



GEOFFREY E. SNYDER
COMMISSIONER

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

September 20, 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 September 2023, the third month of fiscal year 2024. The attached table shows September 2023 month-to-date tax revenue collections through September 15, 2023, along with changes from the equivalent period in September 2022.

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

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.

Context for September Revenues

In general, September is a significant month for revenues because many individuals and corporations are required to make estimated payments. Historically, roughly 10% of annual revenue, on average, has been received during September, making it the third or fourth largest revenue month of the year.

Highlights

Total Tax collections for the month-to-date period were \$2.420 billion, \$76 million or 3.2% more than the collections during the same period in September 2022. September results show increases in withholding, income estimated payments, sales and use tax, and corporate and business tax, partially offset by an increase in income tax refunds and decreases in all other taxes.

- **Income Taxes** totaled \$1.345 billion, up \$63 million or 4.9% versus the same period in September 2022.
- **Sales & Use Taxes** totaled \$158 million, up \$18 million or 12.5% versus the same period in September 2022.
- **Corporate & Business Taxes** totaled \$841 million, up \$15 million or 1.8% versus the same period in September 2022.
- **Other Taxes** totaled \$76 million, down \$19 million or 20.3% versus the same period in September 2022.

Details

Total Income Tax of \$1.345 billion for mid-month September is comprised of the following:

- **Withholding** of \$775 million, up \$56 million versus the same period in September 2022;
- **Estimated Payments** of \$528 million, up \$22 million versus the same period in September 2022;
- **Returns/Bills** of \$67 million, down \$3 million versus the same period in September 2022; and
- **Refunds** of \$24 million, up \$12 million (unfavorable) versus the same period in September 2022.

Sales & Use Tax of \$158 million is up \$18 million versus the same period in September 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 \$158 million is comprised of the following:

- **Regular sales** tax of \$74 million, up \$7 million versus the same period in September 2022;

- **Meals** tax of \$29 million, up \$3 million versus the same period in September 2022; and
- **Motor vehicle** sales tax of \$54 million, up \$8 million versus the same period in September 2022.

Corporate & Business Tax of \$841 million is up \$15 million versus the same period in September 2022.

Other Taxes of \$76 million, down \$19 million versus the same period in September 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 dark 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

Mid-Month Tax Collection Report for September 2023 (in \$ Millions)
Tax Collections as of September 15, 2023, Compared to Same Collection Period in FY2023

	September (Through September 15th) (\$Millions)			FY24 YTD (Through September 15th) (\$Millions)		
	09/2023 MTD Actual Collections	09/2023 MTD v. 09/2022 MTD \$ Fav/(Unfav)	09/2023 MTD v. 09/2022 MTD % Fav/(Unfav)	09/2023 YTD Actual Collections	09/2023 YTD v. 09/2022 YTD \$ Fav/(Unfav)	09/2023 YTD v. 09/2022 YTD % Fav/(Unfav)
Income						
Income Withholding	775	56	+7.8%	3,433	175	+5.4%
Income Est. Payments	528	22	+4.4%	616	2	+0.2%
Income Returns/Bills	67	(3)	-4.4%	217	7	+3.2%
Income Refunds Net (outflow)	(24)	(12)	-108.5%	(105)	(20)	-23.8%
Subtotal Income	1,345	63	+4.9%	4,161	163	+4.1%
Sales & Use						
Sales - Regular	74	7	+9.6%	1,196	(2)	-0.1%
Sales - Meals	29	3	+11.1%	311	18	+6.0%
Sales - Motor Vehicles	54	8	+17.8%	247	18	+7.7%
Subtotal Sales & Use	158	18	+12.5%	1,754	34	+2.0%
Corporate & Business - Total	841	15	+1.8%	1,041	26	+2.6%
All Other	76	(19)	-20.3%	561	(57)	-9.2%
Total Tax Collections	2,420	76	+3.2%	7,517	166	+2.3%

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.