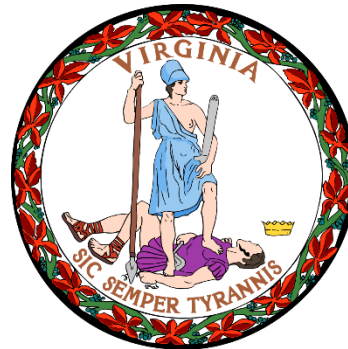


Review of General Fund Revenues and the Virginia Economy for Fiscal Year 2020

Interim Economic Outlook and Revenue Forecast for Fiscal Years 2021 and 2022

A presentation to the House Appropriations, House Finance and Senate Finance and Appropriations Committees

August 18, 2020



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Overview

Fiscal Year 2020 Year-in-Review

- Economic Performance
- Certified General Fund Collections
- Certified Commonwealth Transportation Fund Collections
- Financial Results Balance Sheet

Updated Outlook for Fiscal Years 2021 and 2022

- June 2020 Economic Outlook
- August 2020 Interim Revenue Forecast
- Revenue Stabilization and Revenue Reserve Fund Balances

Looking Forward

- National and State Economic Indicators
- July 2020 General Fund Collections
- Fall Forecasting Process
- Known Funding Commitments / Risks
- CARES Funding Update
- Base Budget

In FY 2020, Both the U.S. and Virginia Economies Were Growing On Par With the Official Forecast Through February; However, Employment Started to Decline in March as the COVID-19 Pandemic Arrived

Summary of Key U.S. and Virginia Economic Indicators
Percent Change Over the Prior Fiscal Year

	FY19 <u>Actual</u>	FY20 <u>Forecast</u>	FY20 <u>Actual</u>
<u>U.S.</u>			
Real GDP	2.6	1.9	-2.1
Consumer Spending	2.8	2.8	-2.5
Employment	1.5	1.2	-2.0
Personal Income	5.0	4.5	3.9
Wages & Salaries	4.8	5.2	0.9
<u>Virginia</u>			
Employment	1.2	1.0	-1.7
Professional/Business	1.7	2.3	-0.5
Construction/Mining	1.9	-0.1	-1.7
Education/Health	3.0	2.7	1.0
Government	0.7	0.2	-0.8
Personal Income	4.8	4.4	3.7
Wages & Salaries	4.3	4.2	0.9

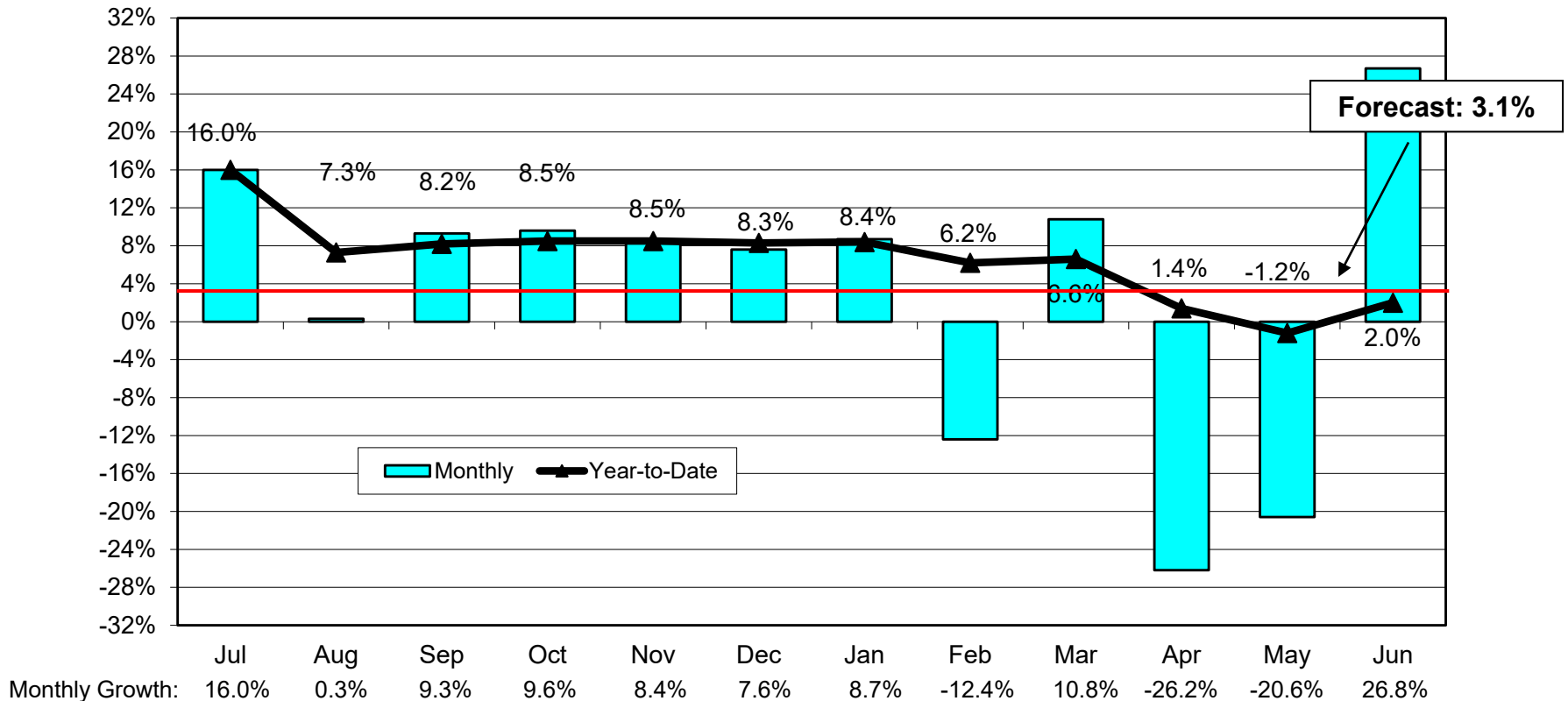
Including Transfers, FY 2020 General Fund Resources Grew 2.2 Percent and Finished \$232.0 Million (1.0 Percent) Below Forecast

Summary of Fiscal Year 2020 Revenue Collections (millions of dollars)

Major Sources	As a % of Total General Fund				% Growth Over FY19	
		Official	Actual	Change	Official	Actual
Withholding	59.6%	\$13,591.9	\$13,378.1	(\$213.8)	4.7 %	3.0
Nonwithholding	17.0	3,804.1	3,804.5	0.4	(4.3)	(4.3)
Refunds	(8.2)	(1,976.6)	(1,830.9)	145.7	13.7	5.3
Net Individual	68.4%	\$15,419.4	\$15,351.6	(\$67.8)	1.3 %	0.8 %
Sales	16.5%	\$3,844.5	\$3,706.8	(\$137.7)	7.4 %	3.5 %
Corporate	4.5	1,031.5	1,011.7	(19.9)	9.3	7.2
Wills (Recordation)	2.2	468.6	483.5	14.9	21.3	25.1
Insurance	1.6	394.1	360.6	(33.5)	3.2	(5.6)
All Other Revenue	3.7	813.9	823.6	9.7	3.2	14.6
Total Revenue	96.9%	\$21,972.0	\$21,737.8	(\$234.2)	3.1 %	2.0 %
A.B.C. Profits	0.6	\$124.8	\$137.5	\$12.7	(4.5) %	5.2 %
Sales Tax (0.375%)	1.8	421.6	406.0	(15.6)	7.4	3.4
Transfers	0.7	155.3	160.4	5.1	15.3	19.1
Total Transfers	3.1%	\$701.7	\$703.9	\$2.2	6.6 %	7.0 %
TOTAL GENERAL FUND	100.0%	\$22,673.7	\$22,441.7	(\$232.0)	3.2 %	2.2 %

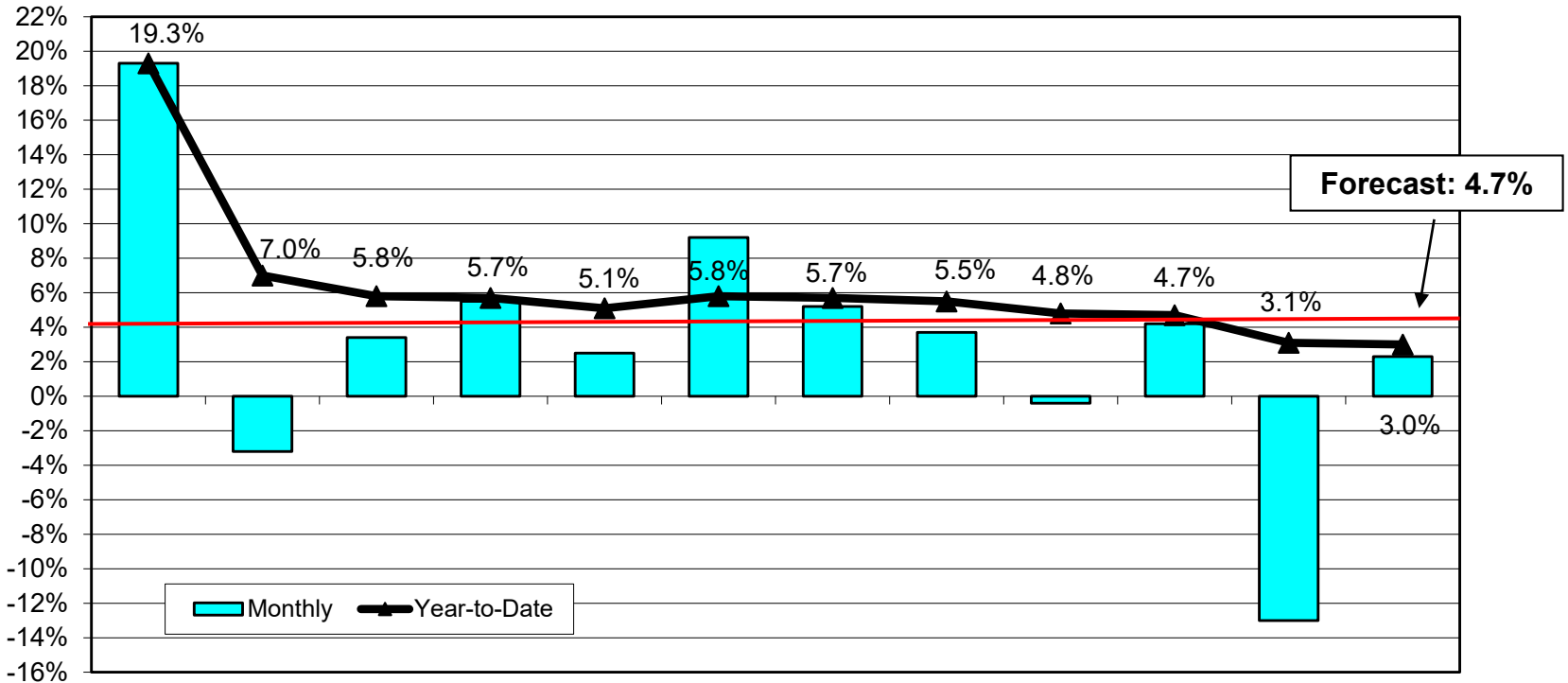
- Payroll withholding and sales tax collections slowed in the final quarter of fiscal year 2020.

Growth in Total General Fund Revenue Collections FY20 Monthly and Year-to-Date



- Total general fund revenues increased 26.8 percent in June.
 - This was expected as the May 1 due date for individual and corporate income tax payments was deferred to June 1.
- On a year-to-date basis, total revenues increased 2.0 percent, behind the annual forecast of a 3.1 percent increase.

Growth in Withholding Tax Collections FY20 Monthly and Year-to-Date



Monthly Growth: 19.3% -3.2% 3.4% 5.5% 2.5% 9.2% 5.2% 3.7% -0.4% 4.2% -13.0% 2.3%

- Collections increased 2.3 percent in June.
- Year-to-date, withholding collections have increased 3.0 percent compared with the same period last year, behind the projected annual growth of 4.7 percent.

Slowdown in Withholding Was Broad-based and Included a Large Decline in the Final Quarter

Withholding Tax Collections

April – June

Fiscal Years 2018 - 2020

millions of dollars

Industry (% of Total \$ Amount)	# of Firms in FY16	Millions of Dollars			Percent Change		
		FY18	FY19	FY20	FY18	FY19	FY20
Public Sector (18%)	100	\$532.0	\$565.9	\$574.6	5.6%	6.4%	1.5%
Education and Health Services (8%)	300	\$257.2	\$271.1	\$263.4	4.8%	5.4%	-2.8%
Federal Contractors (3%)	244	\$118.7	\$119.0	\$112.7	6.7%	0.2%	-5.3%
Professional and Business Services (3%)	719	\$85.2	\$109.4	\$109.3	-1.3%	28.4%	-0.1%
Finance (3%)	170	\$86.7	\$95.1	\$105.3	5.4%	9.7%	10.7%
Investment (2%)	224	\$64.4	\$71.5	\$68.5	14.2%	11.0%	-4.2%
Manufacturing (1%)	232	\$44.0	\$44.3	\$41.7	20.2%	0.6%	-5.8%
Transportation (1%)	59	\$33.8	\$31.5	\$31.2	4.5%	-6.7%	-1.1%
Housing (1%)	188	\$26.7	\$30.3	\$26.9	3.0%	13.3%	-11.4%
Other (4%)	681	\$123.8	\$132.4	\$130.5	7.4%	7.0%	-1.5%
Total Large Payers (45%)	2,917	\$1,372.6	\$1,470.5	\$1,464.0	5.9%	7.1%	-0.4%
Total Small Payers (55%)	221,588	\$1,811.9	\$1,855.9	\$1,791.9	11.5%	2.4%	-3.4%
Total All	224,505	\$3,184.5	\$3,326.4	\$3,255.9	9.0%	4.5%	-2.1%

Note: Companies making payments in excess of \$100,000.

Payroll Withholding by Month

Tracking Payroll Withholding Payment by Payment Size
Percent Change

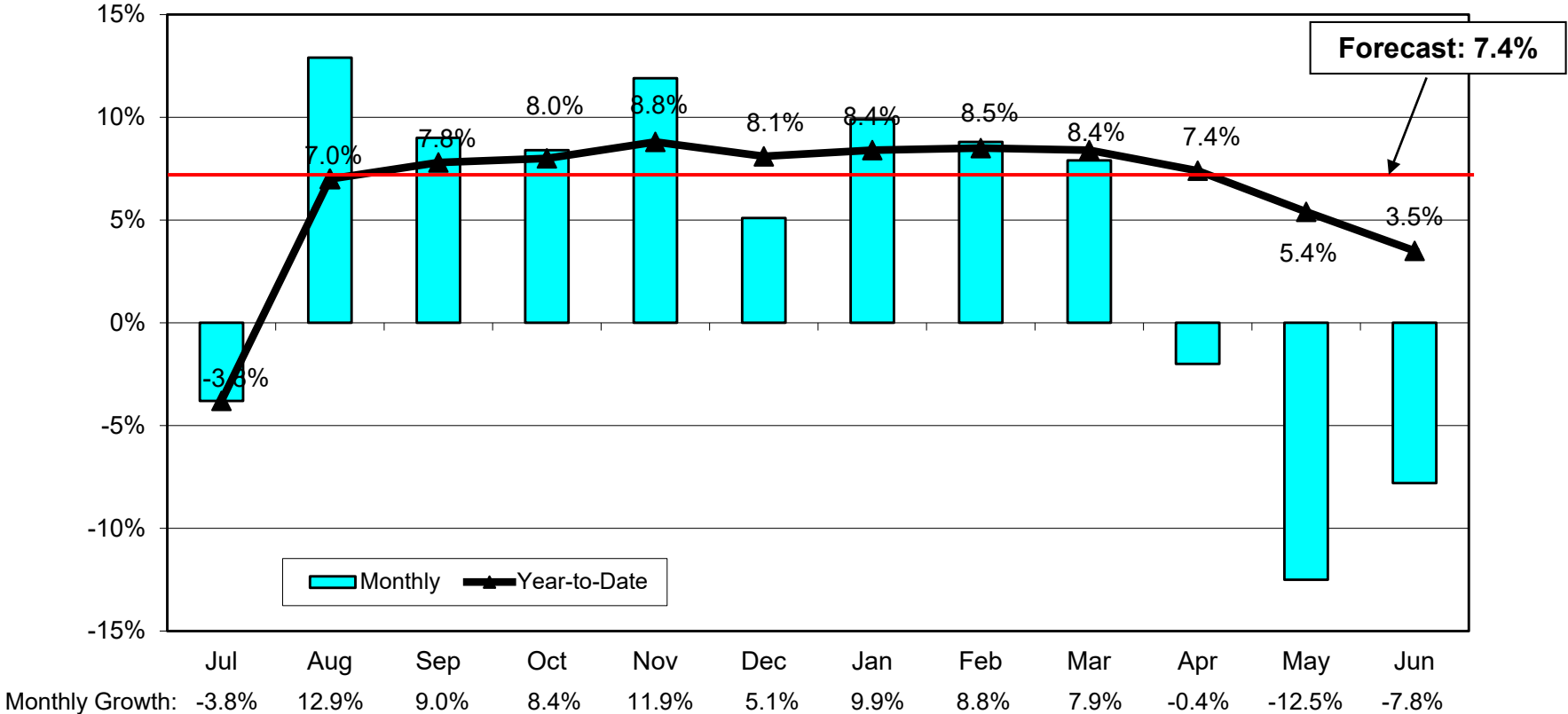
	\$0 to \$5k 17% of total		\$5 to \$10k 6% of total		\$10 to \$100k 25% of total		Over \$100k 52% of total		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
March	0.3	1.7	1.8	1.8	2.8	2.0	4.3	0.9	0.5	1.4
April	2.2	0.9	5.5	7.2	6.3	7.5	1.4	6.6	1.5	5.8
May	10.2	15.8	18.7	18.7	17.2	15.2	10.3	6.4	10.9	11.5
June	6.1	3.9	6.3	6.8	3.4	3.5	5.2	4.5	6.0	0.3
July	8.6	10.8	15.1	15.2	13.7	13.8	14.0	7.2	10.7	5.6
April - May	6.0	7.4	7.1	6.4	6.1	4.5	5.1	1.6	6.0	3.8
June - July	1.7	3.6	5.0	4.8	5.5	5.5	4.8	0.8	2.0	2.1
Typical Dealer Distribution	91%		4%		4%		1%		100%	
Number /Amount	225k	\$190m	9.7k	\$68m	10.7k	\$285m	1.3k	\$585m	249k	\$1.1b

Dealers with \$5k monthly withholding equate to about an annual payroll of \$1.5 million, \$10k = \$3 million, \$100k = \$30 million

- Payroll withholding by firm size has shown small businesses have been disproportionately affected by COVID-19.

Growth in Sales Tax Collections

FY20 Monthly and Year-to-Date



- Collections of sales and use taxes, reflecting mainly May sales, decreased 7.8 percent in June.
- For FY20, collections increased 3.5 percent (\$125.6 million), behind the annual estimate of 7.4 percent growth.
 - Retail sales collections fell 4.5 percent and use tax collections increased 32.3 percent. 90 percent of the increase in use tax collections were from new *Wayfair* related dealers.

Use Tax Payments Surged, While Sales Tax Payments for Several Industries Declined During the Shutdown

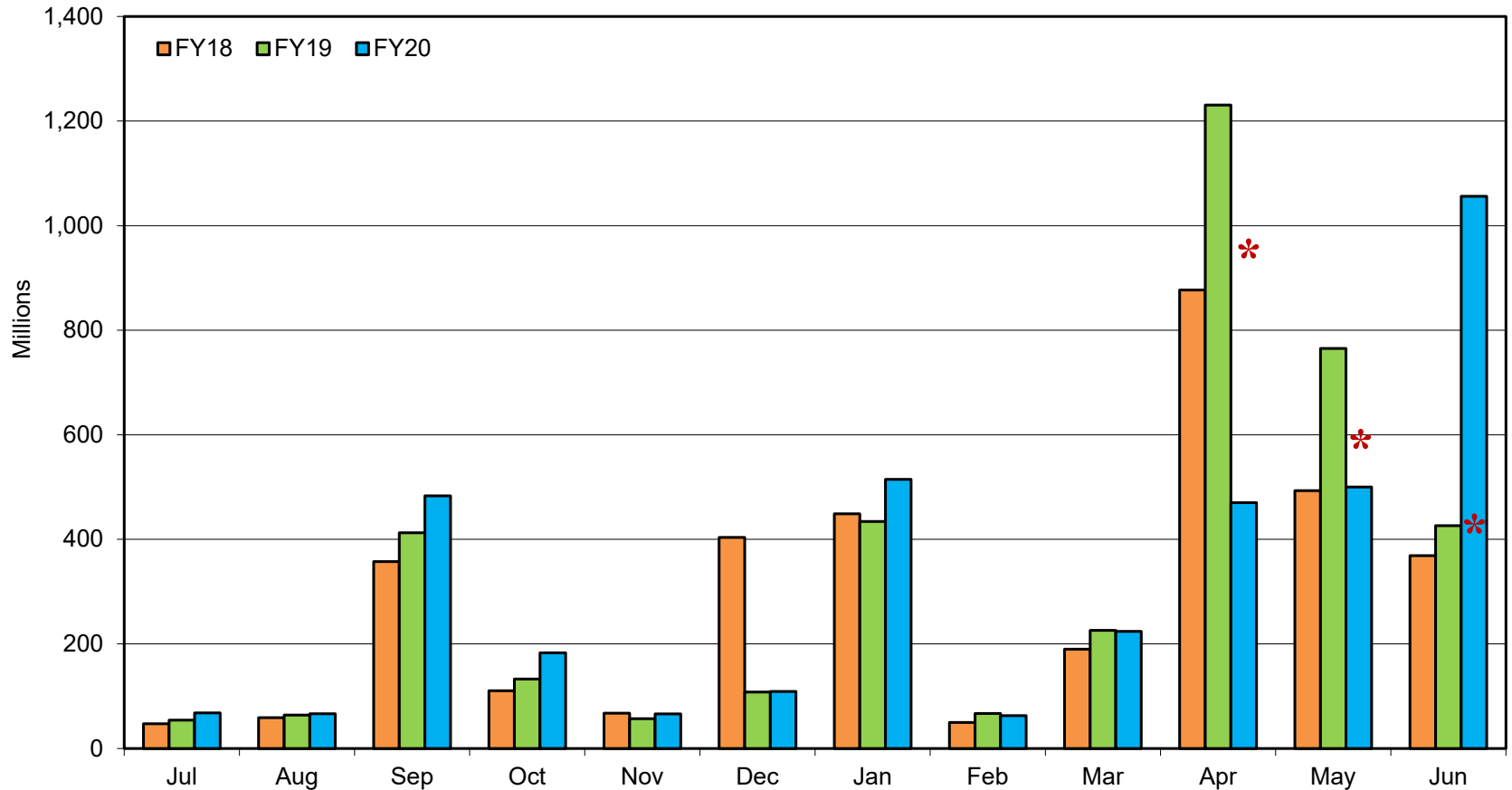
Sale and Use Tax Collections Fiscal Years 2018 - 2020 millions of dollars

Industry (% of Total \$ Amount)	# of Firms in FY17	Millions of Dollars			Percent Change		
		FY18	FY19	FY20	FY18	FY19	FY20
Housing (16%)	208	\$576.4	\$603.3	\$610.4	-0.2%	4.7%	1.2%
Warehouse Clubs/Supercenters (14%)	6	\$459.0	\$523.3	\$511.6	-3.2%	14.0%	-2.2%
Grocery Stores (10%)	29	\$348.5	\$356.6	\$383.2	-2.9%	2.3%	7.4%
Retail Trade (9%)	162	\$353.7	\$357.9	\$337.9	1.0%	1.2%	-5.6%
Department Stores (7%)	135	\$350.8	\$336.4	\$262.2	-2.7%	-4.1%	-22.1%
Restaurants (4%)	111	\$162.3	\$169.5	\$157.2	-4.3%	4.4%	-7.2%
Wholesale Trade (3%)	97	\$92.3	\$90.2	\$94.7	7.0%	-2.2%	5.0%
Gasoline Stores (2%)	25	\$51.4	\$54.2	\$64.2	-1.9%	5.5%	18.3%
Manufacturing (1%)	143	\$41.9	\$42.8	\$46.5	9.6%	2.0%	8.8%
Other (5%)	499	\$232.6	\$227.7	\$195.1	9.4%	-2.1%	-14.3%
Total Sales Large Payers	1,415	\$2,669.0	\$2,762.0	\$2,663.1	-0.4%	3.5%	-3.6%
Total Use Large Payers	196	\$556.6	\$653.5	\$1,029.2	12.4%	17.4%	57.5%

Note: Dealers making payments in excess of \$100,000.

Nonwithholding Tax Collections

FY18 – FY20 Monthly



- June receipts were up significantly as the May 1 filing date for final tax year 2019 and the first estimated payment for tax year 2020 was moved to June 1.
- There is no equivalent historical data to compare this year to past years.

Nonwithholding Tax Collections

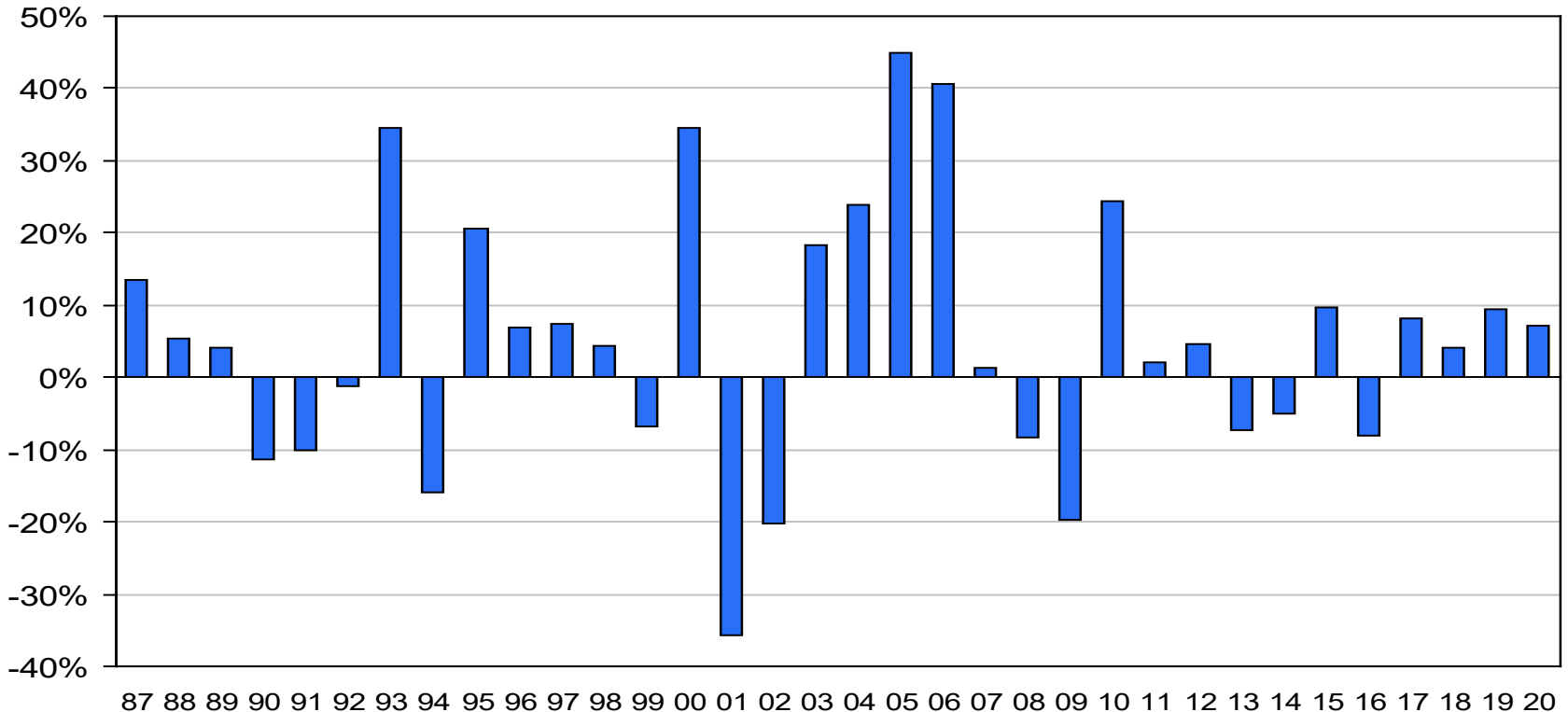
Large Individual Payments

	September		April - May	
	Number of Payments	Total Amount of Payments M\$	Number of Payments	Total Amount of Payments M\$
FY07	149	\$37.7	930	\$330.8
FY08	162	\$38.1	924	\$344.2
FY09	144	\$37.6	511	\$257.9
FY10	81	\$19.0	328	\$112.5
FY11	79	\$18.6	547	\$204.7
FY12	119	\$48.9	521	\$184.4
FY13	115	\$41.5	884	\$327.5
FY14	118	\$34.9	427	\$141.5
FY15	139	\$40.0	606	\$215.5
FY16	171	\$50.1	687	\$220.2
FY17	159	\$54.0	645	\$178.7
FY18	165	\$52.5	646	\$201.8
FY19	212	\$62.4	1,195	\$463.8
FY20	237	\$79.3	1,325	\$512.0

- FY20 includes the estimated and final payments received in June that were originally due May 1.

Corporate Income Tax Receipts Fell Short of the Annual Estimate By \$19.9 Million (1.9 Percent) In Fiscal Year 2020

Growth in Net Corporate Income Tax Receipts, FY87-20
Percent Growth Over the Prior Year



- Corporate income tax collections, 5 percent of total revenues and one of the most volatile sources, grew 7.2 percent in FY20, behind the annual estimate of a 9.3 percent increase.

By the End of FY 2021, the Combined Balances of the Revenue Stabilization Fund and the Revenue Reserve Will Exceed \$1.1 Billion

Preliminary Balance Sheet - June 30, 2020
General Fund - Cash Basis (Unaudited)
(Dollars in Thousands)

Assets

Cash, Cash Equivalents, and Investments	\$	3,653,405	
Cash and Travel Advances		494	
Other Assets		367	
Due From Other Funds		125	
		125	
Total Assets			\$ 3,654,391

Liabilities and Fund Equity

Liabilities:

Payments Awaiting Disbursement		122,724	
Deposits Pending Distribution		5,953	
Due To Other Funds		1,115	
		1,115	
Total Liabilities			\$ 129,792

Fund Equity:

Restricted Fund Balance:

Revenue Stabilization Fund		558,432	
Revenue Stabilization Reserve 2021		77,410	
Lottery Proceeds Fund		12,930	
Water Supply Assistance Grant Fund		1,768	
		1,768	
Total Restricted Fund Balance		650,540	

Committed Fund Balance:

Amount Required for Reappropriation of 2020 Unexpended Balances for Capital Outlay and Restoration Projects		7,839	
Virginia Health Care Fund		44,891	
Central Capital Planning Fund		5,421	
Communication Sales and Use Tax		32,886	
Commonwealth's Development Opportunity Fund		40,310	
Natural Disaster Sum Sufficient		54,754	
Amount Required for Mandatory Reappropriation		298,025	
Virginia Water Quality Improvement Fund		64,978	
Virginia Water Quality Improvement Fund - Part A 2019		32,386	
Virginia Water Quality Improvement Fund - Part B 2019		14,640	
Virginia Water Quality Improvement Fund - Part B 2020		30,350	
Revenue Reserve Fund		513,245	
Taxpayer Relief Fund		175	
COVID-19 General Fund		3,307	
Local Government Fiscal Distress		750	
Amount Required by Chapter 1289		1,185,284	
Amount Required for Discretionary Reappropriations		273,146	
Other Nongeneral Fund Balances Reported in the General Fund		271,672	
		271,672	
Total Commitments and Assignments		2,874,059	

Total Unassigned Fund Balance

		-	
Total Fund Equity			\$ 3,524,599

		-	
Total Liabilities and Fund Balance			\$ 3,654,391

As a Result of the FY20 Revenue Shortfall, Governor Northam Ordered the Secretary of Finance to Conduct a Reforecast of Revenues

- The July 2020 interim revenue forecast is based on the updated economic outlook for Virginia as approved by the *Joint Advisory Board of Economists* (JABE) and the *Governor's Advisory Council on Revenue Estimates* (GACRE) .
- IHS Markit's June 2020 standard and pessimistic forecasts for the U.S. and the associated outlook for Virginia were presented to the JABE and GACRE.
- At the JABE meeting with 12 members participating, 5 members supported the standard outlook, 5 members supported a standard minus outlook for fiscal year 2021 combined with the standard outlook for fiscal year 2022, and 2 supported the pessimistic outlook for both years of the biennium.
- At the GACRE meeting of business leaders, with 15 members participating, 7 members supported the standard outlook, 8 members supported a standard minus outlook for fiscal year 2021 combined with the standard outlook for fiscal year 2022.
- The Governor decided to recommend using the standard forecast for both years at this time given the recent strength in revenue collections, and to reevaluate the forecast during the normal fall forecasting season.

Key U.S. and Virginia Economic Indicators

June Standard Forecast

(annual percent change)

	Fiscal Year					
	17	18	19	20	21	22
Real GDP	2.0	2.8	2.6	(2.1)	(4.0)	6.7
Consumer Spending	2.6	2.8	2.8	(2.5)	(3.7)	5.5
CPI	1.9	2.3	2.1	1.6	0.8	2.3
3-Month T-bill	0.6	1.4	2.3	1.2	0.1	0.1
Employment						
U.S.	1.7	1.5	1.5	(2.0)	(3.0)	5.3
Virginia	1.0	1.2	1.2	(1.7)	(2.0)	1.2
Personal Income						
U.S.	3.5	5.4	5.0	3.9	0.3	3.8
Virginia	2.7	4.6	4.8	3.7	2.8	2.5
Wages & Salaries						
U.S.	3.6	5.3	4.8	0.9	0.5	7.9
Virginia	3.3	4.3	4.3	0.9	1.9	4.5

Official and Interim Standard General Fund Forecasts

(Dollars in Millions)

8/18/2020

	Fiscal Year 2021					
	Official		Interim		% Growth Over FY21	
			Change	Official	Interim	
Withholding	\$14,118.0	\$13,704.2	(\$413.8)	3.9 %	2.4 %	
Nonwithholding	4,101.0	3,668.9	(432.1)	7.8	(3.6)	
Refunds	(2,059.9)	(1,924.9)	135.0	4.2	5.1	
Net Individual	\$16,159.1	\$15,448.2	(\$710.9)	4.8	0.6	
Sales	\$3,893.0	\$3,346.5	(\$546.5)	1.3	(9.7)	
Corporate	1,019.2	1,041.7	22.5	(1.2)	3.0	
Wills (Recordation)	388.1	422.4	34.3	(17.2)	(12.6)	
Insurance	420.1	337.4	(82.7)	6.6	(6.4)	
All Other Revenue	808.3	756.9	(51.4)	(0.7)	(8.1)	
Total Revenue	\$22,687.8	\$21,353.1	(\$1,334.7)	3.3 %	(1.8) %	
A.B.C. Profits	\$125.1	\$125.1	\$0.0	0.2 %	(9.0) %	
Sales Tax (0.375%)	426.9	365.7	(61.2)	1.3	(9.9)	
Transfers Per Act	103.8	103.8	0.0	(33.2)	(35.3)	
Total Transfers	\$655.8	\$594.6	(\$61.2)	(6.5) %	(15.5) %	
TOTAL GENERAL FUND	\$ <u>\$23,343.6</u>	\$ <u>\$21,947.7</u>	\$ <u>(1,395.9)</u>	<u>3.0 %</u>	<u>(2.2) %</u>	

Interim Standard General Fund Forecast

(Dollars in Millions)

August 18, 2020

	Fiscal Year 2022						2020-2022 Biennium		
	Official	Interim	Change	% Growth Over FY21		Official	Interim	Change	
				Official	Interim				
Withholding	\$14,676.4	\$14,341.0	(\$335.4)	4.0 %	4.6 %	\$28,794.4	\$28,045.2	(\$749.2)	
Nonwithholding	4,306.5	3,784.9	(521.6)	5.0	3.2	8,407.5	7,453.8	(953.7)	
Refunds	(2,137.4)	(2,062.4)	75.0	3.8	7.1	(4,197.3)	(3,987.3)	210.0	
Net Individual	\$16,845.5	\$16,063.5	(\$782.0)	4.2	4.0	\$33,004.6	\$31,511.7	(\$1,492.9)	
Sales	\$3,955.6	\$3,438.7	(\$516.9)	1.6	2.8	\$7,848.6	\$6,785.2	(\$1,063.4)	
Corporate	1,132.6	1,143.0	10.4	11.1	9.7	2,151.8	2,184.7	32.9	
Wills (Recordation)	357.0	393.0	36.0	(8.0)	(7.0)	745.1	815.4	70.3	
Insurance	437.1	359.5	(77.6)	4.0	6.6	857.2	696.9	(160.3)	
All Other Revenue	810.5	787.8	(22.7)	0.3	4.1	1,618.8	1,544.7	(74.1)	
Total Revenue	\$23,538.3	\$22,185.5	(\$1,352.8)	3.7 %	3.9 %	\$46,226.1	\$43,538.6	(\$2,687.5)	
A.B.C. Profits	\$128.7	\$128.7	\$0.0	2.9 %	2.9 %	\$253.8	\$253.8	\$0.0	
Sales Tax (0.375%)	433.7	375.9	(57.8)	1.6	2.8	860.6	741.6	(119.0)	
Transfers Per Act	103.8	103.8	0.0	0.0	0.0	207.6	207.6	0.0	
Total Transfers	\$666.2	\$608.4	(\$57.8)	1.6 %	2.3 %	\$1,322.0	\$1,203.0	(\$119.0)	
TOTAL GENERAL FUND	\$24,204.5	\$22,793.9	(\$1,410.6)	3.7 %	3.9 %	\$47,548.1	\$44,741.6	(\$2,806.5)	

FY 2020 Commonwealth Transportation Fund (CTF) Collections Were \$121.0 Million Short of Forecast

Actual Collections Compared to the Official Forecast for Fiscal Year 2020
(Millions of Dollars)

Revenue Sources	FY2019 Actual	FY2020 Actual	FY2020 Forecast	Percent Change 2019-2020		Forecast Variance	
				Actual	Forecast	Amount	Percent
Motor Fuels Tax	844.7	843.3	884.9	(0.2)	4.8	(41.6)	(4.7)
Road Use Tax	9.8	21.2	24.8	116.3	153.1	(3.6)	(14.5)
Vehicle Sales Tax	978.6	954.5	988.8	(2.5)	1.0	(34.3)	(3.5)
Vehicle Licenses	266.1	272.2	299.2	2.3	12.4	(27.0)	(9.0)
State Sales Tax	1,087.8	1,123.4	1,153.1	3.3	6.0	(29.7)	(2.6)
Recordation Tax	47.1	59.7	48.8	26.8	3.6	10.9	22.3
Insurance Premiums Tax	168.7	183.6	183.6	8.8	8.8	0.0	0.0
Int'l Registration Plan	72.6	70.4	70.8	(3.0)	(2.5)	(0.4)	(0.6)
Interest Earnings	16.4	19.3	9.8	17.7	(40.2)	9.5	96.9
Rental Tax	42.4	38.8	43.6	(8.5)	2.8	(4.8)	(11.0)
Aviation Fuels Tax	2.0	1.8	2.0	(10.0)	0.0	(0.2)	(10.0)
Miscellaneous	19.0	18.1	17.9	(4.7)	(5.8)	0.2	1.1
TOTAL	\$3,555.2	\$3,606.3	\$3,727.3	1.4	4.8	(121.0)	(3.2)

- Total revenue growth lagged the target with a 3.2 percent forecast variance.
 - The forecast variance can be attributed to the pandemic's effects on motor fuels and motor vehicle sales tax collections.

Official and Interim Standard Commonwealth Transportation Fund Forecasts

	Fiscal Year 2021			Growth over FY20	
	Official	Interim	Change	Official	Interim
Motor Fuels Taxes (1)	\$ 1,124.6	\$ 1,010.4	\$ (114.2)	29.8 %	16.6 %
Priority Transportation Fund (2)	197.6	181.4	(16.2)	7.6	-1.2
Motor Vehicles Sales Tax (3)	1,038.9	929.9	(109.0)	4.6	-6.3
Retail Sales Tax	1,183.0	1,021.6	(161.4)	5.2	-9.1
Motor Vehicle License Fees	223.5	223.5	0.0	-17.5	-17.5
All Other Revenue	186.9	186.9	0.0	11.4	11.4
Total (4)	\$ 3,954.5	\$ 3,553.7	\$ (400.8)	9.7 %	-1.4 %

	Fiscal Year 2022			Growth over FY21	
	Official	Interim	Change	Official	Interim
Motor Fuels Taxes (1)	\$ 1,371.5	\$ 1,255.6	\$ (115.9)	22.0 %	24.3 %
Priority Transportation Fund (2)	205.9	205.9	0.0	4.2	13.5
Motor Vehicles Sales Tax (3)	1,062.1	981.0	(81.1)	2.2	5.5
Retail Sales Tax	1,202.1	1,050.2	(151.9)	1.6	2.8
Motor Vehicle License Fees	224.9	224.9	0.0	0.6	0.6
All Other Revenue	197.0	197.0	0.0	5.4	5.4
Total (4)	\$ 4,263.5	\$ 3,914.6	\$ (348.9)	7.8 %	10.2 %

Notes:

- (1) Includes aviation and road tax
- (2) Insurance premiums tax
- (3) Includes rental tax
- (4) Total state taxes and fees.

National and State Economic Indicators

- According to the advance estimate, real GDP fell at an annualized rate of 32.9 percent in the second quarter of 2020.
- Payroll employment rose by 1.8 million jobs in July.
 - The leisure and hospitality and retail trade sectors accounted for most of the gain, reflecting the reopening of the economy.
 - Employment has increased by 9.2 million during the past 3 months but is still 12.9 million below February levels.
- The national unemployment rate fell from 11.1 to 10.2 percent in July.
 - Since the peak of employment in February, employment is still down 12.9 million jobs.
- Initial claims for unemployment fell by 249,000 to 1.2 million during the week ending August 1, consistent with an improving labor market.
- The Conference Board's index of leading indicators rose 2.0 percent in June.
- The Conference Board's index of consumer confidence fell from 98.1 to 92.6 in July. The expectations component drove the decline.
- The Institute of Supply Management index rose from 52.6 to 54.2, the second consecutive month above the neutral threshold of 50.0.

National and State Economic Indicators

- The CPI rose 0.6 percent in June following three months of declines, and stands 0.7 percent above June 2019.
 - Core inflation (excluding food and energy prices) rose by 0.2 percent, and has increased 1.2 percent from last year.
- At its July meeting, the Federal Reserve left the federal funds target rate unchanged at the range of 0.0 to 0.25 percent.
- In Virginia, payroll employment fell 7.6 percent in June compared with last year. Northern Virginia posted a decline of 7.6 percent; Hampton Roads employment fell 7.6 percent, and Richmond-Petersburg fell 7.9 percent.
- The seasonally adjusted unemployment rate fell 0.4 percentage point to 8.5 percent in June compared with 2.9 percent in June of last year.
 - Since the peak of employment in February, employment is still down 349,400 jobs.
- The Virginia Leading Index rose by 0.8 percent in June after falling 2.0 percent in May.
 - Auto registrations declined in June while the U.S. Leading index, future employment, and initial claims for unemployment improved.
 - The indexes for Northern Virginia and Harrisonburg were unchanged. The index for Winchester decreased in June while the indexes for the remaining eight regions increased.

July's Revenue Collections Increased 24.1 Percent

FY 2021 Estimate
Per Chapter 1289

Commonwealth of Virginia/Department of Accounts
Summary Report on General Fund Revenue Collections
For the Fiscal Years 2020 and 2021
(Dollars in Thousands)

Revenue	(1)	(2)	July			Year-To-Date			(9)
	FY 2021 Estimate	As a % of Gen Fund Rev	FY 2021	FY 2020	% Change	FY 2021	FY 2020	% Change	% Annual Growth Req By Est
Individual Income Tax:									
Withholding	\$14,118,000	62.22	\$1,064,844	\$1,063,356	0.1	\$1,064,844	\$1,063,356	0.1	5.5
Tax Dues/Estimated Payments	4,101,000	18.08	391,293	67,956	475.8	391,293	67,956	475.8	7.8
Gross Individual Income Tax	\$18,219,000	80.30	\$1,456,137	\$1,131,312	28.7	\$1,456,137	\$1,131,312	28.7	6.0
Individual and Fiduciary Income (Refunds)	(2,059,900)	(9.08)	(157,854)	(48,362)	226.4	(157,854)	(48,362)	226.4	12.5
Net Individual Income Tax	\$16,159,100	71.22	\$1,298,283	\$1,082,950	19.9	\$1,298,283	\$1,082,950	19.9	5.3
Sales and Use Tax	\$3,893,000	17.16	\$209,320	\$144,849	44.5	\$209,320	\$144,849	44.5	5.0
Corporations Income Tax	1,019,200	4.49	79,242	36,629	116.3	79,242	36,629	116.3	0.7
Wills, Suits, Deeds, Contracts	388,100	1.71	54,814	43,968	24.7	54,814	43,968	24.7	(19.7)
Insurance Premiums	420,100	1.85	0	0	-	0	0	-	16.5
Interest Income (a)	111,400	0.49	17,182	24,321	(29.4)	17,182	24,321	(29.4)	0.9
Alcoholic Beverage Sales (b)	260,400	1.15	4,251	3,665	16.0	4,251	3,665	16.0	(2.6)
All Other Revenues	436,500	1.93	28,596	26,617	7.4	28,596	26,617	7.4	(2.1)
Total General Fund Revenues	\$22,687,800	100.00	\$1,691,688	\$1,362,999	24.1	\$1,691,688	\$1,362,999	24.1	4.4

- July is usually not a significant month, representing only 6 percent of the FY20 forecast.
- The July increase was largely due to timing of late individual and corporate estimated or final payments due June 1.
 - Over \$250 million in July payments were due June 1.

Fall Forecasting Process Will Begin in September

- Trends in revenue collections over the next few months will be incorporated into the fall forecasting process.
 - **September:**
 - Individual, corporate, and insurance estimated payments are due.
 - **October:**
 - Retailer's corporate estimated payments are due.
 - *Joint Advisory Board of Economists (JABE)* reviews economic projections for current biennium.
 - **November:**
 - Corporate refunds from extension returns peak.
 - Individual income tax extension returns due November 1.
 - *Governor's Advisory Council on Revenue Estimates (GACRE)* reviews revenue forecast for the 2020 - 2022 biennium.
 - **December:**
 - General fund revenue forecast finalized.
 - Governor Northam's amendments to the FY 2020 - 2022 budget are presented to the Joint Money Committee (December 16).

Known Funding Commitments / Risks

COVID-19

Virginia - Authorized Use of Coronavirus Relief Fund

as of 8-12-2020

Total Allocation to Virginia	\$ 3,309,738,321
less Fairfax County	(200,235,485)
Balance for Rest of State	\$ 3,109,502,836

Less Current Commitments:

1st round of local allocations

VDEM - testing

VDEM - PPE

VDEM - other

VDH - replace deficit authorization

VDH - contact tracing/UVA Equipment

DGS - consolidated labs

DHCD - emergency housing for homeless

FY 2020 agency-based requests (includes \$10M for mortgage and rental assistance mentioned in next item)

DHCD - Continuation of FY 2020 mortgage and rental assistance (\$10M in FY 2020, \$40M in FY 2021)

DSBSD - small business assistance grants

DMAS - Long-term care facilities

DMAS - PPE for Personal Care Attendants

2nd round of local allocations

DHCD - emergency housing for homeless

VDACS - Continuation of FY 2020 program Food Insecurity - CRF portion of Governor's amendments

DSS - Food Security - expand emergency food supply package - CRF portion of Governor's amendments

VDEM - Food Security - purchase 1 million MREs - CRF portion of Governor's amendments

	When Allocated/Committed ¹		
	FY 2020	FY 2021	Total
	(644,573,383)		(644,573,383)
	(42,338,400)		(42,338,400)
	(97,000,000)		(97,000,000)
	(33,722,001)		(33,722,001)
	(3,291,300)		(3,291,300)
	(59,157,614)		(59,157,614)
	(6,052,673)		(6,052,673)
	(5,528,998)		(5,528,998)
	(90,480,698)		(90,480,698)
		(40,000,000)	(40,000,000)
		(70,000,000)	(70,000,000)
		(55,640,872)	(55,640,872)
		(9,256,178)	(9,256,178)
		(644,573,383)	(644,573,383)
		(3,300,000)	(3,300,000)
		(1,211,953)	(1,211,953)
		(650,000)	(650,000)
		(2,000,000)	(2,000,000)
Total Commitments	(982,145,067)	(826,632,386)	(1,808,777,453)

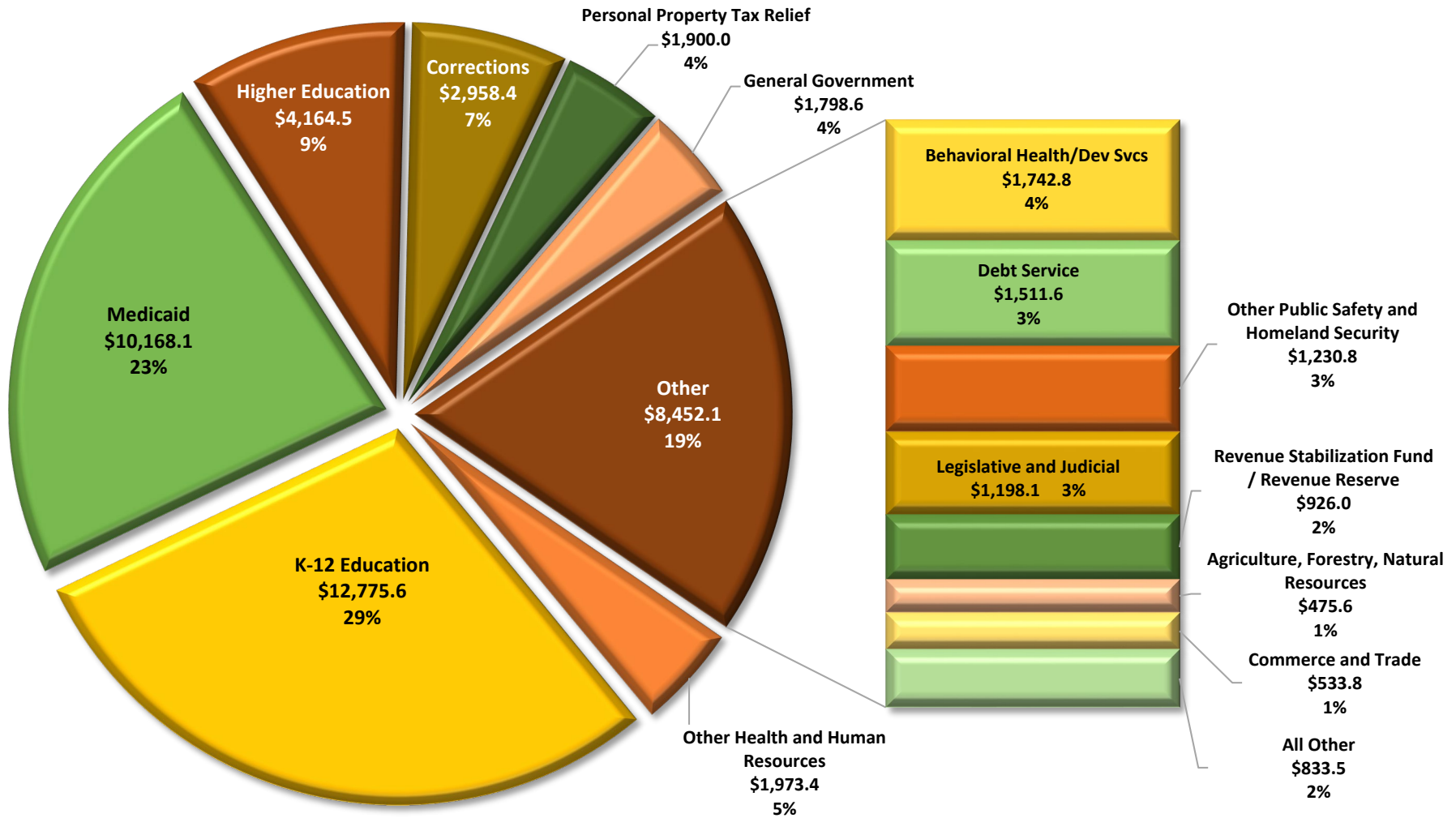
Remaining Balance

\$ 1,300,725,383

¹ NOTE: Not all funds allocated have been spent as of the date of this report. Balances remain in some items.

2018-2020 BIENNIUM GF OPERATING BUDGET = \$44.2 BILLION

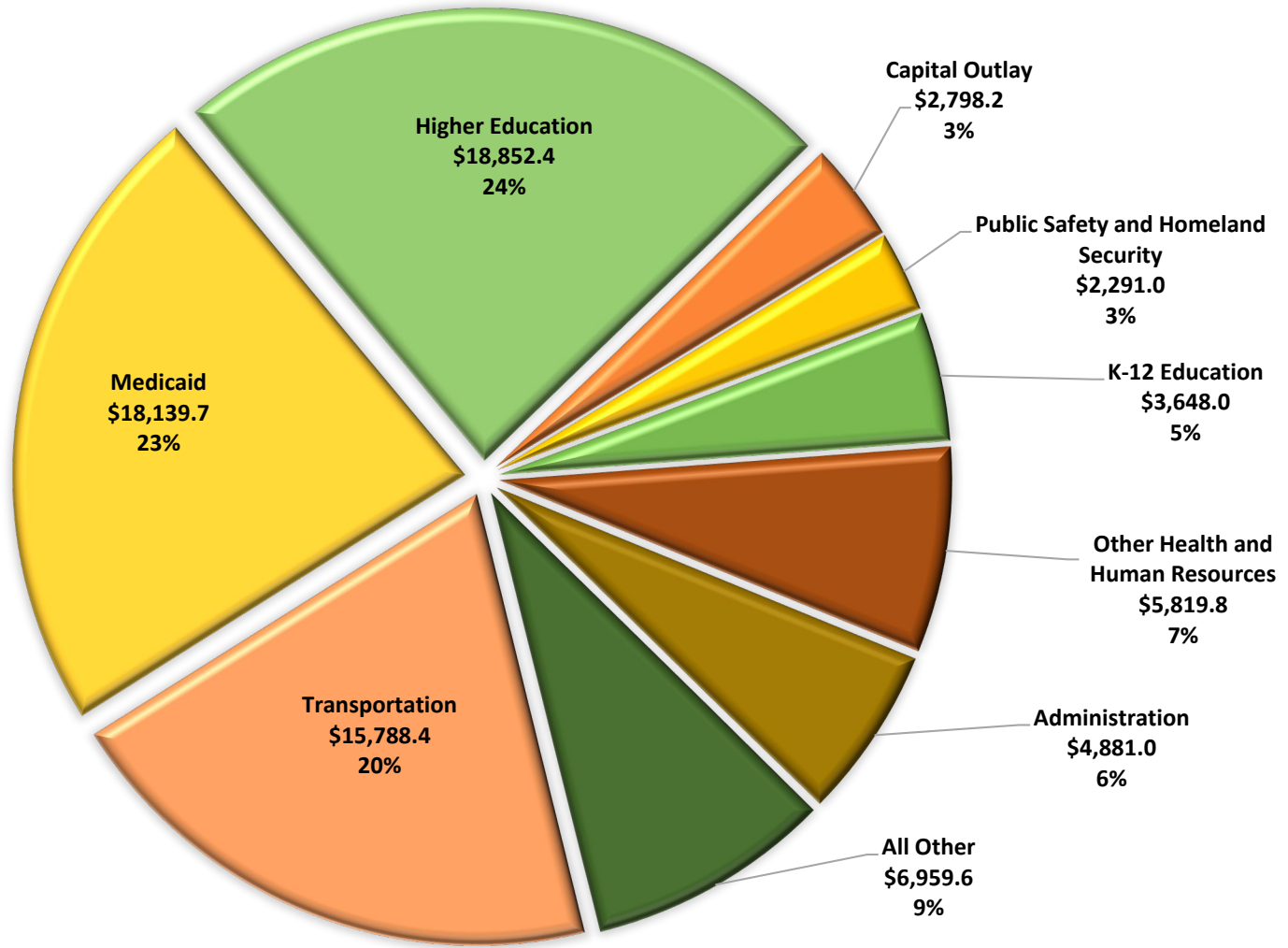
Chapter 854, 2019 Acts of Assembly
(Dollars in Millions)



2018-2020 BIENNIUM NGF BUDGET = \$79.2 BILLION

Chapter 854, 2019 Acts of Assembly

(Dollars in Millions)



Appendix

- Fiscal Year 2020 General Fund Collections: Actual and Official Forecast
- Interim General Fund Forecast for Fiscal Year 2021-22
- Interim Commonwealth Transportation Fund Forecast for Fiscal Year 2021-22
- Growth in Total General Fund Revenues, Fiscal Years 1961 to 2022
- June 2020 Revenue Report
- July 2020 Revenue Report

Note:

General Fund Preliminary Annual Report, August, 2020 is available at the Department of Accounts website: www.doa.virginia.gov

This presentation is available at the Secretary of Finance website: www.finance.virginia.gov

The Official to Actual General Fund Forecast for Fiscal Year 2020
(Dollars in Millions)

August 18, 2020

	Fiscal Year 2019		Fiscal Year 2020			% Growth Over FY19	
	Actual	% Growth	Official Forecast	Actual	Change	Official	Actual
MAJOR TAX SOURCES							
Corporate Income	\$ 943.4	9.5 %	\$ 1,031.5	\$ 1,011.7	\$ (19.9)	9.3 %	7.2 %
Individual Income Tax:							
Gross	16,964.7	5.9	17,396.0	17,182.5	(213.5)	2.5	1.3
Withholding	12,987.8	3.6	13,591.9	13,378.1	(213.8)	4.7	3.0
Nonwithholding	3,976.8	14.5	3,804.1	3,804.5	0.4	(4.3)	(4.3)
Refunds	<u>(1,738.2)</u>	<u>(8.9)</u>	<u>(1,976.6)</u>	<u>(1,830.9)</u>	<u>145.7</u>	<u>13.7</u>	<u>5.3</u>
Net	15,226.5	7.9	15,419.4	15,351.6	(67.8)	1.3	0.8
Insurance Company Premiums	382.0	13.0	394.1	360.6	(33.5)	3.2	(5.6)
State Sales & Use Tax	3,580.4	3.4	3,844.5	3,706.8	(137.7)	7.4	3.5
Wills, Suits, Deeds, & Contract Fees	<u>386.5</u>	<u>(2.1)</u>	<u>468.6</u>	<u>483.5</u>	<u>14.9</u>	<u>21.3</u>	<u>25.1</u>
Total Major Tax Sources	\$ 20,518.7	7.1 %	\$ 21,158.1	\$ 20,914.2	\$ (243.9)	3.1 %	1.9 %
MISCELLANEOUS TAXES AND OTHER REVENUES							
Alcoholic Beverage State Tax	\$ 200.1	4.8 %	\$ 211.0	\$ 226.4	\$ 15.4	5.4 %	13.2 %
Bank Franchise Tax	29.7	24.0	22.0	26.7	4.7	(25.9)	(10.0)
Beer & Beverage Excise Tax	40.7	(0.5)	40.7	40.8	0.1	0.1	0.3
Corporate Franchise & Charter Fees	58.2	8.6	52.3	59.2	6.9	(10.2)	1.6
Excess & Other Fees from Officers	(6.9)	10.3	(7.5)	(8.6)	(1.1)	(9.2)	(25.9)
Estate & Gifts	0.2	(79.5)	0.0	0.1	0.1	(100.0)	(58.1)
Institutional Revenues	2.7	(2.3)	2.6	2.6	(0.0)	(3.5)	(4.6)
Interest & Rents	87.3	41.4	129.3	110.7	(18.6)	48.1	26.9
Licenses & Permits	3.9	(1.5)	4.0	3.6	(0.4)	1.4	(9.9)
Miscellaneous Taxes and Penalties	245.9	7.3	236.8	230.4	(6.4)	(3.7)	(6.3)
Other Miscellaneous Revenues	28.1	44.4	23.8	34.8	11.0	(15.2)	23.8
Public Service GR / Consumption Tax	<u>98.9</u>	<u>0.2</u>	<u>98.9</u>	<u>97.0</u>	<u>(1.9)</u>	<u>0.0</u>	<u>(1.9)</u>
Total Misc. Taxes and Other Revenues	\$ 788.8	9.8 %	\$ 813.9	\$ 823.6	\$ 9.7	3.2 %	4.4 %
TOTAL GF REVENUES	\$ 21,307.5	7.2 %	\$ 21,972.0	\$ 21,737.8	\$ (234.2)	3.1 %	2.0 %
TRANSFERS							
A.B.C. Profits	\$ 130.7	19.4 %	\$ 124.8	\$ 137.5	\$ 12.7	(4.5) %	5.2 %
Sales Tax (0.25%)	392.6	4.2	421.6	406.0	(15.6)	7.4	3.4
Transfers Per Appropriations Act	<u>134.7</u>	<u>(5.3)</u>	<u>155.3</u>	<u>160.4</u>	<u>5.1</u>	<u>15.3</u>	<u>19.1</u>
Total Transfers	\$ 658.0	4.7 %	\$ 701.7	\$ 703.9	\$ 2.2	6.6 %	7.0 %
TOTAL GENERAL FUND	\$ 21,965.5	7.1 %	\$ 22,673.7	\$ 22,441.7	\$ (232.0)	3.2 %	2.2 %

The Official forecast is based on the October 2019 IHS Markit Standard Outlook and the corresponding Virginia state forecast developed by the Department of Taxation with recommendations of GACRE. It includes actions of the 2020 General Assembly Session, Chapter 1283 and 1289.

The Interim forecast is based on the June 2020 IHS Markit Standard Outlook and the corresponding Virginia state forecast developed by the Department of Taxation.

The Official to Interim General Fund Forecast for Fiscal Year 2021
(Dollars in Millions)

August 18, 2020

	Fiscal Year 2021				
	Official Forecast	Interim Forecast	Change	% Growth Over FY20 Official	% Growth Over FY20 Interim
MAJOR TAX SOURCES					
Corporate Income	\$ 1,019.2	\$ 1,041.7	\$ 22.5	(1.2) %	3.0 %
Individual Income Tax:					
Gross	18,219.0	17,373.1	(845.9)	4.7	1.1
Withholding	14,118.0	13,704.2	(413.8)	3.9	2.4
Nonwithholding	4,101.0	3,668.9	(432.1)	7.8	(3.6)
Refunds	<u>(2,059.9)</u>	<u>(1,924.9)</u>	<u>135.0</u>	<u>4.2</u>	<u>5.1</u>
Net	16,159.1	15,448.2	(710.9)	4.8	0.6
Insurance Company Premiums	420.1	337.4	(82.7)	6.6	(6.4)
State Sales & Use Tax	3,893.0	3,346.5	(546.5)	1.3	(9.7)
Wills, Suits, Deeds, & Contract Fees	<u>388.1</u>	<u>422.4</u>	<u>34.3</u>	<u>(17.2)</u>	<u>(12.6)</u>
Total Major Tax Sources	\$ 21,879.5	\$ 20,596.2	\$ (1,283.3)	3.4 %	(1.5) %
MISCELLANEOUS TAXES AND OTHER REVENUES					
Alcoholic Beverage State Tax	\$ 219.7	\$ 219.7	\$ 0.0	4.1 %	(3.0) %
Bank Franchise Tax	22.0	22.0	0.0	0.0	(17.7)
Beer & Beverage Excise Tax	40.7	40.7	0.0	0.0	(0.2)
Corporate Franchise & Charter Fees	52.3	52.3	0.0	0.0	(11.6)
Excess & Other Fees from Officers	(7.5)	(7.5)	0.0	0.0	(13.3)
Estate & Gifts	0.0	0.0	0.0	n/a	n/a
Institutional Revenues	2.6	2.6	0.0	0.0	1.1
Interest & Rents	111.7	80.3	(31.4)	(13.6) %	(27.5)
Licenses & Permits	4.0	4.0	0.0	0.0 %	12.6
Miscellaneous Taxes and Penalties	240.6	220.6	(20.0)	1.6 %	(4.2)
Other Miscellaneous Revenues	23.3	23.3	0.0	(2.1) %	(33.0)
Public Service GR / Consumption Tax	<u>98.9</u>	<u>98.9</u>	<u>0.0</u>	<u>0.0 %</u>	<u>1.9</u>
Total Misc. Taxes and Other Revenues	\$ 808.3	\$ 756.9	\$ (51.4)	(0.7) %	(8.1) %
TOTAL GF REVENUES	\$ 22,687.8	\$ 21,353.1	\$ (1,334.7)	3.3 %	(1.8) %
TRANSFERS					
A.B.C. Profits	\$ 125.1	\$ 125.1	\$ 0.0	0.2 %	(9.0) %
Sales Tax (0.375%)	426.9	365.7	(61.2)	1.3	(9.9)
Transfers Per Appropriations Act	<u>103.8</u>	<u>103.8</u>	<u>0.0</u>	<u>(33.2)</u>	<u>(35.3)</u>
Total Transfers	\$ 655.8	\$ 594.6	\$ (61.2)	(6.5) %	(15.5) %
TOTAL GENERAL FUND	\$ 23,343.6	\$ 21,947.7	\$ (1,395.9)	3.0 %	(2.2) %

The Official forecast is based on the October 2019 IHS Markit Standard Outlook and the corresponding Virginia state forecast developed by the Department of Taxation with recommendations of GACRE. It includes actions of the 2020 General Assembly Session, Chapter 1283 and 1289. The Interim forecast is based on the June 2020 IHS Markit Standard Outlook and the corresponding Virginia state forecast developed by the Department of Taxation.

The Official to Interim General Fund Forecast for Fiscal Year 2022
(Dollars in Millions)

August 18, 2020

	Fiscal Year 2022					2020-2022 Biennium		
	Official Forecast	Interim Forecast	Change	% Growth Over FY21 Official	% Growth Over FY21 Interim	Official Forecast	Interim Forecast	Change
MAJOR TAX SOURCES								
Corporate Income	\$ 1,132.6	\$ 1,143.0	\$ 10.4	11.1 %	9.7 %	\$ 2,151.8	\$ 2,184.7	\$ 32.9
Individual Income Tax:								
Gross	18,982.9	18,125.9	(857.0)	4.2	4.3	37,201.9	35,499.0	(1,702.9)
Withholding	14,676.4	14,341.0	(335.4)	4.0	4.6	28,794.4	28,045.2	(749.2)
Nonwithholding	4,306.5	3,784.9	(521.6)	5.0	3.2	8,407.5	7,453.8	(953.7)
Refunds	<u>(2,137.4)</u>	<u>(2,062.4)</u>	<u>75.0</u>	<u>3.8</u>	<u>7.1</u>	<u>(4,197.3)</u>	<u>(3,987.3)</u>	<u>210.0</u>
Net	16,845.5	16,063.5	(782.0)	4.2	4.0	33,004.6	31,511.7	(1,492.9)
Insurance Company Premiums	437.1	359.5	(77.6)	4.0	6.6	857.2	696.9	(160.3)
State Sales & Use Tax	3,955.6	3,438.7	(516.9)	1.6	2.8	7,848.6	6,785.2	(1,063.4)
Wills, Suits, Deeds, & Contract Fees	<u>357.0</u>	<u>393.0</u>	<u>36.0</u>	<u>(8.0)</u>	<u>(7.0)</u>	<u>745.1</u>	<u>815.4</u>	<u>70.3</u>
Total Major Tax Sources	\$ 22,727.8	\$ 21,397.7	\$ (1,330.1)	3.9 %	3.9 %	\$ 44,607.3	\$ 41,993.9	\$ (2,613.4)
MISCELLANEOUS TAXES AND OTHER REVENUES								
Alcoholic Beverage State Tax	\$ 228.8	\$ 228.8	\$ 0.0	4.1 %	4.1 %	\$ 448.5	\$ 448.5	\$ 0.0
Bank Franchise Tax	22.0	22.0	0.0	0.0	0.0	44.0	44.0	0.0
Beer & Beverage Excise Tax	40.7	40.7	0.0	0.0	0.0	81.4	81.4	0.0
Corporate Franchise & Charter Fees	52.3	52.3	0.0	0.0	0.0	104.6	104.6	0.0
Excess & Other Fees from Officers	(7.5)	(7.5)	0.0	0.0	0.0	(15.0)	(15.0)	0.0
Estate & Gifts	0.0	0.0	0.0	n/a	n/a	0.0	0.0	n/a
Institutional Revenues	2.6	2.6	0.0	0.0	0.0	5.2	5.2	0.0
Interest & Rents	104.9	92.2	(12.7)	(6.1)	14.8	216.6	172.5	(44.1)
Licenses & Permits	4.0	4.0	0.0	0.0	0.0	8.0	8.0	0.0
Miscellaneous Taxes and Penalties	240.5	230.5	(10.0)	(0.0)	4.5	481.1	451.1	(30.0)
Other Miscellaneous Revenues	23.3	23.3	0.0	0.0	0.0	46.6	46.6	0.0
Public Service GR / Consumption Tax	<u>98.9</u>	<u>98.9</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>197.8</u>	<u>197.8</u>	<u>0.0</u>
Total Misc. Taxes and Other Revenues	\$ 810.5	\$ 787.8	\$ (22.7)	0.3 %	4.1 %	\$ 1,618.8	\$ 1,544.7	\$ (74.1)
TOTAL GF REVENUES	\$ 23,538.3	\$ 22,185.5	\$ (1,352.8)	3.7 %	3.9 %	\$ 46,226.1	\$ 43,538.6	\$ (2,687.5)
TRANSFERS								
A.B.C. Profits	\$ 128.7	\$ 128.7	\$ 0.0	2.9 %	2.9 %	\$ 253.8	\$ 253.8	\$ 0.0
Sales Tax (0.375%)	433.7	375.9	(57.8)	1.6	2.8	860.6	741.6	(119.0)
Transfers Per Appropriations Act	<u>103.8</u>	<u>103.8</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>207.6</u>	<u>207.6</u>	<u>0.0</u>
Total Transfers	\$ 666.2	\$ 608.4	\$ (57.8)	1.6 %	2.3 %	\$ 1,322.0	\$ 1,203.0	\$ (119.0)
TOTAL GENERAL FUND	\$ 24,204.5	\$ 22,793.9	\$ (1,410.6)	3.7 %	3.9 %	\$ 47,548.1	\$ 44,741.6	\$ (2,806.5)

The Official forecast is based on the October 2019 IHS Markit Standard Outlook and the corresponding Virginia state forecast developed by the Department of Taxation with recommendations of GACRE. It includes actions of the 2020 General Assembly Session, Chapter 1283 and 1289.

The Interim forecast is based on the June 2020 IHS Markit Standard Outlook and the corresponding Virginia state forecast developed by the Department of Taxation.

**The Official and Interim Standard Commonwealth Transportation Fund Forecast for Fiscal Year 2021
(Dollars in Millions)**

August 18, 2020

	Fiscal Year 2020		Fiscal Year 2021					
	Forecast	% Growth	Official Forecast	August Forecast	Change	% Growth over FY 20 Official	August	
Commonwealth Transportation Fund								
Motor Fuels Tax	\$ 843.3	(0.2) %	\$ 1,077.9	\$ 963.7	\$ (114.2)	27.8 %	14.3 %	
Road Tax	21.2	116.3	44.7	44.7	0.0	110.8	110.8	
Aviation Fuels Tax	1.8	(10.0)	2.0	2.0	0.0	11.1	11.1	
Motor Vehicle Sales and Use Tax	954.5	(2.4)	995.6	886.6	(109.0)	4.3	(7.1)	
Motor Vehicle Rental Tax	38.8	(8.7)	43.3	43.3	0.0	11.6	11.6	
Motor Vehicle License Fees	272.2	2.3	223.5	223.5	0.0	(17.9)	(17.9)	
Highway User Fee	0.0	n/a	38.0	38.0	0.0	n/a	n/a	
International Registration Plan	70.4	(3.0)	73.7	73.7	0.0	4.7	4.7	
Retail Sales and Use Tax	1,123.4	3.3	1,183.0	1,021.6	(161.4)	5.3	(9.1)	
Recordation Tax (3 cents)	59.7	26.8	45.3	45.3	0.0	(24.1)	(24.1)	
Insurance Premiums Tax (1/3)	183.6	8.9	197.6	181.4	(16.2)	7.6	(1.2)	
Interest Earnings	19.3	17.7	12.0	12.0	0.0	(37.8)	(37.8)	
Miscellaneous	18.1	(4.7)	17.9	17.9	0.0	(1.1)	(1.1)	
Total State Taxes and Fees	\$ 3,606.3	1.4 %	\$ 3,954.5	\$ 3,553.7	\$ (400.8)	9.7 %	(1.5) %	

The Official forecast is based on the October 2019 Global Insight Standard outlook and the corresponding Virginia state forecast developed by the Department of Taxation and includes actions of the 2020 General Assembly.

The August Interim forecast is based on the June 2020 Global Insight Standard outlook and the corresponding Virginia state forecast developed by the Department of Taxation.

The Road Tax and Motor Vehicle Registration Fees include revenues resulting from Chapter 837 (2019) that were previously booked as revenue in the I81 Corridor Fund and the NVTa which will be booked in the CTF per Chapter 1275 (2020), beginning in fiscal year 2021.

The Official and Interim Standard Commonwealth Transportation Fund Forecast for Fiscal Year 2022
(Dollars in Millions)

August 18, 2020

	Fiscal Year 2022					
	Official Forecast	August Forecast	Change	% Growth over FY 21		
				Official	August	
Commonwealth Transportation Fund						
Motor Fuels Tax	\$ 1,320.3	\$ 1,204.4	\$ (115.9)	22.5 %	25.0 %	
Road Tax	49.2	49.2	0.0	10.1	10.1	
Aviation Fuels Tax	2.0	2.0	0.0	0.0	0.0	
Motor Vehicle Sales and Use Tax	1,019.2	938.1	(81.1)	2.4	5.8	
Motor Vehicle Rental Tax	42.9	42.9	0.0	(0.9)	(0.9)	
Motor Vehicle License Fees	224.9	224.9	0.0	0.6	0.6	
Highway User Fee	46.6	46.6	0.0	n/a	22.6	
International Registration Plan	73.6	73.6	0.0	(0.1)	(0.1)	
Retail Sales and Use Tax	1,202.1	1,050.2	(151.9)	1.6	2.8	
Recordation Tax (3 cents)	42.2	42.2	0.0	(6.8)	(6.8)	
Insurance Premiums Tax (1/3)	205.9	205.9	0.0	4.2	13.5	
Interest Earnings	16.7	16.7	0.0	39.2	39.2	
Miscellaneous	17.9	17.9	0.0	0.0	0.0	
Total State Taxes and Fees	\$ 4,263.5	\$ 3,914.6	\$ (348.9)	7.8 %	10.2 %	

The Official forecast is based on the October 2019 Global Insight Standard outlook and the corresponding Virginia state forecast developed by the Department of Taxation and includes actions of the 2020 General Assembly.

The August Interim forecast is based on the June 2020 Global Insight Standard outlook and the corresponding Virginia state forecast developed by the Department of Taxation.

The Road Tax and Motor Vehicle Registration Fees include revenues resulting from Chapter 837 (2019) that were previously booked as revenue in the I81 Corridor Fund and the NVTa which will be booked in the CTF per Chapter 1275 (2020), beginning in fiscal year 2021.

Growth in Total General Fund Revenues

Fiscal Year 1961 - Fiscal Year 2022

(Nominal - Actual Dollars)

<u>FY</u>	<u>Total Revenues</u>	<u>Growth</u>	<u>FY</u>	<u>Total Revenues</u>	<u>Growth</u>
61	230,998,887	-	92	5,623,213,000	2.8%
62	242,144,567	4.8%	93	6,133,637,000	9.1%
63	286,304,265	18.2%	94	6,503,368,000	6.0%
64	298,033,919	4.1%	95	6,881,145,000	5.8%
65	323,213,412	8.4%	96	7,356,110,000	6.9%
66	365,129,776	13.0%	97	7,949,327,000	8.1%
67	414,755,644	13.6%	98	8,773,520,000	10.4%
68	533,597,744	28.7%	99	9,702,747,000	10.6%
69	706,254,374	32.4%	00	10,788,482,000	11.2%
70	743,721,322	5.3%	01	11,105,275,000	2.9%
71	807,954,651	8.6%	02	10,678,954,000	-3.8%
72	922,653,686	14.2%	03	10,867,149,000	1.8%
73	1,054,469,443	14.3%	04	11,917,867,000	9.7%
74	1,168,562,871	10.8%	05	13,687,252,000	14.8%
75	1,303,178,893	11.5%	06	14,834,298,000	8.4%
76	1,428,421,157	9.6%	07	15,565,827,000	4.9%
77	1,636,301,819	14.6%	08	15,766,951,000	1.3%
78	1,923,085,084	17.5%	09	14,315,060,000	-9.2%
79	2,115,211,522	10.0%	10	14,219,477,000	-0.7%
80	2,344,928,934	10.9%	11	15,040,200,000	5.8%
81	2,579,663,941	10.0%	12	15,846,665,000	5.4%
82	2,796,458,741	8.4%	13	16,684,600,000	5.3%
83	2,975,687,935	6.4%	14	16,411,400,000	-1.6%
84	3,397,710,261	14.2%	15	17,735,600,000	8.1%
85	3,790,816,000	11.6%	16	18,040,100,000	1.7%
86	4,131,778,000	9.0%	17	18,695,100,000	3.6%
87	4,590,434,000	11.1%	18	19,880,800,000	6.3%
88	5,054,382,000	10.1%	19	21,307,500,000	7.2%
89	5,478,912,000	8.4%	20	21,737,800,000	2.0%
90	5,494,884,000	0.3%	21*	21,353,100,000	-1.8%
91	5,471,879,000	-0.4%	22*	22,185,500,000	3.9%

* August 18, 2020 Interim Forecast (Excludes Transfers)

Commonwealth of Virginia/Department of Accounts
Summary Report on General Fund Revenue Collections
For the Fiscal Years 2019 and 2020
(Dollars in Thousands)

Revenue	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2020 Estimate	As a % of Gen Fund Rev	June FY 2020	June FY 2019	% Change	Year-To-Date FY 2020	Year-To-Date FY 2019	% Change	% Annual Growth Req By Est
Individual Income Tax:									
Withholding	\$13,591,900	61.86	\$1,157,572	\$1,131,490	2.3	\$13,378,064	\$12,987,834	3.0	4.7
Tax Dues/Estimated Payments	3,804,100	17.31	1,056,038	426,114	147.8	3,804,455	3,976,833	(4.3)	(4.3)
Gross Individual Income Tax	\$17,396,000	79.17	\$2,213,610	\$1,557,604	42.1	\$17,182,519	\$16,964,667	1.3	2.5
Individual and Fiduciary Income (Refunds)	(1,976,600)	(8.99)	(135,066)	(94,778)	42.5	(1,830,927)	(1,738,196)	5.3	13.7
Net Individual Income Tax	\$15,419,400	70.18	\$2,078,544	\$1,462,826	42.1	\$15,351,592	\$15,226,471	0.8	1.3
Sales and Use Tax (a)	\$3,844,500	17.50	\$477,082	\$517,169	(7.8)	\$3,706,817	\$3,580,355	3.5	7.4
Corporations Income Tax	1,031,500	4.69	230,846	174,943	32.0	1,011,650	943,391	7.2	9.3
Wills, Suits, Deeds, Contracts	468,600	2.13	47,684	39,296	21.3	483,549	386,454	25.1	21.3
Insurance Premiums	394,100	1.79	130,916	128,459	1.9	360,588	382,018	(5.6)	3.2
Interest Income (b)	129,000	0.59	(20,821)	(15,809)	(31.7)	110,388	86,954	26.9	48.4
Alcoholic Beverage Sales (c)	251,700	1.15	59,188	51,389	15.2	267,214	240,777	11.0	4.5
All Other Revenues	433,200	1.97	90,183	82,267	9.6	445,979	461,103	(3.3)	(6.1)
Total General Fund Revenues	\$21,972,000	100.00	\$3,093,622	\$2,440,540	26.8	\$21,737,777	\$21,307,523	2.0	3.1

Percentage is greater than or equal to 1,000%.

- (a) Due to the economic impact resulting from COVID-19 coupled with the FY 2020 Accelerated Sales Tax collections being based on the June 2019 tax liability, the Department of Taxation estimates that approximately \$26.8 million will be refunded in FY 2021.
- (b) Interest Income for the April - June quarter attributable to nongeneral funds was transferred this month resulting in negative Interest Income for the month of June.
- (c) Includes Beer and Beverage Excise Tax and Alcoholic Beverage State Tax.

Commonwealth of Virginia/Department of Accounts
General Fund Statement of Revenue Collections and Estimates
For the Fiscal Years 2019 and 2020

(Dollars in Thousands)

Revenue	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2020 Estimate	As a % of Total Gen Fund Rev	FY 2020	FY 2019	% Change	FY 2020	FY 2019	% Change	% Annual Growth Req By Est
Taxes:									
Individual Income Tax - Withholding	\$13,591,900	61.86	\$1,157,572	\$1,131,490	2.3	\$13,378,064	\$12,987,834	3.0	4.7
Tax Dues/Estimated Payments	3,804,100	17.31	1,056,038	426,114	147.8	3,804,455	3,976,833	(4.3)	(4.3)
Gross Individual Income Tax	\$17,396,000	79.17	\$2,213,610	\$1,557,604	42.1	\$17,182,519	\$16,964,667	1.3	2.5
Individ and Fiduc Income (Refunds)	(1,976,600)	(8.99)	(135,066)	(94,778)	42.5	(1,830,927)	(1,738,196)	5.3	13.7
Net Individual Income Tax	\$15,419,400	70.18	\$2,078,544	\$1,462,826	42.1	\$15,351,592	\$15,226,471	0.8	1.3
Sales and Use Tax (a)	3,844,500	17.50	477,082	517,169	(7.8)	3,706,817	3,580,355	3.5	7.4
Corporations Income	1,031,500	4.69	230,846	174,943	32.0	1,011,650	943,391	7.2	9.3
Public Service Corporations	98,900	0.45	13,686	11,949	14.5	97,039	98,890	(1.9)	0.0
Insurance Premiums	394,100	1.79	130,916	128,459	1.9	360,588	382,018	(5.6)	3.2
Alcoholic Beverage Excise	211,000	0.96	55,400	47,300	17.1	226,439	200,110	13.2	5.4
Beer and Beverage Excise	40,700	0.19	3,788	4,089	(7.4)	40,775	40,667	0.3	0.1
Wills, Suits, Deeds, Contracts	468,600	2.13	47,684	39,296	21.3	483,549	386,454	25.1	21.3
Inheritance, Gift, and Estate	0	0.00	41	0	-	80	191	(58.1)	(100.0)
Bank Franchise	22,000	0.10	2,633	1,688	56.0	26,720	29,698	(10.0)	(25.9)
Other Taxes	13,500	0.06	757	2,078	(63.6)	9,153	17,499	(47.7)	(22.9)
Total Taxes	\$21,544,200	98.05	\$3,041,377	\$2,389,797	27.3	\$21,314,402	\$20,905,744	2.0	3.1
Rights and Privileges:									
Licenses and Permits	\$4,000	0.02	\$323	\$397	(18.6)	\$3,552	\$3,944	(9.9)	1.4
Corp. Franchise and Charters	52,300	0.24	42,625	41,181	3.5	59,169	58,245	1.6	(10.2)
Fees for Misc. Privileges & Services	11,700	0.05	3,571	2,405	48.5	15,407	13,377	15.2	(12.5)
Total Rights and Privileges	\$68,000	0.31	\$46,519	\$43,983	5.8	\$78,128	\$75,566	3.4	(10.0)
Other Revenues:									
Sales of Property & Commodities	\$0	0.00	\$0	\$0	-	\$1,809	\$412	339.1	(100.0)
Assessmts & Rcpts for Support of Special Svcs	400	0.00	16	20	(20.0)	285	432	(34.0)	(7.4)
Institutional Revenue	2,600	0.01	145	17	752.9	2,571	2,694	(4.6)	(3.5)
Interest (b)	129,000	0.59	(20,821)	(15,809)	(31.7)	110,388	86,954	26.9	48.4
Dividends and Rent	300	0.00	4	52	(92.3)	356	342	4.1	(12.3)
Fines, Forfeitures & Fees	223,300	1.02	17,955	18,936	(5.2)	221,209	228,384	(3.1)	(2.2)
Other Revenue	4,100	0.02	8,999	3,517	155.9	11,063	6,284	76.1	(34.8)
Excess Fees	(7,500)	(0.03)	(716)	(689)	(3.9)	(8,647)	(6,866)	(25.9)	(9.2)
Private Donations, Gifts & Cont.	0	0.00	(41)	0	-	19	2	850.0	(100.0)
Cities, Counties, and Towns	7,600	0.03	185	716	(74.2)	6,194	7,575	(18.2)	0.3
Total Other Revenues	\$359,800	1.64	\$5,726	\$6,760	(15.3)	\$345,247	\$326,213	5.8	10.3
Total General Fund Revenues	\$21,972,000	100.00	\$3,093,622	\$2,440,540	26.8	\$21,737,777	\$21,307,523	2.0	3.1

Percentage is greater than or equal to 1,000%.

- (a) Due to the economic impact resulting from COVID-19 coupled with the FY 2020 Accelerated Sales Tax collections being based on the June 2019 tax liability, the Department of Taxation estimates that approximately \$26.8 million will be refunded in FY 2021.
- (b) Interest Income for the April - June quarter attributable to nongeneral funds was transferred this month resulting in negative Interest Income for the month of June.

**Commonwealth of Virginia/Department of Lottery
Summary Report on Lottery Collections
For the Fiscal Years 2019 and 2020
(Dollars in Thousands)**

	FY 2020 Estimate	(a)	June		%	Year-To-Date			% Annual Growth Required By Estimate		
			FY 2020	(b)		FY 2019	Change	FY 2020		(b)	FY 2019
Lottery Collections											
Total Lottery Sales	\$2,146,923		\$199,062		\$172,918	15.1	\$2,148,605		\$2,293,565	(6.3)	(6.4)
Other Income	1,500		79		111	(28.8)	2,554		2,255	13.3	(33.5)
Total Income	<u>\$2,148,423</u>		<u>\$199,141</u>		<u>\$173,029</u>	<u>15.1</u>	<u>\$2,151,159</u>		<u>\$2,295,820</u>	<u>(6.3)</u>	<u>(6.4)</u>
Less:											
Prize Expenses	\$1,317,991		\$136,115		\$129,034	5.5	\$1,327,655		\$1,428,573	(7.1)	(7.7)
Retailer Commissions	120,735		11,231		10,056	11.7	120,696		128,736	(6.2)	(6.2)
Operating Expenses	123,116		10,976		11,759	(6.7)	116,227		115,675	0.5	6.4
Total Expenses	<u>\$1,561,842</u>		<u>\$158,322</u>		<u>\$150,849</u>	<u>5.0</u>	<u>\$1,564,578</u>		<u>\$1,672,984</u>	<u>(6.5)</u>	<u>(6.6)</u>
Net Proceeds from Operations											
Net Lottery Ticket Profits	\$586,581		\$40,819		\$22,180	84.0	\$586,581		\$622,836	(5.8)	(5.8)
Prior Year Residual Profit Transfer	26,869		0		0	-	26,869		9,563	181.0	-
Available to Lottery Proceeds Fund	<u>\$613,450</u>		<u>\$40,819</u>		<u>\$22,180</u>	<u>84.0</u>	<u>\$613,450</u>		<u>\$632,399</u>	<u>(3.0)</u>	<u>(3.0)</u>

Percentage is greater than or equal to 1,000%.

(a) Estimate established by Chapter 1283, 2020 Virginia Acts of Assembly. The Prior Year Residual Profit Transfer of \$26,868,512 was made on August 16, 2019, and is included in the total revenue estimate.

(b) Amounts reported are accrual-based estimates (unaudited closing).

Commonwealth of Virginia/Department of Accounts
Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues
Summary Statement of Selected Revenue Estimates & Collections
For the Fiscal Years 2019 and 2020
(Dollars in Thousands)

Revenue	FY 2020 Estimate	As a % of Total Fund	June			Year-To-Date			% Annual Growth Required By Estimate
			FY 2020	FY 2019	% Change	FY 2020	FY 2019	% Change	
Motor Fuel Taxes	\$911,700	16.16	\$72,138	\$83,910	(14.0)	\$866,317	\$856,589	1.1	6.4
Priority Transportation Fund (PTF)	183,558	3.25	0	0	-	183,558	168,655	8.8	8.8
Motor Vehicle Sales and Use Tax	1,032,400	18.31	82,862	84,289	(1.7)	993,324	1,020,938	(2.7)	1.1
State Sales and Use Tax	1,153,100	20.43	139,765	151,350	(7.7)	1,123,439	1,087,842	3.3	6.0
Motor Vehicle License Fees	299,200	5.30	31,172	23,258	34.0	272,151	266,068	2.3	12.5
International Registration Plan	70,800	1.26	7,158	5,065	41.3	70,419	72,588	(3.0)	(2.5)
Recordation Tax	48,800	0.87	6,007	4,759	26.2	59,670	47,146	26.6	3.5
Interest Earnings	9,800	0.17	4,256	4,749	(10.4)	19,289	16,361	17.9	(40.1)
Misc. Taxes, Fees, and Revenues	17,900	0.32	1,286	1,213	6.0	18,114	18,991	(4.6)	(5.7)
Total State Taxes and Fees	<u>\$3,727,258</u>	<u>66.07</u>	<u>\$344,644</u>	<u>\$358,593</u>	<u>(3.9)</u>	<u>\$3,606,281</u>	<u>\$3,555,178</u>	<u>1.4</u>	<u>4.8</u>

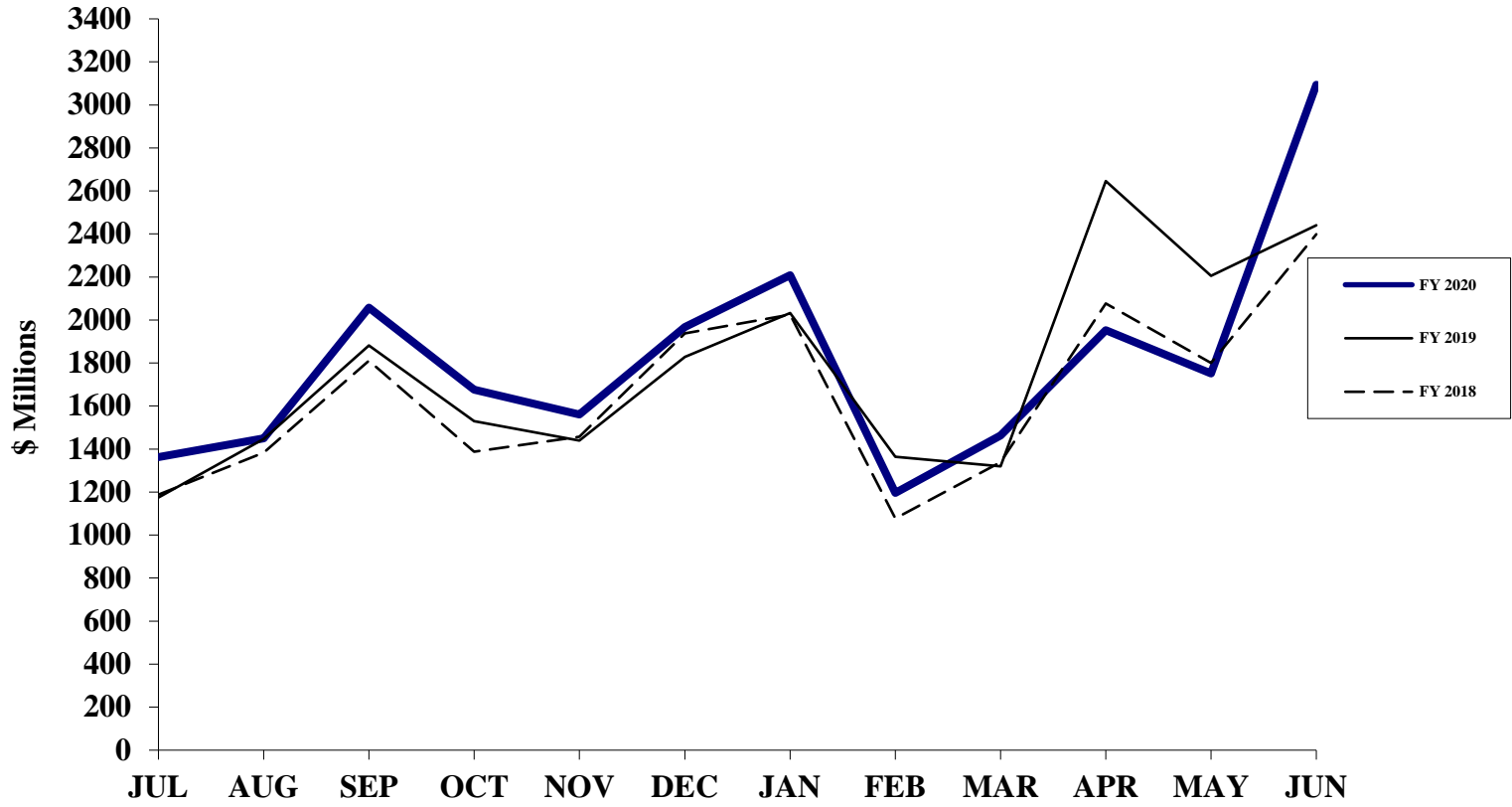
Percentage is greater than or equal to 1,000%.

Commonwealth of Virginia/Department of Accounts
Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues
Statement of Revenue Estimates & Collections
For the Fiscal Years 2019 and 2020
(Dollars in Thousands)

Revenue	FY 2020 Estimate	As a % of Total Fund	June			Year-To-Date			% Annual Growth Required By Est
			FY 2020	FY 2019	% Change	FY 2020	FY 2019	% Change	
HIGHWAY MAINTENANCE AND OPERATING FUND:									
Motor Fuel Taxes (Includes Road Tax)	\$718,300	12.73	\$57,776	\$64,408	(10.3)	\$695,668	\$686,566	1.3	4.6
Motor Vehicle Sales and Use Tax	743,500	13.18	64,939	56,729	14.5	723,446	735,025	(1.6)	1.2
State Sales and Use Tax	319,600	5.66	37,922	42,162	(10.1)	309,553	301,429	2.7	6.0
Motor Vehicle License Fees	246,200	4.36	23,654	21,774	8.6	230,901	243,563	(5.2)	1.1
International Registration Plan	70,800	1.26	7,158	5,065	41.3	70,419	72,588	(3.0)	(2.5)
Misc. Taxes, Fees, and Revenues	17,900	0.32	1,286	1,213	6.0	18,114	18,991	(4.6)	(5.7)
Total State Taxes and Fees	\$2,116,300	37.51	\$192,735	\$191,351	0.7	\$2,048,101	\$2,058,162	(0.5)	2.8
Other Revenues:									
Federal Grants and Contracts	\$0	0.00	\$2,531	\$2,490	1.6	\$28,501	\$31,356	(9.1)	(100.0)
Miscellaneous Revenues	366,960	6.50	6,094	20,566	(70.4)	399,531	310,741	28.6	18.1
Transfer (to) / from Transportation Trust Fund	178,826	3.17	0	(344)	100.0	110,864	181,441	(38.9)	(1.4)
Total Highway Maintenance and Operating Fund	\$2,662,086	47.18	\$201,360	\$214,063	(5.9)	\$2,586,997	\$2,581,700	0.2	3.1
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$193,400	3.43	\$14,362	\$19,502	(26.4)	\$170,649	\$170,023	0.4	13.7
PTF Insurance Premiums Tax	183,558	3.25	0	0	-	183,558	168,655	8.8	8.8
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	288,900	5.13	17,923	27,560	(35.0)	269,878	285,913	(5.6)	1.0
State Sales and Use Tax	833,500	14.77	101,843	109,188	(6.7)	813,886	786,413	3.5	6.0
Motor Vehicle License Fees	53,000	0.94	7,518	1,484	406.6	41,250	22,505	83.3	135.5
Recordation Tax	48,800	0.87	6,007	4,759	26.2	59,670	47,146	26.6	3.5
Interest Earnings	9,800	0.17	4,256	4,749	(10.4)	19,289	16,361	17.9	(40.1)
Total State Taxes and Fees	\$1,610,958	28.56	\$151,909	\$167,242	(9.2)	\$1,558,180	\$1,497,016	4.1	7.6
Other Revenues:									
Federal Grants and Contracts	\$1,175,378	20.83	\$51,481	\$47,823	7.6	\$1,129,372	\$1,134,705	(0.5)	3.6
Receipts from Cities/Counties	170,551	3.02	32,509	49,902	(34.9)	365,282	301,361	21.2	(43.4)
Toll Revenues (Includes Route 28)	57,645	1.02	1,298	3,520	(63.1)	37,604	46,485	(19.1)	24.0
Miscellaneous Revenues	144,211	2.56	74,748	111,703	(33.1)	335,061	452,458	(25.9)	(68.1)
Total Other Revenues	\$1,547,785	27.43	\$160,036	\$212,948	(24.8)	\$1,867,319	\$1,935,009	(3.5)	(20.0)
Transfer (to) / from Highway Maintenance and Operating Fund									
Maintenance and Operating Fund	(\$178,826)	(3.17)	\$0	\$344	(100.0)	(\$110,864)	(\$181,441)	38.9	1.4
Total Transportation Trust Fund	\$2,979,917	52.82	\$311,945	\$380,534	(18.0)	\$3,314,635	\$3,250,584	2.0	(8.3)
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND									
	\$5,642,003	100.00	\$513,305	\$594,597	(13.7)	\$5,901,632	\$5,832,284	1.2	(3.3)

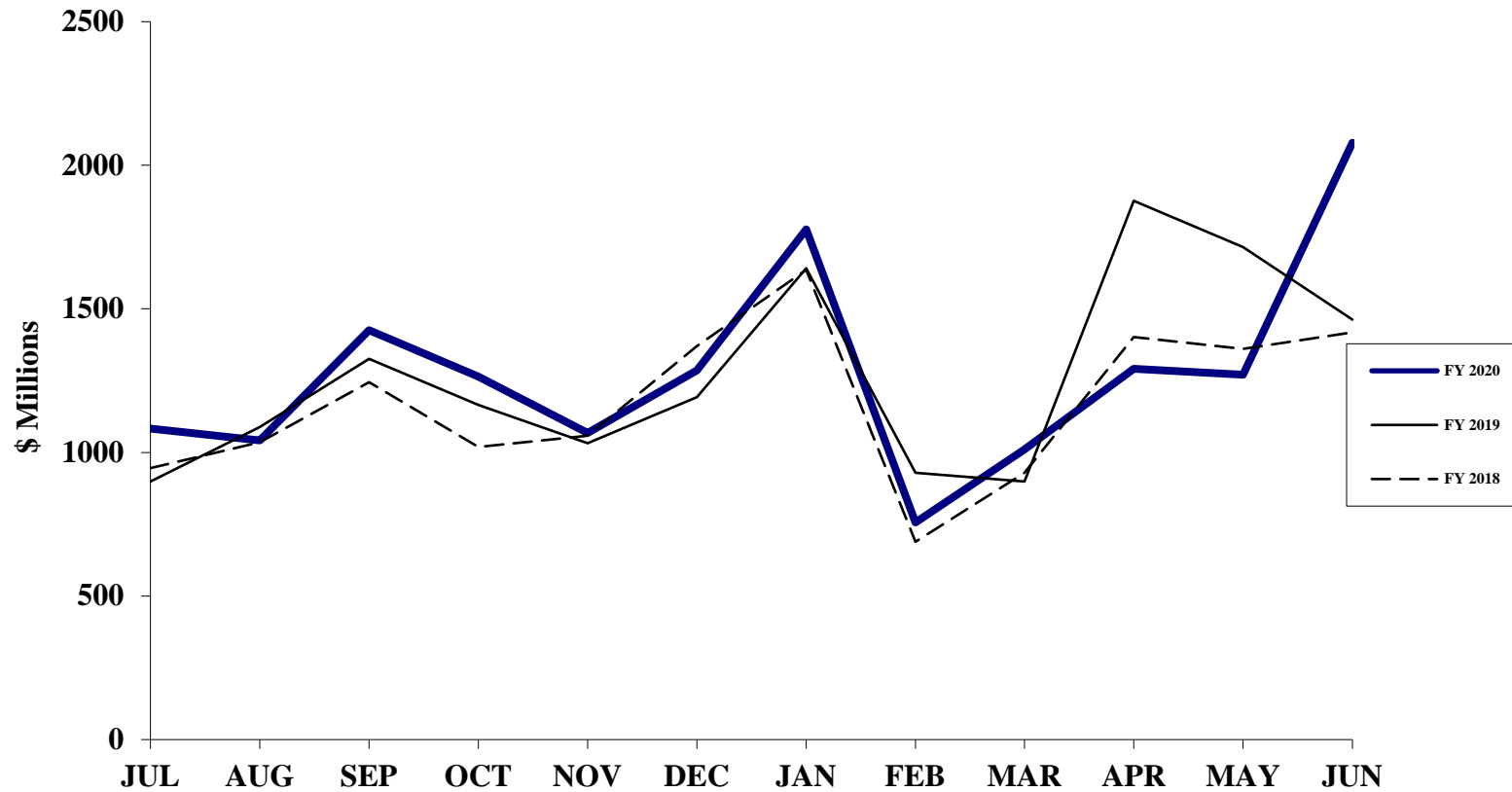
Percentage is greater than or equal to 1,000%.

Total General Fund Revenues



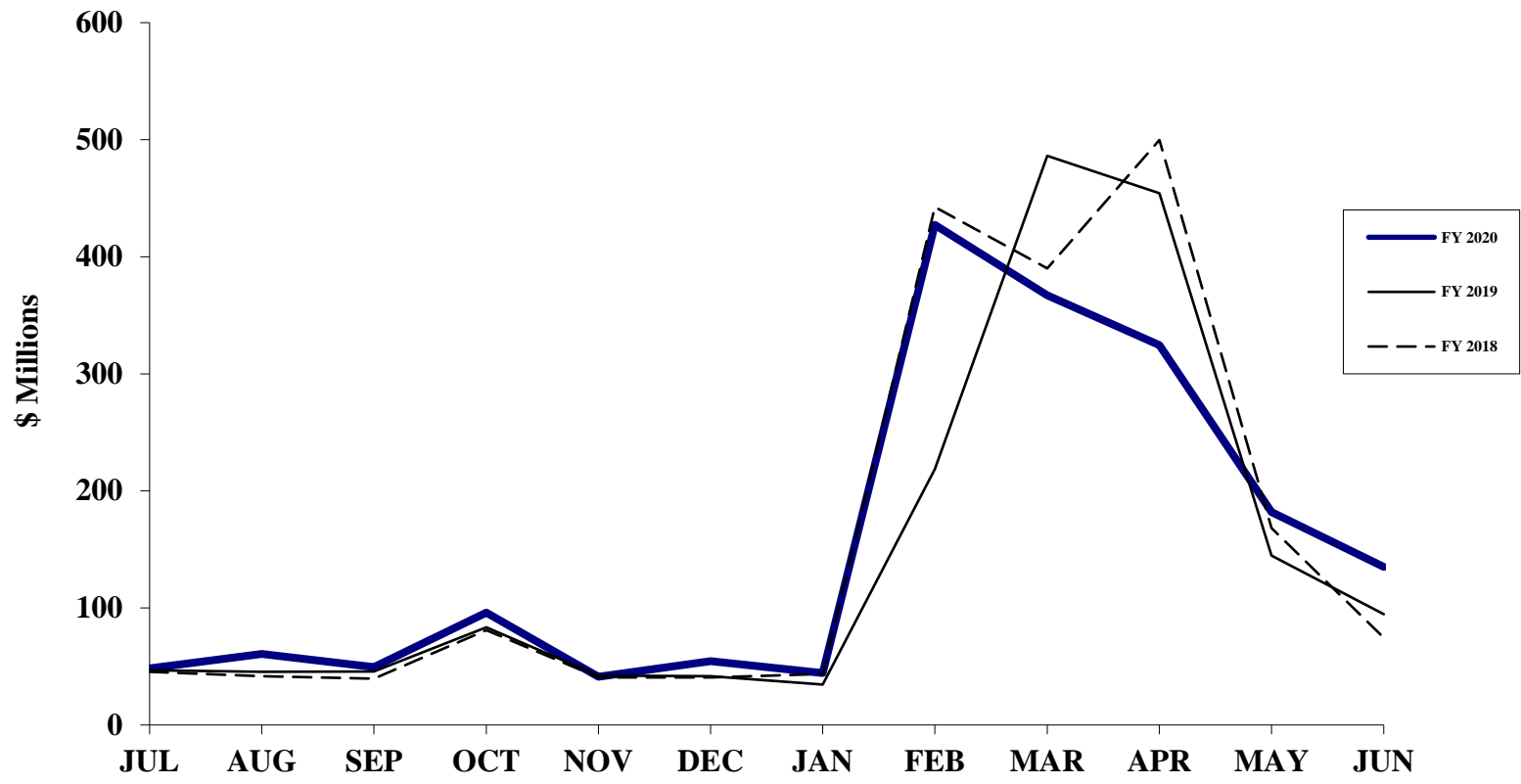
FY 2018 Actual = \$19,880.8 Million
FY 2019 Actual = \$21,307.5 Million
FY 2020 Actual = \$21,737.8 Million

Net Individual Income Tax



FY 2018 Actual = \$14,105.8 Million
FY 2019 Actual = \$15,226.5 Million
FY 2020 Actual = \$15,351.6 Million

Individual and Fiduciary Income Tax Refunds



FY 2018 Actual = \$1,907.6 Million
FY 2019 Actual = \$1,738.2 Million
FY 2020 Actual = \$1,830.9 Million

DEPARTMENT OF THE TREASURY

General Account Investment Portfolio

Monthly Average Balances and Rates

For the Fiscal Year 2020

(Dollars in Millions)

MONTH	PRIMARY LIQUIDITY		EXTERNAL MANAGEMENT EXTENDED DURATION		COMPOSITE		TREASURY 1 YR. CONSTANT MATURITY ¹
	Avg. Balance	Yield	Avg. Balance	Annualized Total Return	Avg. Balance	Rate	Yield
July, 2019	\$8,041.1	2.55%	\$1,349.7	1.99%	\$9,390.8	2.47%	1.96%
August	\$7,619.6	2.37%	\$1,363.7	21.88%	\$8,983.3	5.33%	1.77%
September	\$8,221.6	2.35%	\$1,373.1	-4.66%	\$9,594.7	1.35%	1.80%
October	\$8,546.1	2.15%	\$1,372.4	3.83%	\$9,918.5	2.38%	1.61%
November	\$8,082.6	2.00%	\$1,374.2	-0.91%	\$9,456.8	1.58%	1.57%
December	\$8,100.2	1.93%	\$1,373.3	0.25%	\$9,473.5	1.69%	1.55%
January, 2020	\$8,665.6	1.91%	\$1,649.2	18.33%	\$10,314.8	4.54%	1.53%
February	\$8,380.7	1.84%	\$1,938.9	16.82%	\$10,319.6	4.65%	1.41%
March	\$8,019.6	1.62%	\$1,947.2	-5.47%	\$9,966.8	0.23%	0.33%
April	\$8,947.5	1.20%	\$1,957.6	18.65%	\$10,905.1	4.33%	0.18%
May	\$11,147.5	0.80%	\$1,979.6	8.57%	\$13,127.1	1.97%	0.16%
June	\$11,420.1	0.71%	\$1,993.6	8.70%	\$13,413.7	1.90%	0.18%
Year-to-Date Average	\$8,766.0	1.72%	\$1,639.4	7.74%	\$10,405.4	2.67%	1.17%

▪ Performance on the extended duration portion of the General Account is reported on an annualized total return basis. Total return includes unrealized gains and losses, which in the short term can make returns more volatile. Over an extended time period the fluctuations average out and total return approaches the portfolio yield.

▪ Unaudited.

¹ Federal Reserve Bank H.15 Release.

**Commonwealth of Virginia/Department of Accounts
Report on the Revenue Stabilization Fund
For the Fiscal Year 2020**

Month	Beginning Balance	Deposits	Withdrawals	Interest Allocated (A)	Ending Balance
July	\$289,301,563	\$0	\$0	\$0	\$289,301,563
August	\$289,301,563	\$0	\$0	\$0	\$289,301,563
September	\$289,301,563	\$0	\$0	\$0	\$289,301,563
October	\$289,301,563	\$0	\$0	\$1,832,937	\$291,134,500
November	\$291,134,500	\$0	\$0	\$0	\$291,134,500
December	\$291,134,500	\$0	\$0	\$0	\$291,134,500
January	\$291,134,500	\$0	\$0	\$1,651,880	\$292,786,380
February	\$292,786,380	\$0	\$0	\$0	\$292,786,380
March	\$292,786,380	\$0	\$0	\$0	\$292,786,380
April	\$292,786,380	\$0	\$0	\$1,337,135	\$294,123,515
May	\$294,123,515	\$0	\$0	\$0	\$294,123,515
June	\$294,123,515	\$262,941,731 (B)	\$0	\$1,366,933	\$558,432,179

Notes: (A) Interest is earned monthly but credited to the Revenue Stabilization Fund on a quarterly basis.

(B) A deposit of \$262,941,731 was made as required by Item 265 B of Chapter 1283, 2020 Virginia Acts of Assembly.

Commonwealth of Virginia/Department of Accounts
Summary Report on General Fund Revenue Collections
For the Fiscal Years 2020 and 2021
(Dollars in Thousands)

Revenue	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2021 Estimate	As a % of Gen Fund Rev	FY 2021	FY 2020	% Change	FY 2021	FY 2020	% Change	% Annual Growth Req By Est
Individual Income Tax:									
Withholding	\$14,118,000	62.22	\$1,064,844	\$1,063,356	0.1	\$1,064,844	\$1,063,356	0.1	5.5
Tax Dues/Estimated Payments	4,101,000	18.08	391,293	67,956	475.8	391,293	67,956	475.8	7.8
Gross Individual Income Tax	\$18,219,000	80.30	\$1,456,137	\$1,131,312	28.7	\$1,456,137	\$1,131,312	28.7	6.0
Individual and Fiduciary Income (Refunds)	(2,059,900)	(9.08)	(157,854)	(48,362)	226.4	(157,854)	(48,362)	226.4	12.5
Net Individual Income Tax	\$16,159,100	71.22	\$1,298,283	\$1,082,950	19.9	\$1,298,283	\$1,082,950	19.9	5.3
Sales and Use Tax	\$3,893,000	17.16	\$209,320	\$144,849	44.5	\$209,320	\$144,849	44.5	5.0
Corporations Income Tax	1,019,200	4.49	79,242	36,629	116.3	79,242	36,629	116.3	0.7
Wills, Suits, Deeds, Contracts	388,100	1.71	54,814	43,968	24.7	54,814	43,968	24.7	(19.7)
Insurance Premiums	420,100	1.85	0	0	-	0	0	-	16.5
Interest Income (a)	111,400	0.49	17,182	24,321	(29.4)	17,182	24,321	(29.4)	0.9
Alcoholic Beverage Sales (b)	260,400	1.15	4,251	3,665	16.0	4,251	3,665	16.0	(2.6)
All Other Revenues	436,500	1.93	28,596	26,617	7.4	28,596	26,617	7.4	(2.1)
Total General Fund Revenues	\$22,687,800	100.00	\$1,691,688	\$1,362,999	24.1	\$1,691,688	\$1,362,999	24.1	4.4

Percentage is greater than or equal to 1,000%.

- (a) Interest is earned monthly in the General Fund and credited to nongeneral funds on a quarterly basis. This will occur in the months of October, January, April and June.
- (b) Includes Beer and Beverage Excise Tax and Alcoholic Beverage State Tax.

Commonwealth of Virginia/Department of Accounts
General Fund Statement of Revenue Collections and Estimates
For the Fiscal Years 2020 and 2021
(Dollars in Thousands)

Revenue	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2021 Estimate	As a % of Total Gen Fund Rev	FY 2021	FY 2020	July %	FY 2021	FY 2020	Year-To-Date %	% Annual Growth Req By Est
Taxes:									
Individual Income Tax - Withholding	\$14,118,000	62.22	\$1,064,844	\$1,063,356	0.1	\$1,064,844	\$1,063,356	0.1	5.5
Tax Dues/Estimated Payments	4,101,000	18.08	391,293	67,956	475.8	391,293	67,956	475.8	7.8
Gross Individual Income Tax	\$18,219,000	80.30	\$1,456,137	\$1,131,312	28.7	\$1,456,137	\$1,131,312	28.7	6.0
Individ and Fiduc Income (Refunds)	(2,059,900)	(9.08)	(157,854)	(48,362)	226.4	(157,854)	(48,362)	226.4	12.5
Net Individual Income Tax	\$16,159,100	71.22	\$1,298,283	\$1,082,950	19.9	\$1,298,283	\$1,082,950	19.9	5.3
Sales and Use Tax	3,893,000	17.16	209,320	144,849	44.5	209,320	144,849	44.5	5.0
Corporations Income	1,019,200	4.49	79,242	36,629	116.3	79,242	36,629	116.3	0.7
Public Service Corporations	98,900	0.44	6,600	6,646	(0.7)	6,600	6,646	(0.7)	1.9
Insurance Premiums	420,100	1.85	0	0	-	0	0	-	16.5
Alcoholic Beverage Excise	219,700	0.97	0	0	-	0	0	-	(3.0)
Beer and Beverage Excise	40,700	0.18	4,251	3,665	16.0	4,251	3,665	16.0	(0.2)
Wills, Suits, Deeds, Contracts	388,100	1.71	54,814	43,968	24.7	54,814	43,968	24.7	(19.7)
Inheritance, Gift, and Estate	0	0.00	0	0	-	0	0	-	(100.0)
Bank Franchise	22,000	0.10	196	2	#	196	2	#	(17.7)
Other Taxes	13,400	0.06	880	(933)	194.3	880	(933)	194.3	46.4
Total Taxes	\$22,274,200	98.18	\$1,653,586	\$1,317,776	25.5	\$1,653,586	\$1,317,776	25.5	4.5
Rights and Privileges:									
Licenses and Permits	\$4,000	0.02	\$138	\$240	(42.5)	\$138	\$240	(42.5)	12.6
Corp. Franchise and Charters	52,300	0.23	826	550	50.2	826	550	50.2	(11.6)
Fees for Misc. Privileges & Services	11,700	0.05	435	403	7.9	435	403	7.9	(24.1)
Total Rights and Privileges	\$68,000	0.30	\$1,399	\$1,193	17.3	\$1,399	\$1,193	17.3	(13.0)
Other Revenues:									
Sales of Property & Commodities	\$0	0.00	\$0	\$0	-	\$0	\$0	-	(100.0)
Assessmts & Rcpts for Support of Special Svcs	400	0.00	9	18	(50.0)	9	18	(50.0)	40.4
Institutional Revenue	2,600	0.01	182	184	(1.1)	182	184	(1.1)	1.1
Interest (a)	111,400	0.49	17,182	24,321	(29.4)	17,182	24,321	(29.4)	0.9
Dividends and Rent	300	0.00	18	25	(28.0)	18	25	(28.0)	(15.7)
Fines, Forfeitures & Fees	227,200	1.00	18,978	18,353	3.4	18,978	18,353	3.4	2.7
Other Revenue	3,600	0.02	1,016	639	59.0	1,016	639	59.0	(67.5)
Excess Fees	(7,500)	(0.03)	(925)	0	-	(925)	0	-	13.3
Private Donations, Gifts & Cont.	0	0.00	0	0	-	0	0	-	(100.0)
Cities, Counties, and Towns	7,600	0.03	243	490	(50.4)	243	490	(50.4)	22.7
Total Other Revenues	\$345,600	1.52	\$36,703	\$44,030	(16.6)	\$36,703	\$44,030	(16.6)	0.1
Total General Fund Revenues	\$22,687,800	100.00	\$1,691,688	\$1,362,999	24.1	\$1,691,688	\$1,362,999	24.1	4.4

Percentage is greater than or equal to 1,000%.

(a) Interest is earned monthly in the General Fund and credited to nongeneral funds on a quarterly basis. This will occur in the months of October, January, April and June.

Commonwealth of Virginia/Department of Lottery
Summary Report on Lottery Collections
For the Fiscal Years 2020 and 2021
(Dollars in Thousands)

	FY 2021 <u>Estimate</u>	July			Year-To-Date			% Annual Growth Required By Estimate
		(a)	(b)	(c)	(a)	(b)	(c)	
		<u>FY 2021</u>	<u>FY 2020</u>	<u>% Change</u>	<u>FY 2021</u>	<u>FY 2020</u>	<u>% Change</u>	
Lottery Collections								
Total Lottery Sales	\$2,283,381	\$228,273	\$168,239	35.7	\$228,273	\$168,239	35.7	6.3
Other Income	43,303	50	126	(60.3)	50	126	(60.3)	#
Total Income	<u>\$2,326,684</u>	<u>\$228,323</u>	<u>\$168,365</u>	<u>35.6</u>	<u>\$228,323</u>	<u>\$168,365</u>	<u>35.6</u>	<u>8.2</u>
Less:								
Prize Expenses	\$1,414,050	\$138,200	\$97,771	41.4	\$138,200	\$97,771	41.4	6.5
Retailer Commissions	128,440	10,711	9,198	16.4	10,711	9,198	16.4	6.4
Operating Expenses	126,235	8,291	9,428	(12.1)	8,291	9,428	(12.1)	8.6
Total Expenses	<u>\$1,668,725</u>	<u>\$157,202</u>	<u>\$116,397</u>	<u>35.1</u>	<u>\$157,202</u>	<u>\$116,397</u>	<u>35.1</u>	<u>6.7</u>
Net Proceeds from Operations								
Net Lottery Ticket Profits	\$657,959	\$71,121	\$51,968	36.9	\$71,121	\$51,968	36.9	12.2
Prior Year Residual Profit Transfer	0	0	0	-	0	0	-	-
Available to Lottery Proceeds Fund	<u>\$657,959</u>	<u>\$71,121</u>	<u>\$51,968</u>	<u>36.9</u>	<u>\$71,121</u>	<u>\$51,968</u>	<u>36.9</u>	<u>7.3</u>

Percentage is greater than or equal to 1,000%.

- (a) Estimate established by Chapter 1289, 2020 Virginia Acts of Assembly. The Prior Year Residual Profit Transfer will be reflected after the final APA audit is complete and the transfer is made in August. The FY 2021 estimate will be revisited as part of the state revenue forecast process and will include an updated estimate of FY 2021 sales and profits, as well as the residual transfer from FY 2020.
- (b) Amounts reported are accrual-based estimates (unaudited closing).
- (c) The current year figures on this chart, including growth percentages, are not an indicator of the probable outcome for the fiscal year. Lottery revenues can have dramatic swings up and down month to month depending on the lotto jackpots, prize expense, and game related administrative expenses.

Commonwealth of Virginia/Department of Accounts
Commonwealth Transportation Fund
Summary Statement of Selected Revenue Estimates & Collections
For the Fiscal Years 2020 and 2021
(Dollars in Thousands)

Revenue	FY 2021 Estimate	As a % of Total Fund	July			Year-To-Date			% Annual Growth Required By Estimate
			FY 2021	FY 2020	% Change	FY 2021	FY 2020	% Change	
Motor Fuel Taxes	\$1,107,300	15.57	\$49,368	\$66,016	(25.2)	\$49,368	\$66,016	(25.2)	27.8
Insurance Premiums Tax (a)	181,382	2.55	7,117	6,270	13.5	7,117	6,270	13.5	(1.2)
Motor Vehicle Sales and Use Tax	1,038,900	14.61	94,820	98,424	(3.7)	94,820	98,424	(3.7)	4.6
State Sales and Use Tax	1,183,000	16.63	63,099	43,752	44.2	63,099	43,752	44.2	5.3
Motor Vehicle License Fees	206,500	2.90	19,906	26,590	(25.1)	19,906	26,590	(25.1)	(24.1)
Highway Use Fee (b)	38,000	0.53	4,181	0	-	4,181	0	-	-
International Registration Plan	73,700	1.04	1,205	7,466	(83.9)	1,205	7,466	(83.9)	4.7
Recordation Tax	45,300	0.64	6,666	5,320	25.3	6,666	5,320	25.3	(24.1)
Interest Earnings	10,761	0.15	0	0	-	0	0	-	(44.2)
Misc. Taxes, Fees, and Revenues	17,900	0.25	1,373	1,198	14.6	1,373	1,198	14.6	(1.2)
Total State Taxes and Fees	\$3,902,743	54.87	\$247,735	\$255,036	(2.9)	\$247,735	\$255,036	(2.9)	8.2

Percentage is greater than or equal to 1,000%.

(a) This line has been renamed from "Priority Transportation Fund (PTF)" to "Insurance Premiums Tax."

(b) This line item was effective July 1, 2020. Since there were no collections for this line item during Fiscal Year 2020, the Monthly and Year-To-Date % Change columns do not provide comparable data.

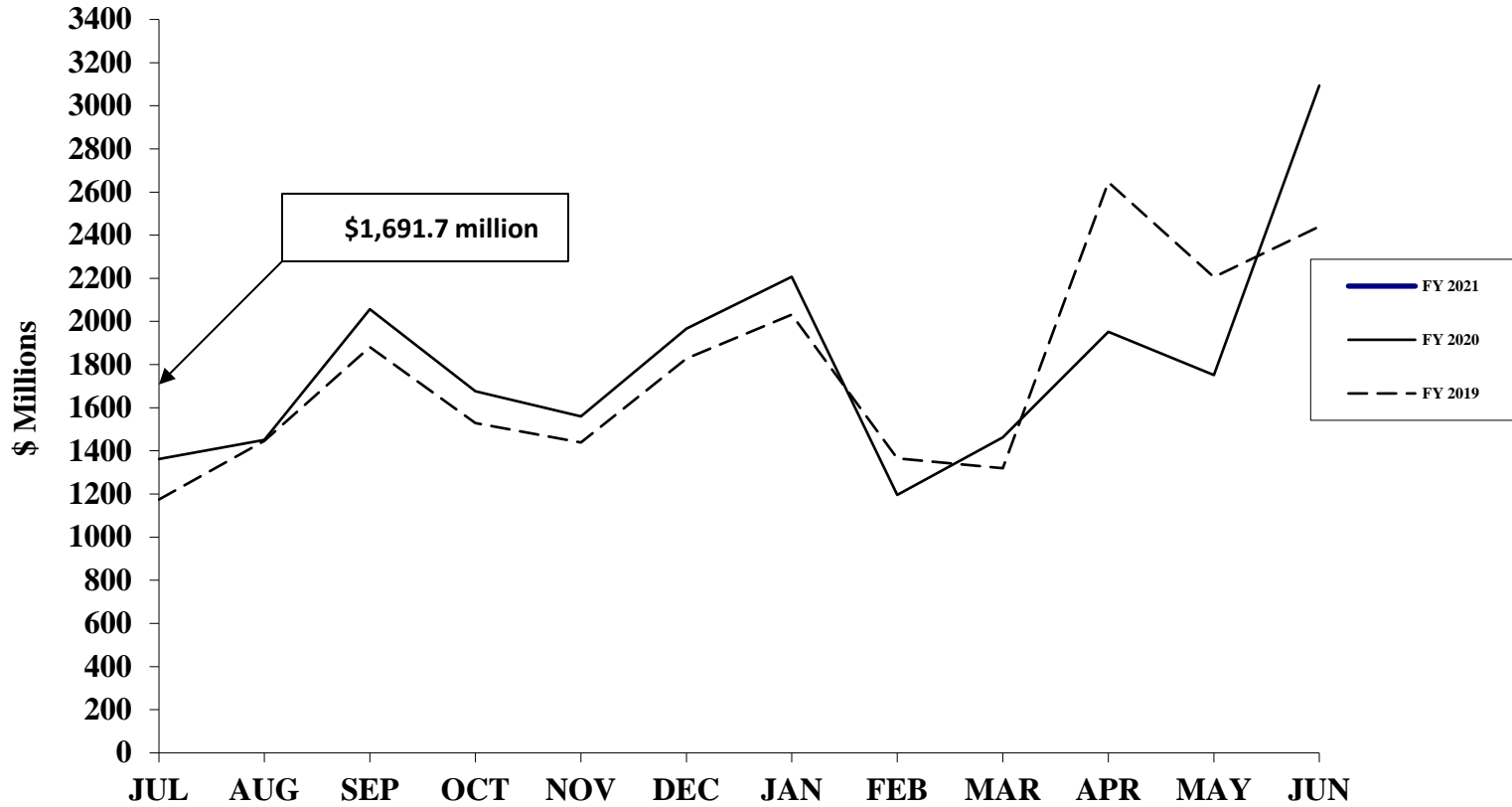
Commonwealth of Virginia/Department of Accounts
Commonwealth Transportation Fund
Statement of Revenue Estimates & Collections
For the Fiscal Years 2020 and 2021
(Dollars in Thousands)

Revenue	FY 2021 Estimate	As a % of Total Fund	July			Year-To-Date			% Annual Growth Required By Est
			FY 2021	FY 2020	% Change	FY 2021	FY 2020	% Change	
COMMONWEALTH TRANSPORTATION FUND (a)									
Motor Vehicle Fuels Taxes (Includes Aviation & Road Taxes)	\$1,107,300	15.57	\$49,368	\$66,016	(25.2)	\$49,368	\$66,016	(25.2)	27.8
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	1,038,900	14.61	94,820	98,424	(3.7)	94,820	98,424	(3.7)	4.6
State Sales and Use Tax	1,183,000	16.63	63,099	43,752	44.2	63,099	43,752	44.2	5.3
Motor Vehicle License Fees	206,500	2.90	19,906	26,590	(25.1)	19,906	26,590	(25.1)	(24.1)
Highway Use Fee (b)	38,000	0.53	4,181	0	-	4,181	0	-	-
International Registration Plan	73,700	1.04	1,205	7,466	(83.9)	1,205	7,466	(83.9)	4.7
Insurance Premiums Tax (c)	181,382	2.55	7,117	6,270	13.5	7,117	6,270	13.5	(1.2)
Recordation Tax	45,300	0.64	6,666	5,320	25.3	6,666	5,320	25.3	(24.1)
Total Commonwealth Transportation Fund	\$3,874,082	54.47	\$246,362	\$253,838	(2.9)	\$246,362	\$253,838	(2.9)	8.6
HIGHWAY MAINTENANCE AND OPERATING FUND									
Misc. Taxes, Fees, and Revenues	\$17,900	0.25	\$1,373	\$1,198	14.6	\$1,373	\$1,198	14.6	(1.2)
Other Miscellaneous Revenues (c)	314,143	4.42	22,330	249,167	(91.0)	22,330	249,167	(91.0)	(21.4)
Federal Grants and Contracts	0	0.00	842	1,239	(32.0)	842	1,239	(32.0)	(100.0)
Transfer (to) / from Transportation Trust Fund	155,666	2.19	0	0	-	0	0	-	40.4
Total Highway Maintenance and Operating Fund	\$487,709	6.86	\$24,545	\$251,604	(90.2)	\$24,545	\$251,604	(90.2)	(12.4)
TRANSPORTATION TRUST FUND									
Interest Earnings	\$10,761	0.15	\$0	\$0	-	\$0	\$0	-	(44.2)
Federal Grants and Contracts	1,153,282	16.21	96,140	410,826	(76.6)	96,140	410,826	(76.6)	2.1
Receipts from Cities/Counties	1,299,192	18.27	1,921	23,085	(91.7)	1,921	23,085	(91.7)	255.7
Toll Revenues	70,480	0.99	1,131	3,032	(62.7)	1,131	3,032	(62.7)	87.4
Miscellaneous Revenues	372,811	5.24	19,288	20,147	(4.3)	19,288	20,147	(4.3)	11.3
Transfer (to) / from Highway Maintenance and Operating Fund	(155,666)	(2.19)	0	0	-	0	0	-	(40.4)
Total Transportation Trust Fund	\$2,750,860	38.67	\$118,480	\$457,090	(74.1)	\$118,480	\$457,090	(74.1)	54.9
TOTAL COMMONWEALTH TRANSPORTATION FUND, HIGHWAY MAINTENANCE AND OPERATING FUND, AND TRANSPORTATION TRUST FUND	\$7,112,651	100.00	\$389,387	\$962,532	(59.5)	\$389,387	\$962,532	(59.5)	20.5

Percentage is greater than or equal to 1,000%.

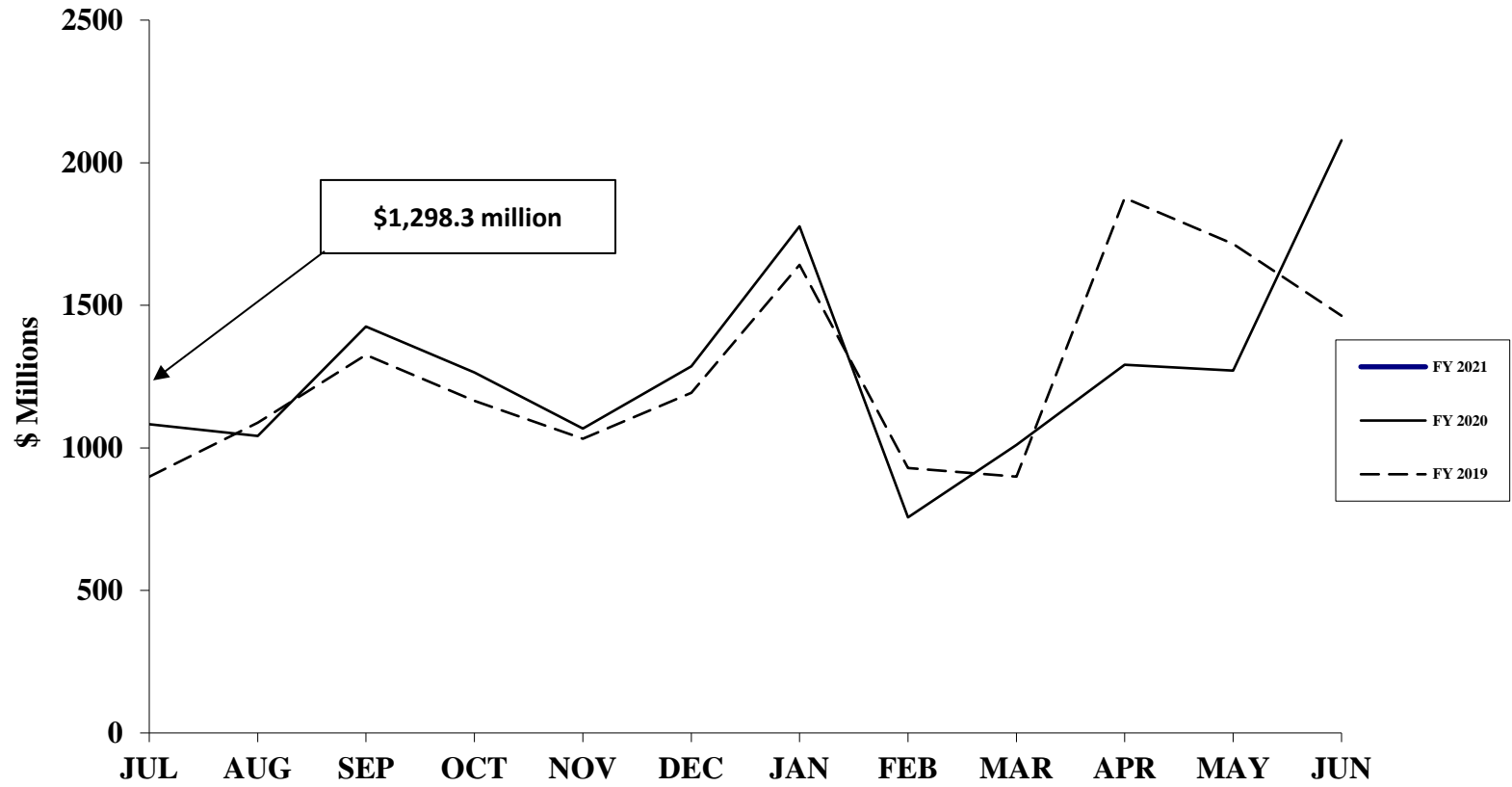
- (a) Significant structural changes in the treatment of major revenue sources were made in Chapters 1230 and 1275, 2020 Virginia Acts of Assembly. Effective July 1, 2020, these revenues are deposited to the Commonwealth Transportation Fund. In order to provide comparable data, the amounts previously reported in the Highway Maintenance and Operating Fund and the Transportation Trust Fund have been reclassified to the Commonwealth Transportation Fund in the FY 2020 monthly and year-to-date amounts.
- (b) This line item was effective July 1, 2020. Since there were no collections for this line item during Fiscal Year 2020, the Monthly and Year-To-Date % Change columns do not provide comparable data.
- (c) These lines have been renamed from "Priority Transportation Fund (PTF)" and "Miscellaneous Revenues" to "Insurance Premiums Tax" and "Other Miscellaneous Revenues," respectively.

Total General Fund Revenues



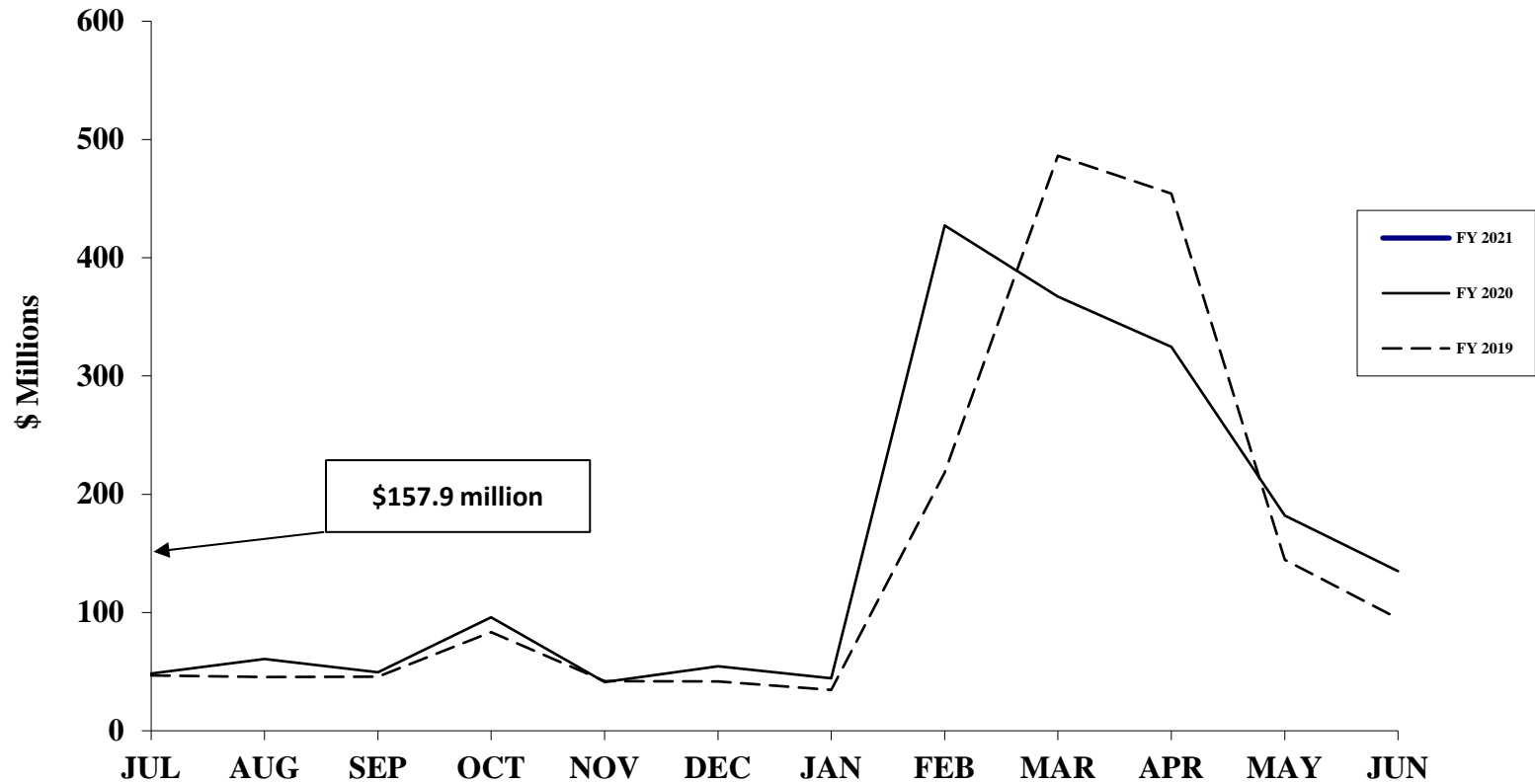
FY 2019 Actual = \$21,307.5 Million
FY 2020 Actual = \$21,737.8 Million
FY 2021 Estimate = \$22,687.8 Million

Net Individual Income Tax



FY 2019 Actual = \$15,226.5 Million
FY 2020 Actual = \$15,351.6 Million
FY 2021 Estimate = \$16,159.1 Million

Individual and Fiduciary Income Tax Refunds



FY 2019 Actual = \$1,738.2 Million
FY 2020 Actual = \$1,830.9 Million
FY 2021 Estimate = \$2,059.9 Million

DEPARTMENT OF THE TREASURY

General Account Investment Portfolio

Monthly Average Balances and Rates

For the Fiscal Year 2021

(Dollars in Millions)

MONTH	PRIMARY LIQUIDITY		EXTERNAL MANAGEMENT EXTENDED DURATION		COMPOSITE		TREASURY 1 YR. CONSTANT MATURITY ¹
	Avg. Balance	Yield	Avg. Balance	Annualized Total Return	Avg. Balance	Rate	Yield
July, 2020	\$11,650.2	0.58%	\$2,010.6	12.02%	\$13,660.8	2.26%	0.15%
August							
September							
October							
November							
December							
January, 2021							
February							
March							
April							
May							
June							
Year-to-Date Average	\$11,650.2	0.58%	\$2,010.6	12.02%	\$13,660.8	2.26%	0.15%

▪ Performance on the extended duration portion of the General Account is reported on an annualized total return basis. Total return includes unrealized gains and losses, which in the short term can make returns more volatile. Over an extended time period the fluctuations average out and total return approaches the portfolio yield.

▪ Unaudited.

¹ Federal Reserve Bank H.15 Release.

**Commonwealth of Virginia/Department of Accounts
Report on the Revenue Stabilization Fund
For the Fiscal Year 2021**

Month	Beginning Balance	Deposits	Withdrawals	Interest Allocated (A)	Ending Balance
July	\$558,432,179	\$0	\$0	\$0	\$558,432,179
August					
September					
October					
November					
December					
January					
February					
March					
April					
May					
June					

Notes: (A) Interest is earned monthly but credited to the Revenue Stabilization Fund on a quarterly basis.