



**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.
Aug 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 August, 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 FY27 full fiscal year net state tax revenue and FY27 allowable state tax revenue, the Department currently projects FY27 full fiscal year net state tax revenue will not exceed FY27 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

August 31, 2026	year-to-date net state tax revenue excluding 4% income surtax revenue:	6,236,222,927
DOR's estimate of full year FY27 total net state tax revenue:		44,350,139,467
DOR's estimate of FY27 allowable net state revenue:		50,100,236,204
DOR's estimate of the amount by which net state tax revenue will be above(below) allowable state tax revenue:		(5,750,096,737)

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
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
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 2027 Net State Tax Revenue and Allowable State Tax Revenue
as Defined by Chapter 62F
Aug 2026 Monthly 62F Report

Year-to-Date Net State Tax Revenue

Year-to-date net state tax revenue for FY27, less 4% income surtax revenue as of	August 31, 2026	⁽¹⁾ (Exhibit 1)	\$6,236,222,927
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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 FY27, less 4% income surtax revenue	⁽¹⁾ (Exhibit 4)	\$44,350,139,467
Allowable state tax revenue for FY26	(Exhibit 3)	\$48,266,193,259
Estimate of allowable state tax revenue growth factor for FY27	(Exhibit 2)	1.0379985
Estimate of allowable state tax revenue for FY27	(Exhibit 3)	\$50,100,236,204
Estimate of the amount net state tax revenue will be above/(below) allowable state tax revenue for FY27	⁽²⁾ (Exhibit 4)	(\$5,750,096,737)

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

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Type of State Tax Revenue Collected (By Agency)	Fiscal YTD Net State Tax Revenues as of 8/31/2026
Department of Revenue:	
Alcoholic Beverages	19,059,882
Financial Institutions	6,171,595
Cigarettes	54,977,390
Corporations	231,793,663
Deeds	41,383,409
Estate and Inheritance	168,552,915
Income	3,669,306,792
Insurance	5,938,011
Motor Fuels and International Fuel Tax Agreement	121,714,447
Public Utilities	0
Room Occupancy	158,887,990
Sales and Use	1,774,323,719
Club Alcoholic Beverages	35,804
Motor Vehicle Excise	38,030
Convention Center Surcharges	4,756,945
Community Preservation Trust	5,699,150
Controlled Substances and Marijuana Excise	22,187,569
Satellite	616,229
Statewide Car Rental	1,749,253
Electronic Nicotine Delivery System	2,358,225
Department of Revenue Before the Reduction of 62F Payments	6,289,551,017
Pari-Mutual Taxes	130,040
Gaming Revenue Tax	61,237,160
Lottery Commission:	
Beano	67,650
Raffles and Bazaars	88,123
State Athletic Commission	
Boxing Contests	5,411
Boxer's Fund	1,303
Division of Insurance	
Excess and Surplus Lines Insurance	279,191
Secretary of State:	
Deeds Excise Stamp Tax Fees	12,258,251
Department of Unemployment Assistance:	
Workforce Training Contribution	4,710,268
Other Agencies Sub-Total	78,777,397
Total Net State Tax Revenue Before the Reduction of 62F Payments	6,368,328,415
Less:	
Estimate of 4% Income Surtax Revenues ^{(1) (2)}	(132,105,487)
Total Net State Tax Revenue Less the Estimate of 4% Income Surtax Revenue	6,236,222,927

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 \$132,105,487 for the months of July 2026 and August 2026. 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, 2027
Aug 2026 Monthly 62F Report

Calendar Year	Massachusetts Wages and Salaries⁽¹⁾ (in Thousands)	Wages and Salaries Yearly Growth Rate⁽²⁾
2023 Actual	\$344,029,483	
2024 Actual	\$362,741,160	1.0543897
2025 Actual	\$375,313,250	1.0346586
2026 Estimate	\$384,676,298	1.0249473
Estimate of the Sum of 2024 - 2026 calendar year growth increase		3.1139956
Estimate of the allowable state tax growth factor for FY27⁽³⁾		1.0379985

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, 2027
Aug 2026 Monthly 62F Report

Allowable state tax revenue for the FY26 ⁽¹⁾	\$48,266,193,259
Estimate of allowable state tax growth factor for the FY27	1.0379985
Estimate of allowable state revenue for the FY27	<u>\$50,100,236,204</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.

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Fiscal Year-to-Date of Net State Tax Revenues		DOR Estimate of Year-to-Date Net State Tax Revenue for the Remainder of Fiscal Year 2027										
Type of State Tax Revenue Collected (By Agency)	Fiscal YTD Net State Tax Revenues as of											
	8/31/2026	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27
Department of Revenue:												
Alcoholic Beverages	19,059,882	19,059,882	27,493,558	35,467,949	44,442,149	51,745,432	61,732,140	66,691,372	72,372,079	81,013,934	88,520,442	96,511,977
Financial Institutions	6,171,595	6,171,595	9,214,315	9,565,491	9,803,695	12,154,598	12,569,851	12,713,747	17,925,906	20,102,804	20,232,564	23,806,758
Cigarettes	54,977,390	54,977,390	78,416,047	107,600,125	128,603,411	151,944,781	176,865,974	194,192,454	213,960,669	239,161,095	260,244,948	282,655,287
Corporations	231,793,663	231,793,663	1,292,038,053	1,356,698,758	1,400,558,396	1,833,421,326	1,909,880,197	1,936,375,281	2,896,070,254	3,296,894,244	3,320,786,555	3,978,889,384
Deeds	41,383,409	41,383,409	63,659,895	86,052,213	110,506,182	130,843,357	152,596,590	167,825,579	178,895,713	196,121,134	214,214,021	251,405,908
Estate and Inheritance	168,552,915	168,552,915	231,683,441	304,348,772	373,368,291	431,261,598	466,893,305	508,245,723	548,656,116	598,505,402	659,924,482	719,196,822
Income	3,669,306,792	3,669,306,792	7,006,439,081	8,592,692,850	10,270,822,226	12,914,352,803	16,016,698,202	17,363,334,727	19,683,035,692	24,703,865,208	26,299,225,959	29,150,063,306
Insurance	5,938,011	5,938,011	104,633,979	116,024,992	123,751,565	200,007,262	213,476,709	218,144,240	387,209,788	457,821,315	462,030,326	577,965,616
Motor Fuels and International Fuel Tax Agreement	121,714,447	121,714,447	183,618,728	241,293,064	302,346,607	359,359,318	418,733,268	474,605,229	525,696,122	582,459,114	638,366,367	697,893,157
Public Utilities	0	0	0	0	0	0	0	0	0	0	0	0
Room Occupancy	158,887,990	158,887,990	201,203,809	225,728,885	249,142,682	263,158,564	274,141,650	305,057,356	325,474,400	362,087,760	399,531,652	410,896,809
Sales and Use	1,774,323,719	1,774,323,719	2,559,084,580	3,381,458,069	4,179,847,202	5,002,255,439	5,826,454,148	6,524,970,363	7,209,425,387	8,073,831,151	8,895,667,469	9,810,846,721
Club Alcoholic Beverages	35,804	35,804	114,842	191,988	256,693	338,678	408,653	481,025	551,843	632,043	694,287	810,118
Motor Vehicle Excise	38,030	38,030	88,246	137,260	178,369	230,457	274,915	320,896	365,889	416,844	456,389	529,981
Convention Center Surcharges	4,756,945	4,756,945	5,941,293	7,125,640	8,309,987	9,494,335	10,678,682	11,863,030	13,047,377	14,231,725	15,416,072	16,600,419
Community Preservation Trust	5,699,150	5,699,150	10,001,283	14,303,416	18,605,549	22,907,681	27,209,814	31,511,947	35,814,080	40,116,213	44,418,346	48,720,479
Controlled Substances and Marijuana Excise	22,187,569	22,187,569	39,008,529	55,472,127	69,301,051	86,835,008	101,764,505	117,201,121	132,296,657	149,352,466	162,623,443	187,269,994
Satellite	616,229	616,229	964,745	1,304,920	1,590,233	1,951,743	2,260,294	2,579,417	2,891,688	3,245,328	3,519,788	4,030,542
Statewide Car Rental	1,749,253	1,749,253	1,937,298	2,125,343	2,313,387	2,501,432	2,689,477	2,877,521	3,065,566	3,253,611	3,441,656	3,629,700
Electronic Nicotine Delivery System	2,358,225	2,358,225	3,163,694	3,949,888	4,609,286	5,444,787	6,157,893	6,895,431	7,617,134	8,434,448	9,068,763	10,249,187
Department of Revenue Before the Reduction of 62F Payments	6,289,551,017	6,289,551,017	11,818,705,415	14,541,541,750	17,298,356,963	21,480,208,599	25,681,486,269	27,945,886,460	32,254,372,359	38,831,545,838	41,498,383,527	46,271,972,167
Massachusetts Gaming Commission:												
Pari-Mutuel Taxes	130,040	130,040	171,737	213,433	255,130	296,826	338,523	380,219	421,916	463,612	505,309	547,005
Gaming Revenue Tax	61,237,160	61,237,160	105,819,514	150,401,869	194,984,224	239,566,579	284,148,934	328,731,288	373,313,643	417,895,998	462,478,353	507,060,708
Lottery Commission:												
Beano	67,650	67,650	110,148	151,630	186,421	230,504	268,129	307,043	345,122	388,245	421,713	483,995
Raffles and Bazaars	88,123	88,123	156,220	234,199	298,807	373,085	448,275	516,545	582,086	670,648	730,614	833,409
State Athletic Commission												
Boxing Contests	5,411	5,411	12,390	19,369	26,348	33,327	40,306	47,284	54,263	61,242	68,221	75,200
Bowling Fund	1,303	1,303	2,973	4,642	6,312	7,982	9,651	11,321	12,991	14,661	16,330	18,000
Division of Insurance												
Excess and Surplus Lines Insurance	279,191	279,191	281,301	282,984	283,358	289,480	293,060	86,087,593	115,876,966	117,316,754	119,264,262	118,977,922
Secretary of State:												
Deeds Excise Stamp Tax Fees	12,258,251	12,258,251	23,113,652	33,561,739	45,138,514	54,851,004	66,279,004	73,684,680	80,512,855	88,962,820	98,490,363	123,137,152
Department of Unemployment Assistance:												
Workforce Training Contribution	4,710,268	4,710,268	4,868,759	5,673,288	7,824,907	7,968,417	8,544,861	10,229,480	10,384,218	13,133,999	26,703,170	27,033,910
Other Agencies Sub-Total	78,777,397	78,777,397	134,536,694	190,543,153	249,004,020	303,617,204	360,370,743	499,995,455	581,504,060	638,907,980	708,678,335	778,167,300
Total Net State Tax Revenue Before the Reduction of 62F Payments	6,368,328,415	6,368,328,415	11,953,242,110	14,732,084,903	17,547,360,984	21,783,825,803	26,041,857,011	28,445,881,915	32,835,876,419	39,470,453,818	42,207,061,862	47,050,139,467
Less:												
Estimate of 4% Income Surtax Revenues ^{(1) (2)}	(132,105,487)	(132,105,487)	(407,767,807)	(531,977,598)	(600,042,740)	(714,562,726)	(1,046,217,921)	(1,105,801,541)	(1,207,423,842)	(2,316,752,308)	(2,397,313,185)	(2,700,000,000)
Total Net State Tax Revenue Less the Estimate of 4% Income Surtax Revenue	6,236,222,927	6,236,222,927	11,545,474,303	14,200,107,306	16,947,318,244	21,069,263,077	24,995,639,090	27,340,080,374	31,628,452,577	37,153,701,510	39,809,748,677	44,350,139,467
Estimate of Allowable State Tax Revenues for the Fiscal Year Ended June 30, 2024	50,100,236,204	50,100,236,204	50,100,236,204	50,100,236,204	50,100,236,204	50,100,236,204	50,100,236,204	50,100,236,204	50,100,236,204	50,100,236,204	50,100,236,204	50,100,236,204
Net State Tax Revenues above/(below) of Allowable State Tax Revenues ⁽¹⁾	(43,864,013,276)	(43,864,013,276)	(38,554,761,901)	(35,900,128,898)	(33,152,917,960)	(29,030,973,127)	(25,104,597,113)	(22,760,155,830)	(18,471,783,627)	(12,946,534,694)	(10,290,487,527)	(5,750,096,737)

1) Pursuant to subsection (d) of section 288B888 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 \$132,105,487 for the months of July 2026 and August 2026. This is not a certified estimate and 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 year.