



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.  
May 2026 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 James B. Eldridge, Chair  
Joint Committee on Revenue  
State House, Room 511-C  
Boston, MA 02133

The Honorable Adrian C. Madaro, Chair  
Joint Committee on Revenue  
State House, Room 33  
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 Eldridge, Madaro, 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 May, 2026 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 FY26 full fiscal year net state tax revenue and FY26 allowable state tax revenue, the Department currently projects FY26 full fiscal year net state tax revenue will not exceed FY26 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.

Pursuant to section 5 of chapter 62F, DOR shall annually, on or before September second, prepare a report of the net state tax revenues and the allowable state tax revenues of the Commonwealth for the preceding fiscal year and shall submit the report to the state auditor. DOR will submit the annual 62F report to Clerks James and Hurley and Chairs Eldridge, Madaro, Michlewitz and Rodrigues in lieu of the June monthly 62F report.

**Report Highlights**

May 31, 2026	year-to-date net state tax revenue excluding 4% income surtax revenue:	38,421,957,764
	DOR's estimate of full year FY26 total net state tax revenue:	42,712,803,321
	DOR's estimate of FY26 allowable net state revenue:	48,266,193,259
	DOR's estimate of the amount by which net state tax revenue will be above(below) allowable state tax revenue:	(5,553,389,938)

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

Sincerely,

*Timothy Rooney*

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  
Sam Gamer, Deputy General Counsel, Executive Office for Administration and Finance  
Christopher Marino, Assistant Secretary of Budget, Executive Office for Administration and Finance  
Laura Taronas, 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 2026 Net State Tax Revenue and Allowable State Tax Revenue  
as Defined by Chapter 62F  
May 2026 Monthly 62F Report

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

Year-to-date net state tax revenue for FY26, less 4% income surtax revenue as of	May 31, 2026	<sup>(1)</sup> (Exhibit 1)	\$38,421,957,764
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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 FY26, less 4% income surtax revenue <sup>(1)</sup> (Exhibit 4)	\$42,712,803,321
Allowable state tax revenue for FY25 (Exhibit 3)	\$46,384,735,613
Estimate of allowable state tax revenue growth factor for FY26 (Exhibit 2)	1.0405620
Estimate of allowable state tax revenue for FY26 (Exhibit 3)	\$48,266,193,259
Estimate of the amount net state tax revenue will be above/(below) allowable state tax revenue for FY26 <sup>(2)</sup> (Exhibit 4)	<u><u>(\$5,553,389,938)</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**

*May 2026 Monthly 62F Report*

Type of State Tax Revenue Collected (By Agency)	Fiscal YTD Net State Tax Revenues as of 5/31/2026
<b>Department of Revenue:</b>	
Alcoholic Beverages	88,951,799
Financial Institutions	13,693,152
Cigarettes	269,279,997
Corporations	2,879,420,838
Deeds	208,274,183
Estate and Inheritance	798,475,653
Income	25,985,781,058
Insurance	477,301,113
Motor Fuels and International Fuel Tax Agreement	643,970,759
Public Utilities	0
Room Occupancy	413,815,360
Sales and Use	8,876,291,284
Club Alcoholic Beverages	827,480
Motor Vehicle Excise	501,863
Convention Center Surcharges	16,274,650
Community Preservation Trust	40,862,275
Controlled Substances and Marijuana Excise	156,657,727
Satellite	3,648,207
Statewide Car Rental	5,642,724
Electronic Nicotine Delivery System	9,367,422
<b>Department of Revenue Before the Reduction of 62F Payments</b>	<b>40,889,037,542</b>
Pari-Mutual Taxes	445,909
Gaming Revenue Tax	439,659,841
<b>Lottery Commission:</b>	
Beano	411,440
Raffles and Bazaars	791,112
<b>State Athletic Commission</b>	
Boxing Contests	63,541
Boxer's Fund	15,831
<b>Division of Insurance</b>	
Excess and Surplus Lines Insurance	107,700,947
<b>Secretary of State:</b>	
Deeds Excise Stamp Tax Fees	83,227,427
<b>Department of Unemployment Assistance:</b>	
Workforce Training Contribution	26,556,655
<b>Other Agencies Sub-Total</b>	<b>658,872,702</b>
<b>Total Net State Tax Revenue Before the Reduction of 62F Payments</b>	<b>41,547,910,245</b>
<b>Less:</b>	
Estimate of 4% Income Surtax Revenues <sup>(1) (2)</sup>	(3,125,952,481)
<b>Total Net State Tax Revenue Less the Estimate of 4% Income Surtax Revenue</b>	<b>38,421,957,764</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 \$3,125,952,481 during the period between July 2025 and April 2026. Please note that this amount 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, 2026**  
*May 2026 Monthly 62F Report*

Calendar Year	Massachusetts Wages and Salaries <sup>(1)</sup> (in Thousands)	Wages and Salaries Yearly Growth Rate <sup>(2)</sup>
2022 Actual	\$333,155,998	
2023 Actual	\$344,029,483	1.0326378
2024 Actual	\$362,741,160	1.0543897
2025 Actual	\$375,313,250	1.0346586
<b>Estimate of the Sum of 2022 - 2025 calendar year growth increase</b>		<b>3.1216861</b>
<b>Estimate of the allowable state tax growth factor for FY26<sup>(3)</sup></b>		<b>1.0405620</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, 2026**  
*May 2026 Monthly 62F Report*

Allowable state tax revenue for the FY25 <sup>(1)</sup>	\$46,384,735,613
Allowable state tax growth factor for FY26	1.0405620
Allowable state tax revenue for FY26	<u>\$48,266,193,259</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 the Current Fiscal Year and if Net State Tax Revenue Will Exceed Allowable State Tax Revenue for the Current Fiscal Year.**

*May 2026 Monthly 62F Report*

<b>Fiscal Year-to-Date of Net State Tax Revenues</b>		<b>DOR Estimate of Year-to-Date Net State Tax Revenue for the Remainder of Fiscal Year 2026</b>
<b>Type of State Tax Revenue Collected (By Agency)</b>	<b>Fiscal YTD Net State Tax Revenues as of</b>	
	<b>5/31/2026</b>	<b>Jun-26</b>
<b>Department of Revenue:</b>		
Alcoholic Beverages	88,951,799	97,836,145
Financial Institutions	13,693,152	17,650,367
Cigarettes	269,279,997	296,444,839
Corporations	2,879,420,838	3,607,169,217
Deeds	208,274,183	248,814,728
Estate and Inheritance	798,475,653	863,684,705
Income	25,985,781,058	28,607,541,550
Insurance	477,301,113	598,955,484
Motor Fuels and International Fuel Tax Agreement	643,970,759	710,609,612
Public Utilities	0	0
Room Occupancy	413,815,360	394,996,514
Sales and Use	8,876,291,284	9,789,629,493
Club Alcoholic Beverages	827,480	940,685
Motor Vehicle Excise	501,863	591,761
Convention Center Surcharges	16,274,650	17,473,573
Community Preservation Trust	40,862,275	49,800,157
Controlled Substances and Marijuana Excise	156,657,727	179,541,842
Satellite	3,648,207	4,267,446
Statewide Car Rental	5,642,724	6,865,342
Electronic Nicotine Delivery System	9,367,422	12,136,780
<b>Department of Revenue Before the Reduction of 62F Payments</b>	<b>40,889,037,542</b>	<b>45,504,950,242</b>
<b>Massachusetts Gaming Commission:</b>		
Pari-Mutuel Taxes	445,909	994,123
Gaming Revenue Tax	439,659,841	495,367,341
<b>Lottery Commission:</b>		
Beano	411,440	468,803
Raffles and Bazaars	791,112	960,784
<b>State Athletic Commission</b>		
Boxing Contests	63,541	375,000
Boxer's Fund	15,831	75,000
<b>Division of Insurance</b>		
Excess and Surplus Lines Insurance	107,700,947	107,705,744
<b>Secretary of State:</b>		
Deeds Excise Stamp Tax Fees	83,227,427	106,426,063
<b>Department of Unemployment Assistance:</b>		
Workforce Training Contribution	26,556,655	26,894,316
<b>Other Agencies Sub-Total</b>	<b>658,872,702</b>	<b>739,267,174</b>
<b>Total Net State Tax Revenue Before the Reduction of 62F Payments</b>	<b>41,547,910,245</b>	<b>46,244,217,417</b>
<b>Less:</b>		
Estimate of 4% Income Surtax Revenues <sup>(1) (2)</sup>	(3,125,952,481)	(3,531,414,096)
<b>Total Net State Tax Revenue Less the Estimate of 4% Income Surtax Revenue</b>	<b>38,421,957,764</b>	<b>42,712,803,321</b>
<b>Estimate of Allowable State Tax Revenues for the Fiscal Year Ended June 30, 2024</b>	<b>48,266,193,259</b>	<b>48,266,193,259</b>
<b>Net State Tax Revenues above/(below) of Allowable State Tax Revenues <sup>(3)</sup></b>	<b>(9,844,235,495)</b>	<b>(5,553,389,938)</b>

1) Pursuant to subsection (d) of section 2B of chapter 29, 4% income surtax revenues shall not be subject to the 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 \$3,125,952,481 during the period between July 2025 and April 2026. Please note that this amount is subject to revision in future certification periods as DOR further analyzes tax data.

3) 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