



GEOFFREY E. SNYDER
COMMISSIONER

The Commonwealth of Massachusetts
Department of Revenue
Office of the Commissioner
PO Box 7091
Boston, MA 02204-7091

February 21, 2024

The Honorable Aaron Michlewitz, Chair
House Committee on Ways and Means
State House
Room 243
Boston, MA 02133

The Honorable Todd M. Smola, Ranking Member
House Committee on Ways and Means
State House
Room 124
Boston, MA 02133

The Honorable Michael J. Rodrigues, Chair
Senate Committee on Ways and Means
State House
Room 212
Boston, MA 02133

The Honorable Patrick M. O'Connor, Ranking Member
Senate Committee on Ways and Means
State House
Room 419
Boston, MA 02133

Honorable Chairs and Ranking Minority Members of the Committees on Ways and Means:

Pursuant to Section 6 of Chapter 14 of the General Laws¹, the Department of Revenue (DOR) hereby submits its mid-month tax revenue report for the month of February 2024, the eighth month of fiscal year 2024. The attached table shows February 2024 month-to-date tax revenue collections through February 15, 2024, along with changes from the equivalent period in February 2023.

¹ <http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleII/Chapter14/Section6>

Revenue collections are uneven and usually weighted toward month-end. Therefore, mid-month figures should not be used to assess trends or project future revenues.

Context for February Revenues

February has historically been the lowest month for revenue, contributing less than 6% of annual collections. Neither individual nor business taxpayers are required to make estimated payments during the month. February is also the month in which refunds reach substantial levels as the tax filing season begins.

Highlights

Total Tax collections for the month-to-date period were \$930 million, \$36 million or 3.7% less than the collections during the same period in February 2023. February results show decreases in personal income tax and “all other” tax, partially offset by increases in sales and use tax and corporate and business tax.

- **Income Taxes** totaled \$689 million, down \$34 million or 4.7% versus the same period in February 2023.
- **Sales & Use Taxes** totaled \$139 million, up \$15 million or 11.8% versus the same period in February 2023.
- **Corporate & Business Taxes** totaled \$66 million, up \$23 million or 54.8% versus the same period in February 2023.
- **All Other Taxes** totaled \$36 million, down \$39 million or 52.6% versus the same period in February 2023.

Details

Total Income Tax of \$689 million for mid-month February is comprised of the following:

- **Withholding** of \$778 million, up \$49 million versus the same period in February 2023;
- **Estimated Payments** of \$62 million, up \$40 million versus the same period in February 2023;
- **Returns/Bills** of \$39 million, up \$5 million versus the same period in February 2023; and
- **Refunds** of \$190 million, up \$129 million (unfavorable) versus the same period in the same period in February 2023.

Sales & Use Tax of \$139 million is up \$15 million versus the same period in February 2023. Typically, only a small proportion of expected regular sales and meals tax remittances are received by the mid-month date. The month-to-date sales and use tax of \$139 million is comprised of the following:

- **Regular sales** tax of \$72 million, up \$20 million versus the same period in February 2023;
- **Meals** tax of \$19 million, down \$4 million versus the same period in February 2023; and

- **Motor vehicle** sales tax of \$47 million, down \$1 million versus the same period in February 2023.

Corporate & Business Tax of \$66 million is up \$23 million versus the same period in February 2023. The month-to-date increase is primarily due to increases in estimated and return payments.

All Other Taxes of \$36 million, down \$39 million versus the same period in February 2023, includes a number of tax categories, such as motor fuels, cigarette, estate tax, room occupancy, and deeds.

If you have any questions concerning this report, please contact either me (snyderge@dor.state.ma.us) or Kazim P. Ozyurt, Director of the Office of Tax Analysis (ozyurtk@dor.state.ma.us).

Sincerely,

A handwritten signature in black ink, appearing to read 'G. Snyder', with a stylized flourish at the end.

Geoffrey E. Snyder
Commissioner

Attachment: 1

cc: Deborah B. Goldberg, Treasurer and Receiver General
Matthew Gorzkowicz, Secretary of Administration and Finance
Senator Karen E. Spilka, Senate President
Representative Ronald Mariano, House Speaker
Senator Bruce E. Tarr, Senate Minority Leader
Representative Bradley H. Jones, Jr., House Minority Leader
Senator Susan L. Moran, Senate Chair, Joint Committee on Revenue
Representative Mark J. Cusack, House Chair, Joint Committee on Revenue

Mid-Month Tax Collection Report for February 2024 (in \$ Millions)
Tax Collections as of February 15, 2024, Compared to Same Collection Period in FY2023

	February (Through February 15th) (\$Millions)			FY24 YTD (Through February 15th) (\$Millions)		
	02/2024 MTD Actual Collections	02/2024 MTD v. 02/2023 MTD \$ Fav/(Unfav)	02/2024 MTD v. 02/2023 MTD % Fav/(Unfav)	02/2024 YTD Actual Collections	02/2024 YTD v. 02/2023 YTD \$ Fav/(Unfav)	02/2024 YTD v. 02/2023 YTD % Fav/(Unfav)
Income						
Income Withholding	778	49	+6.8%	10,828	518	+5.0%
Income Est. Payments	62	40	+188.0%	2,401	(190)	-7.3%
Income Returns/Bills	39	5	+16.1%	839	(152)	-15.4%
Income Refunds Net (outflow)	(190)	(129)	-213.7%	(880)	12	+1.3%
Subtotal Income	689	(34)	-4.7%	13,188	188	+1.4%
Sales & Use						
Sales - Regular	72	20	+37.6%	4,012	(78)	-1.9%
Sales - Meals	19	(4)	-17.5%	960	44	+4.8%
Sales - Motor Vehicles	47	(1)	-2.1%	739	17	+2.4%
Subtotal Sales & Use	139	15	+11.8%	5,711	(18)	-0.3%
Corporate & Business - Total	66	23	+54.8%	2,007	(147)	-6.8%
All Other	36	(39)	-52.6%	1,483	(272)	-15.5%
Total Tax Collections	930	(36)	-3.7%	22,389	(248)	-1.1%

It would not be advisable to use this data to predict trends.

At the time of the mid-month estimate, the available tax collection data is too early to provide a reliable estimate of full-month results.