenue (2% of general fund revenues)***: Receipts in All Other Revenue rose 0.3 percent in August, \$30.1 million compared with \$30.0 million a year ago. On a year-to-date basis, collections of All Other Revenue fell 5.8 percent from the same period last year, trailing the annual estimate of a 3.5 percent decline.

### **Summary**

August is not a significant month for revenue collections with collections mainly from withholding, sales taxes, and other sources that have regular monthly payments. Total general fund revenue collections rose 12.0 percent in August, with two additional deposit days boosting receipts in withholding and recordation taxes. On a fiscal year-to-date basis, total revenue collections rose 8.1 percent in August, ahead of the annual forecast of 1.7 percent growth.

September collections will complete the first quarter of fiscal year 2017 and provide a clearer assessment of revenue growth. The first estimated payments from individuals, corporations, and insurance companies are due in September.

FY 2017 Revised Estimate  
August 26, 2016

Commonwealth of Virginia/Department of Accounts  
Summary Report on General Fund Revenue Collections  
For the Fiscal Years 2016 and 2017  
(Dollars in Thousands)

Revenue	(1)	(2)	August			Year-To-Date			(9)
	FY 2017 Estimate	As a % of Gen Fund Rev	FY 2017	FY 2016	% Change	FY 2017	FY 2016	% Change	% Annual Growth Req By Est
<b>Individual Income Tax:</b>									
<b>Withholding</b>	\$11,646,000	63.50	\$1,010,545	\$858,685	17.7	\$1,894,788	\$1,730,395	9.5	3.0
<b>Tax Dues/Estimated Payments</b>	3,032,500	16.54	51,996	50,939	2.1	115,590	105,577	9.5	(1.2)
<b>Gross Individual Income Tax</b>	\$14,678,500	80.04	\$1,062,541	\$909,624	16.8	\$2,010,378	\$1,835,972	9.5	2.1
<b>Individual and Fiduciary Income (Refunds)</b>	(1,894,100)	(10.32)	(41,355)	(32,194)	28.5	(76,746)	(74,033)	3.7	4.0
<b>Net Individual Income Tax</b>	\$12,784,400	69.72	\$1,021,186	\$877,430	16.4	\$1,933,632	\$1,761,939	9.7	1.8
<b>Sales and Use Tax</b>	\$3,382,200	18.45	\$256,756	\$254,048	1.1	\$389,244	\$378,887	2.7	2.6
<b>Corporations Income Tax</b>	742,100	4.05	9,913	19,050	(48.0)	17,102	23,965	(28.6)	(3.0)
<b>Wills, Suits, Deeds, Contracts</b>	389,400	2.12	37,832	30,285	24.9	74,544	66,546	12.0	5.5
<b>Insurance Premiums</b>	343,500	1.87	0	0	-	0	0	-	1.3
<b>Interest Income (a)</b>	54,900	0.30	8,488	5,958	42.5	16,872	11,957	41.1	5.3
<b>Alcoholic Beverage Sales (b)</b>	211,400	1.15	3,509	3,911	(10.3)	10,100	8,007	26.1	(2.8)
<b>All Other Revenues</b>	430,100	2.34	30,112	30,021	0.3	54,395	57,717	(5.8)	(3.5)
<b>Total General Fund Revenues</b>	\$18,338,000	100.00	\$1,367,796	\$1,220,703	12.0	\$2,495,889	\$2,309,018	8.1	1.7

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

- (a) Interest is earned monthly in the General Fund and credited to nongeneral funds on a quarterly basis. This will occur in the months of October, January, April and June.  
(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 2016 and 2017

(Dollars in Thousands)

Revenue	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2017 Estimate	As a % of Total Gen Fund Rev	August FY 2017	August FY 2016	% Change	Year-To-Date FY 2017	Year-To-Date FY 2016	% Change	% Annual Growth Req By Est
<b>Taxes:</b>									
Individual Income Tax - Withholding	\$11,646,000	63.50	\$1,010,545	\$858,685	17.7	\$1,894,788	\$1,730,395	9.5	3.0
Tax Dues/Estimated Payments	3,032,500	16.54	51,996	50,939	2.1	115,590	105,577	9.5	(1.2)
Gross Individual Income Tax	\$14,678,500	80.04	\$1,062,541	\$909,624	16.8	\$2,010,378	\$1,835,972	9.5	2.1
Individ and Fiduc Income (Refunds)	(1,894,100)	(10.32)	(41,355)	(32,194)	28.5	(76,746)	(74,033)	3.7	4.0
Net Individual Income Tax	\$12,784,400	69.72	\$1,021,186	\$877,430	16.4	\$1,933,632	\$1,761,939	9.7	1.8
Sales and Use Tax	3,382,200	18.45	256,756	254,048	1.1	389,244	378,887	2.7	2.6
Corporations Income	742,100	4.05	9,913	19,050	(48.0)	17,102	23,965	(28.6)	(3.0)
Public Service Corporations	98,900	0.54	7,281	7,621	(4.5)	13,618	14,110	(3.5)	6.8
Insurance Premiums	343,500	1.87	0	0	-	0	0	-	1.3
Alcoholic Beverage Excise	169,600	0.92	0	0	-	2,361	0	-	(3.3)
Beer and Beverage Excise	41,800	0.23	3,509	3,911	(10.3)	7,739	8,007	(3.3)	(1.1)
Wills, Suits, Deeds, Contracts	389,400	2.12	37,832	30,285	24.9	74,544	66,546	12.0	5.5
Inheritance, Gift, and Estate	0	0.00	60	0	-	253	0	-	(100.0)
Bank Franchise	18,700	0.10	35	103	(66.0)	45	111	(59.5)	5.1
Other Taxes	7,900	0.04	1,038	1,542	(32.7)	(326)	1,491	(121.9)	(44.0)
<b>Total Taxes</b>	<b>\$17,978,500</b>	<b>98.04</b>	<b>\$1,337,610</b>	<b>\$1,193,990</b>	<b>12.0</b>	<b>\$2,438,212</b>	<b>\$2,255,056</b>	<b>8.1</b>	<b>1.8</b>
<b>Rights and Privileges:</b>									
Licenses and Permits	\$4,000	0.02	\$571	\$488	17.0	\$763	\$714	6.9	(3.1)
Corp. Franchise and Charters	45,600	0.25	604	486	24.3	1,142	1,057	8.0	(15.0)
Fees for Misc. Privileges & Services	11,300	0.06	645	508	27.0	1,217	1,131	7.6	3.1
<b>Total Rights and Privileges</b>	<b>\$60,900</b>	<b>0.33</b>	<b>\$1,820</b>	<b>\$1,482</b>	<b>22.8</b>	<b>\$3,122</b>	<b>\$2,902</b>	<b>7.6</b>	<b>(11.4)</b>
<b>Other Revenues:</b>									
Sales of Property & Commodities	\$0	0.00	\$2	\$216	(99.1)	\$3	\$216	(98.6)	(100.0)
Assessmts & Rcpts for Support of Special Svcs	400	0.00	18	50	(64.0)	21	75	(72.0)	(1.5)
Institutional Revenue	7,300	0.04	173	353	(51.0)	346	1,054	(67.2)	39.0
Interest (a)	54,900	0.30	8,488	5,958	42.5	16,872	11,957	41.1	5.3
Dividends and Rent	300	0.00	141	134	5.2	178	185	(3.8)	(33.8)
Fines, Forfeitures & Fees	225,900	1.23	19,237	18,596	3.4	36,501	37,901	(3.7)	(0.1)
Other Revenue	8,600	0.05	1,131	366	209.0	1,408	727	93.7	(54.3)
Excess Fees	(6,800)	(0.04)	(1,024)	(837)	(22.3)	(1,795)	(1,752)	(2.5)	7.5
Private Donations, Gifts & Cont.	0	0.00	0	0	-	0	0	-	(100.0)
Cities, Counties, and Towns	8,000	0.05	200	395	(49.4)	1,021	697	46.5	8.8
<b>Total Other Revenues</b>	<b>\$298,600</b>	<b>1.63</b>	<b>\$28,366</b>	<b>\$25,231</b>	<b>12.4</b>	<b>\$54,555</b>	<b>\$51,060</b>	<b>6.8</b>	<b>(1.9)</b>
<b>Total General Fund Revenues</b>	<b>\$18,338,000</b>	<b>100.00</b>	<b>\$1,367,796</b>	<b>\$1,220,703</b>	<b>12.0</b>	<b>\$2,495,889</b>	<b>\$2,309,018</b>	<b>8.1</b>	<b>1.7</b>

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

(a) Interest is earned monthly in the General Fund and credited to nongeneral funds on a quarterly basis. This will occur in the months of October, January, April and June.

**Commonwealth of Virginia/Department of Lottery  
Summary Report on Lottery Collections  
For the Fiscal Years 2016 and 2017  
(Dollars in Thousands)**

	FY 2017 Estimate	August			Year-To-Date			% Annual Growth Required By Estimate
		(a)	(b)	% Change	(b)	(c)	% Change	
Lottery Collections								
Total Lottery Sales	\$1,957,100	\$153,846	\$153,358	0.3	\$323,246	\$305,057	6.0	(2.5)
Other Income	1,000	45	54	(16.7)	78	96	(18.8)	1.2
Total Income	<u>\$1,958,100</u>	<u>\$153,891</u>	<u>\$153,412</u>	<u>0.3</u>	<u>\$323,324</u>	<u>\$305,153</u>	<u>6.0</u>	<u>(2.5)</u>
Less:								
Prize Expenses	\$1,198,420	\$95,097	\$90,208	5.4	\$190,408	\$177,753	7.1	(0.8)
Retailer Commissions	110,813	8,572	8,430	1.7	18,036	17,285	4.3	(1.7)
Operating Expenses	107,636	7,794	6,911	12.8	14,461	14,096	2.6	9.1
Total Expenses	<u>\$1,416,869</u>	<u>\$111,463</u>	<u>\$105,549</u>	<u>5.6</u>	<u>\$222,905</u>	<u>\$209,134</u>	<u>6.6</u>	<u>(0.2)</u>
Net Proceeds from Operations								
Net Lottery Ticket Profits	\$541,231	\$42,428	\$47,863	(11.4)	\$100,419	\$96,019	4.6	1.2
Prior Year Residual Profit Transfer	20,296	53,486	4,255	#	53,486	4,255	#	-
Available to Lottery Proceeds Fund	<u>\$561,527</u>	<u>\$95,914</u>	<u>\$52,118</u>	<u>84.0</u>	<u>\$153,905</u>	<u>\$100,274</u>	<u>53.5</u>	<u>4.2</u>

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

- (a) FY 2017 estimate established by Chapter 780, 2016 Acts of Assembly (2017-2018 Appropriation Act). Prior Year Residual Profit Transfer of \$53,486,355 was made on August 16, 2016. The FY 2017 estimate will be revisited as part of the state revenue forecast process and will include an updated estimate of FY 2017 sales and profits, as well as the definite residual transfer from FY 2016. The figure shown here as the Prior Year Residual Profit Transfer reflects the anticipated residual transfer already included in the FY 2017 estimate reflected in Chapter 780.
- (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 2016 and 2017**  
**(Dollars in Thousands)**

Revenue	FY 2017 Estimate	As a % of Total Fund	August			Year-To-Date			% Annual Growth Required By Estimate
			FY 2017	FY 2016	% Change	FY 2017	FY 2016	% Change	
Motor Fuel Taxes	\$896,800	18.82	\$80,003	\$73,611	8.7	\$90,423	\$84,497	7.0	4.2
Priority Transportation Fund (PTF)	163,142	3.42	9,365	3,922	138.8	12,736	7,370	72.8	8.5
Motor Vehicle Sales and Use Tax	966,800	20.29	94,110	81,633	15.3	175,411	168,198	4.3	1.1
State Sales and Use Tax	1,017,700	21.36	83,341	78,883	5.7	123,379	117,485	5.0	1.7
Motor Vehicle License Fees	246,800	5.18	25,084	21,700	15.6	46,237	44,854	3.1	(2.6)
International Registration Plan	61,700	1.29	4,096	4,376	(6.4)	8,669	9,864	(12.1)	(8.9)
Recordation Tax	45,400	0.95	4,606	3,681	25.1	9,385	7,995	17.4	2.7
Interest Earnings	12,100	0.25	0	20	(100.0)	8	20	(60.0)	227.1
Misc. Taxes, Fees, and Revenues	17,000	0.36	2,064	1,684	22.6	2,970	3,041	(2.3)	(7.8)
<b>Total State Taxes and Fees</b>	<b>\$3,427,442</b>	<b>71.92</b>	<b>\$302,669</b>	<b>\$269,510</b>	<b>12.3</b>	<b>\$469,218</b>	<b>\$443,324</b>	<b>5.8</b>	<b>2.1</b>

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

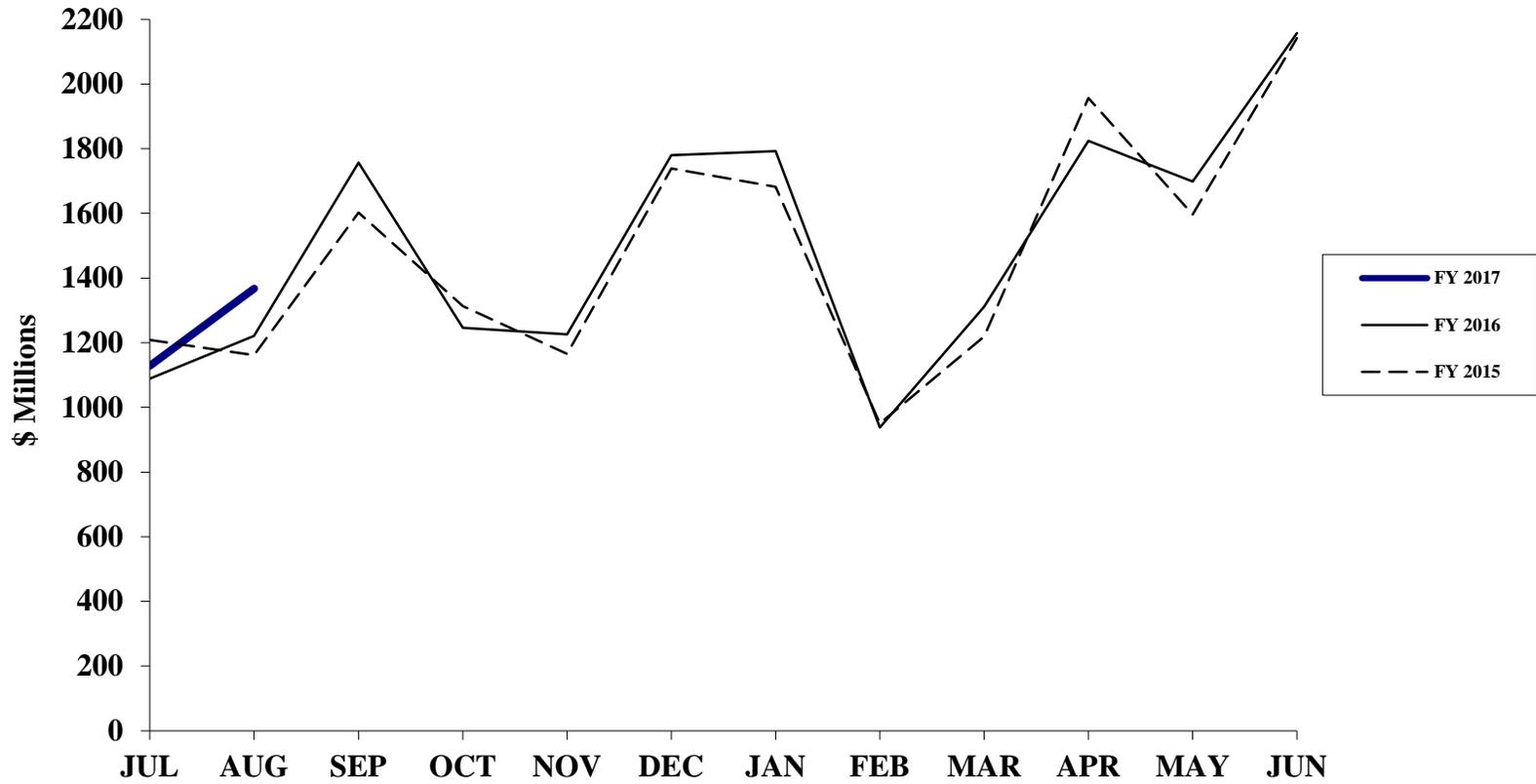
Commonwealth of Virginia/Department of Accounts  
Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues  
Statement of Revenue Estimates & Collections  
For the Fiscal Years 2016 and 2017  
(Dollars in Thousands)

Revenue	FY 2017 Estimate	As a % of Total Fund	August			Year-To-Date			% Annual Growth Required By Est
			FY 2017	FY 2016	% Change	FY 2017	FY 2016	% Change	
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>									
Motor Fuel Taxes (Includes Road Tax)	\$716,600	15.04	\$66,093	\$60,276	9.7	\$76,359	\$68,872	10.9	4.2
Motor Vehicle Sales and Use Tax	696,900	14.62	68,509	57,696	18.7	126,674	120,476	5.1	0.9
State Sales and Use Tax	286,000	6.00	23,091	21,871	5.6	34,347	33,091	3.8	3.3
Motor Vehicle License Fees	224,800	4.72	22,983	19,792	16.1	42,297	40,960	3.3	(3.0)
International Registration Plan	61,700	1.29	4,096	4,376	(6.4)	8,669	9,864	(12.1)	(8.9)
Recordation Tax (1 cent) (a)	0	0.00	0	1,227	-	0	2,665	-	-
Misc. Taxes, Fees, and Revenues	17,000	0.36	2,064	1,684	22.6	2,970	3,041	(2.3)	(7.8)
<b>Total State Taxes and Fees</b>	<b>\$2,003,000</b>	<b>42.03</b>	<b>\$186,836</b>	<b>\$166,922</b>	<b>11.9</b>	<b>\$291,316</b>	<b>\$278,969</b>	<b>4.4</b>	<b>0.7</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$8,897	\$4,259	108.9	\$11,155	\$6,759	65.0	(100.0)
Miscellaneous Revenues	18,044	0.38	1,452	4,375	(66.8)	2,456	5,363	(54.2)	(32.9)
Transfer (to) / from Transportation Trust Fund	102,896	2.16	0	0	-	0	0	-	15.4
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$2,123,940</b>	<b>44.57</b>	<b>\$197,185</b>	<b>\$175,556</b>	<b>12.3</b>	<b>\$304,927</b>	<b>\$291,091</b>	<b>4.8</b>	<b>(0.9)</b>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$180,200	3.78	\$13,910	\$13,335	4.3	\$14,064	\$15,625	(10.0)	4.0
PTF Insurance Premiums Tax	163,142	3.42	9,365	3,922	138.8	12,736	7,370	72.8	8.5
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	269,900	5.67	25,601	23,937	7.0	48,737	47,722	2.1	1.7
State Sales and Use Tax	731,700	15.36	60,250	57,012	5.7	89,032	84,394	5.5	1.1
Motor Vehicle License Fees	22,000	0.46	2,101	1,908	10.1	3,940	3,894	1.2	2.0
Recordation Tax (a)	45,400	0.95	4,606	2,454	-	9,385	5,330	-	-
Interest Earnings	12,100	0.25	0	20	(100.0)	8	20	(60.0)	227.1
<b>Total State Taxes and Fees</b>	<b>\$1,424,442</b>	<b>29.89</b>	<b>\$115,833</b>	<b>\$102,588</b>	<b>12.9</b>	<b>\$177,902</b>	<b>\$164,355</b>	<b>8.2</b>	<b>4.2</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$1,096,844	23.02	\$137,310	\$80,898	69.7	\$418,419	\$461,281	(9.3)	(2.4)
Receipts from Cities/Counties	200,869	4.21	17,018	5,964	185.3	30,602	8,665	253.2	59.4
Toll Revenues (Includes Route 28)	16,100	0.34	897	956	(6.2)	1,767	1,836	(3.8)	(14.1)
Miscellaneous Revenues	6,245	0.13	3,946	2,438	61.9	5,625	3,207	75.4	(83.6)
<b>Total Other Revenues</b>	<b>\$1,320,058</b>	<b>27.70</b>	<b>\$159,171</b>	<b>\$90,256</b>	<b>76.4</b>	<b>\$456,413</b>	<b>\$474,989</b>	<b>(3.9)</b>	<b>1.0</b>
Transfer (to) / from Highway Maintenance and Operating Fund	(\$102,896)	(2.16)	\$0	\$0	-	\$0	\$0	-	(15.4)
<b>Total Transportation Trust Fund</b>	<b>\$2,641,604</b>	<b>55.43</b>	<b>\$275,004</b>	<b>\$192,844</b>	<b>42.6</b>	<b>\$634,315</b>	<b>\$639,344</b>	<b>(0.8)</b>	<b>2.2</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>									
	<b>\$4,765,544</b>	<b>100.00</b>	<b>\$472,189</b>	<b>\$368,400</b>	<b>28.2</b>	<b>\$939,242</b>	<b>\$930,435</b>	<b>0.9</b>	<b>0.8</b>

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

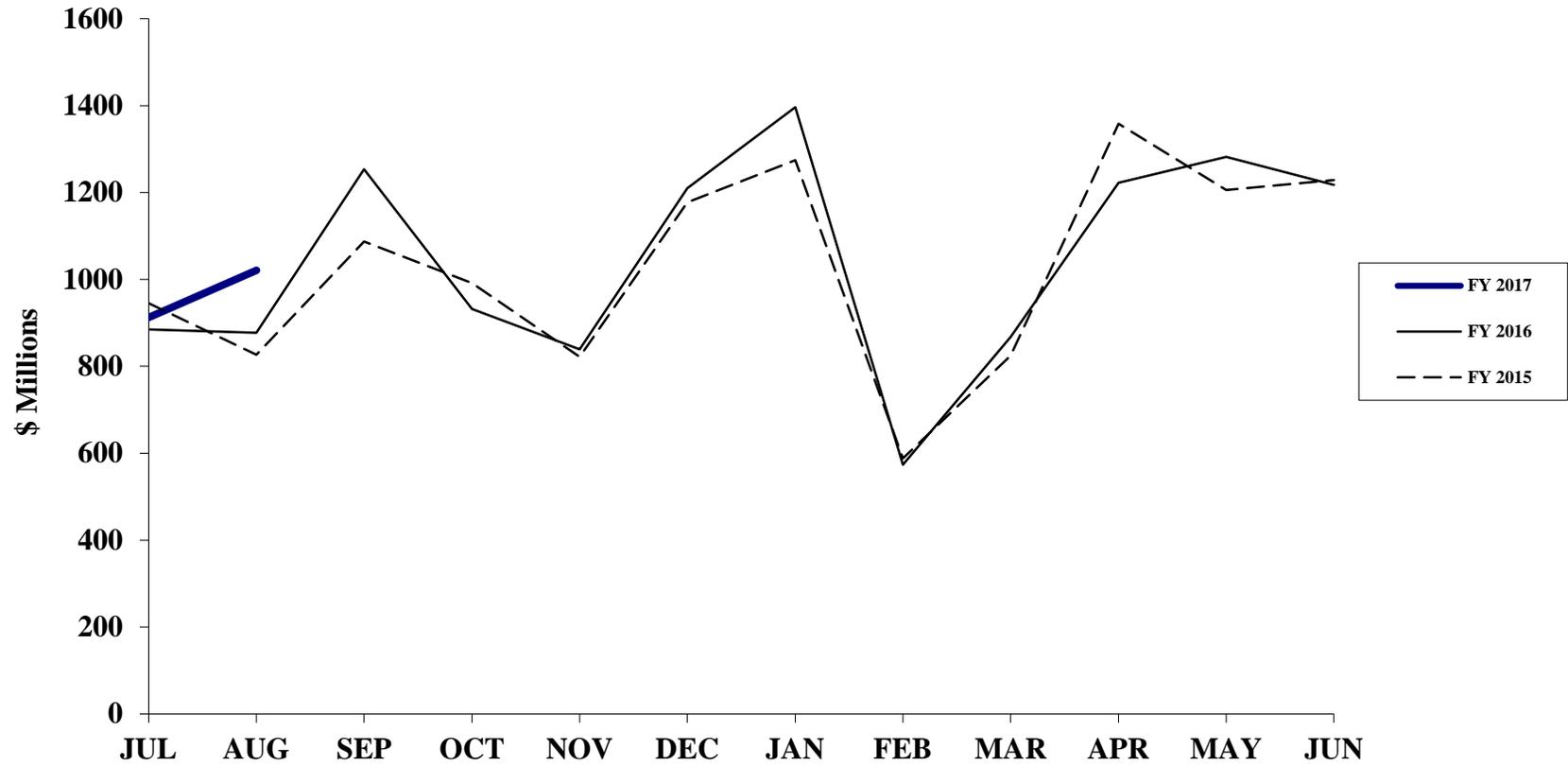
(a) Pursuant to Code of Virginia, §58.1-815.4, \$0.03 of specific recordation taxes are deposited to components of the Transportation Trust Fund effective July 1, 2016. Accordingly, the "Recordation Tax (1 cent)" line item was removed from the Highway Maintenance and Operating Fund FY 2017 Revenue Forecast. All FY 2017 Recordation Taxes are included in the Transportation Trust Fund Revenue Forecast in the "Recordation Tax" line item. Since there will be no collections for the "Recordation Tax (1 cent)" line item for the Highway Maintenance and Operating Fund during FY 2017, the Monthly and Year-To-Date % Change and % Annual Growth Required by Est. columns for the Recordation Tax lines are not provided.

# Total General Fund Revenues



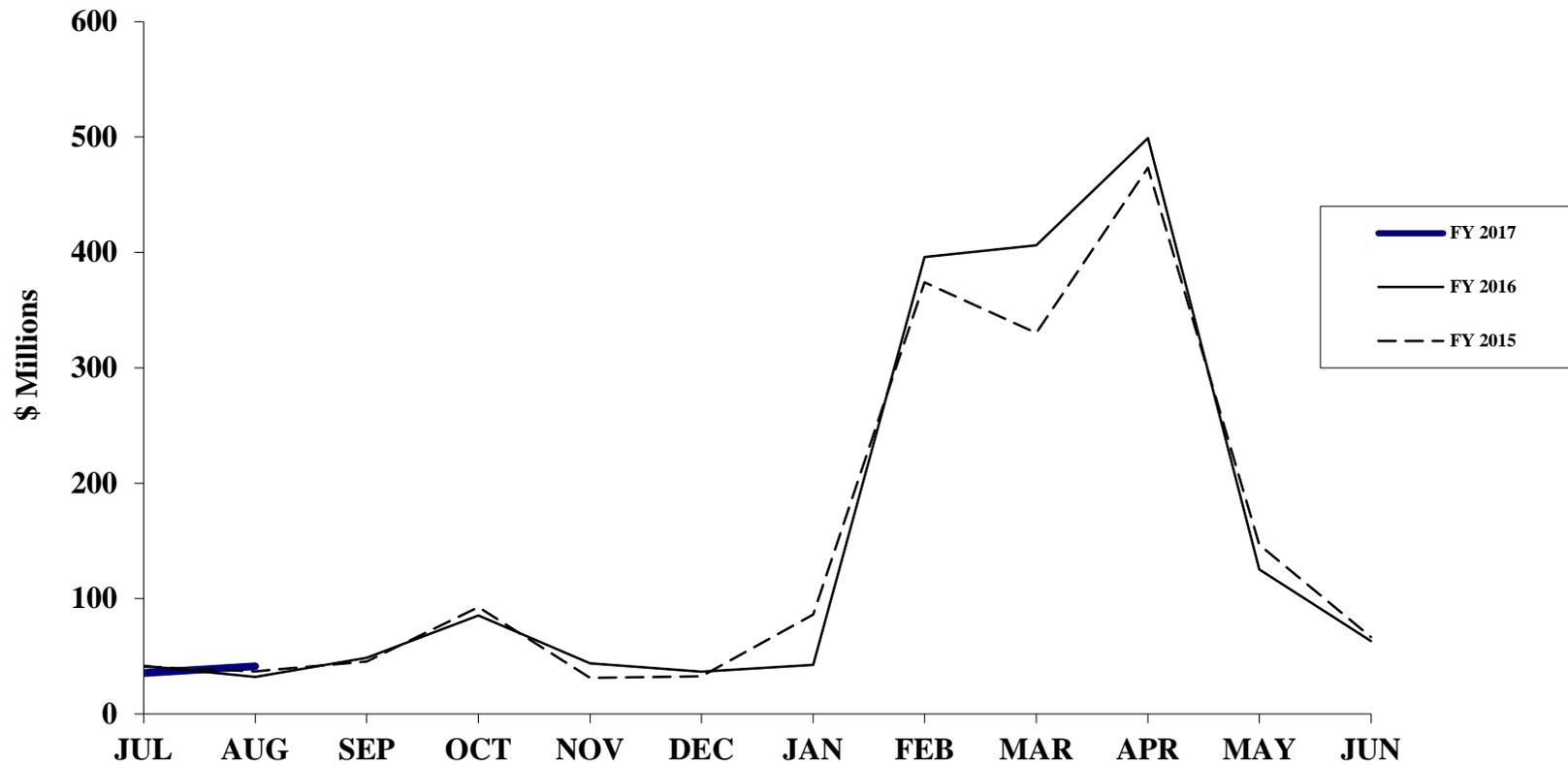
**FY 2015 Actual = \$17,735.6 Million**  
**FY 2016 Actual = \$18,040.1 Million**  
**FY 2017 Estimate = \$18,338.0 Million**

# Net Individual Income Tax



**FY 2015 Actual = \$12,328.7 Million**  
**FY 2016 Actual = \$12,555.6 Million**  
**FY 2017 Estimate = \$12,784.4 Million**

# Individual and Fiduciary Income Tax Refunds



**FY 2015 Actual = \$1,757.3 Million**  
**FY 2016 Actual = \$1,820.7 Million**  
**FY 2017 Estimate = \$1,894.1 Million**

## DEPARTMENT OF THE TREASURY

General Account Investment Portfolio

Monthly Average Balances and Rates

For the Fiscal Year 2017

(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, 2016	\$4,183.5	0.69%	\$1,269.5	4.46%	\$5,453.0	1.57%	0.51%
August	\$3,648.3	0.69%	\$1,270.9	-1.35%	\$4,919.2	0.16%	0.57%
September							
October							
November							
December							
January, 2017							
February							
March							
April							
May							
June							
<b>Year-to-Date Average</b>	\$3,915.9	0.69%	\$1,270.2	1.55%	\$5,186.1	0.90%	0.54%

▪ 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 2017**

<u>Month</u>	<u>Beginning Balance</u>	<u>Deposits</u>	<u>Withdrawals</u>	<u>Interest Allocated (A)</u>	<u>Ending Balance</u>
July	\$235,485,176	\$0	\$0	\$0	\$235,485,176
August	\$235,485,176	\$0	\$0	\$0	\$235,485,176
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.