



GEOFFREY E. SNYDER
COMMISSIONER

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

August 20, 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 August 2024, the second month of fiscal year 2025. The attached table shows August 2024 month-to-date tax revenue collections through August 15, 2024, along with a comparison to the equivalent period in August 2023.

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

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

Context for August Revenues

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

Total tax collections for the month-to-date period were \$1.022 billion, \$142 million or 16.1% more than the collections during the same period in August 2023. Mid-month August results show increases in withholding, non-withheld income tax, and corporate & business tax, partially offset by decreases in sales tax and “all other” tax. Some of the increase in withholding is due to timing-related factors.

- **Income** tax totaled \$789 million, up \$149 million or 23.3% versus the same period in August 2023.
- **Sales & use** tax totaled \$135 million, down \$7 million or 4.7% versus the same period in August 2023.
- **Corporate & business** tax totaled \$49 million, up \$23 million or 88.2% versus the same period in August 2023.
- **All other** taxes totaled \$49 million, down \$24 million or 33.0% versus the same period in August 2023.

Details

Total income tax of \$789 million for mid-month August is comprised of the following:

- **Withholding** of \$754 million, up \$138 million versus the same period in August 2023;
- **Estimated payments** of \$21 million, up \$4 million versus the same period in August 2023;
- **Returns/bills** of \$33 million, up \$3 million versus the same period in August 2023; and
- **Refunds** of \$19 million, down \$4 million (favorable) versus the same period in August 2023.

Sales & use tax of \$135 million is down \$7 million versus the same period in August 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 \$135 million is comprised of the following:

- **Regular sales** tax of \$57 million, up \$1 million versus the same period in August 2023;
- **Meals** tax of \$27 million, down \$7 million versus the same period in August 2023; and

- **Motor vehicles sales** tax of \$50 million, virtually equal to the same period in August 2023.

Corporate & business tax of \$49 million is up \$23 million versus the same period in August 2023. The month-to-date increase is primarily due to an increase in estimated payments.

All other taxes of \$49 million, down \$24 million versus the same period in August 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 (ozyurk@dor.state.ma.us).

Sincerely,



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 August 2024 (in \$ Millions)
Tax Collections as of August 15, 2024, Compared to Same Collection Period in FY2024

	August (Through August 15th)			FY25 YTD (Through August 15th)		
	08/2024 MTD Actual Collections	08/2024 MTD v. 08/2023 MTD \$ Fav/(Unfav)	08/2024 MTD v. 08/2023 MTD % Fav/(Unfav)	08/2024 YTD Actual Collections	08/2024 YTD v. 08/2023 YTD \$ Fav/(Unfav)	08/2024 YTD v. 08/2023 YTD % Fav/(Unfav)
Income						
Income Withholding	754	138	+22.5%	2,133	124	+6.2%
Income Est. Payments	21	4	+21.4%	64	6	+10.3%
Income Returns/Bills	33	3	+10.7%	104	(13)	-11.1%
Income Refunds Net (outflow)	(19)	4	+17.5%	(58)	(9)	-17.3%
Subtotal Income	789	149	+23.3%	2,242	108	+5.1%
Sales & Use						
Sales - Regular	57	1	+1.6%	660	27	+4.2%
Sales - Meals	27	(7)	-21.4%	184	18	+10.9%
Sales - Motor Vehicles	50	(0)	-0.3%	141	10	+8.0%
Subtotal Sales & Use	135	(7)	-4.7%	985	56	+6.0%
Corporate & Business - Total	49	23	+88.2%	195	32	+19.4%
All Other	49	(24)	-33.0%	287	(34)	-10.5%
Total Tax Collections	1,022	142	+16.1%	3,709	162	+4.6%

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.