



GEOFFREY E. SNYDER
COMMISSIONER

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

May 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 May 2024, the eleventh month of fiscal year 2024. The attached table shows May 2024 month-to-date tax revenue collections through May 15, 2024, along with changes from the equivalent period in May 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 comparison to prior years. Therefore, mid-month figures should not be used to assess trends or project future revenues.

Context 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 \$1.029 billion, \$337 million or 24.7% less than the collections during the same period in May 2023. May results show decreases in all major tax categories.

- **Income** tax totaled \$791 million, down \$243 million or 23.5% versus the same period in May 2023.
- **Sales & use** tax totaled \$163 million, down \$19 million or 10.4% versus the same period in May 2023.
- **Corporate & business** tax totaled \$17 million, down \$43 million or 72.2% versus the same period in May 2023.
- **All other** taxes totaled \$59 million, down \$31 million or 34.8% versus the same period in May 2023.

Details

Total income tax of \$791 million for mid-month May is comprised of the following:

- **Withholding** of \$738 million, down \$107 million versus the same period in May 2023;
- **Estimated payments** of \$31 million, down \$23 million versus the same period in May 2023;
- **Returns/bills** of \$127 million, down \$106 million versus the same period in May 2023; and
- **Refunds** of \$105 million, up \$7 million (unfavorable) versus the same period in May 2023.

Sales & use tax of \$163 million is down \$19 million versus the same period in May 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 \$163 million is comprised of the following:

- **Regular sales** tax of \$83 million, down \$1 million versus the same period in May 2023;
- **Meals** tax of \$26 million, down \$12 million versus the same period in May 2023; and

- **Motor vehicles** sales tax of \$53 million, down \$6 million versus the same period in May 2023.

Corporate & business tax of \$17 million is down \$43 million versus the same period in May 2023. The month-to-date decrease is primarily due to a decrease in estimated payments and an unfavorable increase in refunds.

All other taxes of \$59 million, down \$31 million versus the same period in May 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 (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 2024 (in \$ Millions)
Tax Collections as of May 15, 2024, Compared to Same Collection Period in FY2023

	May (Through May 15th)			FY24 YTD (Through May 15th)		
	05/2024 MTD Actual Collections	05/2024 MTD v. 05/2023 MTD \$ Fav/(Unfav)	05/2024 MTD v. 05/2023 MTD % Fav/(Unfav)	05/2024 YTD Actual Collections	05/2024 YTD v. 05/2023 YTD \$ Fav/(Unfav)	05/2024 YTD v. 05/2023 YTD % Fav/(Unfav)
Income						
Income Withholding	738	(107)	-12.7%	15,753	1,012	+6.9%
Income Est. Payments	31	(23)	-42.2%	2,977	(65)	-2.1%
Income Returns/Bills	127	(106)	-45.6%	4,848	1,084	+28.8%
Income Refunds Net (outflow)	(105)	(7)	-7.2%	(2,633)	(256)	-10.8%
Subtotal Income	791	(243)	-23.5%	20,946	1,774	+9.3%
Sales & Use						
Sales - Regular	83	(1)	-1.1%	5,561	(76)	-1.3%
Sales - Meals	26	(12)	-31.6%	1,313	61	+4.9%
Sales - Motor Vehicles	53	(6)	-9.7%	1,036	21	+2.0%
Subtotal Sales & Use	163	(19)	-10.4%	7,910	6	+0.1%
Corporate & Business - Total	17	(43)	-72.2%	3,920	(224)	-5.4%
All Other	59	(31)	-34.8%	2,111	(354)	-14.3%
Total Tax Collections	1,029	(337)	-24.7%	34,888	1,203	+3.6%

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.