



# **COMMONWEALTH of VIRGINIA**

February 11, 2013

PO Box 1475  
Richmond, VA. 23218

## **MEMORANDUM**

TO: The Honorable Robert F. McDonnell

THROUGH: The Honorable Martin Kent

FROM: Richard D. Brown 

SUBJECT: January Revenue Data

January is a significant month for revenue collections. Individual estimated payments, sales taxes on December sales, and corporate income taxes from large retailers are due in January. This month's revenue report compares current revenue collections to the revenue estimates included in the budget (HB1500/SB800) introduced to the 2013 General Assembly.

Total general fund revenue collections rose 19.5 percent in January, with several factors affecting the timing of payments which distorted growth. An additional deposit day boosted growth in individual withholding and the delay in the federal electronic filing program postponed refund activity. On a year-to-date basis, total revenue collections rose 6.2 percent through January, ahead of the annual forecast of 3.6 percent growth. Adjusting for the accelerated sales tax program, total revenues grew 5.8 percent through January, ahead of the adjusted forecast of 3.4 percent growth.

### **National Economic Indicators**

Most national indicators suggest the economy is slowly improving; however, political uncertainty, a weak global economy, and eroding consumer confidence remain threats.

- According to the advance estimate, real GDP fell at an annualized rate of 0.1 percent in the fourth quarter of 2012, down from a 3.1 percent increase in the third quarter. The first real GDP decline since the second quarter of 2009 was driven by cuts in defense spending and the effects of Hurricane Sandy.
- Annual benchmark revisions depict labor market conditions as somewhat stronger than previously reported. Payroll employment added 157,000 jobs in January. The most significant point in the January jobs report was that November and December gains were

revised upward by a combined 127,000 jobs. With the revisions, 247,000 jobs were gained in November and 196,000 in December. Before the revisions, the data indicated that the economy added about 150,000 jobs per month during 2012. The revised data show that payroll employment averaged gains of 181,000 jobs per month over the last year. In a separate report, the unemployment rate ticked up slightly, from 7.8 to 7.9 percent rebenchmarking in the household survey.

- Initial claims for unemployment fell by 5,000 to 366,000 during the week ending February 2. The four-week moving average fell 2,250 to 350,500. Although the level of claims has been volatile over the last few months, the underlying trend is consistent with slow employment growth.
- After remaining unchanged in November, the Conference Board's index of leading indicators rose 0.5 percent in December. An improvement in initial claims for unemployment was the largest contributor to the increase. The index has risen in three of the previous four months.
- The Conference Board's index of consumer confidence dropped from 66.7 to 58.6 in January, its third consecutive decline. Both the current conditions and expectations components declined in January.
- The manufacturing sector continued its modest expansion in January, with the Institute of Supply Management index increasing from 50.2 to 53.1.
- The CPI was unchanged in December, and stands 1.7 percent above December 2011. Core inflation (excluding food and energy prices) rose 0.1 percent in December, and has increased 1.9 percent from December 2011.
- The Federal Reserve announced at its January 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 0.8 percent in December from December 2011. Northern Virginia and Hampton Roads posted growth of 1.5 percent, while employment in Richmond-Petersburg fell 0.8 percent. The unemployment rate in the Commonwealth rose 0.1 percentage point to 5.4 percent in November and was 0.5 percentage point below the December 2011 rate.

The Virginia Leading Index rose 0.5 percent in December after increasing 0.2 percent in November. Building permits, auto registrations, the U.S. leading index and initial unemployment claims improved in December while future employment remained essentially unchanged. The Leading Index increased in Northern Virginia, Hampton Roads, Richmond, Lynchburg, Charlottesville, Harrisonburg, and Blacksburg, while the index for Winchester contracted. The indexes for Roanoke, Bristol, and Danville were little changed in December.

## January Revenue Collections

Total general fund revenue collections rose 19.5 percent in January, with several factors distorting growth. An additional deposit day boosted growth in individual withholding and the delay in the federal electronic filing program postponed refund activity. On a year-to-date basis, total revenue collections rose 6.2 percent through January, ahead of the annual forecast of 3.6 percent growth. Adjusting for the accelerated sales tax program, total revenues grew 5.8 percent through January, ahead of the adjusted forecast of 3.4 percent growth.

**Net Individual Income Tax (68% of general fund revenues):** Through January, collections of net individual income tax rose 7.2 percent from the same period last year, ahead of the annual estimate of 4.5 percent growth. Performance in each component of individual income tax is as follows:

**Individual Income Tax Withholding (63% of general fund revenues):** Collections of payroll withholding taxes rose 17.5 percent in January, driven by an extra deposit day and the timing of payments. January had one more Wednesday than January of last year, and Wednesday is a significant day for receipts in this source. Year-to-date, withholding collections rose 4.1 percent compared with the same period last year, ahead of the projected annual growth rate of 3.3 percent. Adjusting for the extra deposit day, growth is closer to 2.5 percent.

**Individual Income Tax Nonwithholding (15% of general fund revenues):** Collections in this source rose 42.7 percent in January. The average estimated payment increased by 25 percent and more checks were received than January of last year.

December and January are significant months for collections in this source, and receipts can be distorted by the timing of payments. The fourth estimated payment for tax year 2012 was due January 15, and some of these payments were received in December, so the two months must be considered together to assess growth. Receipts of estimated payments for the two-month period rose 21.3 percent from last year. Year-to-date, nonwithholding collections rose 13.8 percent over the same period last year, ahead of the annual estimate of 6.8 percent growth.

**Individual Income Tax Refunds:** In January, the Department of Taxation issued \$29.9 million in refunds compared with \$97.1 million last year. The delay in opening the Federal electronic filing program accounts for most of the decline. This is the first month of the filing season and refund activity should pick up in February. Year-to-date, refunds have fallen 29.2 percent, lagging the annual estimate of 0.4 percent growth.

**Sales Tax (20% of general fund revenues):** Collections of sales and use taxes, reflecting December sales, rose 0.2 percent in January. Collections for the main holiday season (December and January) rose 1.4 percent, trailing expectations of a 3.0 percent increase. On a year-to-date basis, collections have risen 4.1 percent through January, matching the annual estimate. Adjusting for the partial repeal of the accelerated sales tax program, sales tax collections have grown by 2.1 percent year-to-date, behind the economic-base forecast of 3.2 percent growth.

**Corporate Income Tax (5% of general fund revenues):** Collections of corporate income tax were \$35.2 million in January, compared with \$51.5 million a year ago. Year-to-date collections in this source have risen 6.5 percent from the same period last year, well ahead of the estimate of a 4.5 percent decline.

**Wills, Suits, Deeds, Contracts (2% of general fund revenues):** Collections of wills, suits, deeds, and contracts – mainly recordation tax collections – were \$31.3 million in January, compared with \$23.0 million in January of last year, a 36.1 percent increase. On a year-to-date basis, collections are up 17.8 percent, far ahead of the annual forecast of 4.5 percent growth. Through January, collections in this source are at their highest level since January 2008.

**Insurance Premiums (2% of general fund revenues):** Chapter 896 of the 2007 Acts of the Assembly required that \$130.1 million of collections in this source be transferred to the Transportation Trust Fund in fiscal year 2013 before making any deposits to the general fund. The required transfer was completed during December.

Monthly collections are negative because the State Corporation Commission issued refunds for insurance companies in January this year, while the last two year’s refunds were issued in February. Year-to-date collections through January are \$33.4 million, compared with \$56.8 million in the same period last year.

**Other Revenue Sources**

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

	<u>Year-to-Date</u>	<u>Annual Estimate</u>
Interest Income (0.5% GF revenues)	-9.6%	-12.5%
ABC Taxes (1% GF revenues)	4.7%	2.6%

**All Other Revenue (3% of general fund revenues):** Receipts in All Other Revenue grew 6.3 percent in January, \$46.0 million compared with \$43.2 million last year. On a year-to-date basis, collections of All Other Revenue rose 0.6 percent from the same period last year, ahead of the annual estimate of a 2.5 percent decline.

**Summary**

January is a significant month for revenue collections. Individual estimated payments, sales taxes on December sales, and corporate income taxes from large retailers are due in January. Total general fund revenue collections rose 19.5 percent in January, with several factors affecting the timing of payments which distorted growth. An additional deposit day boosted growth in individual withholding and the delay in the federal electronic filing program postponed refund activity. On a year-to-date basis, total revenue collections rose 6.2 percent through January, ahead of the annual forecast of 3.6 percent growth. Adjusting for the accelerated sales tax program, total revenues grew 5.8 percent through January, ahead of the adjusted forecast of 3.4 percent growth.

Commonwealth of Virginia/Department of Accounts  
Summary Report on General Fund Revenue Collections  
For the Fiscal Years 2012 and 2013  
(Dollars in Thousands)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
			January			Year-To-Date			% Annual Growth Req By Est
Revenue	FY 2013 Estimate	As a % of Gen Fund Rev	FY 2013	FY 2012	% Change	FY 2013	FY 2012	% Change	
<b>Individual Income Tax:</b>									
<b>Withholding</b>	\$10,366,300	63.15	\$1,027,766	\$875,039	17.5	\$5,926,116	\$5,693,946	4.1	3.3
<b>Tax Dues/Estimated Payments</b>	2,517,400	15.33	424,387	297,447	42.7	988,123	868,192	13.8	6.8
<b>Gross Individual Income Tax</b>	\$12,883,700	78.48	\$1,452,153	\$1,172,486	23.9	\$6,914,239	\$6,562,138	5.4	3.9
<b>Individual and Fiduciary Income (Refunds)</b>	(1,791,300)	(10.91)	(29,909)	(97,138)	(69.2)	(236,950)	(334,911)	(29.2)	0.4
<b>Net Individual Income Tax</b>	\$11,092,400	67.57	\$1,422,244	\$1,075,348	32.3	\$6,677,289	\$6,227,227	7.2	4.5
<b>Sales and Use Tax</b>	\$3,248,800	19.79	\$315,488	\$314,819	0.2	\$1,777,322	\$1,707,217	4.1	4.1
<b>Corporations Income Tax</b>	820,900	5.00	35,196	51,461	(31.6)	401,883	377,182	6.5	(4.5)
<b>Wills, Suits, Deeds, Contracts</b>	336,500	2.05	31,283	22,983	36.1	214,172	181,738	17.8	4.5
<b>Insurance Premiums</b>	255,600	1.56	(46,533)	371	#	33,395	56,788	(41.2)	1.1
<b>Interest Income (a)</b>	67,500	0.41	(209)	(218)	4.1	41,779	46,233	(9.6)	(12.5)
<b>Alcoholic Beverage Sales (b)</b>	191,300	1.16	3,362	3,526	(4.7)	65,171	62,274	4.7	2.6
<b>All Other Revenues</b>	403,500	2.46	45,950	43,224	6.3	210,763	209,523	0.6	(2.5)
<b>Total General Fund Revenues</b>	\$16,416,500	100.00	\$1,806,781	\$1,511,514	19.5	\$9,421,774	\$8,868,182	6.2	3.6

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

(a) Interest was allocated in accordance with Section 3-3.03 of Chapter 3, 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 2012 and 2013

(Dollars in Thousands)

Revenue	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2013 Estimate	As a % of Total Gen Fund Rev	January FY 2013	January FY 2012	% Change	Year-To-Date FY 2013	Year-To-Date FY 2012	% Change	% Annual Growth Req By Est
<b>Taxes:</b>									
Individual Income Tax - Withholding	\$10,366,300	63.15	\$1,027,766	\$875,039	17.5	\$5,926,116	\$5,693,946	4.1	3.3
Tax Dues/Estimated Payments	2,517,400	15.33	424,387	297,447	42.7	988,123	868,192	13.8	6.8
Gross Individual Income Tax	\$12,883,700	78.48	\$1,452,153	\$1,172,486	23.9	\$6,914,239	\$6,562,138	5.4	3.9
Individ and Fiduc Income (Refunds)	(1,791,300)	(10.91)	(29,909)	(97,138)	(69.2)	(236,950)	(334,911)	(29.2)	0.4
Net Individual Income Tax	\$11,092,400	67.57	\$1,422,244	\$1,075,348	32.3	\$6,677,289	\$6,227,227	7.2	4.5
Sales and Use Tax	3,248,800	19.79	315,488	314,819	0.2	1,777,322	1,707,217	4.1	4.1
Corporations Income	820,900	5.00	35,196	51,461	(31.6)	401,883	377,182	6.5	(4.5)
Public Service Corporations	95,300	0.58	7,965	9,855	(19.2)	47,740	50,525	(5.5)	0.9
Insurance Premiums	255,600	1.56	(46,533)	371	#	33,395	56,788	(41.2)	1.1
Alcoholic Beverage Excise	148,300	0.90	0	0	-	39,509	36,332	8.7	3.4
Beer and Beverage Excise	43,000	0.26	3,362	3,526	(4.7)	25,662	25,942	(1.1)	0.0
Wills, Suits, Deeds, Contracts	336,500	2.05	31,283	22,983	36.1	214,172	181,738	17.8	4.5
Inheritance, Gift, and Estate	0	0.00	853	596	43.1	899	144	524.3	(100.0)
Bank Franchise	17,000	0.10	0	0	-	79	217	(63.6)	(10.0)
Other Taxes	1,200	0.01	94	419	(77.6)	3,301	461	616.1	11.6
<b>Total Taxes</b>	<b>\$16,059,000</b>	<b>97.82</b>	<b>\$1,769,952</b>	<b>\$1,479,378</b>	<b>19.6</b>	<b>\$9,221,251</b>	<b>\$8,663,773</b>	<b>6.4</b>	<b>3.8</b>
<b>Rights and Privileges:</b>									
Licenses and Permits	\$4,300	0.03	\$153	\$176	(13.1)	\$2,270	\$2,308	(1.6)	1.4
Corp. Franchise and Charters	40,500	0.24	11,451	11,778	(2.8)	14,285	14,653	(2.5)	(4.3)
Fees for Misc. Privileges & Services	9,800	0.06	1,330	1,211	9.8	5,601	5,528	1.3	(6.3)
<b>Total Rights and Privileges</b>	<b>\$54,600</b>	<b>0.33</b>	<b>\$12,934</b>	<b>\$13,165</b>	<b>(1.8)</b>	<b>\$22,156</b>	<b>\$22,489</b>	<b>(1.5)</b>	<b>(4.3)</b>
<b>Other Revenues:</b>									
Sales of Property & Commodities	\$0	0.00	\$0	\$7	(100.0)	\$0	\$1,018	(100.0)	(100.0)
Assessmts & Rcpts for Support of Special Svcs	400	0.00	30	0	-	188	210	(10.5)	14.3
Institutional Revenue	5,700	0.03	414	335	23.6	3,439	3,441	(0.1)	(2.4)
Interest (a)	67,500	0.41	(209)	(218)	4.1	41,779	46,233	(9.6)	(12.5)
Dividends and Rent	300	0.00	17	18	(5.6)	236	291	(18.9)	(22.9)
Fines, Forfeitures & Fees	219,900	1.34	18,521	18,592	(0.4)	126,483	126,674	(0.2)	(1.1)
Other Revenue	9,400	0.06	5,042	174	#	7,706	3,990	93.1	7.6
Excess Fees	(8,700)	(0.05)	(794)	(659)	(20.5)	(5,914)	(4,878)	(21.2)	(0.3)
Private Donations, Gifts & Cont.	0	0.00	0	1	(100.0)	0	2	(100.0)	(100.0)
Cities, Counties, and Towns	8,400	0.06	874	721	21.2	4,450	4,939	(9.9)	(5.2)
<b>Total Other Revenues</b>	<b>\$302,900</b>	<b>1.85</b>	<b>\$23,895</b>	<b>\$18,971</b>	<b>26.0</b>	<b>\$178,367</b>	<b>\$181,920</b>	<b>(2.0)</b>	<b>(5.2)</b>
<b>Total General Fund Revenues</b>	<b>\$16,416,500</b>	<b>100.00</b>	<b>\$1,806,781</b>	<b>\$1,511,514</b>	<b>19.5</b>	<b>\$9,421,774</b>	<b>\$8,868,182</b>	<b>6.2</b>	<b>3.6</b>

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

(a) Interest was allocated in accordance with Section 3-3.03 of Chapter 3, 2012 Virginia Acts of Assembly.

**Commonwealth of Virginia/Department of Lottery  
Summary Report on Lottery Collections  
For the Fiscal Years 2012 and 2013  
(Dollars in Thousands)**

	<b>FY 2013 Estimate</b>	<b>(a)</b>	<b>January</b>			<b>Year-To-Date</b>			<b>% Annual Growth Required By Estimate</b>
			<b>FY 2013</b>	<b>FY 2012</b>	<b>% Change</b>	<b>FY 2013</b>	<b>FY 2012</b>	<b>% Change (b)</b>	
Lottery Collections									
Total Lottery Sales	\$1,597,862		\$133,589	\$129,784	2.9	\$945,505	\$895,636	5.6	(1.1)
Other Income	1,225		54 (c)	140	(61.4)	1,000 (c)	1,454	(31.2)	(37.6)
Total Income	<u>\$1,599,087</u>		<u>\$133,643</u>	<u>\$129,924</u>	<u>2.9</u>	<u>\$946,505</u>	<u>\$897,090</u>	<u>5.5</u>	<u>(1.2)</u>
Less:									
Prize Expenses	\$962,567		\$74,312	\$73,271	1.4	\$560,124	\$537,763	4.2	0.0
Retailer Commissions	91,058		7,689	7,195	6.9	53,245	50,582	5.3	0.4
Operating Expenses	88,133		6,697	6,374	5.1	49,593	42,647	16.3	13.1
Total Expenses	<u>\$1,141,758</u>		<u>\$88,698 (c)</u>	<u>\$86,840</u>	<u>2.1</u>	<u>\$662,962 (c)</u>	<u>\$630,992</u>	<u>5.1</u>	<u>1.0</u>
Net Proceeds from Operations									
Net Lottery Ticket Profits	\$457,329		\$44,945	\$43,084	4.3	\$283,543	\$266,098	6.6	(1.5)
Prior Year Residual Profit Transfer	22,971		0	0	-	22,971	9,011	154.9	-
Available to Lottery Proceeds Fund	<u>\$480,300</u>		<u>\$44,945</u>	<u>\$43,084</u>	<u>4.3</u>	<u>\$306,514</u>	<u>\$275,109</u>	<u>11.4</u>	<u>1.5</u>

(a) Estimate established by House Bill 1500, December 17, 2012. Prior Year Residual Profit Transfer of \$22,971,151 was made on August 15, 2012, and is included in the total revenue estimate.

(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) Other Income, Prize Expenses, Retailer Commissions, and Operating Expenses are accrual-based estimates (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 2012 and 2013**  
**(Dollars in Thousands)**

Revenue	FY 2013 Estimate	As a % of Total Fund	January			Year-To-Date			% Annual Growth Required By Estimate
			FY 2013	FY 2012	% Change	FY 2013	FY 2012	% Change	
<b>Motor Fuel Taxes</b>	\$838,100	22.27	\$69,701	\$79,610	(12.4)	\$432,399	\$430,049	0.5	0.6
<b>Priority Transportation Fund (PTF)</b>	150,100	3.99	2,000	2,000	0.0	140,064	147,297	(4.9)	(4.6)
<b>Motor Vehicle Sales and Use Tax</b>	619,200	16.45	54,174	58,819	(7.9)	356,424	328,401	8.5	6.7
<b>State Sales and Use Tax</b>	533,000	14.17	53,442	53,297	0.3	303,016	289,696	4.6	5.9
<b>Motor Vehicle License Fees</b>	237,300	6.31	19,512	17,341	12.5	137,377	130,071	5.6	0.7
<b>International Registration Plan</b>	63,800	1.70	6,521	3,806	71.3	27,744	27,946	(0.7)	2.0
<b>Recordation Tax</b>	40,500	1.08	3,876	2,814	37.7	26,210	22,082	18.7	3.5
<b>Interest Earnings</b>	9,900	0.26	2,095	3,236	(35.3)	4,733	8,074	(41.4)	(29.2)
<b>Misc. Taxes, Fees, and Revenues</b>	14,800	0.39	1,409	1,021	38.0	7,739	7,001	10.5	19.8
<b>Total State Taxes and Fees</b>	<u>\$2,506,700</u>	<u>66.62</u>	<u>\$212,730</u>	<u>\$221,944</u>	<u>(4.2)</u>	<u>\$1,435,706</u>	<u>\$1,390,617</u>	<u>3.2</u>	<u>2.8</u>

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

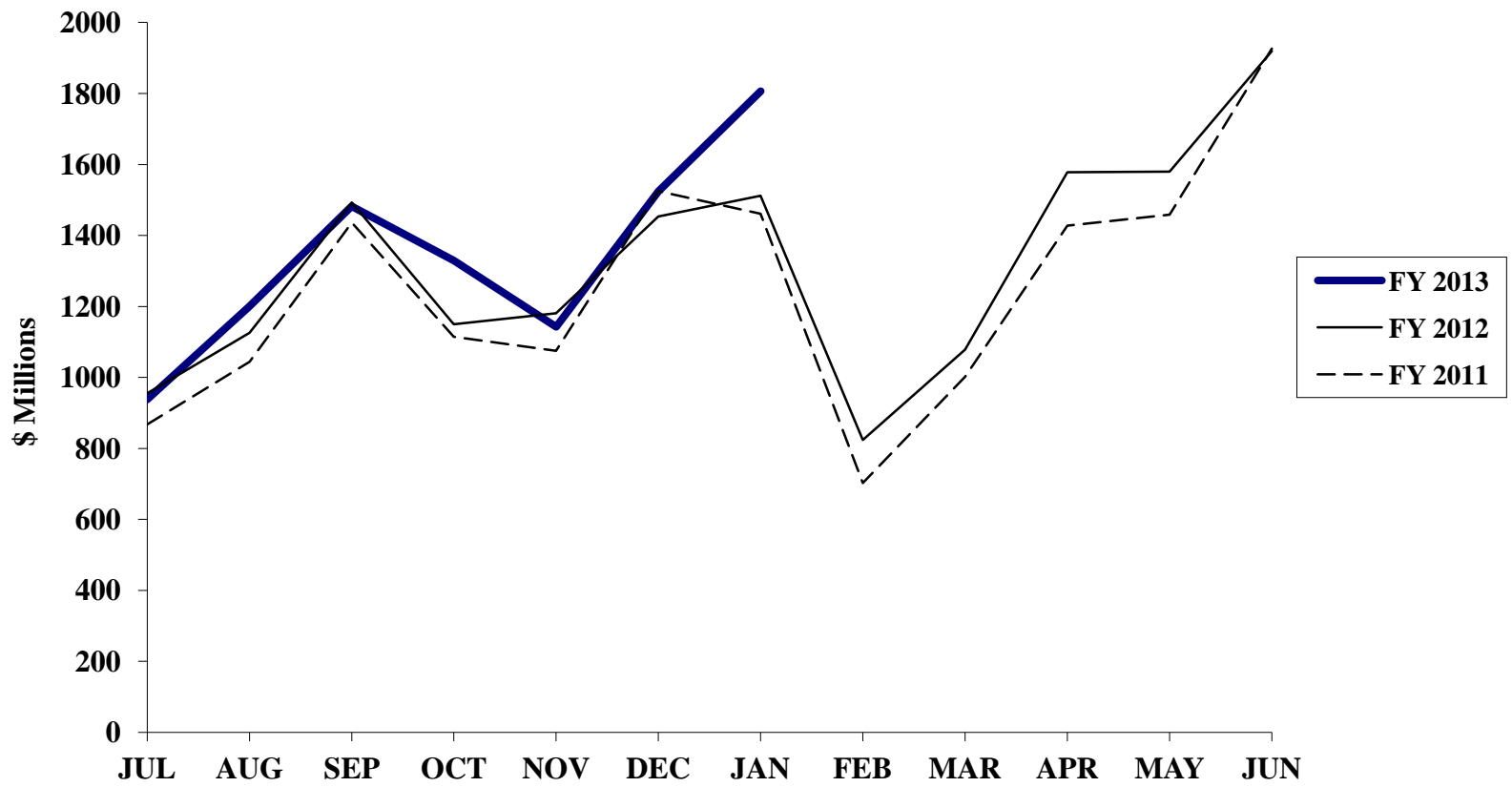


Commonwealth of Virginia/Department of Accounts  
Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues  
Statement of Revenue Estimates & Collections  
For the Fiscal Years 2012 and 2013  
(Dollars in Thousands)

Revenue	FY 2013 Estimate	As a % of Total Fund	January			Year-To-Date			% Annual Growth Required By Est
			FY 2013	FY 2012	% Change	FY 2013	FY 2012	% Change	
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>									
Motor Fuel Taxes (Includes Road Tax)	\$721,900	19.18	\$59,979	\$58,659	2.3	\$371,896	\$370,705	0.3	0.6
Motor Vehicle Sales and Use Tax	382,000	10.15	33,165	27,318	21.4	220,331	201,070	9.6	6.9
Motor Vehicle License Fees	215,800	5.74	17,682	14,685	20.4	125,220	118,373	5.8	0.6
International Registration Plan	63,800	1.70	6,521	3,806	71.3	27,744	27,946	(0.7)	2.0
Recordation Tax (1 cent)	13,500	0.36	1,292	938	37.7	8,737	7,361	18.7	3.5
Misc. Taxes, Fees, and Revenues	14,800	0.39	1,409	1,021	38.0	7,739	7,001	10.5	19.8
<b>Total State Taxes and Fees</b>	<b>\$1,411,800</b>	<b>37.52</b>	<b>\$120,048</b>	<b>\$106,427</b>	<b>12.8</b>	<b>\$761,667</b>	<b>\$732,456</b>	<b>4.0</b>	<b>2.5</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$2,337	\$2,368	(1.3)	\$15,186	\$13,844	9.7	(100.0)
Miscellaneous Revenues	10,604	0.28	1,243	3,998	(68.9)	8,975	12,763	(29.7)	(41.5)
Transfer (to) / from Transportation Trust Fund	363,551	9.66	0	0	-	170,000	200,680	(15.3)	(17.7)
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$1,785,955</b>	<b>47.46</b>	<b>\$123,628</b>	<b>\$112,793</b>	<b>9.6</b>	<b>\$955,828</b>	<b>\$959,743</b>	<b>(0.4)</b>	<b>(4.1)</b>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$116,200	3.09	\$9,722	\$20,951	(53.6)	\$60,503	\$59,344	2.0	0.6
PTF Motor Fuels	20,000	0.53	2,000	2,000	0.0	10,000	10,000	0.0	0.0
PTF Insurance Premiums Tax	130,100	3.46	0	0	-	130,064	137,297	(5.3)	(5.2)
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	237,200	6.30	21,009	31,501	(33.3)	136,093	127,331	6.9	6.3
State Sales and Use Tax	533,000	14.17	53,442	53,297	0.3	303,016	289,696	4.6	5.9
Motor Vehicle License Fees	21,500	0.57	1,830	2,656	(31.1)	12,157	11,698	3.9	1.7
Recordation Tax (2 cents)	27,000	0.72	2,584	1,876	37.7	17,473	14,721	18.7	3.5
Interest Earnings	9,900	0.26	2,095	3,236	(35.3)	4,733	8,074	(41.4)	(29.2)
<b>Total State Taxes and Fees</b>	<b>\$1,094,900</b>	<b>29.10</b>	<b>\$92,682</b>	<b>\$115,517</b>	<b>(19.8)</b>	<b>\$674,039</b>	<b>\$658,161</b>	<b>2.4</b>	<b>3.3</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$996,925	26.49	\$90,874	\$71,501	27.1	\$915,309	\$550,243	66.3	3.6
Receipts from Cities/Counties	210,651	5.60	3,236	65	#	43,375	11,167	288.4	916.8
Toll Revenues (Includes Route 28)	30,312	0.81	897	798	12.4	6,686	6,883	(2.9)	68.2
Miscellaneous Revenues	7,953	0.20	288	382	(24.6)	34,986	14,741	137.3	(78.5)
<b>Total Other Revenues</b>	<b>\$1,245,841</b>	<b>33.10</b>	<b>\$95,295</b>	<b>\$72,746</b>	<b>31.0</b>	<b>\$1,000,356</b>	<b>\$583,034</b>	<b>71.6</b>	<b>20.0</b>
<b>Transfer (to) / from Highway Maintenance and Operating Fund</b>									
Maintenance and Operating Fund	(\$363,551)	(9.66)	\$0	\$0	-	(\$170,000)	(\$200,680)	15.3	17.7
<b>Total Transportation Trust Fund</b>	<b>\$1,977,190</b>	<b>52.54</b>	<b>\$187,977</b>	<b>\$188,263</b>	<b>(0.2)</b>	<b>\$1,504,395</b>	<b>\$1,040,515</b>	<b>44.6</b>	<b>19.4</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>									
	<b>\$3,763,145</b>	<b>100.00</b>	<b>\$311,605</b>	<b>\$301,056</b>	<b>3.5</b>	<b>\$2,460,223</b>	<b>\$2,000,258</b>	<b>23.0</b>	<b>6.9</b>

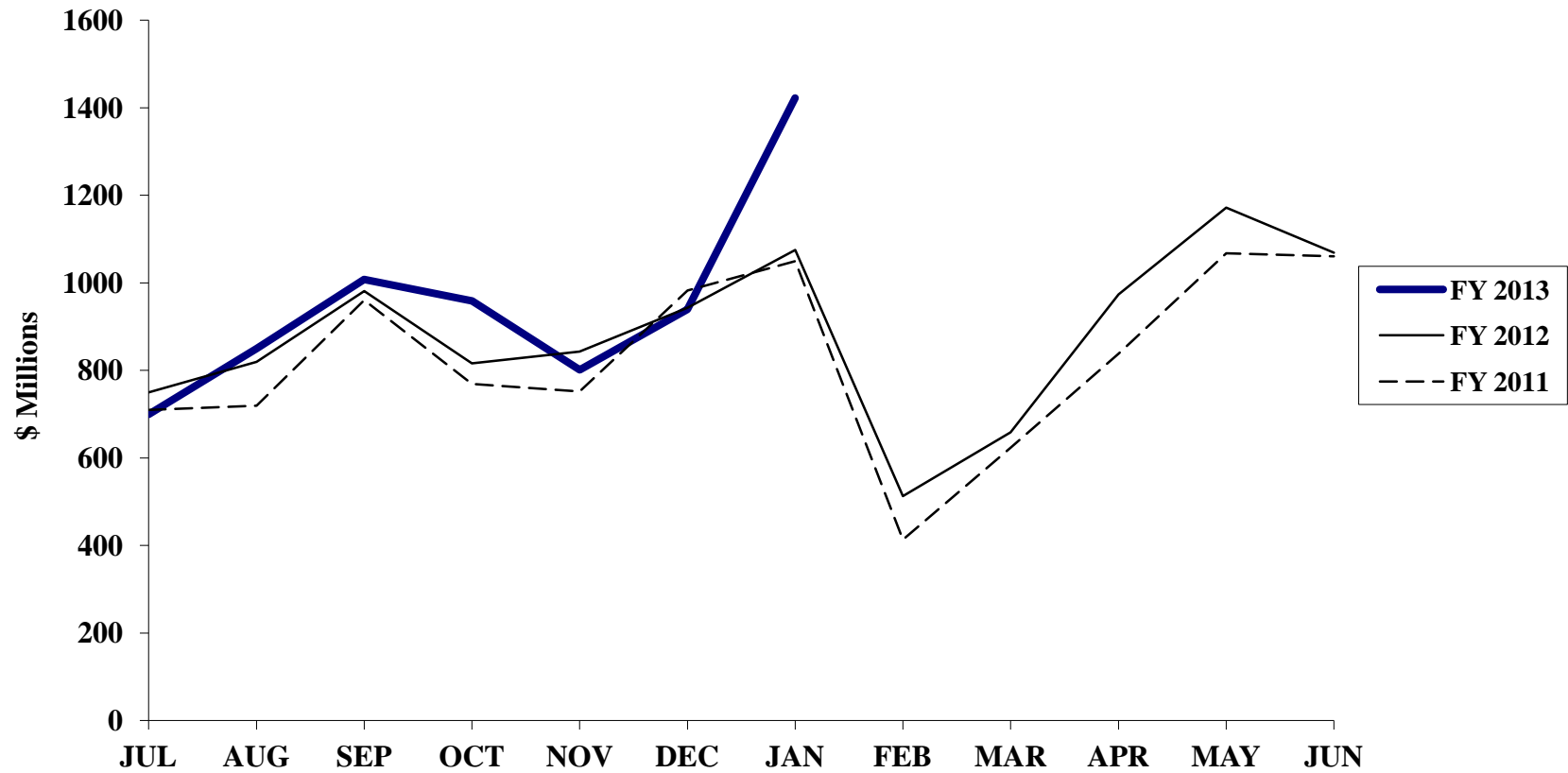
# Percentage is greater than or equal to 1,000%.

# Total General Fund Revenues



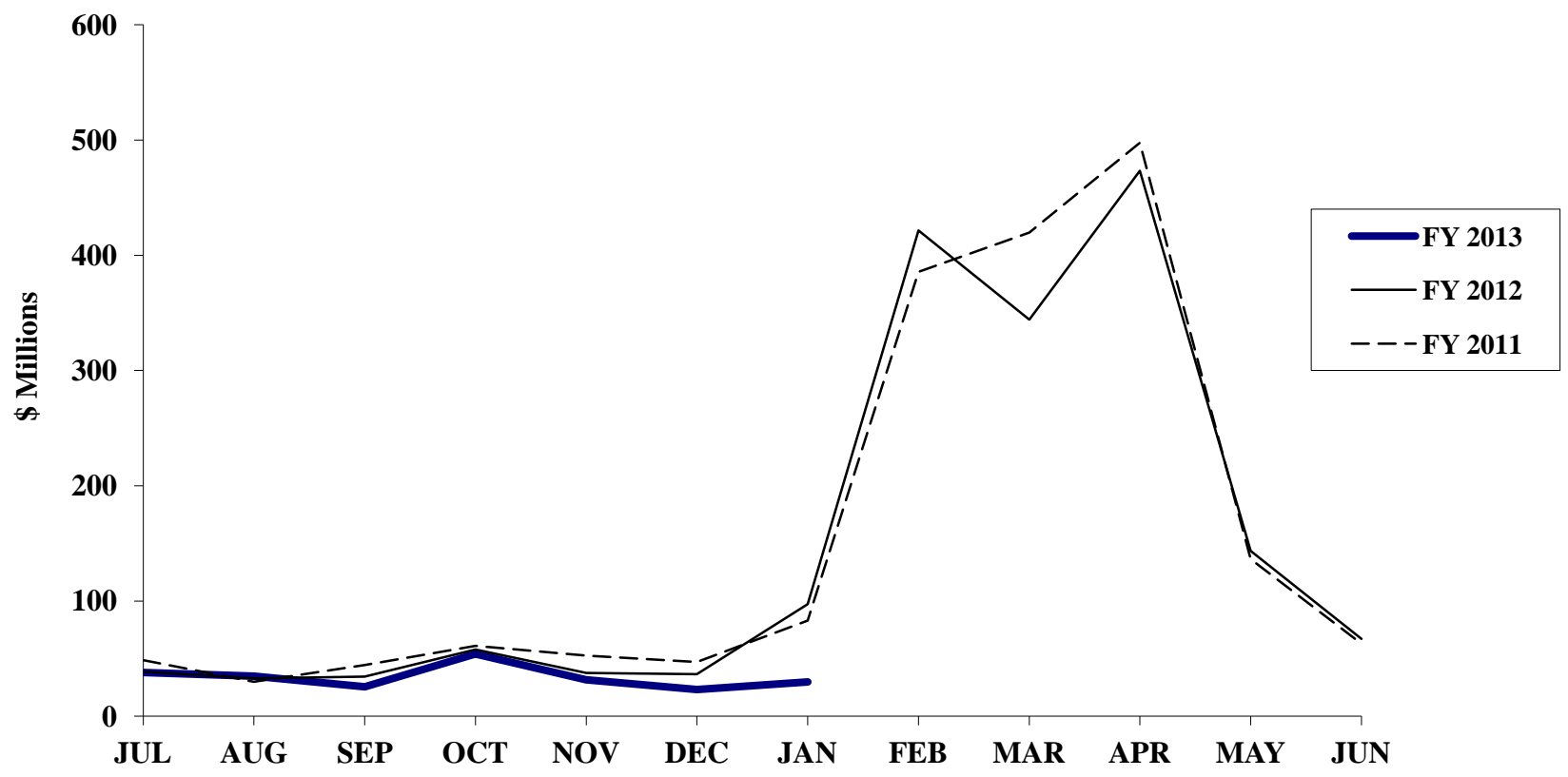
**FY 2011 Actual = \$15,040.2 Million**  
**FY 2012 Actual = \$15,846.7 Million**  
**FY 2013 Estimate = \$16,416.5 Million**

# Net Individual Income Tax



**FY 2011 Actual = \$9,944.4 Million**  
**FY 2012 Actual = \$10,612.8 Million**  
**FY 2013 Estimate = \$11,092.4 Million**

# Individual and Fiduciary Income Tax Refunds



**FY 2011 Actual = \$1,869.3 Million**  
**FY 2012 Actual = \$1,784.7 Million**  
**FY 2013 Estimate = \$1,791.3 Million**

## DEPARTMENT OF THE TREASURY

General Account Investment Portfolio  
 Monthly Average Balances and Rates  
 For the Fiscal Year 2013  
 (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, 2012</b>	\$3,859.5	0.35%	\$1,355.6	14.19%	\$5,215.1	3.95%	0.19%
<b>August</b>	\$3,211.0	0.19% <sup>2</sup>	\$1,364.9	2.81%	\$4,575.9	0.97% <sup>2</sup>	0.18%
<b>September</b>	\$3,507.9	0.30%	\$1,368.3	3.46%	\$4,876.2	1.19%	0.18%
<b>October</b>	\$3,814.2	0.30%	\$1,371.9	3.48%	\$5,186.1	1.14%	0.18%
<b>November</b>	\$3,434.9	0.32%	\$1,375.1	2.51%	\$4,810.0	0.95%	0.18%
<b>December</b>	\$3,080.2	0.31%	\$1,376.0	-1.02%	\$4,456.2	-0.10%	0.16%
<b>January, 2013</b>	\$3,736.6	0.28%	\$1,346.1	-4.01%	\$5,082.7	-0.86%	0.15%
<b>February</b>							
<b>March</b>							
<b>April</b>							
<b>May</b>							
<b>June</b>							
<b>Year-to-Date Average</b>	\$3,520.6	0.29%	\$1,365.4	3.06%	\$4,886.0	1.07%	0.17%

• 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.

<sup>2</sup> The Primary Liquidity Yield of 0.19% reflects a \$381,340.44 write down of Morgan Stanley 2007-HE5 in the securities lending portfolio. Without the write down, the Primary Liquidity Yield was 0.33% and the Composite Rate was 1.07%.

**Commonwealth of Virginia/Department of Accounts  
Report on the Revenue Stabilization Fund  
For the Fiscal Year 2013**

<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>	\$303,574,094	\$0	\$0	\$0	\$303,574,094
<b>August</b>	\$303,574,094	\$0	\$0	\$0	\$303,574,094
<b>September</b>	\$303,574,094	\$0	\$0	\$0	\$303,574,094
<b>October</b>	\$303,574,094	\$0	\$0	\$1,020,010	\$304,594,104
<b>November</b>	\$304,594,104	\$0	\$0	\$0	\$304,594,104
<b>December</b>	\$304,594,104	\$0	\$0	\$0	\$304,594,104
<b>January</b>	\$304,594,104	\$0	\$0	\$840,148	\$305,434,252
<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.