



Geoffrey E. Snyder
Commissioner

The Commonwealth of Massachusetts
Department of Revenue
Office of the Commissioner
P.O. Box 9550
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June 18, 2021

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 June 2021, the final month of fiscal year 2021. The attached table shows June 2021 month-to-date tax revenue collections through June 15, 2021, along with changes from the equivalent period in June 2020.

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

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

Context for June Revenues

Historically, June is a significant month for revenues, because both individual and business taxpayers make Estimated Payments during the month. In most years, the month of June has ranked #2 (behind only April) in the proportion of annual revenue received during the month.

However, because of measures enacted this year and last year designed to mitigate the impact of COVID-19, historical comparisons between June month-to-date 2021 results and prior periods should be used with caution. Examples of such measures include, but are not limited to:

- The extension of the income tax filing and payment deadline from April 15th, 2020 to July 15th, 2020.
- The late start to the 2021 filing season.
- The extension of the income tax filing and payment deadline from April 15th, 2021 to May 17th, 2021.
- The extension of the payment deadline for certain regular sales tax, meals tax and room occupancy excise payments to October 30, 2021.

Highlights

Total Tax collections for the month-to-date period were \$2.003 billion, up \$768 million or 62.2% versus the same period in June 2020. The month-to-date increase is mostly due to increases in withholding, income estimated payments, corporate and business taxes, sales and use tax, and estate tax.

- **Income Taxes** totaled \$1.029 billion, up \$331 million or 47.4% versus the same period in June 2020.
- **Sales & Use Taxes** were \$154 million, up \$69 million or 80.8% versus the same period in June 2020.
- **Corporate & Business Taxes** were \$714 million, up \$331 million or 86.1% versus the same period in June 2020.
- **Other Taxes** totaled \$105 million, up \$38 million or 56.7% versus the same period in June 2020.

Detail

Total Income Tax of \$1.029 billion for mid-month June is comprised of the following:

- **Withholding** of \$682 million, up \$72 million from mid-month June 2020.
- **Estimated Payments** of \$332 million, up \$258 million from mid-month June 2020.
- **Returns/Bills** of \$60 million, up \$6 million from mid-month June 2020.
- **Refunds** of \$44 million, up \$6 million from mid-month June 2020.
- **Sales & Use Tax** collections of \$154 million for the June month-to-date period are \$69 million more than the same period in June 2020. Typically, only a small

proportion of expected regular sales and meals tax remittances are received by the mid-month date. The \$154 million in month-to-date sales and use tax collections is comprised of the following:

- \$81 million in regular sales tax collections, up \$44 million from mid-month June 2020.
- \$22 million in meals tax revenues, up \$10 million from mid-month June 2020.
- \$51 million in motor vehicle sales tax revenues, up \$14 million from mid-month June 2020.

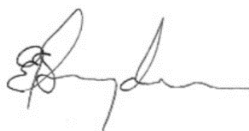
Corporate & Business tax revenues were \$714 million, up \$331 million from mid-month June 2020. The month-to-date increase largely reflects an increase in estimated payments and return payments.

Other Taxes includes a number of tax categories such as motor fuels, cigarettes, estate taxes, room occupancy and deeds. All other tax revenues totaled \$105 million, which is \$38 million more than mid-month June 2020.

Collections are usually weighted to the end of the month; therefore, the Department does not use the mid-month figures to project full-month revenue. Comparisons to prior-year periods are unreliable because of normal fluctuations and calendar differences in the short 15-day window of incremental data.

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

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 Tarr, Senate Minority Leader
Deborah B. Goldberg, Treasurer and Receiver General



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	June (Through June 15 th)			FY21 YTD (Through June 15 th)		
	06/2021 MTD Actual Collections	06/2021 MTD v. 06/2020 MTD \$ Fav/(Unfav)	06/2021 MTD v. 06/2020 MTD % Fav/(Unfav)	06/2021 YTD Actual Collections	06/2021 YTD v. 06/2020 YTD \$ Fav/(Unfav)	06/2021 YTD v. 06/2020 YTD % Fav/(Unfav)
Income						
Income Withholding	682	72	+11.8%	14,201	949	+7.2%
Income Est. Payments	332	258	+352.1%	2,651	825	+45.2%
Income Returns/Bills	60	6	+11.9%	3,626	2,750	+313.8%
Income Refunds Net (outflow)	(44)	(6)	-15.8%	(1,687)	(163)	-10.7%
Subtotal Income	1,029	331	+47.4%	18,792	4,361	+30.2%
Sales & Use						
Sales - Regular	81	44	+119.4%	5,369	846	+18.7%
Sales - Meals	22	10	+94.6%	856	(170)	-16.5%
Sales - Motor Vehicles	51	14	+38.0%	977	213	+28.0%
Subtotal Sales & Use	154	69	+80.8%	7,202	890	+14.1%
Corporate & Business - Total	714	331	+86.1%	4,037	1,178	+41.2%
All Other	105	38	+56.7%	2,423	20	+0.8%
Total Tax Collections	2,003	768	+62.2%	32,454	6,450	+24.8%

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.