



**MASSACHUSETTS  
DEPARTMENT OF REVENUE**  
Geoffrey E. Snyder, Commissioner

The Department of Revenue (DOR) report on year-to-date net state tax revenue for the current fiscal year, a projection of net state tax revenue for the remainder of the current fiscal year, and a projection of if, and when, net state tax revenue may exceed allowable state tax revenue for the current fiscal year.  
July 2024 Monthly 62F Report

Mr. Steven T. James, House Clerk  
Office of the Clerk of the House  
State House, Room 145  
Boston, MA 02133

Mr. Michael D. Hurley, Senate Clerk  
Office of the Clerk of the Senate  
State House, Room 335  
Boston, MA 02133

The Honorable Mark J. Cusack, Chair  
Joint Committee on Revenue  
State House, Room 34  
Boston, MA 02133

The Honorable Susan L. Moran, Chair  
Joint Committee on Revenue  
State House, Room 312-D  
Boston, MA 02133

The Honorable Aaron M. Michlewitz, Chair  
House Committee on Ways and Means  
State House, Room 243  
Boston, MA 02133

The Honorable Michael J. Rodrigues, Chair  
Senate Committee on Ways and Means  
State House, Room 212  
Boston, MA 02133

Dear Clerks James and Hurley and Chairs Cusack, Moran, Michlewitz and Rodrigues,

Pursuant to Section 5 of Chapter 62F, as amended by the Acts of 2023, the Department of Revenue (DOR) hereby submits its July, 2024 report on year-to-date net state tax revenue for the current fiscal year, an estimate of net state tax revenue for the remainder of the current fiscal year, and an estimate of if, and when, net state tax revenue may exceed allowable state tax revenue for the current fiscal year.

Based on DOR's estimates of FY25 full fiscal year net state tax revenue and FY25 allowable state tax revenue, the Department currently projects FY25 full fiscal year net state tax revenue will not exceed FY25 allowable state tax revenue. DOR's estimates are based on currently available data and are subject to revisions as additional data becomes available.

Pursuant to subsection (d) of section 2BBBBBB of section 17 of chapter 29, 4% income surtax revenue shall not be subject to the allowable state tax revenue limitations established by chapter 62F.

**Report Highlights**

July 31, 2024	year-to-date net state tax revenue excluding 4% income surtax revenue:	2,704,313,241
	DOR's estimate of full year FY25 total net state tax revenue:	41,144,825,296
	DOR's estimate of FY25 allowable net state revenue:	46,034,549,029
	DOR's estimate of the amount by which net state tax revenue will be above(below) allowable state tax revenue:	(4,889,723,733)

If you have questions, please contact Tim Rooney, DOR CFO (rooneyt@dor.state.ma.us).

Sincerely,

Timothy Rooney  
Chief Financial Officer  
Department of Revenue

cc:

Geoffrey Snyder, Commissioner, Department of Revenue  
Kristin Lindquist, Senior Deputy Commissioner, Department of Revenue  
Matthew Gorzkowicz, Secretary, Executive Office for Administration and Finance  
Cassandra Roeder, Associate General Counsel, Executive Office for Administration and Finance  
Dana Sullivan, Chief of Strategy and Operations, Executive Office for Administration and Finance  
Christopher Marino, Assistant Secretary of Budget, Executive Office for Administration and Finance  
John Caljouw, Finance Director, Executive Office for Administration and Finance  
William McNamara, Comptroller, Office of the Comptroller  
Kristin Lacroix, Chief Accounting Officer, Office of the Comptroller

## Summary Statement

DOR Monthly Report on Fiscal Year 2025 Net State Tax Revenue and Allowable State Tax Revenue  
as Defined by Chapter 62F  
July 2024 Monthly 62F Report

### Year-to-Date Net State Tax Revenue

Year-to-date net state tax revenue for FY25, less 4% income surtax revenue as of	July 31, 2024	<sup>(1)</sup> (Exhibit 1)	\$2,704,313,241
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### Full Fiscal Year Net State Tax Revenue and Allowable State Tax Revenue Estimates

Estimate of total net state tax revenue for FY25, less 4% income surtax revenue	<sup>(1)</sup> (Exhibit 4)	\$41,144,825,296
Allowable state tax revenue for FY24	(Exhibit 3)	\$44,130,782,381
Estimate of allowable state tax revenue growth factor for FY25	(Exhibit 2)	1.0431392
Estimate of allowable state tax revenue for FY25	(Exhibit 3)	\$46,034,549,029
Estimate of the amount net state tax revenue will be above/(below) allowable state tax revenue for FY25	<sup>(2)</sup> (Exhibit 4)	<u><u>(\$4,889,723,733)</u></u>

1) Pursuant to subsection (d) of section 2BBBBBB of section 17 of chapter 29, 4% income surtax revenues shall not be subject to the allowable state tax revenue limitations established by chapter 62F.

2) Per M.G.L Chapter 62F, the State Auditor shall annually on or before the third Tuesday of September, independently determine whether net state tax revenues for the immediately preceding fiscal year exceeded the allowable state tax revenues for said fiscal year.

**Exhibit 1**  
**DOR Report: Fiscal Year-to-Date Net State Tax Revenues**

*July 2024 Monthly 62F Report*

Type of State Tax Revenue Collected (By Agency)	Fiscal YTD Net State Tax Revenues as of 7/31/2024
<b>Department of Revenue:</b>	
Alcoholic Beverages	11,398,598
Financial Institutions	3,027,293
Cigarettes	33,698,304
Corporations	135,565,221
Deeds	5,390,418
Estate and Inheritance	58,007,197
Income	1,455,123,539
Insurance	7,274,633
Motor Fuels and International Fuel Tax Agreement	60,654,386
Public Utilities	0
Room Occupancy	73,931,636
Sales and Use	854,687,079
Club Alcoholic Beverages	24,702
Motor Vehicle Excise	39,620
Convention Center Surcharges	4,411,178
Community Preservation Trust	4,531,067
Controlled Substances and Marijuana Excise	8,590,222
Satellite	363,010
Statewide Car Rental	1,449,050
Electronic Nicotine Delivery System	1,517,617
<b>Department of Revenue Before the Reduction of 62F Payments</b>	<b>2,719,684,770</b>
Pari-Mutual Taxes	68,295
Gaming Revenue Tax	29,920,360
<b>Lottery Commission:</b>	
Beano	27,406
Raffles and Bazaars	52,199
<b>State Athletic Commission</b>	
Boxing Contests	7,503
Boxer's Fund	1,876
<b>Division of Insurance</b>	
Excess and Surplus Lines Insurance	0
<b>Secretary of State:</b>	
Deeds Excise Stamp Tax Fees	9,819,156
<b>Department of Unemployment Assistance:</b>	
Workforce Training Contribution	1,139,185
<b>Other Agencies Sub-Total</b>	<b>41,035,980</b>
<b>Total Net State Tax Revenue Before the Reduction of 62F Payments</b>	<b>2,760,720,750</b>
<b>Less:</b>	
Estimate of 4% Income Surtax Revenues <sup>(1) (2)</sup>	(56,407,509)
<b>Total Net State Tax Revenue Less the Estimate of 4% Income Surtax Revenue</b>	<b>2,704,313,241</b>

1) Pursuant to subsection (d) of section 2BBBBBB of section 17 of chapter 29, 4% income surtax revenues shall not be subject to the allowable state tax revenue limitations established by chapter 62F.

2) Pursuant to Section 20 of Chapter 28 of the 2023 Acts, the Department of Revenue (DOR) is required to certify to the State Comptroller, after each quarterly period during the fiscal year, the amount of tax revenues estimated to have been due to the additional 4% income tax levied pursuant to Article XLIV of the Amendments of the Constitution of the Commonwealth. For the purpose of surtax certification, quarterly periods are defined as July 1 to September 30, inclusive, October 1 to January 31, inclusive, February 1 to April 30, inclusive, and May 1 to June 30, inclusive. DOR estimates that the tax revenues collected from the 4% income tax was \$56,407,509 for the month of July 2024. This is not a certified estimate and is subject to revision in future certification periods as DOR further analyzes tax data.

**Exhibit 2**  
**DOR Estimate of the Allowable State Tax Growth Factor**  
**For the Fiscal Year Ending June 30, 2025**  
*July 2024 Monthly 62F Report*

Calendar Year	Massachusetts Wages and Salaries <sup>(1)</sup> (in Thousands)	Wages and Salaries Yearly Growth Rate <sup>(2)</sup>
2021 Actual	\$312,471,740	
2022 Actual	\$333,155,998	1.0661956
2023 Actual	\$344,029,483	1.0326378
2024 Estimate	\$354,551,384	1.0305843
<b>Estimate of the Sum of 2022 - 2024 calendar year growth increase</b>		<b>3.1294177</b>
<b>Estimate of the allowable state tax growth factor for FY25<sup>(3)</sup></b>		<b>1.0431392</b>

1) Source:

i) Actual: US Department of Commerce, Bureau of Economic Analysis, Regional Income Division, Washington, D.C. (pursuant to Section 2 of Chapter 62F).

ii) Estimate: based on a combination of US Department of Commerce, Bureau of Economic Analysis, Regional Income Division, Washington, D.C. quarterly wage and salary data and wage and salary growth projections provided by S&P Global Market Intelligence and Moody's Analytics.

2) Wage and salary yearly growth rates are calculated by dividing each calendar year's wages and salaries by those of the previous calendar year.

3) The allowable state tax growth factor equals one-third of the sum of the yearly growth rates for each of the three calendar years ending immediately prior to the current fiscal year.

Note Chapter 62F requires that, in calculating the allowable state tax growth factor for any fiscal year, the same total for Massachusetts wages and salaries for a calendar year utilized in prior calculations involving that calendar year shall be utilized in subsequent calculations involving that calendar year, notwithstanding periodic adjustments by the Bureau of Economic Analysis.

**Exhibit 3**  
**DOR Estimate of Allowable State Tax Revenues**  
**for the Fiscal Year Ended June 30, 2025**  
*July 2024 Monthly 62F Report*

Allowable state tax revenue for the FY24 <sup>(1)</sup>	\$44,130,782,381
Estimate of allowable state tax growth factor for the FY25	1.0431392
Estimate of allowable state revenue for the FY25	<u>\$46,034,549,029</u>

1) As defined in Section 2 of Chapter 62F of the Massachusetts General Laws, “allowable state tax revenues” for a fiscal year means the following: beginning after June 30, 1986, an amount equal to the greater of the allowable state tax revenues for the immediately preceding fiscal year multiplied by the allowable state tax growth for the current year, or in any case no less than the allowable state tax revenues for the preceding fiscal year.

**Exhibit 4**  
**Estimate of Net State Tax Revenue for Current Fiscal Year and if Net State Tax Revenue Will Exceed Allowable State Tax Revenue for the Current Fiscal Year.**  
*July 2024 Monthly 62F Report*

Fiscal Year-to-Date of Net State Tax Revenues Type of State Tax Revenue Collected (By Agency)	DOR Estimate of Year-to-Date Net State Tax Revenue for the Remainder of Fiscal Year 2025											
	Fiscal YTD Net State Tax Revenues as of	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
<b>Department of Revenue:</b>												
Alcoholic Beverages	11,398,598	18,833,777	27,457,161	36,137,435	44,623,444	53,445,978	62,773,391	68,037,597	74,934,606	83,421,217	90,053,776	98,886,586
Financial Institutions	3,027,293	3,433,616	7,498,259	7,930,069	8,284,094	11,193,421	11,697,524	12,065,415	17,540,551	20,543,464	20,843,078	24,660,902
Cigarettes	33,698,304	60,065,114	86,642,248	118,439,611	143,927,278	171,895,966	199,787,088	221,780,690	243,660,481	269,874,485	295,615,363	322,333,227
Corporations	135,565,221	216,943,919	1,031,014,274	1,117,497,708	1,188,401,997	1,771,084,824	1,872,047,019	1,945,728,536	3,042,293,675	3,643,719,956	3,703,726,908	4,468,364,277
Deeds	5,390,418	27,896,749	50,572,474	70,109,632	92,160,180	110,848,712	132,329,318	145,564,941	158,158,257	175,235,142	194,909,169	235,090,311
Estate and Inheritance	58,007,197	97,527,457	140,658,137	182,310,214	217,741,149	257,813,584	294,497,064	321,993,824	367,428,244	410,589,531	454,171,072	502,459,867
Income	1,455,123,539	2,944,168,096	5,411,934,983	7,037,400,787	8,410,476,883	10,811,808,274	13,301,709,911	14,310,758,034	16,280,628,422	20,324,749,039	21,730,446,564	24,318,647,541
Insurance	7,274,633	16,976,939	114,033,781	124,344,694	132,798,198	202,268,060	214,305,191	223,089,807	353,826,848	425,531,382	432,685,660	523,848,896
Motor Fuels and International Fuel Tax Agreement	60,654,386	122,667,818	186,838,038	246,984,539	308,881,716	369,222,734	428,757,617	486,079,356	540,442,893	599,002,576	657,689,222	721,567,770
Public Utilities	0	2,711	29,831	32,712	35,074	54,486	57,849	60,304	96,835	116,871	118,870	144,344
Room Occupancy	73,931,636	123,912,472	161,377,274	196,015,517	203,232,034	212,750,815	215,002,348	227,818,509	249,319,938	274,275,193	303,588,730	304,120,574
Sales and Use	854,687,079	1,660,561,037	2,436,905,654	3,297,736,183	4,069,732,831	4,946,915,552	5,886,938,075	6,597,212,921	7,331,541,003	8,162,633,276	9,012,489,725	9,879,481,991
Club Alcoholic Beverages	24,702	92,618	151,756	219,475	275,583	340,089	405,386	464,674	521,592	598,502	650,978	730,849
Motor Vehicle Excise	39,620	93,553	140,515	194,292	238,848	290,074	341,927	389,008	434,208	495,284	536,638	607,530
Convention Center/ Surcharges	4,111,178	5,290,816	6,170,454	7,050,091	7,929,729	8,809,367	9,689,004	10,568,642	11,448,280	12,327,917	13,207,555	14,087,193
Community Preservation Trust	4,531,067	14,185,770	23,865,578	32,270,054	41,502,048	49,371,722	58,442,151	64,312,769	69,550,129	76,668,678	84,840,207	103,107,250
Controlled Substances and Marijuana Excise	8,590,222	22,308,635	34,227,229	47,901,902	59,322,890	72,398,653	85,674,660	97,669,082	109,218,495	124,768,719	135,314,496	153,414,096
Satellite	363,010	734,512	1,057,996	1,428,426	1,735,338	2,088,188	2,445,368	2,769,671	3,081,015	3,501,720	3,786,577	4,274,893
Statewide Car Rental	1,449,050	3,323,840	5,143,604	7,017,167	8,817,937	10,671,354	12,529,732	14,350,434	16,156,284	18,087,462	19,862,958	21,871,618
Electronic Nicotine Delivery System	1,517,617	3,179,043	4,625,729	6,282,364	7,654,931	9,232,945	10,830,322	12,280,671	13,673,060	15,554,532	16,828,469	19,012,311
<b>Department of Revenue Before the Reduction of 62F Payments</b>	<b>2,719,684,770</b>	<b>5,342,198,493</b>	<b>9,730,344,973</b>	<b>12,537,302,876</b>	<b>14,947,772,182</b>	<b>19,072,504,796</b>	<b>22,800,260,947</b>	<b>24,762,994,884</b>	<b>28,883,954,815</b>	<b>34,661,694,946</b>	<b>37,171,365,619</b>	<b>41,716,721,027</b>
<b>Massachusetts Gaming Commission:</b>												
Pari-Mutuel Taxes	68,295	158,303	248,310	338,318	428,325	518,332	608,340	698,347	788,354	878,362	968,369	1,058,376
Gaming Revenue Tax	29,920,360	72,687,618	115,454,876	158,222,135	200,989,393	243,756,651	286,523,910	329,291,168	372,058,426	414,825,685	457,592,943	500,360,202
<b>Lottery Commission:</b>												
Beano	27,406	62,422	92,913	127,828	156,756	190,015	223,681	254,248	283,594	323,248	350,098	396,124
Raffles and Bazaars	52,199	181,281	293,680	422,390	529,030	651,632	775,738	888,422	996,602	1,142,780	1,241,758	1,411,429
<b>State Athletic Commission</b>												
Boxing Contests	7,503	40,912	74,321	107,730	141,138	174,547	207,956	241,365	274,774	308,182	341,591	375,000
Boxer's Fund	1,876	8,523	15,171	21,819	28,466	35,114	41,762	48,409	55,057	61,705	68,352	75,000
<b>Division of Insurance</b>												
Excess and Surplus Lines Insurance	0	19,126	3,046,803	3,047,832	3,048,091	5,746,747	5,808,476	79,305,496	85,527,829	86,073,194	86,252,929	86,579,930
<b>Secretary of State:</b>												
Deeds Excise Stamp Tax Fees	9,819,156	19,721,074	29,537,864	38,212,278	47,151,055	54,878,905	63,845,294	70,315,761	75,302,855	82,121,030	89,876,634	111,013,051
<b>Department of Unemployment Assistance:</b>												
Workforce Training Contribution	1,139,185	4,584,606	4,707,227	5,024,194	7,723,711	7,959,413	8,491,495	10,270,100	10,445,452	11,924,899	26,562,258	26,835,158
<b>Other Agencies Sub-Total</b>	<b>41,035,980</b>	<b>97,463,866</b>	<b>153,471,165</b>	<b>205,524,522</b>	<b>260,195,966</b>	<b>313,911,357</b>	<b>366,526,651</b>	<b>491,313,317</b>	<b>545,732,944</b>	<b>597,659,085</b>	<b>663,254,932</b>	<b>728,104,269</b>
<b>Total Net State Tax Revenue Before the Reduction of 62F Payments</b>	<b>2,760,720,750</b>	<b>5,439,662,359</b>	<b>9,883,816,138</b>	<b>12,742,827,397</b>	<b>15,207,968,149</b>	<b>19,386,416,153</b>	<b>23,166,787,598</b>	<b>25,254,308,200</b>	<b>29,429,687,759</b>	<b>35,259,354,031</b>	<b>37,834,620,551</b>	<b>42,444,825,296</b>
<b>Less:</b>												
Estimate of 4% Income Surtax Revenues <sup>(1) (2)</sup>	(56,407,509)	(111,719,053)	(234,213,347)	(341,499,070)	(399,880,278)	(472,063,203)	(595,191,302)	(641,329,822)	(699,819,549)	(1,103,960,524)	(1,158,078,821)	(1,300,000,000)
<b>Total Net State Tax Revenue Less the Estimate of 4% Income Surtax Revenue</b>	<b>2,704,313,241</b>	<b>5,327,943,306</b>	<b>9,649,602,791</b>	<b>12,401,328,327</b>	<b>14,808,087,871</b>	<b>18,914,352,950</b>	<b>22,571,596,296</b>	<b>24,612,978,378</b>	<b>28,729,868,211</b>	<b>34,155,393,506</b>	<b>36,676,541,730</b>	<b>41,144,825,296</b>
<b>Estimate of Allowable State Tax Revenues for the Fiscal Year Ended June 30, 2024</b>	<b>46,034,549,029</b>	<b>46,034,549,029</b>	<b>46,034,549,029</b>	<b>46,034,549,029</b>	<b>46,034,549,029</b>	<b>46,034,549,029</b>	<b>46,034,549,029</b>	<b>46,034,549,029</b>	<b>46,034,549,029</b>	<b>46,034,549,029</b>	<b>46,034,549,029</b>	<b>46,034,549,029</b>
<b>Net State Tax Revenues above/(below) of Allowable State Tax Revenues <sup>(1)</sup></b>	<b>(43,330,235,788)</b>	<b>(40,706,605,723)</b>	<b>(36,384,946,238)</b>	<b>(33,633,220,702)</b>	<b>(31,226,461,158)</b>	<b>(27,120,196,079)</b>	<b>(23,462,952,733)</b>	<b>(21,421,1570,651)</b>	<b>(17,304,680,818)</b>	<b>(11,879,155,523)</b>	<b>(9,358,007,298)</b>	<b>(4,889,723,733)</b>

1) For the purposes of this report, year-to-date FY24 revenue and the full fiscal year estimate of FY24 revenue have been reduced by the amount of the 62F payments made in FY24 as a result of the 62F process. Chapter 62F provides that, to determine whether net state tax revenues have exceeded allowable state tax revenues in a fiscal year, net state tax revenues must be "decreased by the amount of state tax revenues abated or refunded." G. L. c. 62F, § 2. In FY24, the application of this statutory requirement results in a net state tax revenue figure that differs from FY24 revenue totals reported in other revenue reports and Commonwealth financial statements, which are issued pursuant to separate statutory authority. The net state tax revenue figure reported here applies only in the context of the 62F calculation for FY24.

2) Pursuant to subsection (d) of Section 28B88B of section 17 of chapter 29, 4% income surtax revenues shall not be subject to the allowable state tax revenue limitations established by chapter 62F.

3) Pursuant to Section 20 of Chapter 28 of the 2023 Acts, the Department of Revenue (DOR) is required to certify to the State Comptroller, after each quarterly period during the fiscal year, the amount of tax revenues estimated to have been due to the additional 4% income tax levied pursuant to Article XLIV of the Amendments of the Constitution of the Commonwealth. For the purpose of surtax certification, quarterly periods are defined as July 1 to September 30, inclusive, October 1 to January 31, inclusive, February 1 to April 30, inclusive, and May 1 to June 30, inclusive. DOR estimates that the tax revenues collected from the 4% income tax was \$56,407,509 for the month of July 2024. This is not a certified estimate and is subject to revision in future certification periods as DOR further analyzes tax data.

4) Per M.G.L. Chapter 62F, the State Auditor shall annually on or before the third Tuesday of September, independently determine whether net state tax revenues for the immediately preceding fiscal year exceeded the allowable state tax revenues for said fiscal year.