



# COMMONWEALTH of VIRGINIA

Office of the Governor

Richard D. Brown  
Secretary of Finance


P.O. Box 1475  
Richmond, Virginia 23218

January 15, 2010

## MEMORANDUM

TO: The Honorable Timothy M. Kaine

THROUGH: The Honorable Wayne M. Turnage

FROM: Richard D. Brown 

SUBJECT: December Revenue Data

This month's revenue report contains general fund revenue collections for the first six months of fiscal year 2010. The report incorporates the revised general fund revenue forecast included in the introduced budget. The revised forecast used with the budget introduced on December 18 reflects a further downward revision from the August 2009 interim forecast. With the downward revenue revisions in December, total general fund revenues are now projected to decline by 2.7 percent in fiscal year 2010.

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, in addition to 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 15 are received. Also, some withholding payments can be delayed by a larger volume of mail over the holidays, pushing some December payments into January. Finally, 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. In addition to these seasonal factors, the tax amnesty program, which ended December 5, is distorting growth in most major sources.

Total general fund revenue collections grew 5.5 percent in December, the first positive monthly growth in 16 months. The tax amnesty program, which ended December 5, provided much of the growth. Adjusting for amnesty, revenues declined 1.8 percent for

the month. Collections of withholding, sales, corporate, and recordation taxes increased for the month, while nonwithholding receipts and individual refunds were about the same as December of last year. On a year-to-date basis, total revenues fell 4.4 percent, trailing the revised annual forecast of a 2.7 percent decline.

### **National Economic Indicators**

Most national indicators suggest that economic output is expanding, although growth is likely to remain weak for some time, as the slack labor market, lower wealth, and tight credit constrain consumers.

- Economic growth is somewhat slower than previously reported. According to the final estimate, real GDP grew 2.2 percent in the third quarter of 2009, substantially lower than the advance estimate of 3.5 percent.
- After a slight up tick in November, labor market conditions continued to deteriorate in December. Following a gain of 4,000 jobs in November, payroll employment fell by 85,000 jobs in December. Employment fell in construction, manufacturing, and wholesale trade, while temporary help services and health care added jobs. In a separate report, the unemployment rate was unchanged at 10.0 percent in December, mainly due to a sharp decrease in the labor force.
- Although initial claims for unemployment increased by 1,000 to 434,000 during the week ending January 2, claims remain on a downward trend, with the four-week moving average falling from 461,000 to 450,000. Initial claims have fallen 36 percent from their March 2009 peak of 674,000.
- The Conference Board's index of leading indicators rose 0.9 percent to 104.9 in November, its eighth consecutive monthly increase. Six of the ten components contributed positively to the index. The growth in the index strongly suggests the economy is improving.
- The Conference Board's index of consumer confidence rose from 50.6 to 52.9 in December, the second consecutive monthly gain. An increase in the expectations component offset a decline in the current conditions component. Although the gain is a positive sign, confidence remains at historical lows.
- The recovery in the manufacturing sector continued in December. The Institute of Supply Management index rose by 2.3 points in December, from 53.6 to 55.9. The index has stayed above the expansionary threshold of 50 for five consecutive months, and is at its highest level since April 2006.
- Rising energy prices drove inflation higher in November -- the CPI rose 0.4 percent. Core inflation was unchanged for the month and stands 1.7 percent above November of last year.

- At its December meeting, the Federal Reserve announced it will keep the federal funds target rate in the 0.0 to 0.25 percent range “for an extended period.”

### **Virginia Economy**

Although Virginia continues to lose jobs, the pace of job losses has slowed. Payroll employment fell by 2.0 percent in November, following a 2.3 percent decline in October, the fifteenth consecutive monthly drop. Northern Virginia posted a gain of 0.1 percent, Hampton Roads fell 0.4 percent, and employment in the Richmond-Petersburg area fell 1.8 percent in November. The unemployment rate in Virginia was unchanged at 6.4 percent in November, and remains below the June high of 7.3 percent.

The Virginia Leading Index rose 0.2 percent in November for its seventh consecutive gain. All three components -- initial claims for unemployment, building permits, and auto registrations -- contributed positively to the index. The leading index rose in November in all eleven metropolitan areas in the Commonwealth except Lynchburg, which declined 0.1 percent.

### **December Revenue Collections**

Total general fund revenue collections grew 5.5 percent in December, the first positive monthly growth in 16 months. However, the tax amnesty program contributed to growth in most major revenue sources. Adjusting for amnesty, revenues fell 1.8 percent for the month. On a year-to-date basis, total revenues fell 4.4 percent, trailing the revised annual forecast of a 2.7 percent decline.

***Net Individual Income Tax (64% of general fund revenues):*** Through the first six months of the fiscal year, collections of net individual income tax fell by 5.9 percent from the same period last year, close to the revised annual estimate of a 5.6 percent decline. Performance in each component of individual income tax is as follows:

***Individual Income Tax Withholding (66% of general fund revenues):*** Collections of payroll withholding taxes grew 0.7 percent in December. Year-to-date withholding collections have declined by 2.3 percent over the same period last year, trailing the projected annual growth rate of a 0.2 percent increase.

***Individual Income Tax Nonwithholding (13% of general fund revenues):*** Collections in this source fell 0.4 percent in December. Adjusted for amnesty, nonwithholding receipts declined 16.7 percent for the month. Year to date, collections through the first half of the year fell 18.6 percent from the same period last year, compared with the revised annual estimate of a 21.5 percent decline.

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 15 to submit their fourth estimated payment for tax year 2009. A clearer

assessment of growth in this source will occur at the end of January, when all quarterly payments have been received.

**Individual Income Tax Refunds:** TAX issued \$58.4 million in refunds in December compared with \$58.9 million last December. Over the first six months of the fiscal year, refunds have grown 24.1 percent from the same period last year, compared with the annual estimate of 2.6 percent growth.

**Sales Tax (22% of general fund revenues):** Collections of sales and use taxes, reflecting November sales, rose 9.8 percent in December. Adjusted for amnesty, however, collections fell 3.1 percent for the month. On a year-to-date basis, collections have fallen 3.4 percent, compared with the annual estimate of 4.1 percent growth and the economic forecast (removing policy adjustments) of a 4.1 percent decline. (Major policy adjustments include amnesty and the accelerated sales tax program.)

As with individual nonwithholding, January receipts are needed to more accurately assess growth in this source because a large part of holiday sales tax collections will be received in January.

**Corporate Income Tax (5% of general fund revenues):** Collections of corporate income tax were \$138.1 million in December, compared with \$82.3 million last December, a 67.7 percent increase. Adjusted for amnesty, corporate collections grew 22.8 percent from December 2008. On a year-to-date basis, collections in this source have risen 33.7 percent, far ahead of the revised annual forecast of 8.8 percent growth.

**Wills, Suits, Deeds, Contracts (2% of general fund revenues):** Collections of wills, suits, deeds, and contracts – mainly recordation tax collections – rose 11.0 percent in December. On a year-to-date basis, collections are down 0.9 percent, ahead of the forecast of a 9.6 percent decline.

#### **Other Revenue Sources**

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

	<b><u>Year-to-Date</u></b>	<b><u>Annual Estimate</u></b>
Insurance Premiums (2% GF revenues)	-0.6%	0.2%
Interest Income (1% GF revenues)	-33.2%	10.8%
ABC Taxes (1% GF revenues)	0.4%	0.9%

**All Other Revenue (3% of general fund revenues):** Receipts in All Other Revenue fell 43.7 percent in December – \$24.6 million compared with \$43.7 million last December.

Collections in Other Revenue drove the decline. For the fiscal year-to-date, collections in this category fell 15.6 percent from the same period in fiscal year 2009, lagging the annual estimate of a 4.2 percent decline.

### **Summary**

Total general fund revenue collections grew 5.5 percent in December, the first positive monthly growth in 16 months. Adjusting for the impact of amnesty, revenues fell 1.8 percent for the month. On a year-to-date basis, total revenues fell 4.4 percent, trailing the revised annual forecast of a 2.7 percent decline. Total revenues can decline 1.1 percent over the second half of the fiscal year and attain the revised December forecast. December and January are both important months for revenue collections. During this time of year, several factors can influence the flow of payments and significantly affect monthly growth rates. Thus, December and January receipts must be considered together to get a clearer picture of revenue growth.

FY 2010 Revised Estimate  
Per House Bill 29, December 18, 2009

Commonwealth of Virginia/Department of Accounts  
Summary Report on General Fund Revenue Collections  
For the Fiscal Years 2009 and 2010  
(Dollars in Thousands)

Revenue	(1)	(2)	(3)			(7)			(9)
	FY 2010 Estimate	As a % of Gen Fund Rev	FY 2010	FY 2009	% Change	FY 2010	FY 2009	% Change	% Annual Growth Req By Est
<b>Individual Income Tax:</b>									
<b>Withholding</b>	\$9,153,400	65.75	\$891,520	\$885,671	0.7	\$4,453,648	\$4,560,034	(2.3)	0.2
<b>Tax Dues/Estimated Payments</b>	1,813,200	13.02	116,107	116,524	(0.4)	529,124	649,771	(18.6)	(21.5)
<b>Gross Individual Income Tax</b>	\$10,966,600	78.77	\$1,007,627	\$1,002,195	0.5	\$4,982,772	\$5,209,805	(4.4)	(4.2)
<b>Individual and Fiduciary Income (Refunds)</b>	(2,019,300)	(14.50)	(58,403)	(58,859)	(0.8)	(333,181)	(268,428)	24.1	2.6
<b>Net Individual Income Tax</b>	\$8,947,300	64.27	\$949,224	\$943,336	0.6	\$4,649,591	\$4,941,377	(5.9)	(5.6)
<b>Sales and Use Tax</b>	\$3,021,900	21.71	\$255,537	\$232,662	9.8	\$1,448,689	\$1,499,164	(3.4)	4.1
<b>Corporations Income Tax</b>	705,200	5.07	138,075	82,319	67.7	351,921	263,291	33.7	8.8
<b>Wills, Suits, Deeds, Contracts</b>	284,000	2.04	24,637	22,192	11.0	155,099	156,524	(0.9)	(9.6)
<b>Insurance Premiums</b>	255,500	1.83	75,102	75,582	(0.6)	75,102	75,582	(0.6)	0.2
<b>Interest Income (a)</b>	115,500	0.83	24,651	14,272	72.7	66,722	99,926	(33.2)	10.8
<b>Alcoholic Beverage Sales (b)</b>	174,800	1.25	3,307	3,228	2.4	54,525	54,332	0.4	0.9
<b>All Other Revenues</b>	417,600	3.00	24,583	43,692	(43.7)	159,205	188,700	(15.6)	(4.2)
<b>Total General Fund Revenues</b>	\$13,921,800	100.00	\$1,495,116	\$1,417,283	5.5	\$6,960,854	\$7,278,896	(4.4)	(2.7)

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

(a) Interest will be allocated in accordance with Section 3-3.04 of Chapter 781, 2009 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 2009 and 2010  
(Dollars in Thousands)

Revenue	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2010 Estimate	As a % of Total Gen Fund Rev	FY 2010	FY 2009	% Change	FY 2010	FY 2009	% Change	% Annual Growth Req By Est
<b>Taxes:</b>									
Individual Income Tax - Withholding	\$9,153,400	65.75	\$891,520	\$885,671	0.7	\$4,453,648	\$4,560,034	(2.3)	0.2
Tax Dues/Estimated Payments	1,813,200	13.02	116,107	116,524	(0.4)	529,124	649,771	(18.6)	(21.5)
Gross Individual Income Tax	\$10,966,600	78.77	\$1,007,627	\$1,002,195	0.5	\$4,982,772	\$5,209,805	(4.4)	(4.2)
Individ and Fiduc Income (Refunds)	(2,019,300)	(14.50)	(58,403)	(58,859)	(0.8)	(333,181)	(268,428)	24.1	2.6
Net Individual Income Tax	\$8,947,300	64.27	\$949,224	\$943,336	0.6	\$4,649,591	\$4,941,377	(5.9)	(5.6)
Sales and Use Tax	3,021,900	21.71	255,537	232,662	9.8	1,448,689	1,499,164	(3.4)	4.1
Corporations Income	705,200	5.07	138,075	82,319	67.7	351,921	263,291	33.7	8.8
Public Service Corporations	94,600	0.68	7,031	5,959	18.0	38,650	39,668	(2.6)	3.6
Insurance Premiums	255,500	1.83	75,102	75,582	(0.6)	75,102	75,582	(0.6)	0.2
Alcoholic Beverage Excise	131,400	0.94	0	0	-	31,706	31,368	1.1	1.4
Beer and Beverage Excise	43,400	0.31	3,307	3,228	2.4	22,819	22,964	(0.6)	(0.5)
Wills, Suits, Deeds, Contracts	284,000	2.04	24,637	22,192	11.0	155,099	156,524	(0.9)	(9.6)
Inheritance, Gift, and Estate	0	0.00	738	406	81.8	3,552	5,343	(33.5)	(100.0)
Bank Franchise	20,000	0.14	0	0	-	(1,139)	2,676	(142.6)	(11.0)
Other Taxes	4,000	0.03	294	102	188.2	2,339	4,040	(42.1)	(30.7)
<b>Total Taxes</b>	<b>\$13,507,300</b>	<b>97.02</b>	<b>\$1,453,945</b>	<b>\$1,365,786</b>	<b>6.5</b>	<b>\$6,778,329</b>	<b>\$7,041,997</b>	<b>(3.7)</b>	<b>(2.8)</b>
<b>Rights and Privileges:</b>									
Licenses and Permits	\$4,200	0.03	\$547	\$539	1.5	\$2,217	\$2,214	0.1	(2.3)
Corp. Franchise and Charters	46,200	0.33	461	543	(15.1)	2,945	3,129	(5.9)	(6.5)
Fees for Misc. Privileges & Services	13,300	0.10	552	639	(13.6)	4,491	5,407	(16.9)	(3.0)
<b>Total Rights and Privileges</b>	<b>\$63,700</b>	<b>0.46</b>	<b>\$1,560</b>	<b>\$1,721</b>	<b>(9.4)</b>	<b>\$9,653</b>	<b>\$10,750</b>	<b>(10.2)</b>	<b>(5.5)</b>
<b>Other Revenues:</b>									
Sales of Property & Commodities	\$8,300	0.06	\$0	\$0	-	\$2	\$1	100.0	#
Assessmts & Rcpts for Support of Special Svcs	400	0.00	58	0	-	179	128	39.8	1.0
Institutional Revenue	5,900	0.05	448	440	1.8	3,028	3,434	(11.8)	(7.8)
Interest (a)	115,500	0.83	24,651	14,272	72.7	66,722	99,926	(33.2)	10.8
Dividends and Rent	300	0.00	34	39	(12.8)	248	249	(0.4)	(11.8)
Fines, Forfeitures & Fees	209,900	1.51	15,701	17,359	(9.6)	101,118	106,974	(5.5)	(2.5)
Other Revenue	5,100	0.04	(1,628)	17,664	(109.2)	2,889	19,640	(85.3)	(81.2)
Excess Fees	(6,500)	(0.05)	(619)	(841)	26.4	(6,173)	(9,044)	31.7	62.1
Private Donations, Gifts & Cont.	1,700	0.01	8	38	(78.9)	38	38	0.0	#
Cities, Counties, and Towns	10,200	0.07	958	805	19.0	4,821	4,803	0.4	(0.6)
<b>Total Other Revenues</b>	<b>\$350,800</b>	<b>2.52</b>	<b>\$39,611</b>	<b>\$49,776</b>	<b>(20.4)</b>	<b>\$172,872</b>	<b>\$226,149</b>	<b>(23.6)</b>	<b>1.1</b>
<b>Total General Fund Revenues</b>	<b>\$13,921,800</b>	<b>100.00</b>	<b>\$1,495,116</b>	<b>\$1,417,283</b>	<b>5.5</b>	<b>\$6,960,854</b>	<b>\$7,278,896</b>	<b>(4.4)</b>	<b>(2.7)</b>

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

(a) Interest will be allocated in accordance with Section 3-3.04 of Chapter 781, 2009 Virginia Acts of Assembly.

**Commonwealth of Virginia/Department of Lottery  
Summary Report on Lottery Collections  
For the Fiscal Years 2009 and 2010  
(Dollars in Thousands)**

	<u>FY 2010 Estimate</u>	(a)	<u>December</u>			<u>Year-To-Date</u>			<u>% Annual Growth Required By Estimate</u>
			<u>FY 2010</u>	<u>FY 2009</u>	<u>% Change</u>	<u>FY 2010</u>	<u>FY 2009</u>	<u>% Change</u> (b)	
Lottery Collections									
Win for Life	\$34,900		\$2,547	\$2,803	(9.1)	\$15,807	\$16,501	(4.2)	8.6
Cash 5	29,000		2,453	2,551	(3.8)	14,616	14,363	1.8	(0.9)
Pick 4	191,400		17,382	16,840	3.2	96,702	91,180	6.1	3.2
Pick 3	277,200		21,470	22,231	(3.4)	122,303	123,362	(0.9)	10.6
Mega Millions	137,500		16,296	18,519	(12.0)	103,505	77,592	33.4	(15.2)
Fast Play	10,900		520	384	35.4	3,509	3,680	(4.6)	60.9
Raffle	10,600		0	7,774	(100.0)	0	8,906	(100.0)	19.0
Scratch	699,800		62,420	63,248	(1.3)	351,072	338,868	3.6	1.4
Gross Lottery Revenue	<u>1,391,300</u>		<u>123,088</u>	<u>134,350</u>	<u>(8.4)</u>	<u>707,514</u>	<u>674,452</u>	<u>4.9</u>	<u>1.9</u>
Expenses (c)	<u>951,215</u>		<u>86,669</u> (d)	<u>95,574</u>	<u>(9.3)</u>	<u>488,611</u> (d)	<u>459,714</u>	<u>6.3</u>	<u>2.7</u>
Net Lottery Ticket Profits	<u>\$440,085</u>		<u>\$36,419</u> (d)	<u>\$38,776</u>	<u>(6.1)</u>	<u>\$218,903</u> (d)	<u>\$214,738</u>	<u>1.9</u>	<u>0.2</u>

(a) Estimate established by House Bill 29, December 18, 2009, and includes the residual amounts of FY 2009 Lottery profits of \$8,897,212 and the residual balance of the Lottery Proceeds Fund of \$964,471 at June 30, 2009.

(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 2009 and 2010**  
(Dollars in Thousands)

Revenue	FY 2010 Estimate	As a % of Total Fund	December			Year-To-Date			% Annual Growth Required By Estimate
			FY 2010	FY 2009	% Change	FY 2010	FY 2009	% Change	
Motor Fuel Taxes	\$824,000	25.21	\$75,001	\$74,805	0.3	\$359,486	\$364,322	(1.3)	(1.8)
Priority Transportation Fund (PTF)	149,100	4.56	20,671	20,041	3.1	137,102	140,286	(2.3)	(2.1)
Motor Vehicle Sales and Use Tax	420,100	12.86	32,792	30,048	9.1	229,531	229,348	0.1	(5.0)
State Sales and Use Tax	478,300	14.64	43,494	39,371	10.5	247,799	257,057	(3.6)	(4.2)
Motor Vehicle License Fees	239,900	7.34	15,296	15,069	1.5	109,159	114,213	(4.4)	(0.7)
International Registration Plan	58,600	1.79	7,540	5,995	25.8	22,704	20,746	9.4	(0.4)
Recordation Tax	33,500	1.02	3,118	2,346	32.9	19,017	17,170	10.8	(6.2)
Interest Earnings	23,900	0.73	66	8	725.0	6,195	10,820	(42.7)	(13.9)
Misc. Taxes, Fees, and Revenues	12,700	0.39	1,001	944	6.0	6,088	6,494	(6.3)	(1.8)
<b>Total State Taxes and Fees</b>	<b>\$2,240,100</b>	<b>68.54</b>	<b>\$198,979</b>	<b>\$188,627</b>	<b>5.5</b>	<b>\$1,137,081</b>	<b>\$1,160,456</b>	<b>(2.0)</b>	<b>(3.0)</b>

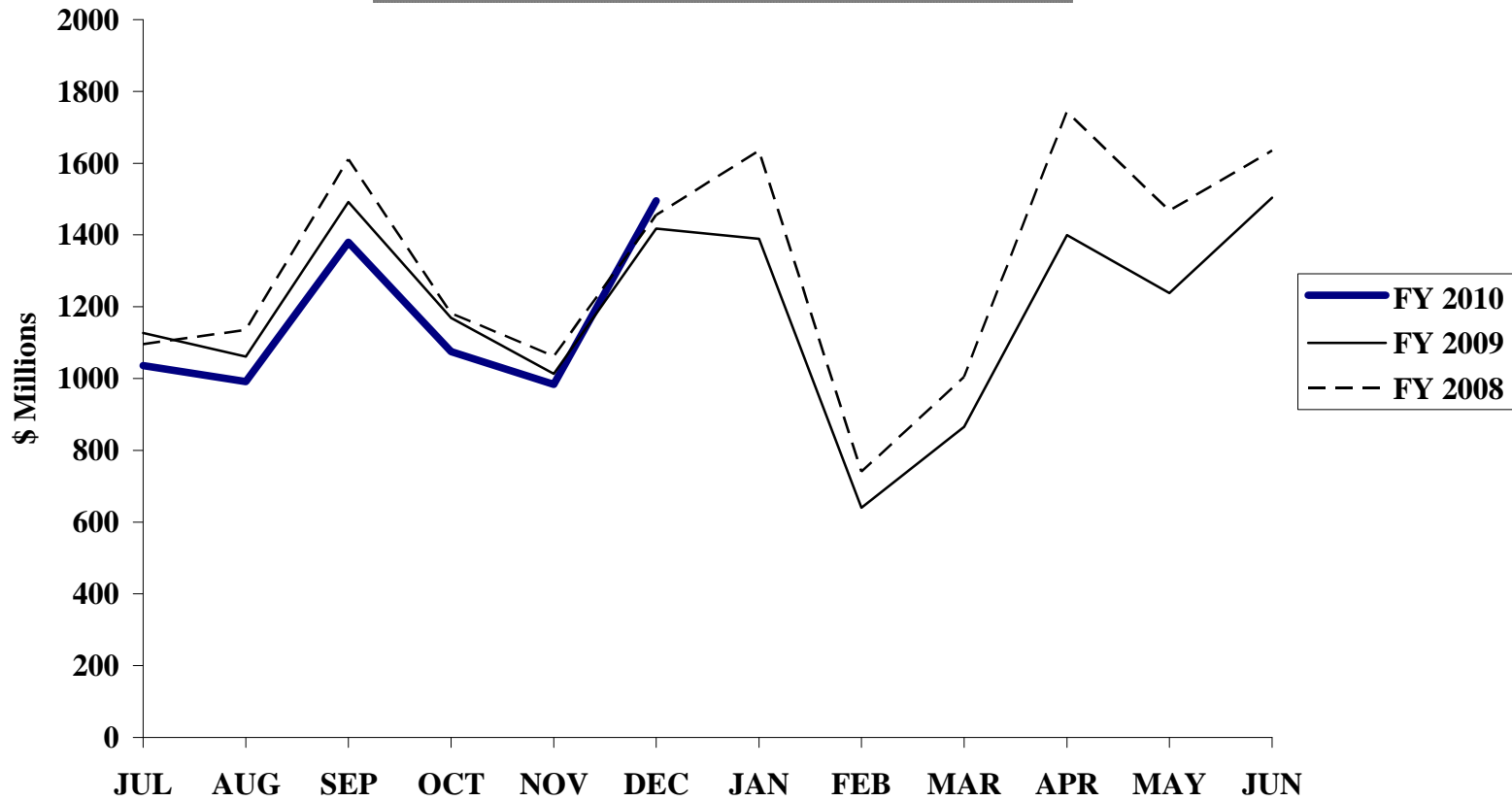
# Percentage is greater than or equal to 1,000%.

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 2009 and 2010  
(Dollars in Thousands)

Revenue	FY 2010 Estimate	As a % of Total Fund	December			Year-To-Date			% Annual Growth Required By Est
			FY 2010	FY 2009	% Change	FY 2010	FY 2009	% Change	
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>									
Motor Fuel Taxes (Includes Road Tax)	\$710,800	21.75	\$64,593	\$64,774	(0.3)	\$310,100	\$313,135	(1.0)	(1.6)
Motor Vehicle Sales and Use Tax	253,200	7.75	19,960	18,073	10.4	138,362	139,108	(0.5)	(6.1)
Motor Vehicle License Fees	218,700	6.69	13,905	13,683	1.6	99,259	103,933	(4.5)	(0.6)
International Registration Plan	58,600	1.79	7,540	5,995	25.8	22,704	20,746	9.4	(0.4)
Recordation Tax (1 cent)	11,200	0.34	1,039	782	32.9	6,339	5,723	10.8	(5.9)
Misc. Taxes, Fees, and Revenues	12,700	0.39	1,001	944	6.0	6,088	6,494	(6.3)	(1.8)
<b>Total State Taxes and Fees</b>	<b>\$1,265,200</b>	<b>38.71</b>	<b>\$108,038</b>	<b>\$104,251</b>	<b>3.6</b>	<b>\$582,852</b>	<b>\$589,139</b>	<b>(1.1)</b>	<b>(2.4)</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$2,026	\$2,228	(9.1)	\$9,858	\$11,547	(14.6)	(100.0)
Miscellaneous Revenues	15,698	0.48	2,735	1,118	144.6	8,209	8,039	2.1	13.4
Transfer (to) / from Transportation Trust Fund	500,188	15.31	50,000	65,000	(23.1)	200,000	345,000	(42.0)	37.1
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$1,781,086</b>	<b>54.50</b>	<b>\$162,799</b>	<b>\$172,597</b>	<b>(5.7)</b>	<b>\$800,919</b>	<b>\$953,725</b>	<b>(16.0)</b>	<b>5.1</b>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$113,200	3.46	\$10,408	\$10,031	3.8	\$49,386	\$51,187	(3.5)	(3.1)
PTF Motor Fuels	20,000	0.61	2,000	2,000	0.0	8,000	8,000	0.0	0.0
PTF Insurance Premiums Tax	129,100	3.95	18,671	18,041	3.5	129,102	132,286	(2.4)	(2.4)
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	166,900	5.11	12,832	11,975	7.2	91,169	90,240	1.0	(3.3)
State Sales and Use Tax	478,300	14.64	43,494	39,371	10.5	247,799	257,057	(3.6)	(4.2)
Motor Vehicle License Fees	21,200	0.65	1,391	1,386	0.4	9,900	10,280	(3.7)	(1.9)
Recordation Tax (2 cents)	22,300	0.68	2,079	1,564	32.9	12,678	11,447	10.8	(6.3)
Interest Earnings	23,900	0.73	66	8	725.0	6,195	10,820	(42.7)	(13.9)
<b>Total State Taxes and Fees</b>	<b>\$974,900</b>	<b>29.83</b>	<b>\$90,941</b>	<b>\$84,376</b>	<b>7.8</b>	<b>\$554,229</b>	<b>\$571,317</b>	<b>(3.0)</b>	<b>(3.9)</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$844,434	25.84	\$52,096	\$50,909	2.3	\$440,203	\$378,785	16.2	7.0
Receipts from Cities/Counties	96,900	2.97	9,910	(741)	#	18,677	20,309	(8.0)	107.0
Toll Revenues (Includes Route 28)	52,309	1.60	847	17,139	(95.1)	21,253	46,146	(53.9)	(32.9)
Miscellaneous Revenues	18,542	0.57	2,580	3,715	(30.6)	15,205	9,331	63.0	1.2
<b>Total Other Revenues</b>	<b>\$1,012,185</b>	<b>30.98</b>	<b>\$65,433</b>	<b>\$71,022</b>	<b>(7.9)</b>	<b>\$495,338</b>	<b>\$454,571</b>	<b>9.0</b>	<b>8.6</b>
Transfer (to) / from Highway Maintenance and Operating Fund	(\$500,188)	(15.31)	(\$50,000)	(\$65,000)	23.1	(\$200,000)	(\$345,000)	42.0	(37.1)
<b>Total Transportation Trust Fund</b>	<b>\$1,486,897</b>	<b>45.50</b>	<b>\$106,374</b>	<b>\$90,398</b>	<b>17.7</b>	<b>\$849,567</b>	<b>\$680,888</b>	<b>24.8</b>	<b>(6.0)</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>									
	<b>\$3,267,983</b>	<b>100.00</b>	<b>\$269,173</b>	<b>\$262,995</b>	<b>2.3</b>	<b>\$1,650,486</b>	<b>\$1,634,613</b>	<b>1.0</b>	<b>(0.3)</b>

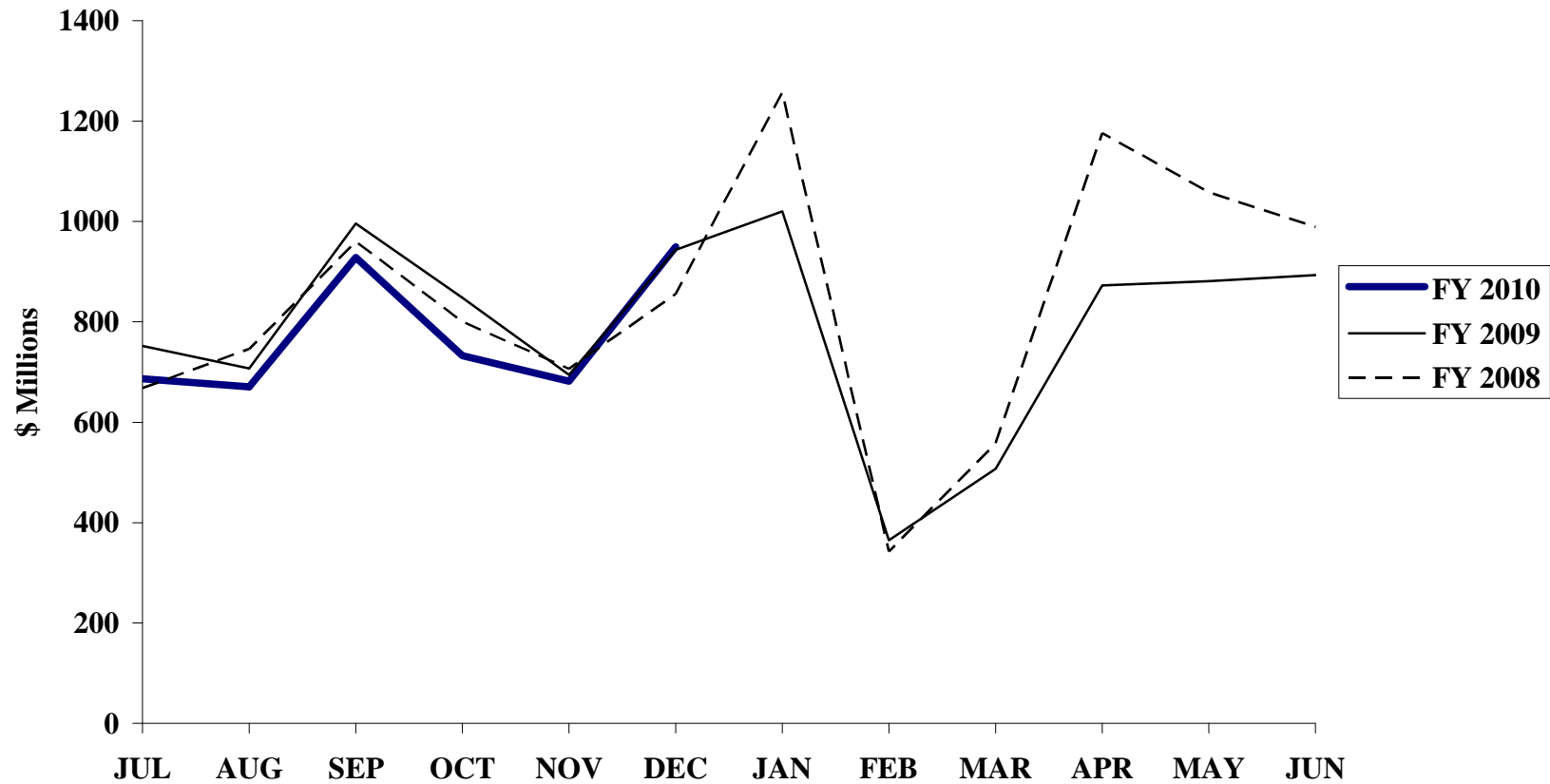
# Percentage is greater than or equal to 1,000%.

## Total General Fund Revenues



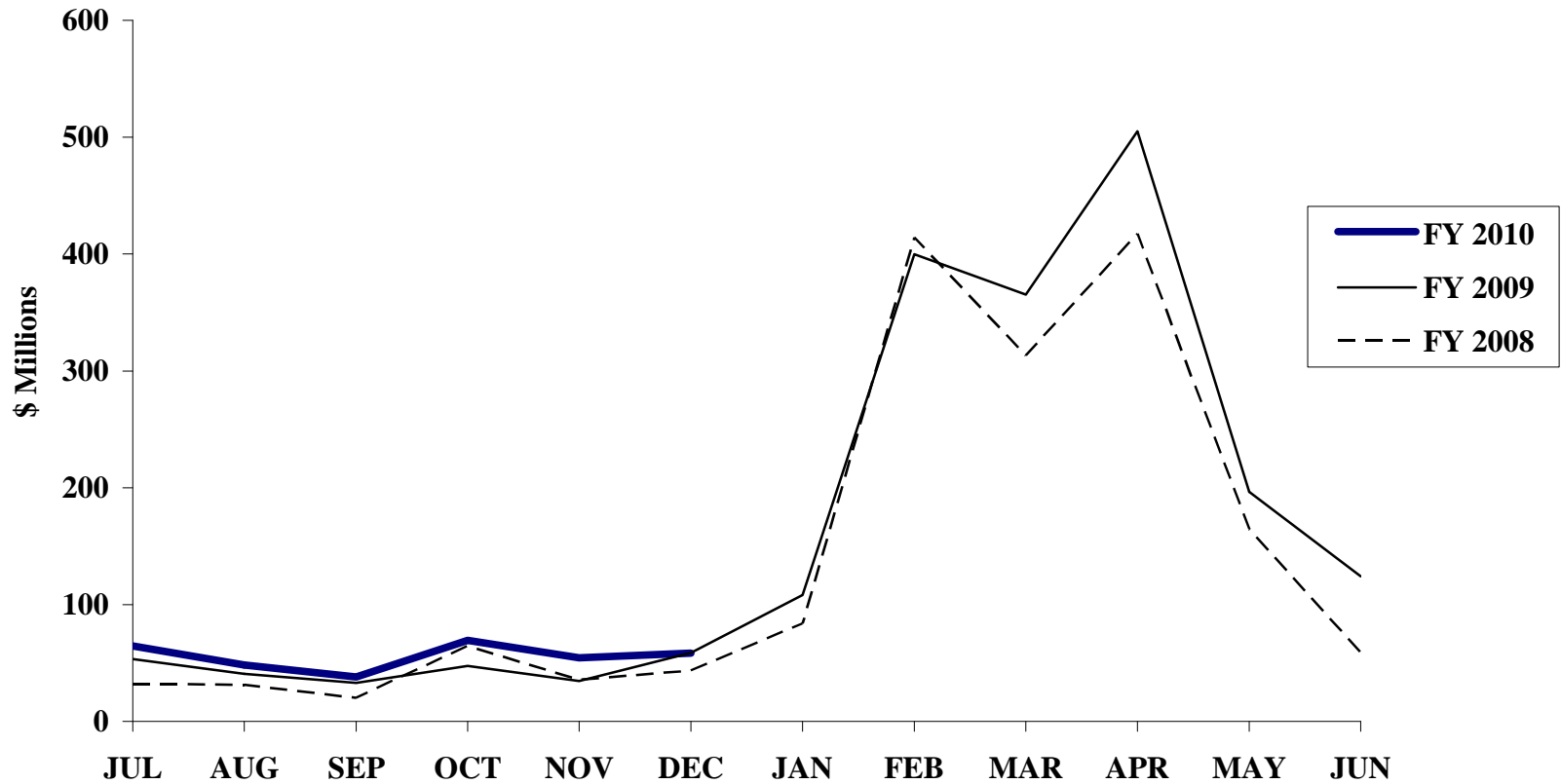
**FY 2008 Actual = \$15,766.9 Million**  
**FY 2009 Actual = \$14,315.1 Million**  
**FY 2010 Estimate = \$13,921.8 Million**

## Net Individual Income Tax



**FY 2008 Actual = \$10,114.8 Million**  
**FY 2009 Actual = \$9,481.1 Million**  
**FY 2010 Estimate = \$8,947.3 Million**

## Individual and Fiduciary Income Tax Refunds



**FY 2008 Actual = \$1,679.9 Million**  
**FY 2009 Actual = \$1,967.4 Million**  
**FY 2010 Estimate = \$2,019.3 Million**

## DEPARTMENT OF THE TREASURY

General Account Investment Portfolio  
 Monthly Average Balances and Rates  
 For the Fiscal Year 2010  
 (Dollars in Millions)

MONTH	PRIMARY LIQUIDITY		EXTERNAL MANAGEMENT EXTENDED DURATION		COMPOSITE	
	Avg. Balance	Yield	Avg. Balance	Annualized Total Return	Avg. Balance	Rate
<b>July, 2009</b>	\$2,788.6	1.50%	\$1,621.9	<sup>1</sup> 21.42%	\$4,410.5	<sup>1</sup> 8.83%
<b>August</b>	\$2,359.4	1.81%	\$1,597.4	12.94%	\$3,956.8	6.30%
<b>September</b>	\$2,575.3	1.34%	\$1,568.6	11.71%	\$4,143.9	5.27%
<b>October</b>	\$2,577.4	1.25%	\$1,577.0	7.26%	\$4,154.4	3.53%
<b>November</b>	\$2,346.8	1.29%	\$1,543.4	12.81%	\$3,890.2	5.86%
<b>December</b>	\$2,348.3	-1.08% <sup>2</sup>	\$1,465.0	-14.41%	\$3,813.3	-6.20% <sup>2</sup>
<b>January, 2010</b>						
<b>February</b>						
<b>March</b>						
<b>April</b>						
<b>May</b>						
<b>June</b>						
<b>Year-to-Date Average</b>	\$2,499.3	1.04%	\$1,562.2	8.91%	\$4,061.5	4.07%

- Performance on the extended duration portion of the General Account is now reported on an annualized total return basis. Total return includes unrealized gains and losses, which in the short term can make returns more volatile. Over an extended time period the fluctuations average out and total return approaches the portfolio yield.

▪ Unaudited.

<sup>1</sup> Revised July External Manager Average Balance, Composite Average Balance and Rate.

<sup>2</sup> The Primary Liquidity Yield of (1.08)% reflects a \$4,476,593.84 write down of AXON Financial Funding LLC in the securities lending portfolio. Without the write down, the Primary Liquidity Yield would have been 1.17% and the Composite Rate would have been (4.82)%.

**Commonwealth of Virginia/Department of Accounts  
Report on the Revenue Stabilization Fund  
For the Fiscal Year 2010**

<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>	\$575,063,868	\$0	\$0	\$0	\$575,063,868
<b>August</b>	\$575,063,868	\$0	\$0	\$0	\$575,063,868
<b>September</b>	\$575,063,868	\$0	\$0	\$0	\$575,063,868
<b>October</b>	\$575,063,868	\$0	\$0	\$0	\$575,063,868
<b>November</b>	\$575,063,868	\$0	\$0	\$4,071,627	\$579,135,495
<b>December</b>	\$579,135,495	\$0	\$0	\$0	\$579,135,495
<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.