



GEOFFREY E. SNYDER  
COMMISSIONER

*The Commonwealth of Massachusetts*  
*Department of Revenue*  
*Office of the Commissioner*  
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July 19, 2023

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 July 2023, the first month of fiscal year 2024. The attached table shows July 2023 month-to-date tax revenue collections through July 14, 2023, along with changes from the equivalent period in July 2022.

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.

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

## Context for July Revenues

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July is typically one of the smaller months for revenue collection, 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 July.

## Highlights

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**Total Tax collections for the month-to-date period were \$975 million**, \$155 million or 18.9% more than the collections during the same period in July 2022. Month-to-date increases in withholding, corporate and business tax, and income returns and bills were partially offset by a decrease in income estimated payments.

- **Income Taxes** totaled \$766 million, up \$129 million or 20.2% versus the same period in July 2022.
- **Sales & Use Taxes** totaled \$95 million, up \$1 million or 1.3% versus the same period in July 2022.
- **Corporate & Business Taxes** totaled \$63 million, up \$26 million or 69.9% versus the same period in July 2022.
- **Other Taxes** totaled \$52 million, down \$0.7 million or 1.3% versus the same period in July 2022.

## Details

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**Total Income Tax** of \$766 million for mid-month July is comprised of the following:

- **Withholding** of \$700 million, up \$119 million versus the same period in July 2022.
- **Estimated Payments** of \$19 million, down \$13 million versus the same period in July 2022.
- **Returns/Bills** of \$47 million, up \$23 million versus the same period in July 2022.
- **Refunds** of \$0.6 million, down \$0.1 million versus the same period in July 2022.

**Sales & Use Tax** of \$95 million is up \$1 million versus the same period in July 2022. 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 \$95 million is comprised of the following:

- **Regular sales** tax of \$52 million, down \$0.2 million versus the same period in July 2022.
- **Meals** tax of \$16 million, up \$1 million versus the same period in July 2022.
- **Motor vehicle** sales tax of \$27 million, up \$1 million versus the same period in July 2022.

**Corporate & Business Tax** of \$63 million is up \$26 million versus the same period in July 2022. The month-to-date increase is mostly due to an increase in estimated payments and return payments.

**Other Taxes** of \$52 million, down \$0.7 million versus the same period in July 2022, 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

**Tax Collections as of July 14, 2023, Compared to Same Collection Period in FY2023**

	<b>July</b> <b>(Through July 14th)</b> <b>(\$Millions)</b>			<b>FY24 YTD</b> <b>(Through July 14th)</b> <b>(\$Millions)</b>		
	07/2023 MTD Actual Collections	07/2023 MTD v. 07/2022 MTD \$ Fav/(Unfav)	07/2023 MTD v. 07/2022 MTD % Fav/(Unfav)	07/2023 YTD Actual Collections	07/2023 YTD v. 07/2022 YTD \$ Fav/(Unfav)	07/2023 YTD v. 07/2022 YTD % Fav/(Unfav)
<b>Income</b>						
Income Withholding	700	119	+20.4%	700	119	+20.4%
Income Est. Payments	19	(13)	-40.3%	19	(13)	-40.3%
Income Returns/Bills	47	23	+94.2%	47	23	+94.2%
Income Refunds Net (outflow)	(0.6)	0.1	+16.8%	(0.6)	0.1	+16.8%
<b>Subtotal Income</b>	<b>766</b>	<b>129</b>	<b>+20.2%</b>	<b>766</b>	<b>129</b>	<b>+20.2%</b>
<b>Sales &amp; Use</b>						
Sales - Regular	52	(0.2)	-0.5%	52	(0.2)	-0.5%
Sales - Meals	16	1	+3.3%	16	1	+3.3%
Sales - Motor Vehicles	27	1	+4.6%	27	1	+3.7%
<b>Subtotal Sales &amp; Use</b>	<b>95</b>	<b>1</b>	<b>+1.3%</b>	<b>95</b>	<b>1</b>	<b>+1.3%</b>
<b>Corporate &amp; Business - Total</b>	<b>63</b>	<b>26</b>	<b>+69.9%</b>	<b>63</b>	<b>26</b>	<b>+69.9%</b>
<b>All Other</b>	<b>52</b>	<b>(0.7)</b>	<b>-1.3%</b>	<b>52</b>	<b>(0.7)</b>	<b>-1.3%</b>
<b>Total Tax Collections</b>	<b>975</b>	<b>155</b>	<b>+18.9%</b>	<b>975</b>	<b>155</b>	<b>+18.9%</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.