



GEOFFREY E. SNYDER
COMMISSIONER

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

January 18, 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 January 2024, the seventh month of fiscal year 2024. The attached table shows January 2024 month-to-date tax revenue collections through January 12, 2024, along with changes from the equivalent period in January 2023.

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 January Revenues

January is a significant month for revenues because many personal income taxpayers are required to make quarterly estimated payments. January generally produces about 10.2% of annual revenue, making it the fourth largest revenue month of the year.

Highlights

Total Tax collections for the month-to-date period were \$1.287 billion, \$208 million or 13.9% less than the collections during the same period in January 2023. January results show decreases in all major tax types except sales & use tax.

- **Income Taxes** totaled \$1.040 billion, down \$179 million or 14.7% versus the same period in January 2023.
- **Sales & Use Taxes** totaled \$157 million, up \$23 million or 17.3% versus the same period in January 2023.
- **Corporate & Business Taxes** totaled \$49 million, down \$32 million or 39.8% versus the same period in January 2023.
- **Other Taxes** totaled \$41 million, down \$20 million or 33.1% versus the same period in January 2023.

Details

Total Income Tax of \$1.040 billion for mid-month January is comprised of the following:

- **Withholding** of \$706 million, down \$122 million versus the same period in January 2023;
- **Estimated Payments** of \$309 million, down \$48 million versus the same period in January 2023;
- **Returns/Bills** of \$40 million, down \$9 million versus the same period in January 2023; and
- **Refunds** of \$14 million, up \$0.2 million (unfavorable) versus the same period in the same period in January 2023.

Sales & Use Tax of \$157 million is up \$23 million versus the same period in January 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 \$157 million is comprised of the following:

- **Regular sales** tax of \$73 million, up \$9 million versus the same period in January 2023;
- **Meals** tax of \$36 million, up \$11 million versus the same period in January 2023; and
- **Motor vehicle** sales tax of \$48 million, up \$2 million versus the same period in January 2023.

Corporate & Business Tax of \$49 million is down \$32 million versus the same period in January 2023. The month-to-date decrease is primarily due to a decrease in estimated payments.

Other Taxes of \$41 million, down \$20 million versus the same period in January 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 (ozyurk@dor.state.ma.us).

Sincerely,

A handwritten signature in black 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 January 2024 (in \$ Millions)
Tax Collections as of January 12, 2024, Compared to Same Collection Period in FY2023

	January (Through January 12th) (\$Millions)			FY24 YTD (Through January 12th) (\$Millions)		
	01/2024 MTD Actual Collections	01/2024 MTD v. 01/2023 MTD \$ Fav/(Unfav)	01/2024 MTD v. 01/2023 MTD % Fav/(Unfav)	01/2024 YTD Actual Collections	01/2024 YTD v. 01/2023 YTD \$ Fav/(Unfav)	01/2024 YTD v. 01/2023 YTD % Fav/(Unfav)
Income						
Income Withholding	706	(122)	-14.7%	9,230	385	+4.4%
Income Est. Payments	309	(48)	-13.4%	1,820	(169)	-8.5%
Income Returns/Bills	40	(9)	-18.1%	743	(140)	-15.9%
Income Refunds Net (outflow)	(14)	(0.2)	-1.4%	(668)	152	+18.6%
Subtotal Income	1,040	(179)	-14.7%	11,126	228	+2.1%
Sales & Use						
Sales - Regular	73	9	+14.6%	3,337	(95)	-2.8%
Sales - Meals	36	11	+47.2%	841	45	+5.7%
Sales - Motor Vehicles	48	2	+5.3%	641	16	+2.6%
Subtotal Sales & Use	157	23	+17.3%	4,819	(34)	-0.7%
Corporate & Business - Total	49	(32)	-39.8%	1,894	(134)	-6.6%
All Other	41	(20)	-33.1%	1,318	(208)	-13.6%
Total Tax Collections	1,287	(208)	-13.9%	19,156	(148)	-0.8%

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.