

COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT

June 2025

Summary

Commonwealth Transportation Fund (CTF) revenues increased by 6.2 percent (\$23.1 million) in June compared to the same month last year. This increase is primarily attributable to an increase in collections of motor vehicle sales and use tax, motor fuels taxes, and vehicle registrations.

Motor Fuels Tax

Motor fuels taxes experienced 5.2 percent growth both in June compared to June 2024, as well as year-to-date compared to the same period last year. The real average price of a gallon of regular fuel remained steady in June at \$3.15 after a slight downward revision in May.

The West Texas Intermediate Spot Crude Oil Price average increased to \$68.17 in June from \$62.17 in May. U.S. oil producers have started slowing production in response to declining oil prices, which will bring the U.S. oil production down from an all-time high of 13.4 million barrels per day in the second quarter of 2025, to less than 13.3 million barrels per day by the end of 2026. OPEC+ announced in early July that it would increase its production target for August, which is also likely to reduce prices further.

Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 14.2 percent in June. Collections on this source have grown 6.0 percent year-to-date.

U.S. light vehicle sales dropped to a seasonally adjusted annualized rate of 15.3 million units in June 2025, but remaining above the long-run average of 14.8 million annual sales.

According to Cox Automotive, new light-vehicle sales fell 4.2 percent in June compared to last year, but the first half of 2025 saw an increase of 4.0 percent year-over-year. The average cost of a new vehicle increased 0.4 percent compared to May and grew 1.2 percent compared to June 2024.

A total of 1.46 million used vehicles were sold during June, denoting a 1.5 percent decrease from May, but a 2.4 percent increase over June 2024. According to the Manheim Used Vehicle Value Index, used vehicle prices increased 1.6 percent compared to May and increased 6.3 percent year-over-year.

Nearly 104,000 new electric vehicles were sold during June, which denotes a decrease of 1.4 percent compared to May, and a 3.5 percent year-over-year decrease from this period last year. Used EV sales totaled over 32,000 for the month, a 7.5 percent decrease compared to May, but a substantial year-over-year increase of 51.3 percent over June of last year. The electric vehicle market appears strong entering the second half of 2025, with total sales in the first half growing 1.5 percent over the first half of last year, but with the elimination of government-backed incentives and with tariffs causing friction with importers, the market for electric vehicles is likely to become more volatile.

State Retail Sales Tax

The transportation portion of the state retail sales tax increased by 1.6 percent in June.

Motor Vehicle Licenses

Motor vehicle registration fee collections increased 47.4 percent in June.

Commonwealth of Virginia/Department of Accounts
Commonwealth Transportation Fund
Summary Statement of Selected Revenue Estimates & Collections
For the Fiscal Years 2024 and 2025
(Dollars in Thousands)

Revenue	FY 2025 Estimate	As a % of Total Fund	June			Year-To-Date			% Annual Growth Required By Estimate
			FY 2025	FY 2024	% Change	FY 2025	FY 2024	% Change	
Motor Fuel Taxes	\$1,594,600	18.96	\$123,716	\$117,647	5.2	\$1,575,436	\$1,497,908	5.2	6.5
Insurance Premiums Tax	228,700	2.73	0	0	-	228,661	217,791	5.0	5.0
Motor Vehicle Sales and Use Tax	1,277,600	15.19	98,184	85,978	14.2	1,331,242	1,255,398	6.0	1.8
State Sales and Use Tax	1,418,600	16.87	122,895	121,011	1.6	1,412,430	1,377,114	2.6	3.0
Motor Vehicle License Fees	218,900	2.60	16,165	10,970	47.4	226,053	212,768	6.2	2.9
Highway Use Fee	90,900	1.08	6,481	5,930	9.3	83,891	71,017	18.1	28.0
International Registration Plan	114,400	1.36	5,398	3,816	41.5	116,620	113,777	2.5	0.5
Recordation Tax	52,500	0.63	5,938	4,992	19.0	59,889	50,875	17.7	3.2
Interest Earnings	33,400	0.40	12,258	16,344	(25.0)	54,643	54,202	0.8	(38.4)
Misc. Taxes, Fees, and Revenues	18,900	0.22	1,796	3,059	(41.3)	22,542	21,567	4.5	(12.4)
Total State Taxes and Fees	\$5,048,500	60.04	\$392,831	\$369,747	6.2	\$5,111,407	\$4,872,417	4.9	3.6

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 2024 and 2025
(Dollars in Thousands)

		As a %	June			Year-To-Date			% Annual
Revenue	FY 2025	of Total			%			%	Growth
	Estimate	Fund	FY 2025	FY 2024	Change	FY 2025	FY 2024	Change	Required
									By Est
COMMONWEALTH TRANSPORTATION FUND									
Motor Vehicle Fuels Taxes									
(Includes Aviation & Road Taxes)	\$1,594,600	18.96	\$123,716	\$117,647	5.2	\$1,575,436	\$1,497,908	5.2	6.5
Motor Vehicle Sales and Use Tax									
(Includes Rental Tax)	1,277,600	15.19	98,184	85,978	14.2	1,331,242	1,255,398	6.0	1.8
State Sales and Use Tax	1,418,600	16.87	122,895	121,011	1.6	1,412,430	1,377,114	2.6	3.0
Motor Vehicle License Fees	218,900	2.60	16,165	10,970	47.4	226,053	212,768	6.2	2.9
Highway Use Fee	90,900	1.08	6,481	5,930	9.3	83,891	71,017	18.1	28.0
International Registration Plan	114,400	1.36	5,398	3,816	41.5	116,620	113,777	2.5	0.5
Insurance Premiums Tax	228,700	2.73	0	0	-	228,661	217,791	5.0	5.0
Recordation Tax	52,500	0.63	5,938	4,992	19.0	59,889	50,875	17.7	3.2
Total Commonwealth Transportation Fund	\$4,996,200	59.42	\$378,777	\$350,344	8.1	\$5,034,222	\$4,796,648	5.0	4.2
HIGHWAY MAINTENANCE AND OPERATING FUND									
Misc. Taxes, Fees, and Revenues	\$18,900	0.22	\$1,796	\$3,059	(41.3)	\$22,542	\$21,567	4.5	(12.4)
Other Miscellaneous Revenues	30,132	0.36	5,283	9,312	(43.3)	493,862	375,742	31.4	(92.0)
Federal Grants and Contracts	0	0.00	4,302	4,072	5.6	64,702	41,181	57.1	(100.0)
Transfer (to) / from Transportation Trust Fund	526,783	6.26	145,783	90,025	61.9	526,783	340,424	54.7	54.7
Total Highway Maintenance and Operating Fund	\$575,815	6.84	\$157,164	\$106,468	47.6	\$1,107,889	\$778,914	42.2	(26.1)
TRANSPORTATION TRUST FUND									
Interest Earnings	\$33,400	0.40	\$12,258	\$16,344	(25.0)	\$54,643	\$54,202	0.8	(38.4)
Federal Grants and Contracts	1,743,227	20.73	74,461	52,706	41.3	1,361,842	1,255,276	8.5	38.9
Receipts from Cities/Counties	1,466,358	17.44	70,278	69,030	1.8	588,250	646,876	(9.1)	126.7
Toll Revenues	116,696	1.38	4,994	4,685	6.6	65,089	67,324	(3.3)	73.3
Miscellaneous Revenues	4,058	0.05	142,822	44,518	220.8	394,892	278,647	41.7	(98.5)
Transfer (to) / from Highway Maintenance and Operating Fund	(526,783)	(6.26)	(145,783)	(90,025)	(61.9)	(526,783)	(340,424)	(54.7)	(54.7)
Total Transportation Trust Fund	\$2,836,956	33.74	\$159,030	\$97,258	63.5	\$1,937,933	\$1,961,901	(1.2)	44.6
TOTAL COMMONWEALTH TRANSPORTATION FUND, HIGHWAY MAINTENANCE AND OPERATING FUND, AND TRANSPORTATION TRUST FUND									
	\$8,408,971	100.00	\$694,971	\$554,070	25.4	\$8,080,044	\$7,537,463	7.2	11.6

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