



**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 2025 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, 2025 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.

Report Highlights

September 30, 2025 year-to-date net state tax revenue excluding 4% income surtax revenue:	9,796,346,054
DOR's estimate of full year FY26 total net state tax revenue:	41,811,534,188
DOR's estimate of FY26 allowable net state revenue:	48,197,701,558
DOR's estimate of the amount by which net state tax revenue will be above(below) allowable state tax revenue:	(6,386,167,370)

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 2026 Net State Tax Revenue and Allowable State Tax Revenue
as Defined by Chapter 62F
September 2025 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	September 30, 2025 ⁽¹⁾ (Exhibit 1)	\$9,796,346,054
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 ⁽¹⁾ (Exhibit 4)		\$41,811,534,188
Allowable state tax revenue for FY25 (Exhibit 3)		\$46,384,735,613
Estimate of allowable state tax revenue growth factor for FY26 (Exhibit 2)		1.0390854
Estimate of allowable state tax revenue for FY26 (Exhibit 3)		\$48,197,701,558
Estimate of the amount net state tax revenue will be above/(below) allowable state tax revenue for FY26 ⁽²⁾ (Exhibit 4)		(\$6,386,167,370)

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 2025 Monthly 62F Report

Type of State Tax Revenue Collected (By Agency)	Fiscal YTD Net State Tax Revenues as of 9/30/2025
Department of Revenue:	
Alcoholic Beverages	27,540,410
Financial Institutions	3,440,661
Cigarettes	80,971,278
Corporations	687,323,818
Deeds	58,582,338
Estate and Inheritance	173,227,326
Income	6,087,882,291
Insurance	154,466,396
Motor Fuels and International Fuel Tax Agreement	183,052,037
Public Utilities	0
Room Occupancy	183,463,560
Sales and Use	2,452,009,472
Club Alcoholic Beverages	49,547
Motor Vehicle Excise	18,029
Convention Center Surcharges	4,357,466
Community Preservation Trust	9,832,175
Controlled Substances and Marijuana Excise	38,279,311
Satellite	1,020,835
Statewide Car Rental	1,507,965
Electronic Nicotine Delivery System	2,565,895
Department of Revenue Before the Reduction of 62F Payments	10,149,590,810
Pari-Mutual Taxes	96,346
Gaming Revenue Tax	99,031,817
Lottery Commission:	
Beano	105,752
Raffles and Bazaars	127,295
State Athletic Commission	
Boxing Contests	4,612
Boxer's Fund	1,141
Division of Insurance	
Excess and Surplus Lines Insurance	3,249
Secretary of State:	
Deeds Excise Stamp Tax Fees	19,834,937
Department of Unemployment Assistance:	
Workforce Training Contribution	4,855,067
Other Agencies Sub-Total	124,060,215
Total Net State Tax Revenue Before the Reduction of 62F Payments	10,273,651,025
Less:	
Estimate of 4% Income Surtax Revenues ^{(1) (2)}	(477,304,970)
Total Net State Tax Revenue Less the Estimate of 4% Income Surtax Revenue	9,796,346,054

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 \$477,304,970 during the period between July 2025 and September 2025. 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
September 2025 Monthly 62F Report

Calendar Year	Massachusetts Wages and Salaries⁽¹⁾ (in Thousands)	Wages and Salaries Yearly Growth Rate⁽²⁾
2022 Actual	\$333,155,998	
2023 Actual	\$344,029,483	1.0326378
2024 Actual	\$362,741,160	1.0543897
2025 Estimate	\$373,706,317	1.0302286
Estimate of the Sum of 2022 - 2025 calendar year growth increase		3.1172561
Estimate of the allowable state tax growth factor for FY26⁽³⁾		1.0390854

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
September 2025 Monthly 62F Report

Allowable state tax revenue for the FY25 ⁽¹⁾	\$46,384,735,613
Estimate of allowable state tax growth factor for the FY26	1.0390854
Estimate of allowable state revenue for the FY26	<u>\$48,197,701,558</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 2025 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 2026								
Type of State Tax Revenue Collected (By Agency)	Fiscal YTD Net State Tax Revenues as of 9/30/2025	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26
Department of Revenue:										
Alcoholic Beverages	27,540,410	35,209,994	44,675,164	52,264,665	61,821,067	67,386,089	73,413,057	81,457,326	89,151,501	97,883,044
Financial Institutions	3,440,661	3,734,669	3,549,479	6,502,523	6,858,936	7,120,303	12,767,148	15,038,938	15,335,645	19,224,800
Cigarettes	80,971,278	116,042,707	141,591,568	171,321,230	199,564,480	221,431,864	242,597,358	273,045,903	298,807,267	325,522,736
Corporations	687,323,818	746,816,779	709,343,217	1,306,896,090	1,379,016,961	1,431,904,891	2,574,552,484	3,034,252,511	3,094,291,714	3,881,268,008
Deeds	58,582,338	81,380,761	105,898,969	126,503,772	152,190,324	170,430,942	181,447,054	200,675,841	221,782,382	261,625,669
Estate and Inheritance	173,227,326	206,371,872	255,743,826	308,550,757	335,536,992	367,966,117	404,704,370	449,253,982	489,559,055	553,646,575
Income	6,087,882,291	7,752,696,988	9,300,473,514	11,794,222,962	14,432,503,979	15,718,666,255	17,815,795,351	22,666,913,058	24,161,417,930	26,752,202,429
Insurance	154,466,396	163,504,914	157,811,712	248,595,435	259,552,459	267,587,503	441,185,200	511,025,514	520,147,020	639,709,056
Motor Fuels and International Fuel Tax Agreement	183,052,037	243,005,643	309,075,800	370,967,122	434,771,037	492,784,294	547,975,313	610,215,977	671,057,280	736,550,011
Public Utilities	0	0	0	0	0	0	0	0	0	0
Room Occupancy	183,463,560	220,132,810	238,949,219	244,233,939	247,990,603	264,148,958	285,303,472	310,456,604	354,226,354	338,824,040
Sales and Use	2,452,009,472	3,281,847,386	4,043,310,515	4,896,764,792	5,830,747,113	6,521,468,303	7,207,250,166	8,067,770,670	8,823,430,335	9,720,450,401
Club Alcoholic Beverages	49,547	121,324	184,206	262,324	327,797	393,090	459,326	541,257	604,641	715,900
Motor Vehicle Excise	18,029	75,027	124,963	186,998	238,991	290,842	343,441	408,504	458,838	547,190
Convention Center Surcharges	4,357,466	5,814,811	7,272,157	8,729,502	10,186,847	11,644,192	13,101,537	14,558,883	16,016,228	17,473,573
Community Preservation Trust	9,832,175	13,903,963	18,292,639	21,904,208	26,445,443	29,670,251	31,768,334	35,277,141	38,959,785	46,864,156
Controlled Substances and Marijuana Excise	38,279,311	52,798,608	65,599,695	81,455,807	94,802,001	108,043,696	121,530,823	138,085,914	150,949,317	173,439,848
Satellite	1,020,835	1,413,456	1,757,424	2,184,736	2,542,871	2,900,029	3,262,343	3,710,510	4,057,223	4,665,812
Statewide Car Rental	1,507,965	2,452,829	3,341,937	4,326,557	5,231,901	6,136,125	7,046,258	8,054,777	8,947,031	10,139,396
Electronic Nicotine Delivery System	2,565,895	4,321,770	5,860,063	7,771,081	9,372,733	10,970,013	12,590,352	14,594,640	16,145,208	18,866,937
Department of Revenue Before the Reduction of 62F Payments	10,149,590,810	12,931,646,312	15,412,856,065	19,653,644,500	23,489,702,533	25,700,943,757	29,977,093,386	36,435,337,950	38,975,344,756	43,599,619,582
Massachusetts Gaming Commission:										
Pari-Mutuel Taxes	96,346	196,099	295,852	395,605	495,358	595,111	694,864	794,617	894,370	994,123
Gaming Revenue Tax	99,031,817	143,069,097	187,106,378	231,143,658	275,180,939	319,218,219	363,255,500	407,292,780	451,330,061	495,367,341
Lottery Commission:										
Beano	105,752	142,759	175,180	215,457	249,213	282,877	317,028	359,270	391,950	449,313
Raffles and Bazaars	127,295	256,005	362,645	485,247	609,353	722,037	830,217	976,395	1,075,373	1,245,044
State Athletic Commission										
Boxing Contests	4,612	45,766	86,921	128,075	169,229	210,383	251,537	292,692	333,846	375,000
Boxer's Fund	1,141	9,347	17,554	25,761	33,967	42,174	50,380	58,587	66,793	75,000
Division of Insurance										
Excess and Surplus Lines Insurance	3,249	3,835	3,835	21,281	40,201	74,969,229	103,507,803	103,873,192	104,140,450	104,145,247
Secretary of State:										
Deeds Excise Stamp Tax Fees	19,834,937	29,511,378	39,995,390	48,194,940	58,727,356	66,206,447	71,923,756	80,679,731	88,944,405	112,143,041
Department of Unemployment Assistance:										
Workforce Training Contribution	4,855,067	5,651,160	7,831,285	7,989,446	8,575,565	10,349,168	10,515,110	12,437,244	26,584,130	26,921,791
Other Agencies Sub-Total	124,060,215	178,885,447	235,875,039	288,599,469	344,081,181	472,595,645	551,346,194	606,764,509	673,161,377	741,715,900
Total Net State Tax Revenue Before the Reduction of 62F Payments	10,273,651,025	13,110,531,758	15,648,731,104	19,942,243,969	23,833,783,715	26,173,539,403	30,528,439,580	37,042,102,459	39,649,106,133	44,341,335,482
Less:										
Estimate of 4% Income Surtax Revenues ^{(1) (2)}	(477,304,970)	(587,781,274)	(643,519,640)	(737,201,980)	(1,015,353,671)	(1,064,754,781)	(1,149,070,604)	(2,182,629,776)	(2,270,531,168)	(2,529,801,294)
Total Net State Tax Revenue Less the Estimate of 4% Income Surtax Revenue	9,796,346,054	12,522,750,485	15,005,211,464	19,205,041,989	22,818,430,044	25,108,784,621	29,379,368,976	34,859,472,682	37,378,574,965	41,811,534,188
Estimate of Allowable State Tax Revenues for the Fiscal Year Ended June 30, 2024	48,197,701,558	48,197,701,558	48,197,701,558	48,197,701,558	48,197,701,558	48,197,701,558	48,197,701,558	48,197,701,558	48,197,701,558	48,197,701,558
Net State Tax Revenues above/(below) of Allowable State Tax Revenues ⁽³⁾	(38,401,355,504)	(35,674,951,074)	(33,192,490,094)	(28,992,659,570)	(25,379,271,514)	(23,088,916,937)	(18,818,332,583)	(13,338,228,876)	(10,819,126,593)	(6,386,167,370)

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 \$477,304,970 during the period between July 2025 and September 2025. 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.