



**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.
October 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 October, 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

October 31, 2025	year-to-date net state tax revenue excluding 4% income surtax revenue:	12,823,702,800
DOR's estimate of full year FY26 total net state tax revenue:		41,640,813,837
DOR's estimate of FY26 allowable net state revenue:		48,216,176,599
DOR's estimate of the amount by which net state tax revenue will be above(below) allowable state tax revenue:		(6,575,362,762)

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
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
October 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	October 31, 2025 ⁽¹⁾ (Exhibit 1)	\$12,823,702,800
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)		\$41,640,813,837
Allowable state tax revenue for FY25 (Exhibit 3)		\$46,384,735,613
Estimate of allowable state tax revenue growth factor for FY26 (Exhibit 2)		1.0394837
Estimate of allowable state tax revenue for FY26 (Exhibit 3)		\$48,216,176,599
Estimate of the amount net state tax revenue will be above/(below) allowable state tax revenue for FY26 ⁽²⁾ (Exhibit 4)		(\$6,575,362,762)

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

October 2025 Monthly 62F Report

Type of State Tax Revenue Collected (By Agency)	Fiscal YTD Net State Tax Revenues as of 10/31/2025
Department of Revenue:	
Alcoholic Beverages	35,565,045
Financial Institutions	3,523,993
Cigarettes	110,609,051
Corporations	754,865,197
Deeds	80,846,407
Estate and Inheritance	266,943,191
Income	7,862,592,977
Insurance	154,866,306
Motor Fuels and International Fuel Tax Agreement	241,509,034
Public Utilities	0
Room Occupancy	225,727,795
Sales and Use	3,292,865,431
Club Alcoholic Beverages	46,983
Motor Vehicle Excise	20,309
Convention Center Surcharges	9,742,005
Community Preservation Trust	13,908,350
Controlled Substances and Marijuana Excise	54,277,284
Satellite	1,358,607
Statewide Car Rental	3,217,666
Electronic Nicotine Delivery System	3,711,194
Department of Revenue Before the Reduction of 62F Payments	13,116,196,824
Pari-Mutual Taxes	282,122
Gaming Revenue Tax	149,938,198
Lottery Commission:	
Beano	153,272
Raffles and Bazaars	223,055
State Athletic Commission	
Boxing Contests	16,820
Boxer's Fund	4,193
Division of Insurance	
Excess and Surplus Lines Insurance	5,111
Secretary of State:	
Deeds Excise Stamp Tax Fees	28,548,694
Department of Unemployment Assistance:	
Workforce Training Contribution	5,639,482
Other Agencies Sub-Total	184,810,946
Total Net State Tax Revenue Before the Reduction of 62F Payments	13,301,007,771
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	12,823,702,800

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
October 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	\$374,139,829	1.0314237
Estimate of the Sum of 2022 - 2025 calendar year growth increase		3.1184512
Estimate of the allowable state tax growth factor for FY26⁽³⁾		1.0394837

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
October 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	1.0394837
Estimate of allowable state revenue for the FY26	<u>\$48,216,176,599</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.

October 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								
	10/31/2025	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26
Department of Revenue:									
Alcoholic Beverages	35,565,045	45,030,214	52,619,716	62,176,117	67,741,139	73,768,107	81,812,376	89,506,551	98,238,095
Financial Institutions	3,523,993	3,338,802	6,291,846	6,648,260	6,909,627	12,556,472	14,828,261	15,124,969	19,014,123
Cigarettes	110,609,051	136,016,596	165,581,816	193,668,847	215,415,277	236,463,700	266,743,828	292,362,700	318,930,399
Corporations	754,865,197	717,391,635	1,314,944,508	1,387,065,379	1,439,953,309	2,582,600,902	3,042,300,929	3,102,340,132	3,889,316,426
Deeds	80,846,407	105,364,615	125,969,418	151,655,970	169,896,588	180,912,700	200,141,487	221,248,028	261,091,315
Estate and Inheritance	266,943,191	316,315,144	369,122,076	396,108,310	428,537,436	465,275,689	509,825,301	550,130,374	614,217,894
Income	7,862,592,977	9,410,720,239	11,905,034,788	14,543,913,658	15,830,367,389	17,927,971,708	22,780,188,713	24,275,032,250	26,866,403,839
Insurance	154,866,306	149,173,104	239,956,827	250,913,851	258,948,895	432,546,592	502,386,906	511,508,412	631,070,448
Motor Fuels and International Fuel Tax Agreement	241,509,034	307,579,190	369,470,513	433,274,428	491,287,684	546,478,703	608,719,368	669,560,670	735,053,401
Public Utilities	0	0	0	0	0	0	0	0	0
Room Occupancy	225,727,795	246,131,334	251,861,811	255,935,343	273,456,628	296,395,487	323,670,241	371,131,893	354,430,420
Sales and Use	3,292,865,431	4,054,540,236	4,908,231,762	5,842,473,716	6,533,386,917	7,219,359,418	8,080,119,134	8,835,988,862	9,733,258,287
Club Alcoholic Beverages	46,983	109,866	187,984	253,456	318,750	384,986	466,917	530,301	641,560
Motor Vehicle Excise	20,309	70,245	132,280	184,273	236,124	288,723	353,786	404,120	492,472
Convention Center Surcharges	9,742,005	10,708,451	11,674,897	12,641,343	13,607,789	14,574,235	15,540,681	16,507,127	17,473,573
Community Preservation Trust	13,908,350	18,358,486	22,020,634	26,625,466	29,895,436	32,022,902	35,580,848	39,315,066	47,330,133
Controlled Substances and Marijuana Excise	54,277,284	67,078,371	82,934,483	96,280,677	109,522,372	123,009,499	139,564,591	152,427,993	174,918,524
Satellite	1,358,607	1,702,575	2,129,886	2,488,022	2,845,180	3,207,494	3,655,661	4,002,374	4,610,963
Statewide Car Rental	3,217,666	4,416,014	5,709,873	6,924,456	8,137,920	9,357,292	10,675,051	11,876,544	13,378,148
Electronic Nicotine Delivery System	3,711,194	5,249,488	7,160,506	8,762,157	10,359,438	11,979,776	13,984,065	15,534,633	18,256,361
Department of Revenue Before the Reduction of 62F Payments	13,116,196,824	15,599,294,606	19,841,035,625	23,677,993,731	25,890,823,897	30,169,154,385	36,630,558,143	39,174,533,000	43,798,126,384
Massachusetts Gaming Commission:									
Pari-Mutuel Taxes	282,122	371,122	460,122	549,122	638,122	727,122	816,123	905,123	994,123
Gaming Revenue Tax	149,938,198	193,116,841	236,295,484	279,474,127	322,652,770	365,831,413	409,010,055	452,188,698	495,367,341
Lottery Commission:									
Beano	153,272	185,693	225,970	259,726	293,391	327,541	369,783	402,463	459,826
Raffles and Bazaars	223,055	329,695	452,297	576,403	689,086	797,266	943,445	1,042,422	1,212,093
State Athletic Commission									
Boxing Contests	16,820	61,593	106,365	151,138	195,910	240,683	285,455	330,228	375,000
Boxer's Fund	4,193	13,044	21,895	30,745	39,596	48,447	57,298	66,149	75,000
Division of Insurance									
Excess and Surplus Lines Insurance	5,111	5,111	22,558	41,478	74,970,505	103,509,079	103,874,469	104,141,726	104,146,523
Secretary of State:									
Deeds Excise Stamp Tax Fees	28,548,694	39,032,706	47,232,256	57,764,672	65,243,763	70,961,072	79,717,047	87,981,722	111,180,358
Department of Unemployment Assistance:									
Workforce Training Contribution	5,639,482	7,819,607	7,977,767	8,563,886	10,337,490	10,503,431	12,425,566	26,572,451	26,910,112
Other Agencies Sub-Total	184,810,946	240,935,411	292,794,713	347,411,298	475,060,633	552,946,055	607,499,241	673,630,982	740,720,377
Total Net State Tax Revenue Before the Reduction of 62F Payments	13,301,007,771	15,840,230,017	20,133,830,338	24,025,405,029	26,365,884,530	30,722,100,440	37,238,057,384	39,848,163,982	44,538,846,762
Less:									
Estimate of 4% Income Surtax Revenues ^{(1) (2)}	(477,304,970)	(546,782,844)	(663,557,881)	(1,010,273,963)	(1,071,852,448)	(1,176,952,120)	(2,465,283,629)	(2,574,852,713)	(2,898,032,925)
Total Net State Tax Revenue Less the Estimate of 4% Income Surtax Revenue	12,823,702,800	15,293,447,174	19,470,272,457	23,015,131,066	25,294,032,083	29,545,148,319	34,772,773,755	37,273,311,269	41,640,813,837
Estimate of Allowable State Tax Revenues for the Fiscal Year Ended June 30, 2024	48,216,176,599	48,216,176,599	48,216,176,599	48,216,176,599	48,216,176,599	48,216,176,599	48,216,176,599	48,216,176,599	48,216,176,599
Net State Tax Revenues above/(below) of Allowable State Tax Revenues ⁽³⁾	(35,392,473,798)	(32,922,729,425)	(28,745,904,142)	(25,201,045,533)	(22,922,144,516)	(18,671,028,280)	(13,443,402,843)	(10,942,865,330)	(6,575,362,762)

1) Pursuant to subsection (d) of section 28B8888 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.