

COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT

August 2025

Summary

Commonwealth Transportation Fund (CTF) revenues increased by 2.6 percent (\$10.2 million) in August compared to the same month last year. This increase is primarily attributable to increased Retail Sales and Use Tax collections.

Motor Fuels Tax

Motor fuels taxes collections increased 0.9 percent in August compared to the same month last year.

The West Texas Intermediate Spot Crude Oil Price average decreased to \$64.86 per barrel in August from \$68.39 in July. The Energy Information Administration's (EIA) forecast for oil prices suggests that price, as measured by the Brent Crude Oil Index, will drop from \$68 dollars per barrel in August to \$59 per barrel in the fourth quarter of the year, denoting a 13.2 percent decrease in price. This reduction will be driven by increased oil production by the U.S. and OPEC+ member states.

Real average price of a gallon of regular fuel increased slightly to \$3.13 in August. The EIA estimates that the increased supply of crude oil will drive the average price of a gallon of gas to approximately \$2.90 next year, down from an expected \$3.10 average price for 2025.

Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections decreased by 0.9 percent in August.

Total U.S. light vehicle sales decreased to 16.1 million units in August 2025.

New light-vehicle sales increased 3.0 percent in August year-over-year, despite one fewer selling day this August compared to last. Sales increased 5.3 percent compared to July aided by one additional selling day compared to July. The average transaction price for a new vehicle increased 0.5 percent month-over-month, which is a 2.6 percent increase compared to August of last year. Used car sales increased in August to 1.55 million units sold, an increase of 4.9 percent month over month, which also denotes growth of 8.1 percent compared to last August. According to the Manheim Used Vehicle Value Index, prices were flat month-over-month in August, which still denotes 1.7 percent growth compared to August of last year.

According to Cox Automotive, 146,332 new electric vehicles were sold during August, which denotes an increase of 14.1 percent over July, and a 17.7 percent year-over-year increase from this month last year. Used EV sales totaled 40,960 for the month, a 22.0 percent increase over July, and a substantial year-over-year increase of 59.0 percent over August of last year. The average transaction price for a new electric vehicle increased 3.0 percent this month compared to July, but decreased 0.1 percent compared to August 2024. The average transaction price of a used electric vehicle decreased 1.1 percent month-over-month, which also denotes a decrease of 2.6 percent year-over-year. With the approaching sunset of the Inflation Reduction Act tax credit, September is expected to continue to see the elevated sales levels experienced in August through time-sensitive purchases and lease offers for both new and used electric vehicles.

State Retail Sales Tax

The transportation portion of the state retail sales tax increased by 8.9 percent in August.

Motor Vehicle Licenses

Motor vehicle registration fee collections increased 15.0 percent in August.

Commonwealth of Virginia/Department of Accounts
Commonwealth Transportation Fund
Summary Statement of Selected Revenue Estimates & Collections
For the Fiscal Years 2025 and 2026
(Dollars in Thousands)

Revenue	FY 2026 Estimate	As a % of Total Fund	August			Year-To-Date			% Annual Growth Required By Estimate
			FY 2026	FY 2025	% Change	FY 2026	FY 2025	% Change	
Motor Fuel Taxes	\$1,640,200	19.67	\$116,693	\$115,638	0.9	\$283,034	\$259,554	9.0	4.1
Insurance Premiums Tax	256,704	3.08	10,236	18,443	(44.5)	24,656	44,739	(44.9)	12.3
Motor Vehicle Sales and Use Tax	1,298,200	15.56	112,333	113,302	(0.9)	248,173	243,884	1.8	(2.5)
State Sales and Use Tax	1,477,000	17.71	126,076	115,770	8.9	251,285	237,708	5.7	4.6
Motor Vehicle License Fees	222,400	2.67	16,763	14,581	15.0	40,553	42,787	(5.2)	(1.6)
Highway Use Fee	104,700	1.25	7,637	5,897	29.5	16,510	14,425	14.5	24.8
International Registration Plan	115,900	1.39	6,788	2,917	132.7	18,365	19,142	(4.1)	(0.6)
Recordation Tax	63,600	0.76	5,278	5,001	5.5	11,308	10,211	10.7	6.2
Interest Earnings	32,900	0.39	83	114	(27.2)	86	169	(49.1)	(39.8)
Misc. Taxes, Fees, and Revenues	18,900	0.23	2,037	2,078	(2.0)	4,003	3,962	1.0	(16.2)
Total State Taxes and Fees	\$5,230,504	62.71	\$403,924	\$393,741	2.6	\$897,973	\$876,581	2.4	2.3

Percentage is greater than or equal to 1,000%.

Commonwealth of Virginia/Department of Accounts
Commonwealth Transportation Fund
Statement of Revenue Estimates & Collections
For the Fiscal Years 2025 and 2026
(Dollars in Thousands)

		As a % of Total Fund	August			Year-To-Date			% Annual Growth Required By Est
Revenue	FY 2026 Estimate		FY 2026	FY 2025	% Change	FY 2026	FY 2025	% Change	
COMMONWEALTH TRANSPORTATION FUND									
Motor Vehicle Fuels Taxes (Includes Aviation & Road Taxes)	\$1,640,200	19.67	\$116,693	\$115,638	0.9	\$283,034	\$259,554	9.0	4.1
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	1,298,200	15.56	112,333	113,302	(0.9)	248,173	243,884	1.8	(2.5)
State Sales and Use Tax	1,477,000	17.71	126,076	115,770	8.9	251,285	237,708	5.7	4.6
Motor Vehicle License Fees	222,400	2.67	16,763	14,581	15.0	40,553	42,787	(5.2)	(1.6)
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International Registration Plan	115,900	1.39	6,788	2,917	132.7	18,365	19,142	(4.1)	(0.6)
Insurance Premiums Tax	256,704	3.08	10,236	18,443	(44.5)	24,656	44,739	(44.9)	12.3
Recordation Tax	63,600	0.76	5,278	5,001	5.5	11,308	10,211	10.7	6.2
Total Commonwealth Transportation Fund	<u>\$5,178,704</u>	<u>62.09</u>	<u>\$401,804</u>	<u>\$391,549</u>	<u>2.6</u>	<u>\$893,884</u>	<u>\$872,450</u>	<u>2.5</u>	<u>2.9</u>
HIGHWAY MAINTENANCE AND OPERATING FUND									
Misc. Taxes, Fees, and Revenues	\$18,900	0.23	\$2,037	\$2,078	(2.0)	\$4,003	\$3,962	1.0	(16.2)
Other Miscellaneous Revenues	302,212	3.62	106,119	117,271	(9.5)	120,246	119,563	0.6	(38.8)
Federal Grants and Contracts	0	0.00	2,135	6,132	(65.2)	5,662	10,476	(46.0)	(100.0)
Transfer (to) / from Transportation Trust Fund	<u>532,639</u>	<u>6.39</u>	<u>0</u>	<u>0</u>	<u>-</u>	<u>0</u>	<u>0</u>	<u>-</u>	<u>1.1</u>
Total Highway Maintenance and Operating Fund	<u>\$853,751</u>	<u>10.24</u>	<u>\$110,291</u>	<u>\$125,481</u>	<u>(12.1)</u>	<u>\$129,911</u>	<u>\$134,001</u>	<u>(3.1)</u>	<u>(22.9)</u>
TRANSPORTATION TRUST FUND									
Interest Earnings	\$32,900	0.39	\$83	\$114	(27.2)	\$86	\$169	(49.1)	(39.8)
Federal Grants and Contracts	1,657,155	19.87	249,247	157,983	57.8	352,372	225,605	56.2	21.7
Receipts from Cities/Counties	1,044,700	12.53	48,190	58,724	(17.9)	136,146	90,963	49.7	77.6
Toll Revenues	92,526	1.11	4,547	4,507	0.9	8,453	8,777	(3.7)	42.2
Miscellaneous Revenues	13,467	0.16	23,330	36,348	(35.8)	58,185	44,974	29.4	(96.6)
Transfer (to) / from Highway Maintenance and Operating Fund	<u>(532,639)</u>	<u>(6.39)</u>	<u>0</u>	<u>0</u>	<u>-</u>	<u>0</u>	<u>0</u>	<u>-</u>	<u>(1.1)</u>
Total Transportation Trust Fund	<u>\$2,308,109</u>	<u>27.67</u>	<u>\$325,397</u>	<u>\$257,676</u>	<u>26.3</u>	<u>\$555,242</u>	<u>\$370,488</u>	<u>49.9</u>	<u>19.1</u>
TOTAL COMMONWEALTH TRANSPORTATION FUND, HIGHWAY MAINTENANCE AND OPERATING FUND, AND TRANSPORTATION TRUST FUND									
	<u>\$8,340,564</u>	<u>100.00</u>	<u>\$837,492</u>	<u>\$774,706</u>	<u>8.1</u>	<u>\$1,579,037</u>	<u>\$1,376,939</u>	<u>14.7</u>	<u>3.2</u>

Percentage is greater than or equal to 1,000%.