



**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.
September 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 September, 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

September 30, 2026 year-to-date net state tax revenue excluding 4% income surtax revenue:	11,364,989,151
DOR's estimate of full year FY27 total net state tax revenue:	44,481,446,471
DOR's estimate of FY27 allowable net state revenue:	50,171,477,105
DOR's estimate of the amount by which net state tax revenue will be above(below) allowable state tax revenue:	(5,690,030,634)

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
September 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	September 30, 2026 ⁽¹⁾ (Exhibit 1)	\$11,364,989,151
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)		\$44,481,446,471
Allowable state tax revenue for FY26 (Exhibit 3)		\$48,266,193,259
Estimate of allowable state tax revenue growth factor for FY27 (Exhibit 2)		1.0394745
Estimate of allowable state tax revenue for FY27 (Exhibit 3)		\$50,171,477,105
Estimate of the amount net state tax revenue will be above/(below) allowable state tax revenue for FY27 ⁽²⁾ (Exhibit 4)		(\$5,690,030,634)

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

September 2026 Monthly 62F Report

Type of State Tax Revenue Collected (By Agency)	Fiscal YTD Net State Tax Revenues as of 9/30/2026
Department of Revenue:	
Alcoholic Beverages	26,762,650
Financial Institutions	15,268,951
Cigarettes	80,731,308
Corporations	1,233,486,815
Deeds	66,524,716
Estate and Inheritance	230,825,328
Income	6,907,040,463
Insurance	142,827,469
Motor Fuels and International Fuel Tax Agreement	182,984,787
Public Utilities	0
Room Occupancy	195,671,397
Sales and Use	2,614,739,305
Club Alcoholic Beverages	46,761
Motor Vehicle Excise	43,321
Convention Center Surcharges	4,829,309
Community Preservation Trust	9,657,475
Controlled Substances and Marijuana Excise	37,610,707
Satellite	919,910
Statewide Car Rental	1,787,509
Electronic Nicotine Delivery System	3,435,079
Department of Revenue Before the Reduction of 62F Payments	11,755,193,260
Pari-Mutual Taxes	236,419
Gaming Revenue Tax	108,891,808
Lottery Commission:	
Beano	105,772
Raffles and Bazaars	134,638
State Athletic Commission	
Boxing Contests	44,722
Boxer's Fund	10,595
Division of Insurance	
Excess and Surplus Lines Insurance	279,191
Secretary of State:	
Deeds Excise Stamp Tax Fees	22,346,668
Department of Unemployment Assistance:	
Workforce Training Contribution	4,892,395
Other Agencies Sub-Total	136,942,209
Total Net State Tax Revenue Before the Reduction of 62F Payments	11,892,135,469
Less:	
Estimate of 4% Income Surtax Revenues ^{(1) (2)}	(527,146,318)
Total Net State Tax Revenue Less the Estimate of 4% Income Surtax Revenue	11,364,989,151

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 \$527,146,318 during the period between July 2026 and September 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, 2027
September 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	\$386,338,110	1.0293751
Estimate of the Sum of 2024 - 2026 calendar year growth increase		3.1184234
Estimate of the allowable state tax growth factor for FY27⁽³⁾		1.0394745

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
September 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	1.0394745
Estimate of allowable state revenue for the FY27	<u>\$50,171,477,105</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.

September 2026 Monthly 62F Report

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 9/30/2026									
		Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27
Department of Revenue:										
Alcoholic Beverages	26,762,650	34,737,041	43,711,241	51,014,524	61,001,232	65,960,464	71,641,171	80,283,026	87,789,534	95,781,069
Financial Institutions	15,268,951	15,541,440	15,678,362	18,095,060	18,503,864	18,633,416	24,329,179	26,613,100	26,726,465	30,546,048
Cigarettes	80,731,308	110,079,233	131,200,438	154,672,852	179,733,960	197,157,715	217,036,915	242,378,823	263,581,047	286,117,204
Corporations	1,233,486,815	1,283,659,144	1,308,870,192	1,753,847,618	1,829,119,058	1,852,973,035	2,901,712,294	3,322,241,920	3,343,115,395	4,046,400,657
Deeds	66,524,716	92,868,619	121,637,995	145,564,083	171,156,122	189,072,580	202,096,266	222,361,467	243,647,216	287,402,379
Estate and Inheritance	230,825,328	303,490,659	372,510,177	430,403,484	466,035,192	507,387,609	547,798,002	597,647,289	659,066,368	718,338,708
Income	6,907,040,463	8,939,521,332	10,595,743,901	13,221,051,992	16,234,631,316	17,583,986,388	19,902,804,206	24,842,363,748	26,432,622,802	29,214,923,261
Insurance	142,827,469	151,666,124	156,107,451	234,497,309	247,757,571	251,959,829	436,711,945	510,794,934	514,472,129	638,367,024
Motor Fuels and International Fuel Tax Agreement	182,984,787	240,659,124	301,712,666	358,725,377	418,099,327	473,971,289	525,062,182	581,825,174	637,732,426	697,259,216
Public Utilities	0	0	0	0	0	0	0	0	0	0
Room Occupancy	195,671,397	220,196,473	243,610,270	257,626,152	268,609,238	299,524,944	319,941,988	356,555,348	393,999,240	405,364,397
Sales and Use	2,614,739,305	3,432,696,937	4,226,865,231	5,044,438,608	5,863,423,371	6,558,148,040	7,239,042,620	8,098,591,599	8,916,134,782	9,826,273,007
Club Alcoholic Beverages	46,761	123,908	188,613	270,597	340,572	412,944	483,763	563,963	626,206	742,037
Motor Vehicle Excise	43,321	92,335	133,444	185,532	229,990	275,971	320,964	371,918	411,464	485,056
Convention Center Surcharges	4,829,309	6,137,210	7,445,111	8,753,013	10,060,914	11,368,815	12,676,716	13,984,617	15,292,518	16,600,419
Community Preservation Trust	9,657,475	13,997,809	18,338,142	22,678,476	27,018,810	31,359,144	35,699,477	40,039,811	44,380,145	48,720,479
Controlled Substances and Marijuana Excise	37,610,707	54,074,306	67,903,230	85,437,186	100,366,683	115,803,300	130,898,835	147,954,645	161,225,621	185,872,172
Satellite	919,910	1,260,086	1,545,398	1,906,908	2,215,459	2,534,582	2,846,853	3,200,494	3,474,954	3,985,707
Statewide Car Rental	1,787,509	2,145,011	2,502,512	2,860,014	3,217,516	3,575,018	3,932,519	4,290,021	4,647,523	5,005,025
Electronic Nicotine Delivery System	3,435,079	4,745,402	5,844,399	7,236,900	8,425,410	9,654,641	10,857,478	12,219,668	13,776,861	15,244,234
Department of Revenue Before the Reduction of 62F Payments	11,755,193,260	14,907,692,189	17,621,548,776	21,799,265,687	25,909,945,606	28,173,759,723	32,585,893,374	39,104,281,565	41,762,222,697	46,523,428,099
Massachusetts Gaming Commission:										
Pari-Mutuel Taxes	236,419	270,929	305,438	339,948	374,458	408,967	443,477	477,986	512,496	547,005
Gaming Revenue Tax	108,891,808	153,132,797	197,373,786	241,614,775	285,855,764	330,096,752	374,337,741	418,578,730	462,819,719	507,060,708
Lottery Commission:										
Beano	105,772	147,253	182,045	226,127	263,752	302,667	340,745	383,869	417,336	479,618
Raffles and Bazaars	134,638	212,617	277,225	351,504	426,694	494,963	560,504	649,067	709,032	811,827
State Athletic Commission										
Boxing Contests	44,722	48,220	51,717	55,214	58,712	62,209	65,707	69,204	72,702	76,199
Boxer's Fund	10,595	11,418	12,241	13,063	13,886	14,709	15,532	16,354	17,177	18,000
Division of Insurance										
Excess and Surplus Lines Insurance	279,191	280,874	281,248	287,370	290,950	86,085,483	115,874,856	117,314,644	119,262,152	118,975,812
Secretary of State:										
Deeds Excise Stamp Tax Fees	22,346,668	32,794,755	44,371,529	54,084,019	65,512,019	72,917,696	79,745,871	88,195,836	97,723,378	122,370,168
Department of Unemployment Assistance:										
Workforce Training Contribution	4,892,395	5,696,924	7,848,543	7,992,053	8,568,497	10,253,116	10,407,854	13,157,635	26,726,806	27,057,546
Other Agencies Sub-Total	136,942,209	192,595,786	250,703,772	304,964,074	361,364,732	500,636,563	581,792,286	638,843,325	708,260,799	777,396,883
Total Net State Tax Revenue Before the Reduction of 62F Payments	11,892,135,469	15,100,287,975	17,872,252,548	22,104,229,761	26,271,310,338	28,674,396,285	33,167,685,660	39,743,124,890	42,470,483,496	47,300,824,982

Less:

Estimate of 4% Income Surtax Revenues ^{(1) (2)}	(527,146,318)	(651,356,108)	(719,421,250)	(833,941,237)	(1,165,596,432)	(1,225,180,052)	(1,326,802,353)	(2,436,130,819)	(2,516,691,696)	(2,819,378,511)
Total Net State Tax Revenue Less the Estimate of 4% Income Surtax Revenue	11,364,989,151	14,448,931,867	17,152,831,297	21,270,288,525	25,105,713,905	27,449,216,233	31,840,883,307	37,306,994,071	39,953,791,799	44,481,446,471
Estimate of Allowable State Tax Revenues for the Fiscal Year Ended June 30, 2024	50,171,477,105	50,171,477,105	50,171,477,105	50,171,477,105	50,171,477,105	50,171,477,105	50,171,477,105	50,171,477,105	50,171,477,105	50,171,477,105
Net State Tax Revenues above/(below) of Allowable State Tax Revenues ⁽³⁾	(38,806,487,954)	(35,722,545,238)	(33,018,645,808)	(28,901,188,580)	(25,065,763,199)	(22,722,260,872)	(18,330,593,797)	(12,864,483,034)	(10,217,685,305)	(5,690,030,634)

1) Pursuant to subsection (d) of section 28B888B 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 \$527,146,318 for the months of July 2026 and September 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 year.