



GEOFFREY E. SNYDER
COMMISSIONER

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

May 18, 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 Laws¹, the Department of Revenue (DOR) hereby submits its mid-month tax revenue report for the month of May 2023, the tenth month of fiscal year 2023. The attached table shows May 2023 month-to-date tax revenue collections through May 15, 2023, along with changes from the equivalent period in May 2022.

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

Revenue collections are uneven and usually weighted toward month-end. 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 May Revenues

Historically, May is a mid-size month for collections, ranking seventh of 12 months in seven of the last 10 years. Net revenue collections in May are influenced by the individual tax filing season, which generates both inflows and refund outflows during the month. In addition, estimated payments from individuals and businesses are not significant in May.

Highlights

Total Tax collections for the month-to-date period were \$1.345 billion, \$141 million or 11.7% more than the collections during the same period in May 2022. The month-to-date increases in withholding and non-withholding income tax, sales tax, and corporate and business tax were partially offset by a decrease in “all other” tax.

- **Income Taxes** totaled \$1.029 billion, up \$117 million or 12.8% versus the same period in May 2022.
- **Sales & Use Taxes** totaled \$180 million, up \$11 million or 6.2% versus the same period in May 2022.
- **Corporate & Business Taxes** totaled \$60 million, up \$41 million or 212.3% versus the same period in May 2022.
- **Other Taxes** totaled \$76 million, down \$28 million or 26.8% versus the same period in May 2022.

Details

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

- **Withholding** of \$845 million, up \$38 million versus the same period in May 2022.
- **Estimated Payments** of \$51 million, up \$34 million versus the same period in May 2022.
- **Returns/Bills** of \$231 million, up \$80 million versus the same period in May 2022.
- **Refunds** of \$98 million, up \$35 million (unfavorable) versus the same period in May 2022.

Sales & Use Tax of \$180 million, up \$11 million versus the same period in May 2022. 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 \$180 million is comprised of the following:

- **Regular sales** tax of \$84 million, virtually equal to the same period in May 2022.
- **Meals** tax of \$38 million, up \$5 million versus the same period in May 2022.

- **Motor vehicle** sales tax of \$59 million, up \$6 million versus the same period in May 2022.

Corporate & Business Tax of \$60 million, up \$41 million versus the same period in May 2022. The month-to-date increase is mostly due to increases in corporate and business estimated payments and a decrease in refunds.

Other Taxes of \$76 million, down \$28 million versus the same period in May 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,



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 May 2023 (in \$ Millions)

Tax Collections as of May 15, 2023, Compared to Same Collection Period in FY2022

	May (Through May 15th) (\$ Millions)			FY2023 YTD (Through May 15th) (\$ Millions)		
	05/2023 MTD Actual Collections	05/2023 MTD v. 05/2022 MTD \$ Fav/(Unfav)	05/2023 MTD v. 05/2022 MTD % Fav/(Unfav)	05/2023 YTD Actual Collections	05/2023 YTD v. 05/2022 YTD \$ Fav/(Unfav)	05/2023 YTD v. 05/2022 YTD % Fav/(Unfav)
Income						
Income Withholding	845	38	+4.8%	14,742	547	+3.9%
Income Est. Payments	51	34	+202.7%	3,039	(724)	-19.3%
Income Returns/Bills	231	80	+53.2%	3,763	(1,742)	-31.6%
Income Refunds Net (outflow)	(98)	(35)	-57.1%	(2,377)	(682)	-40.3%
Subtotal Income	1,029	117	+12.8%	19,167	(2,602)	-12.0%
Sales & Use						
Sales - Regular	84	0	+0.2%	5,637	352	+6.7%
Sales - Meals	38	5	+14.7%	1,251	136	+12.2%
Sales - Motor Vehicles	59	6	+10.5%	1,015	72	+7.6%
Subtotal Sales & Use	180	11	+6.2%	7,903	561	+7.6%
Corporate & Business - Total	60	41	+212.3%	4,144	134	+3.3%
All Other	76	(28)	-26.8%	2,451	(124)	-4.8%
Total Tax Collections	1,345	141	+11.7%	33,665	(2,030)	-5.7%

DOR advises against using this data to predict trends. At the time of the mid-month report, there is insufficient tax collection data to provide a reliable estimate of full-month results.