



GEOFFREY E. SNYDER  
COMMISSIONER

*The Commonwealth of Massachusetts*  
*Department of Revenue*  
*Office of the Commissioner*  
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August 18, 2022

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 Laws<sup>1</sup>, the Department of Revenue (DOR) hereby submits its mid-month tax revenue report for the month of August 2022, the second month of fiscal year 2023. The attached table shows August 2022 month-to-date tax revenue collections through August 15, 2022, along with changes from the equivalent period in August 2021.

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

Revenue collections are uneven and usually weighted toward month-end, and the brief period covered in the mid-month report does not provide sufficient data for comparison to prior years. Therefore, mid-month figures should not be used to assess trends or project future revenues.

### **Context for August Revenues**

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August is typically one of the smaller months for revenue collections because neither individual nor business taxpayers make significant estimated payments during the month. Historically, roughly 6.7% of annual revenue, on average, has been received during August.

### **Highlights**

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**Total Tax collections for the month-to-date period were \$1.139 billion, up \$19 million or 1.7%** versus the same period in August 2021. The month-to-date increase is mostly due to increases in corporate and business tax, sales tax, and income tax return payments, and is partially offset by decreases in withholding, all other taxes, and an increase in income tax refunds.

- **Income Taxes** totaled \$843 million, down \$50 million or 5.6% versus the same period in August 2021.
- **Sales & Use Taxes** totaled \$168 million, up \$43 million or 34.7% versus the same period in August 2021.
- **Corporate & Business Taxes** totaled \$62 million, up \$51 million or 496.4% versus the same period in August 2021.
- **Other Taxes** totaled \$66 million, down \$26 million or 28.4% versus the same period in August 2021.

### **Details**

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**Total Income Tax** of \$843 million for mid-month August is comprised of the following:

- **Withholding** of \$799 million, down \$61 million versus the same period in August 2021.
- **Estimated Payments** of \$19 million, up \$1 million versus the same period in August 2021.
- **Returns/Bills** of \$47 million, up \$22 million versus the same period in August 2021.
- **Refunds** of \$22 million, up \$12 million (unfavorable) versus the same period in August 2021.

**Sales & Use Tax** of \$168 million, up \$43 million versus the same period in August 2021. Typically, only a small proportion of expected regular sales and meals tax remittances is received by the mid-month date. The month-to-date sales and use tax of \$168 million is comprised of the following:

- \$76 million in regular sales tax collections, up \$17 million versus the same period in August 2021.

- \$41 million in meals tax collections, up \$21 million versus the same period in August 2021.
- \$51 million in motor vehicle sales tax collections, up \$5 million versus the same period in August 2021.

**Corporate & Business Tax** of \$62 million, up \$51 million versus the same period in August 2021. The month-to-date increase mostly reflects increases in corporate and business estimated and return payments as well as favorable refunds.

**Other Taxes** of \$66 million, down \$26 million versus the same period in August 2021, includes a number of tax categories such as motor fuels, cigarettes, estate taxes, room occupancy, deeds, and others.

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,



Geoffrey E. Snyder  
Commissioner

Attachment: 1

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

## Mid-Month Tax Collection Report for August 2022 (in \$ Millions)

Tax Collections as of August 15, 2022, Compared to Same Collection Period in FY2022

	<b>August</b> <b>(Through August 15th)</b> <b>(\$ Millions)</b>			<b>FY2023 YTD</b> <b>(Through August 15th)</b> <b>(\$ Millions)</b>		
	08/2022 MTD Actual Collections	08/2022 MTD v. 08/2021 MTD \$ Fav/(Unfav)	08/2022 MTD v. 08/2021 MTD % Fav/(Unfav)	08/2022 YTD Actual Collections	08/2022 YTD v. 08/2021 YTD \$ Fav/(Unfav)	08/2022 YTD v. 08/2021 YTD % Fav/(Unfav)
<b>Income</b>						
Income Withholding	799	(61)	-7.0%	2,022	66	+3.4%
Income Est. Payments	19	1	+4.4%	73	55	+295.9%
Income Returns/Bills	47	22	+88.8%	107	36	+51.0%
Income Refunds Net (outflow)	(22)	(12)	-113.0%	(41)	(11)	-38.0%
<b>Subtotal Income</b>	<b>843</b>	<b>(50)</b>	<b>-5.6%</b>	<b>2,161</b>	<b>146</b>	<b>+7.2%</b>
<b>Sales &amp; Use</b>						
Sales - Regular	76	17	+30.0%	639	32	+5.3%
Sales - Meals	41	21	+105.2%	150	20	+15.3%
Sales - Motor Vehicles	51	5	+9.8%	127	2	+1.3%
<b>Subtotal Sales &amp; Use</b>	<b>168</b>	<b>43</b>	<b>+34.7%</b>	<b>916</b>	<b>54</b>	<b>+6.2%</b>
<b>Corporate &amp; Business - Total</b>	<b>62</b>	<b>51</b>	<b>+496.4%</b>	<b>156</b>	<b>(3)</b>	<b>-2.0%</b>
<b>All Other</b>	<b>66</b>	<b>(26)</b>	<b>-28.4%</b>	<b>272</b>	<b>(35)</b>	<b>-11.5%</b>
<b>Total Tax Collections</b>	<b>1,139</b>	<b>19</b>	<b>+1.7%</b>	<b>3,505</b>	<b>161</b>	<b>+4.8%</b>

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.