

Commonwealth of Virginia/Department of Accounts
Summary Report on General Fund and Lottery Revenue Collections
For the Fiscal Years 2005 and 2006
(Dollars in Thousands)

Revenue	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2006 Estimate	As a % of Gen Fund Rev & Net Lottery Profits	September FY 2006	September FY 2005	% Change	Year-To-Date FY 2006	Year-To-Date FY 2005	% Change	% Annual Growth Req By Est
Individual Income Tax:									
Withholding	\$7,932,600	57.67	\$603,337	\$588,966	2.4	\$1,897,240	\$1,768,039	7.3	5.6
Tax Dues/Estimated Payments	1,765,600	12.83	276,873	223,062	24.1	349,077	286,618	21.8	(14.9)
Gross Individual Income Tax	<u>\$9,698,200</u>	<u>70.50</u>	<u>\$880,210</u>	<u>\$812,028</u>	<u>8.4</u>	<u>\$2,246,317</u>	<u>\$2,054,657</u>	<u>9.3</u>	<u>1.2</u>
Individual and Fiduciary Income (Refunds)	(1,363,500)	(9.91)	(9,285)	(21,011)	(55.8)	(50,464)	(87,784)	(42.5)	10.5
Net Individual Income Tax	<u>\$8,334,700</u>	<u>60.59</u>	<u>\$870,925</u>	<u>\$791,017</u>	<u>10.1</u>	<u>\$2,195,853</u>	<u>\$1,966,873</u>	<u>11.6</u>	<u>(0.2)</u>
Sales and Use Tax	2,828,400	20.56	236,546	219,735	7.7	579,307	524,342	10.5	(4.0)
Corporations Income Tax	508,200	3.69	158,268	103,077	53.5	214,841	121,996	76.1	(17.6)
Public Service Corporations	88,600	0.65	8,126	7,129	14.0	21,294	20,248	5.2	0.3
Insurance Premiums	413,700	3.01	76,655	80,446	(4.7)	84,131	87,960	(4.4)	10.7
Interest Income (a)	83,700	0.61	13,674	7,835	74.5	44,537	27,101	64.3	(0.2)
Alcoholic Beverage Sales (b)	143,800	1.05	4,059	3,845	5.6	13,529	12,591	7.4	(0.5)
Tobacco Master Settlement	0	0.00	0	571	(100.0)	0	571	(100.0)	(100.0)
All Other Revenues	912,400	6.63	89,808	97,403	(7.8)	292,353	248,156	17.8	(15.6)
Total General Fund Revenues	<u>\$13,313,500</u>	<u>96.79</u>	<u>\$1,458,061</u>	<u>\$1,311,058</u>	<u>11.2</u>	<u>\$3,445,845</u>	<u>\$3,009,838</u>	<u>14.5</u>	<u>(2.7)</u>
Gross Lottery Revenue	\$1,425,000	10.36	\$114,905	\$101,795	12.9	\$342,955	\$304,159	12.8	6.8
Less: Expenses	(983,200)	(7.15)	(77,141)	(67,342)	14.6	(239,449)	(206,182)	16.1	8.0
Net Lottery Profits	<u>\$441,800</u>	<u>3.21</u>	<u>\$37,764</u>	<u>\$34,453</u>	<u>9.6</u>	<u>\$103,506</u>	<u>\$97,977</u>	<u>5.6</u>	<u>4.3</u>
Total General Fund Revenues and Net Lottery Profits	<u>\$13,755,300</u>	<u>100.00</u>	<u>\$1,495,825</u>	<u>\$1,345,511</u>	<u>11.2</u>	<u>\$3,549,351</u>	<u>\$3,107,815</u>	<u>14.2</u>	<u>(2.5)</u>

Percentage is greater than 1,000%.

(a) Approximately 60% of the interest for the current quarter is due to nongeneral funds and will be transferred in October.

(b) Includes Beer and Beverage Excise Tax and Alcoholic Beverage State Tax.

NOTE: Due to the Department of Taxation's implementation of a new accounting system, there are various estimates within the detailed tax line items listed above. While the total revenue represents the collections for the fiscal year, the classification within line items is largely a result of estimates provided by the Department of Taxation. In addition, the Department of Taxation has processed few refunds during this implementation phase which has the effect of reporting higher than normal revenue.

Commonwealth of Virginia/Department of Accounts
General Fund Statement of Revenue Collections and Estimates
For the Fiscal Years 2005 and 2006
(Dollars in Thousands)

Revenue	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2006 Estimate	As a % of Total Gen Fund Rev	September		% Change	Year-To-Date		% Change	% Annual Growth Req By Est
			FY 2006	FY 2005		FY 2006	FY 2005		
Taxes:									
Individual Income Tax - Withholding	\$7,932,600	59.58	\$603,337	\$588,966	2.4	\$1,897,240	\$1,768,039	7.3	5.6
Tax Dues/Estimated Payments	1,765,600	13.26	276,873	223,062	24.1	349,077	286,618	21.8	(14.9)
Gross Individual Income Tax	\$9,698,200	72.84	\$880,210	\$812,028	8.4	\$2,246,317	\$2,054,657	9.3	1.2
Individ and Fiduc Income (Refunds)	(1,363,500)	(10.24)	(9,285)	(21,011)	(55.8)	(50,464)	(87,784)	(42.5)	10.5
Net Individual Income Tax	\$8,334,700	62.60	\$870,925	\$791,017	10.1	\$2,195,853	\$1,966,873	11.6	(0.2)
Sales and Use Tax	2,828,400	21.25	236,546	219,735	7.7	579,307	524,342	10.5	(4.0)
Corporations Income	508,200	3.82	158,268	103,077	53.5	214,841	121,996	76.1	(17.6)
Public Service Corporations	88,600	0.67	8,126	7,129	14.0	21,294	20,248	5.2	0.3
Insurance Premiums	413,700	3.11	76,655	80,446	(4.7)	84,131	87,960	(4.4)	10.7
Alcoholic Beverage Excise	101,800	0.76	0	0	-	1,552	962	61.3	(0.9)
Beer and Beverage Excise	42,000	0.32	4,059	3,845	5.6	11,977	11,629	3.0	0.5
Wills, Suits, Deeds, Contracts	483,800	3.63	62,957	43,276	45.5	202,813	113,767	78.3	(18.8)
Inheritance, Gift, and Estate	144,000	1.08	9,429	30,301	(68.9)	36,035	46,168	(21.9)	(4.0)
Tobacco Products	0	0.00	0	7	(100.0)	0	6,334	(100.0)	(100.0)
Bank Franchise	9,600	0.07	0	0	-	(80)	719	(111.1)	(9.4)
Other Taxes	5,600	0.04	(559)	2,063	(127.1)	1,985	7,113	(72.1)	(82.0)
Total Taxes	\$12,960,400	97.35	\$1,426,406	\$1,280,896	11.4	\$3,349,708	\$2,908,111	15.2	(2.7)
Rights and Privileges:									
Licenses and Permits	\$4,700	0.03	\$460	\$450	2.2	\$1,174	\$1,110	5.8	1.2
Corp. Franchise and Charters	40,000	0.30	633	602	5.1	1,831	1,768	3.6	(7.1)
Fees for Practice of Prof	1,000	0.01	0	0	-	0	0	-	-
Fees for Misc. Privileges & Services	12,100	0.09	724	616	17.5	2,125	2,101	1.1	(8.9)
Total Rights and Privileges	\$57,800	0.43	\$1,817	\$1,668	8.9	\$5,130	\$4,979	3.0	(5.2)
Other Revenues:									
Sales of Property & Commodities	\$100	0.00	\$2,928	\$101	#	\$3,075	\$11,188	(72.5)	(99.2)
Assessmts & Rcpts for Support of Special Svcs	400	0.00	31	26	19.2	88	102	(13.7)	20.1
Institutional Revenue	8,600	0.07	854	710	20.3	2,288	1,538	48.8	(6.5)
Interest (a)	83,700	0.63	13,674	7,835	74.5	44,537	27,101	64.3	(0.2)
Dividends and Rent	300	0.00	56	47	19.1	126	96	31.3	22.4
Fines, Forfeitures & Fees	228,100	1.71	15,518	18,062	(14.1)	49,773	53,512	(7.0)	4.0
Other Revenue	(6,000)	(0.04)	9	3,378	(99.7)	1,383	11,647	(88.1)	(143.0)
Excess Fees	(29,100)	(0.22)	(4,226)	(2,985)	(41.6)	(12,587)	(10,998)	(14.4)	23.3
Private Donations, Gifts & Cont.	0	0.00	0	0	-	8	0	-	(100.0)
Cities, Counties, and Towns	9,200	0.07	994	749	32.7	2,316	1,991	16.3	(2.6)
Tobacco Master Settlement	0	0.00	0	571	(100.0)	0	571	(100.0)	(100.0)
Total Other Revenues	\$295,300	2.22	\$29,838	\$28,494	4.7	\$91,007	\$96,748	(5.9)	(5.0)
Total General Fund Revenues	\$13,313,500	100.00	\$1,458,061	\$1,311,058	11.2	\$3,445,845	\$3,009,838	14.5	(2.7)

Percentage is greater than 1,000%.

(a) Approximately 60% of the interest for the current quarter is due to nongeneral funds and will be transferred in October.

NOTE: Due to the Department of Taxation's implementation of a new accounting system, there are various estimates within the detailed tax line items listed above. While the total revenue represents the collections for the fiscal year, the classification within line items is largely a result of estimates provided by the Department of Taxation. In addition, the Department of Taxation has processed few refunds during this implementation phase which has the effect of reporting higher than normal revenue.

**Commonwealth of Virginia/Department of Lottery
Summary Report on Lottery Collections
For the Fiscal Years 2005 and 2006
(Dollars in Thousands)**

	FY 2006 Estimate (d)	September			Year-To-Date			% Annual Growth Required By Estimate
		FY 2006	FY 2005	% Change	FY 2006	FY 2005	% Change (b)	
Lottery Collections								
Lotto South	\$74,000	\$4,409	\$5,349	(17.6)	\$15,344	\$16,692	(8.1)	11.0
Cash 5	28,900	2,250	2,282	(1.4)	6,933	7,020	(1.2)	2.8
Pick 4	171,900	13,752	12,893	6.7	42,704	39,748	7.4	1.6
Pick 3	241,700	20,580	19,187	7.3	64,300	59,138	8.7	(4.5)
Mega Millions	141,000	18,105	8,813	105.4	44,199	34,915	26.6	2.8
Scratch	767,500	55,809	53,271	4.8	169,475	146,646	15.6	12.9
Gross Lottery Revenue	<u>1,425,000</u>	<u>114,905</u>	<u>101,795</u>	<u>12.9</u>	<u>342,955</u>	<u>304,159</u>	<u>12.8</u>	<u>6.8</u>
Expenses (c)	<u>983,200</u>	<u>77,141 (a)</u>	<u>67,342</u>	<u>14.6</u>	<u>239,449 (a)</u>	<u>206,182</u>	<u>16.1</u>	<u>8.0</u>
Net Lottery Ticket Profits	<u>\$441,800</u>	<u>\$37,764 (a)</u>	<u>\$34,453</u>	<u>9.6</u>	<u>\$103,506 (a)</u>	<u>\$97,977</u>	<u>5.6</u>	<u>4.3</u>

(a) Current month includes operating expenses estimated (unaudited closing).

(b) The current-year figures on this chart, including growth percentages, are not an indicator of the probable outcome for the fiscal year.

Lottery revenues can have dramatic swings up and down month-to-month depending on the lotto jackpots, prize expense, and game related administrative expenses.

(c) "Expenses" includes prizes to winners, compensation to retailers, instant ticket printing costs, Lottery operating expenses, and net other income/expense.

(d) Estimate established in December 2004.

Commonwealth of Virginia/Department of Accounts
Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues
Summary Statement of Revenue Estimates & Collections
For the Fiscal Years 2005 and 2006
(Dollars in Thousands)

Revenue	FY 2006 Estimate	As a % of Total Fund	September			Year-To-Date			% Annual Growth Required By Estimate
			FY 2006	FY 2005	% Change	FY 2006	FY 2005	% Change	
Motor Fuel Taxes	\$878,900	25.30	\$73,083	\$71,655	2.0	\$160,981	\$149,846	7.4	3.5
Priority Transportation Fund	20,000	0.58	2,000	2,000	0.0	2,000	2,000	0.0	0.0
Motor Vehicle Sales and Use Tax	655,700	18.88	55,275	53,712	2.9	177,354	162,297	9.3	6.6
State Sales and Use Tax	463,400	13.34	38,687	37,578	3.0	98,261	90,278	8.8	3.0
Motor Vehicle License Fees	166,500	4.79	15,025	14,007	7.3	45,338	41,751	8.6	1.2
International Registration Plan	59,600	1.71	2,905	1,819	59.7	7,592	8,312	(8.7)	(1.8)
Interest Earnings	11,200	0.32	3	(39)	107.7	18	(138)	113.0	(36.5)
Misc. Taxes, Fees, and Revenues	20,400	0.59	3,933	2,352	67.2	8,456	7,498	12.8	(22.9)
Total State Taxes and Fees	\$2,275,700	65.51	\$190,911	\$183,084	4.3	\$500,000	\$461,844	8.3	3.3

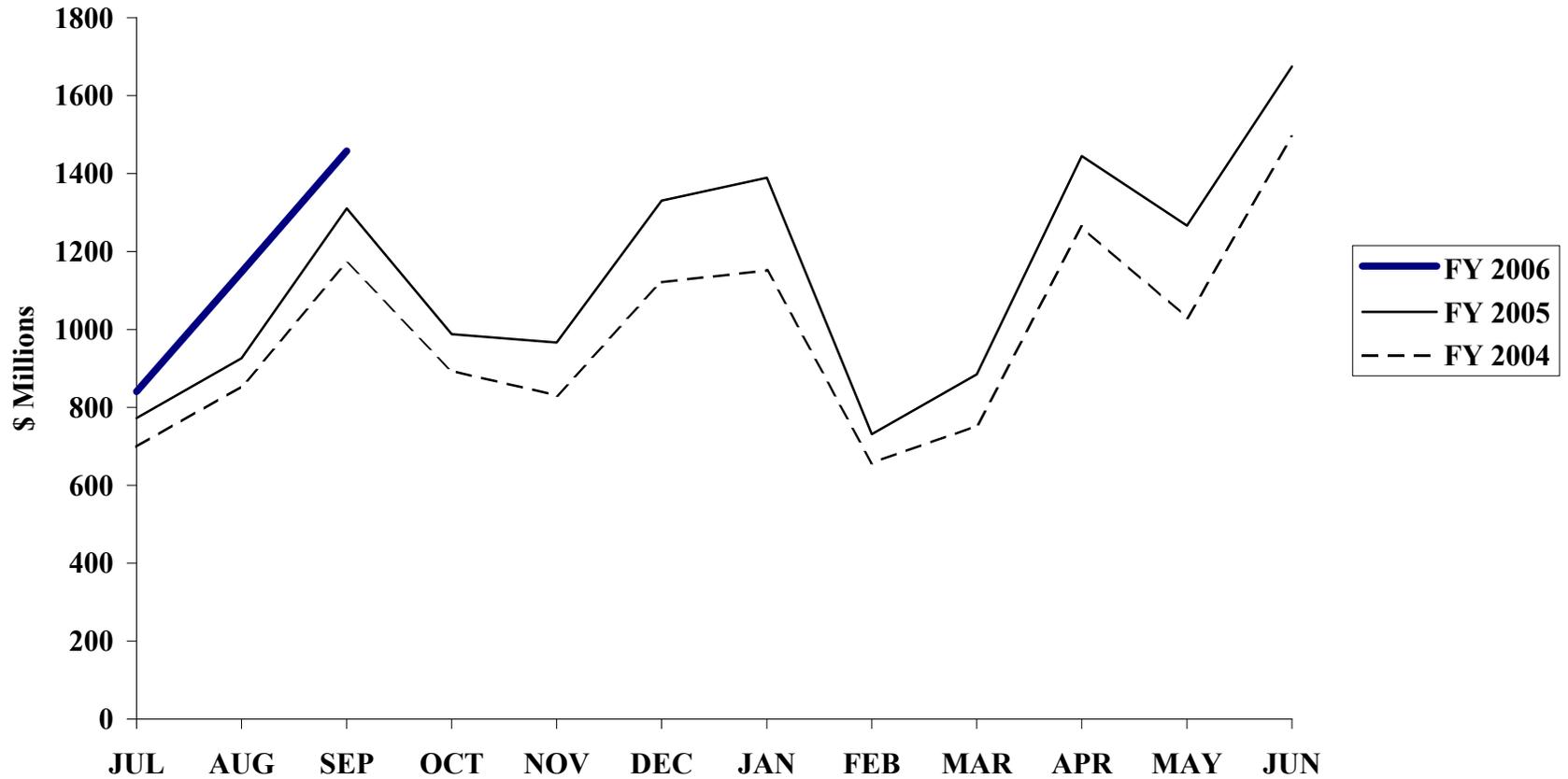
Percentage is greater than 1,000%.

Commonwealth of Virginia/Department of Accounts
Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues
Statement of Revenue Estimates & Collections
For the Fiscal Years 2005 and 2006
(Dollars in Thousands)

Revenue	FY 2006 Estimate	As a % of Total Fund	September			Year-To-Date			% Annual Growth Required By Est
			FY 2006	FY 2005	% Change	FY 2006	FY 2005	% Change	
HIGHWAY MAINTENANCE AND OPERATING FUND:									
Motor Fuel Taxes (Includes Road Tax)	\$754,100	21.71	\$60,956	\$64,473	(5.5)	\$137,339	\$130,729	5.1	3.2
Motor Vehicle Sales and Use Tax	406,400	11.70	35,310	35,065	0.7	113,616	104,956	8.3	2.6
Motor Vehicle License Fees	145,500	4.19	13,177	12,385	6.4	39,664	36,705	8.1	1.1
International Registration Plan	59,600	1.71	2,905	1,819	59.7	7,592	8,312	(8.7)	(1.8)
Misc. Taxes, Fees, and Revenues	20,400	0.59	3,933	2,352	67.2	8,456	7,498	12.8	(22.9)
Total State Taxes and Fees	\$1,386,000	39.90	\$116,281	\$116,094	0.2	\$306,667	\$288,200	6.4	2.1
Other Revenues:									
Federal Grants and Contracts	\$0	0.00	\$3,357	\$872	285.0	\$10,079	\$4,514	123.3	(100.0)
Transfer (to) / from Transportation Trust Fund	186,200	5.36	0	24,461	(100.0)	186,199	146,053	27.5	(4.5)
Total Highway Maintenance and Operating Fund	\$1,572,200	45.26	\$119,638	\$141,427	(15.4)	\$502,945	\$438,767	14.6	(0.6)
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$124,800	3.59	\$12,127	\$7,182	68.9	\$23,642	\$19,117	23.7	4.8
Priority Transportation Fund	20,000	0.58	2,000	2,000	0.0	2,000	2,000	0.0	0.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	249,300	7.18	19,965	18,647	7.1	63,738	57,341	11.2	13.7
State Sales and Use Tax	463,400	13.34	38,687	37,578	3.0	98,261	90,278	8.8	3.0
Motor Vehicle License Fees	21,000	0.60	1,848	1,622	13.9	5,674	5,046	12.4	2.0
Interest Earnings	11,200	0.32	3	(39)	107.7	18	(138)	113.0	(36.5)
Total State Taxes and Fees	\$889,700	25.61	\$74,630	\$66,990	11.4	\$193,333	\$173,644	11.3	5.1
Other Revenues:									
Federal Grants and Contracts	\$1,011,300	29.12	\$94,589	\$95,380	(0.8)	\$152,503	\$164,364	(7.2)	121.8
Receipts from Cities/Counties	70,400	2.03	3,320	6,919	(52.0)	12,162	13,493	(9.9)	174.6
Toll Revenues (Includes Route 28)	88,700	2.55	8,377	13,113	(36.1)	21,363	26,331	(18.9)	(20.5)
Miscellaneous Revenues	27,500	0.79	(172)	2,903	(105.9)	4,565	14,787	(69.1)	1.1
Total Other Revenues	\$1,197,900	34.49	\$106,114	\$118,315	(10.3)	\$190,593	\$218,975	(13.0)	93.1
Transfer (to) / from Highway Maintenance and Operating Fund	(\$186,200)	(5.36)	\$0	(\$24,461)	100.0	(\$186,199)	(\$146,053)	(27.5)	4.5
Total Transportation Trust Fund	\$1,901,400	54.74	\$180,744	\$160,844	12.4	\$197,727	\$246,566	(19.8)	49.5
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND									
	\$3,473,600	100.00	\$300,382	\$302,271	(0.6)	\$700,672	\$685,333	2.2	21.7

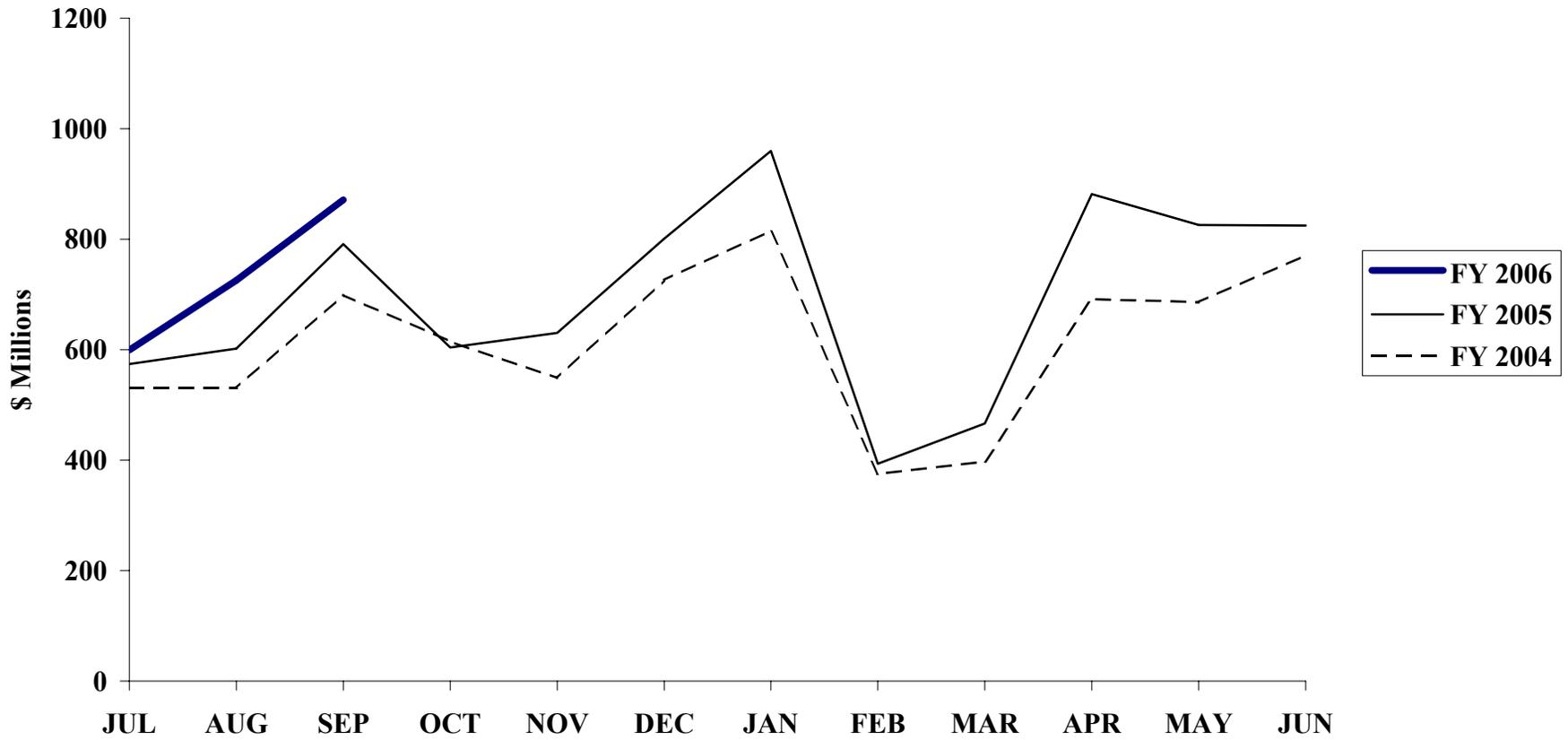
Percentage is greater than 1,000%.

Total General Fund Revenues



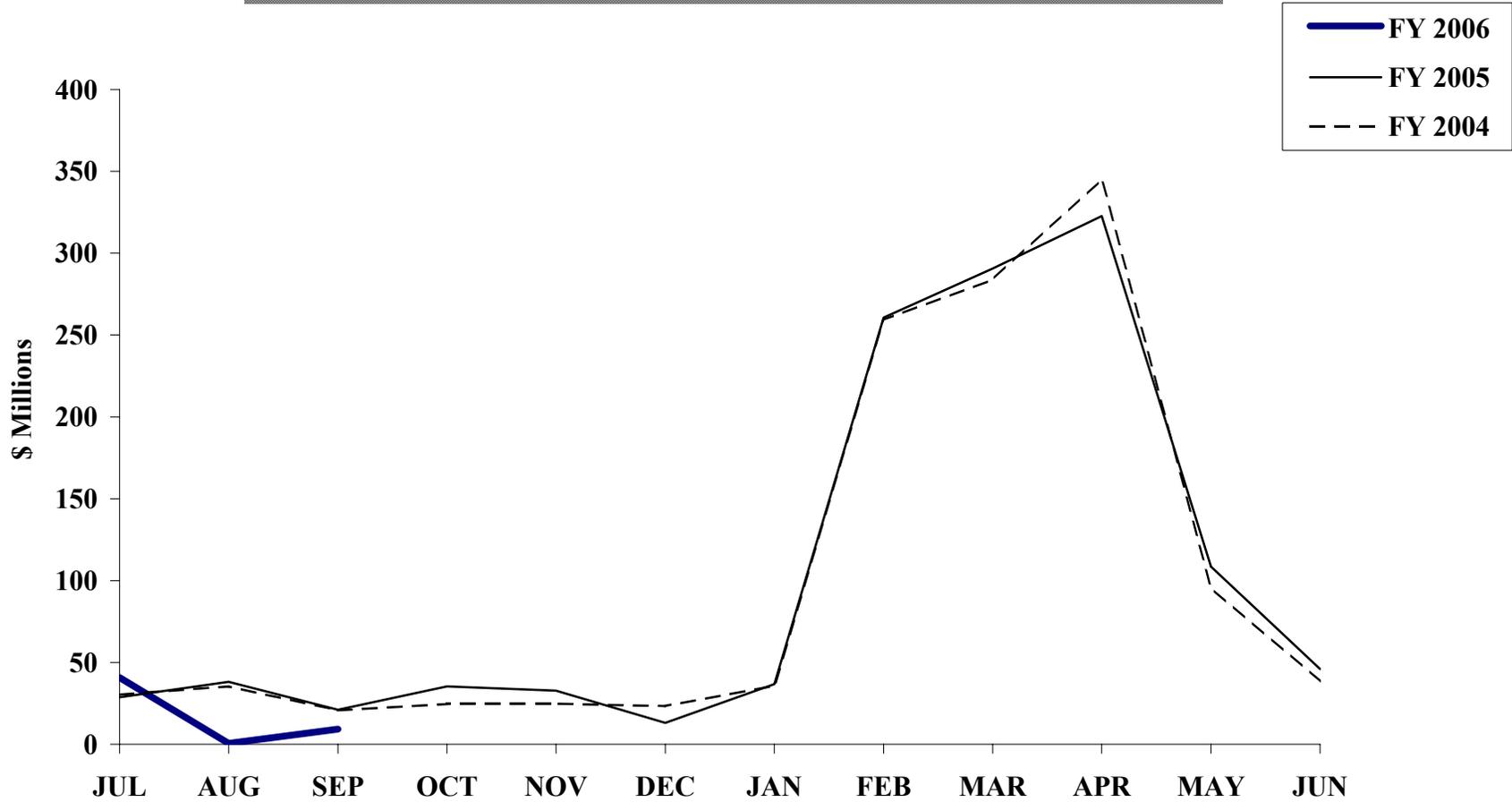
FY 2004 Actual = \$11,917.8 Million
FY 2005 Actual = \$13,687.3 Million
FY 2006 Estimate = \$13,313.5 Million

Net Individual Income Tax



FY 2004 Actual = \$7,384.8 Million
FY 2005 Actual = \$8,352.4 Million
FY 2006 Estimate = \$8,334.7 Million

Individual and Fiduciary Income Tax Refunds



FY 2004 Actual = \$1,217.2 Million
FY 2005 Actual = \$1,234.2 Million
FY 2006 Estimate = \$1,363.5 Million

DEPARTMENT OF THE TREASURY

General Account Investment Portfolio

Monthly Average Balances and Rates

For the Fiscal Year 2006

(Dollars in Millions)

MONTH	PRIMARY LIQUIDITY		EXTERNAL MANAGEMENT EXTENDED DURATION ^{1, 2}		COMPOSITE	
	Avg. Balance	Yield	Avg. Balance	Annualized Total Return	Avg. Balance	Rate
July, 2005	\$4,108.3	3.13%	\$1,030.2	-9.52%	\$5,138.5	0.59%
August	\$4,049.1	3.29%	\$1,020.0	13.63% ³	\$5,069.1	5.37%
September	\$4,407.7	3.54%	\$1,010.4	-8.54%	\$5,418.1	1.28%
October						
November						
December						
January, 2006						
February						
March						
April						
May						
June						
Year-to-Date Average	\$4,188.4	3.33%	\$1,020.2	-1.48%	\$5,208.6	2.38%
Latest 12-month Average	\$3,751.4	2.71%	\$940.5	2.25%	\$4,691.9	2.61%

¹ Performance on the extended duration portion of the General Account is now reported on an annualized total return basis. Total return includes unrealized gains and losses, which in the short term can make returns more volatile. Over an extended time period the fluctuations average out and total return approaches the portfolio yield.

² Unaudited.

³ Revised Annualized Total Return

**Commonwealth of Virginia/Department of Accounts
 Report on the Revenue Stabilization Fund
 For the Fiscal Year 2006
 (Dollars in Thousands)**

<u>Month</u>	<u>Beginning Balance</u>	<u>Deposits/(Withdrawals)</u>	<u>Interest Allocated (A)</u>	<u>Ending Balance</u>
July	\$482,259	\$0	\$0	\$482,259
August	\$482,259	\$0	\$0	\$482,259
September	\$482,259	\$0	\$0	\$482,259
October				
November				
December				
January				
February				
March				
April				
May				
June				

Notes: (A) Interest is earned monthly but credited to nongeneral funds on a quarterly basis and will appear on this report in the months of October, January, April, and final June.