

**DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
78 STATE HOUSE STATION
AUGUSTA, ME 04333-0078**

**PHONE: 207-624-7800
TTY: 711 Maine Relay**

M E M O R A N D U M

TO: Governor Janet T. Mills
Members, Legislative Council
Members, Joint Standing Committee on Appropriations and Financial Affairs
Members, Joint Standing Committee on Taxation

FROM: Commissioner Elaine Clark
Department of Administrative and Financial Services

DATE: September 28, 2026

SUBJECT: Revenues – August 2026

August General Fund revenues were under budget by \$4.4 million (0.8 percent) and are over budget for the fiscal year by \$5.4 million (0.6 percent). August 2026 General Fund revenues were \$10.9 million (2.2 percent) greater than August 2025. Through the first two months of fiscal year 2027, General Fund revenues are 5.3 percent (\$47.1 million) higher than the same period of last fiscal year. The negative General Fund variance is primarily from withholding receipts within the individual income tax being under budget by \$23.6 million.

Sales and Use Taxes

Effective January 1, 2026, several changes were made to the Sales and Use Tax: (1) the Service Provider Tax (SPT) was repealed and its tax base subject to the general sales tax rate of 5.5%, (2) the sales tax base was further expanded by adding a new tax on digital streaming services, and (3) the sales tax rate on adult-use cannabis was increased from 10% to 14%. These law changes and solid growth in tourism related sectors resulted in year-over-year (YOY) growth of 8.1 percent in August sales tax receipts and 5.0 percent in YOY revenue growth compared to combined sales and SPT revenue last August. Revenue was over budget for the month by \$11.4 million (4.7 percent).

YOY, taxable sales growth from the 5.5% general sales tax base increased by 4.9 percent in July (August receipts). The other retail (8.7 percent) and building supply (6.8 percent) categories had strong YOY growth, but automobile dealerships (-5.3 percent) continue to be weak when compared to a year ago.

Lodging sales taxed at the 9% rate increased YOY by 12.6 percent and restaurant sales taxed at the 8% rate increased YOY by 6.8 percent.

Taxable Sales

Total taxable sales for the month of July (August revenue) were 5.4 percent higher than in July 2025. The rate of change over the 12-month period ending in July was 2.4 percent, slightly lower than inflation as measured by the Consumer Price Index (2.5% less food and energy), but greater than the 0.8 percent inflation in the price of taxable goods (less food and energy) over the last year. Building supply sales increased 6.4 percent for the month and were down 1.2 percent over the last 12 months. Sales of taxable items in food stores increased 3.9 percent compared to the same month a year ago and were up over the last 12 months by 2.1 percent. General merchandise sales (primarily sales of goods sold in large department and discount stores) increased 5.0 percent for the month and were up 2.5 percent for the year. Sales in other retail stores such as jewelry, drug, sporting goods, book, antique, pet, photo, toy, and craft stores increased 3.3 percent for the month and were up 5.0 percent for the year. Auto/transportation sector sales decreased 2.3 percent for the month and were down for the year by 1.3 percent. Sales at restaurants increased 6.8 percent for the month and were up 3.5 percent for the year. Sales at lodging establishments increased 12.9 percent on a year-over-year basis and were up 5.1 percent for the year. Business operating sales (primarily use tax paid by businesses) increased 13.4 percent for the month and were up 5.0 percent for the year.

Service Provider Tax

Service provider tax revenue was over budget for the month by \$0.016 million and for the fiscal year by \$0.039 million. Effective January 1, 2026, the service provider tax was repealed. Going forward there may be monthly revenue, positive or negative, based on audited or amended returns for pre-January 1, 2026 filing periods.

Individual Income Tax

Revenue was under budget for the month by \$35.7 million (14.4 percent) and under budget for the fiscal year by \$15.0 million (3.3 percent). Compared to last August, individual income tax receipts were lower by \$26.3 million (11.0 percent). Most of the monthly negative variance and YOY decrease was from withholding receipts being under budget \$23.6 million and down 7.0% compared to last August. The low withholding in August is a timing issue associated with the number of Friday deposit days in July and August. This July had 5 Fridays compared to 4 last July and this August had 4 Fridays compared to 5 in August 2025. Fiscal year-to-date withholding receipts are \$6.9 million over budget. Final, estimated, and fiduciary payments were a combined \$2.2 million under budget for the month. August individual income tax refunds were over budget (negative variance) by \$9.8 million and are now \$14.7 million over budget for the fiscal year. The next big month for individual income tax is September when the third estimated payment for tax year 2026 is due and will include payments associated with the new Pass-Through Entity Tax and 2% surcharge on millionaires.

Corporate Income Tax

Revenue was over budget for the month by \$12.8 million and increased over last August by the same amount. Corporate refunds were under budget (positive variance) by \$0.9 million and corporate payments were over budget for the month by \$11.9 million. Final payments accounted for the relatively large amount of excess total payments for the month. Like the individual income tax, the next significant month for corporate income tax is September when the third estimated payment for calendar year

corporations is due. The state's election to conform or not conform to the 2025 federal tax bill became effective July 29, 2026, and should be reflected in that third estimated payment.

Cigarette and Tobacco Taxes

Cigarette and tobacco products tax revenues, which includes the cannabis excise tax, were under budget for the month by \$1.7 million (8.6 percent). Cigarette excise tax receipts were under budget in August by \$2.1 million and other tobacco products excise tax receipts were over budget for the month by \$0.2 million. Cannabis excise tax revenue was over budget for the month by \$0.1 million. Compared to last August, this revenue line was \$5.5 million (42.0 percent) higher. The tax changes for all these products that became effective at the beginning of 2026 was the reason for the significant YOY increase.

Insurance Companies Taxes

The Insurance Companies tax was over budget for the month by \$0.034 million (301.8 percent) and higher than fiscal year 2026 by \$0.3 million (115.8 percent). Fiscal year-to-date the Insurance Premiums tax is over budget by \$0.5 million (93.0 percent). The large percentage variance and YOY growth is because August is a very low payment month for this tax, and even small variances and YOY changes can result in high percentages.

Estate Tax

The estate tax was over budget for the month by \$0.3 million and is \$4.0 million (47.5 percent) under budget for the first two months of the fiscal year. August estate tax receipts were \$1.0 million (17.9 percent) below last August.

Property Tax Relief Programs

The Business Equipment Tax Reimbursement (BETR) and Business Equipment Tax Exemption (BETE) programs were under budget (positive variance) in August by \$0.8 million (64.4 percent) and are now over budget for the fiscal year by \$0.5 million (51.4 percent). The BETR program began processing returns for reimbursement to qualified businesses on August 1st and accounts for almost all the payments for the first two months of fiscal year 2027. BETE reimbursement payments to municipalities will begin after December 1st.

Municipal Revenue Sharing

Revenue sharing was over budget (negative variance) in August by \$0.8 million (3.4 percent) and is over budget for the fiscal year by \$3.1 million (6.0 percent). August revenue sharing was \$1.8 million (8.0 percent) higher compared to a year ago and is now 7.5 percent (\$3.8 million) higher than the same period as last fiscal year.

Lottery

Lottery revenues were over budget for the month by \$1.0 million (14.4 percent) and were \$1.3 million below August 2025. Fiscal year-to-date lottery revenue is \$1.4 million (10.6 percent) over budget.

Other Taxes and Fees

Other taxes and fees were over budget for the month by \$3.8 million (22.6 percent) and \$6.0 million (41.1 percent) higher than last August. Through the first two months of fiscal year 2027, other taxes and fees are \$5.5 million (18.5 percent) over budget.

Highway Fund

Motor fuel excise tax receipts were under budget in August by \$0.3 million (1.1 percent) and the Highway Fund, in total, was over budget for the month by \$5.0 million (14.6 percent). Most of the monthly positive variance was from motor vehicle registrations and fees which were over budget by \$2.7 million (29.2 percent) and transfers from the Liquor Commission which was \$1.6 million (50.9 percent) over budget. For the fiscal year, motor fuel excise taxes are over budget by 0.4 million (0.9 percent) and the Highway Fund, in total, is over budget by \$8.0 million (7.6 percent). Motor vehicle registrations and fees (\$3.6 million), the auto sales tax transfer from the General Fund (\$2.1 million), and the transfer from the Liquor Commission (\$1.6 million) account for most of the fiscal year-to-date positive variance.

Compared to last August, motor fuel excise tax receipts were \$0.7 million (2.9 percent) lower and total highway fund revenue was \$0.7 million (1.8 percent) higher. Most of the monthly YOY increase was because transfers from the Liquor Commission increased \$2.1 million (76.2 percent). Fiscal year-to-date, motor fuel excise taxes are \$1.1 million (2.4 percent) below a year ago, and the total Highway Fund is \$2.2 million below fiscal year 2026. Through the first two months of fiscal year 2027, Motor vehicle registrations and fees have decreased by \$3.0 million.

National Economy

For the first time since 2023, the Federal Reserve's Federal Open Market Committee (FOMC) increased the federal funds rate from 3.75% to 4.0%. The 25-basis point increase was not a surprise given the increase in energy prices because of the conflict in Iran and recent reports of rising inflation. Unlike the July decision by the FOMC to not change the federal funds rate that had three members dissenting, the September meeting decision was unanimous. Economic projections from the 12 regional banks suggest that the FOMC may increase rates again during each of their final two meetings in October and December.

Maine Economy

On September 18th the Maine Department of Labor (MEDOL) reported state employment data for August 2026. Total non-farm jobs changed little during the month (up 200 from July) and Maine's unemployment rate was 3.2%, little changed from July. On an annual basis, total non-farm jobs were down 600 (-0.1%) since August 2025, with the largest declines in wholesale trade (-900), professional and business services (-500), and transportation, warehousing, and utilities (-500). The largest gains over the year were in healthcare and social assistance and retail trade (both up 700). Maine's unemployment rate (3.2%) remains well below the New England (4.1%) and U.S. (4.1%) unemployment rates.

Despite high and volatile energy prices, warm/dry weather over the three-month period ending in July has resulted in a solid summer tourism season in Maine. For that same three-month period, tax revenue from the 9% tax on lodging increased 10.3 percent compared to the same period of 2025. The Maine Department of Economic and Community Development reported that in July, Maine hotels experienced YOY growth in revenues (12.2 percent), due to higher rates (3.5 percent) and demand (8.5 percent).

Compared to the last 5 years, July occupancy ranked 2nd (78.4%). While July border crossings from Canada were still down 31 percent since 2019, they were 11 percent higher than a year ago.

EC: mja

Attachments

cc:	Jeremy Kennedy	Amanda Rector
	Mary Anne Turowski	Jerome Gerard
	Suzanne Gresser	Luke Lazure
	Kimberly Smith	

STATE OF MAINE

Undedicated Revenues - General Fund

For the Second Month Ended August 31, 2026

For the Fiscal Year Ending June 30, 2027

Comparison to Budget

Exhibit I

	Month				Fiscal Year to Date				Total Budgeted Fiscal Year Ending 6/30/2027
	Actual	Budget	Variance Over(Under)	Percent Over(Under)	Actual	Budget	Variance Over(Under)	Percent Over(Under)	
Sales and Use Tax	\$ 256,837,191	\$ 245,415,390	\$ 11,421,801	4.7 %	\$ 500,417,153	\$ 487,888,850	\$ 12,528,303	2.6 %	\$ 2,440,468,050
Service Provider Tax	16,278	-	16,278	- %	38,511	-	38,511	- %	-
Individual Income Tax	211,561,001	247,227,664	(35,666,663)	(14.4)%	434,160,874	449,189,281	(15,028,407)	(3.3)%	2,986,229,207
Corporate Income Tax	11,857,338	(911,296)	12,768,634	1,401.2 %	38,411,201	24,523,835	13,887,366	56.6 %	365,552,998
Cigarette and Tobacco Tax	18,490,631	20,220,451	(1,729,820)	(8.6)%	39,948,084	41,166,838	(1,218,754)	(3.0)%	216,866,603
Insurance Companies Tax	45,533	11,332	34,201	301.8 %	1,061,644	549,947	511,697	93.0 %	139,494,000
Estate Tax	4,515,128	4,250,000	265,128	6.2 %	4,463,728	8,500,000	(4,036,272)	(47.5)%	50,200,000
Fines, Forfeits & Penalties	1,649,351	196,600	1,452,751	738.9 %	2,652,769	4,111,228	(1,458,459)	(35.5)%	16,311,150
Income from Investments	3,891,558	3,839,673	51,885	1.4 %	3,891,558	3,839,673	51,885	1.4 %	34,138,748
Transfer from Lottery Commission	8,240,014	7,201,094	1,038,920	14.4 %	14,336,409	12,961,969	1,374,440	10.6 %	74,891,377
Transfer from Liquor Commission	2,324,758	2,089,710	235,048	11.2 %	7,000,000	7,000,000	-	- %	7,000,000
Transfers for Tax Relief Programs	(464,428)	(1,304,206)	839,778	64.4 %	(465,606)	(958,915)	493,309	51.4 %	(86,950,000)
Transfer to Municipal Revenue Sharing	(24,637,797)	(23,826,850)	(810,947)	(3.4)%	(54,291,179)	(51,225,669)	(3,065,510)	(6.0)%	(293,348,913)
Auto Sales Tax Transfer to Highway Fund	-	-	-	- %	(59,385,328)	(57,330,019)	(2,055,309)	(3.6)%	(115,295,974)
Other Taxes and Fees	20,454,284	16,682,120	3,772,164	22.6 %	35,521,599	29,979,658	5,541,941	18.5 %	151,385,893
Other Revenues	3,932,779	1,977,913	1,954,866	98.8 %	(25,461,771)	(23,337,202)	(2,124,569)	(9.1)%	(4,916,289)
Total Collected	\$ 518,713,619	\$ 523,069,595	\$ (4,355,976)	(0.8)%	\$ 942,299,646	\$ 936,859,474	\$ 5,440,172	0.6 %	\$ 5,982,026,850

NOTES:

(1) Included in the above is \$24,637,797 for the month and \$54,291,179 year to date, that was set aside for Revenue Sharing with cities and towns.

(2) Figures reflect estimates of the Maine State Revenue Forecasting Committee approved in March 2026, and laws enacted through the 132nd Legislature, 2nd Regular Session.

(3) This report has been prepared from preliminary month end figures and is subject to change.

STATE OF MAINE

Undedicated Revenues - General Fund

For the Second Month Ended August 31, 2026 and 2025

For the Fiscal Year Ending June 30, 2027 and 2026

Comparison to To Prior Year

Exhibit II

	Month				Fiscal Year to Date			
	Current Year	Prior Year	Variance Over(Under)	Percent Over(Under)	Current Year	Prior Year	Variance Over(Under)	Percent Over(Under)
Sales and Use Tax	\$ 256,837,191	\$ 237,504,275	\$ 19,332,915	8.1 %	\$ 500,417,153	\$ 467,311,487	\$ 33,105,665	7.1 %
Service Provider Tax	16,278	3,513,005	(3,496,727)	(99.5)%	38,511	9,282,785	(9,244,274)	(99.6)%
Individual Income Tax	211,561,001	237,839,319	(26,278,318)	(11.0)%	434,160,874	433,207,836	953,038	0.2 %
Corporate Income Tax	11,857,338	(911,296)	12,768,634	1,401.2 %	38,411,201	24,523,834	13,887,367	56.6 %
Cigarette and Tobacco Tax	18,490,631	13,025,821	5,464,810	42.0 %	39,948,084	28,266,187	11,681,896	41.3 %
Insurance Companies Tax	45,533	(287,632)	333,165	115.8 %	1,061,644	332,976	728,669	218.8 %
Estate Tax	4,515,128	5,500,429	(985,301)	(17.9)%	4,463,728	7,869,453	(3,405,725)	(43.3)%
Fines, Forfeits & Penalties	1,649,351	1,872,684	(223,333)	(11.9)%	2,652,769	3,060,652	(407,883)	(13.3)%
Income from Investments	3,891,558	4,736,217	(844,658)	(17.8)%	3,891,558	4,736,217	(844,658)	(17.8)%
Transfer from Lottery Commission	8,240,014	9,544,880	(1,304,866)	(13.7)%	14,336,409	15,561,329	(1,224,920)	(7.9)%
Transfer from Liquor Commission	2,324,758	2,636,730	(311,972)	(11.8)%	7,000,000	7,000,000	-	%
Transfers for Tax Relief Programs	(464,428)	(1,277,059)	812,631	63.6 %	(465,606)	(938,955)	473,349	50.4 %
Transfer to Municipal Revenue Sharing	(24,637,797)	(22,819,032)	(1,818,765)	(8.0)%	(54,291,179)	(50,489,071)	(3,802,108)	(7.5)%
Auto Sales Tax Transfer to Highway Fund	-	-	-	%	(59,385,328)	(59,907,966)	522,638	0.9 %
Other Taxes and Fees	20,454,284	14,496,865	5,957,419	41.1 %	35,521,599	28,991,811	6,529,789	22.5 %
Other Revenues	3,932,779	2,417,614	1,515,165	62.7 %	(25,461,771)	(23,590,882)	(1,870,888)	(7.9)%
Total Collected	\$ 518,713,619	\$ 507,792,819	\$ 10,920,800	2.2 %	\$ 942,299,646	\$ 895,217,693	\$ 47,081,953	5.3 %

NOTE: This report has been prepared from preliminary month end figures and is subject to change.

STATE OF MAINE

Undedicated Revenues - General Fund
For the Second Month Ended August 31, 2026
For the Fiscal Year Ending June 30, 2027
All Other Comparison to Budget

Exhibit III

	Month				Fiscal Year to Date				Total Budgeted Fiscal Year Ending 6/30/2027
	Actual	Budget	Variance Over(Under)	Percent Over(Under)	Actual	Budget	Variance Over(Under)	Percent Over(Under)	
<u>Detail of Other Taxes & Fees</u>									
0100s All Others	\$ 4,416,013	\$ 3,603,686	\$ 812,327	22.5 %	\$ 6,242,452	\$ 4,719,534	\$ 1,522,918	32.3 %	\$ 38,240,556
0300s Aeronautical Gas Tax	26,221	24,950	1,271	5.1 %	49,918	48,052	1,866	3.9 %	268,195
0400s Alcohol Excise Tax	2,170,566	1,534,393	636,173	41.5 %	4,146,889	3,068,786	1,078,103	35.1 %	18,412,786
0700s Corporation Taxes	932,043	500,406	431,637	86.3 %	1,592,146	2,494,984	(902,839)	(36.2)%	12,643,649
0800s Public Utilities	6,851,824	4,372,000	2,479,824	56.7 %	7,936,760	4,979,000	2,957,760	59.4 %	8,050,000
1000s Banking Taxes	2,028,950	1,981,666	47,284	2.4 %	3,846,450	3,963,332	(116,882)	(2.9)%	24,355,000
1100s Alcoholic Beverages	384,271	306,754	77,517	25.3 %	742,966	613,508	129,458	21.1 %	3,681,038
1200s Amusements Tax	-	-	-	%	-	27,500	(27,500)	(100.0)%	110,000
1300s Harness Racing Pari-mutuel	1,061,883	1,023,829	38,054	3.7 %	3,394,754	3,445,037	(50,283)	(1.5)%	16,565,938
1400s Business Taxes	487,946	498,328	(10,382)	(2.1)%	1,090,364	1,184,711	(94,347)	(8.0)%	6,768,221
1500s Motor Vehicle Licenses	280,890	299,427	(18,537)	(6.2)%	760,590	734,084	26,506	3.6 %	3,543,974
1700s Inland Fisheries & Wildlife	1,719,563	2,422,491	(702,928)	(29.0)%	5,552,991	4,492,359	1,060,632	23.6 %	17,466,906
1900s Other Licenses	94,115	114,190	(20,075)	(17.6)%	165,320	208,771	(43,451)	(20.8)%	1,279,630
Total Other Taxes & Fees	\$ 20,454,284	\$ 16,682,120	\$ 3,772,164	22.6 %	\$ 35,521,599	\$ 29,979,658	\$ 5,541,941	18.5 %	\$ 151,385,893
<u>Detail of Other Revenues</u>									
2200s Federal Revenues	\$ 36,329	\$ 10,833	\$ 25,496	235.4 %	\$ 36,329	\$ 21,666	\$ 14,663	67.7 %	\$ 130,000
2300s County Revenues	-	-	-	%	-	-	-	%	-
2400s Revenues from Cities and Towns	22,492	-	22,492	- %	130,413	34,733	95,680	275.5 %	277,996
2500s Revenues from Private Sources	2,170	100,249	(98,079)	(97.8)%	70,951	200,498	(129,547)	(64.6)%	1,203,000
2600s Current Service Charges	1,913,795	1,482,792	431,003	29.1 %	3,818,960	4,956,561	(1,137,601)	(23.0)%	21,062,357
2700s Transfers from (to) Other Funds	1,953,238	373,933	1,579,305	422.3 %	(29,524,227)	(28,566,604)	(957,623)	(3.4)%	(27,707,202)
2800s Sales of Property & Equipment	4,754	10,106	(5,352)	(53.0)%	5,804	15,944	(10,140)	(63.6)%	117,560
Total Other Revenues	\$ 3,932,779	\$ 1,977,913	\$ 1,954,866	98.8 %	\$ (25,461,771)	\$ (23,337,202)	\$ (2,124,569)	(9.1)%	\$ (4,916,289)

NOTE: This report has been prepared from preliminary month end figures and is subject to change.

STATE OF MAINE

Undedicated Revenues - General Fund

For the Second Month Ended August 31, 2026 and 2025

For the Fiscal Year Ending June 30, 2027 and 2026

All Other Comparison to To Prior Year

Exhibit IV

	Month				Fiscal Year to Date			
	Current Year	Prior Year	Variance Over(Under)	Percent Over(Under)	Current Year	Prior Year	Variance Over(Under)	Percent Over(Under)
<u>Detail of Other Taxes & Fees</u>								
0100s All Others	\$ 4,416,013	\$ 895,423	\$ 3,520,591	393.2 %	\$ 6,242,452	\$ 1,381,161	\$ 4,861,291	352.0 %
0300s Aeronautical Gas Tax	26,221	26,343	(122)	(0.5)%	49,918	50,357	(439)	(0.9)%
0400s Alcohol Excise Tax	2,170,566	2,148,789	21,778	1.0 %	4,146,889	3,812,044	334,846	8.8 %
0700s Corporation Taxes	932,043	593,680	338,363	57.0 %	1,592,146	3,102,214	(1,510,069)	(48.7)%
0800s Public Utilities	6,851,824	4,842,016	2,009,808	41.5 %	7,936,760	5,514,711	2,422,049	43.9 %
1000s Banking Taxes	2,028,950	1,883,550	145,400	7.7 %	3,846,450	3,889,350	(42,900)	(1.1)%
1100s Alcoholic Beverages	384,271	307,597	76,674	24.9 %	742,966	746,212	(3,246)	(0.4)%
1200s Amusements Tax	-	-	-	%	-	-	-	%
1300s Harness Racing Pari-mutuel	1,061,883	999,764	62,119	6.2 %	3,394,754	3,378,978	15,776	0.5 %
1400s Business Taxes	487,946	431,061	56,884	13.2 %	1,090,364	1,006,551	83,812	8.3 %
1500s Motor Vehicle Licenses	280,890	290,786	(9,897)	(3.4)%	760,590	835,062	(74,472)	(8.9)%
1700s Inland Fisheries & Wildlife	1,719,563	1,971,444	(251,881)	(12.8)%	5,552,991	5,075,192	477,799	9.4 %
1900s Other Licenses	94,115	106,412	(12,297)	(11.6)%	165,320	199,978	(34,658)	(17.3)%
Total Other Taxes & Fees	\$ 20,454,284	\$ 14,496,865	\$ 5,957,419	41.1 %	\$ 35,521,599	\$ 28,991,811	\$ 6,529,789	22.5 %
<u>Detail of Other Revenues</u>								
2200s Federal Revenues	\$ 36,329	\$ -	\$ 36,329	- %	\$ 36,329	\$ 285,907	\$ (249,578)	(87.3)%
2300s County Revenues	-	-	-	%	-	-	-	%
2400s Revenues from Cities and Towns	22,492	-	22,492	- %	130,413	73,733	56,680	76.9 %
2500s Revenues from Private Sources	2,170	(261,478)	263,648	100.8 %	70,951	(165,442)	236,393	142.9 %
2600s Current Service Charges	1,913,795	1,501,696	412,099	27.4 %	3,818,960	3,209,473	609,487	19.0 %
2700s Transfers from (to) Other Funds	1,953,238	1,177,395	775,843	65.9 %	(29,524,227)	(27,014,758)	(2,509,469)	(9.3)%
2800s Sales of Property & Equipment	4,754	-	4,754	- %	5,804	20,205	(14,401)	(71.3)%
Total Other Revenues	\$ 3,932,779	\$ 2,417,614	\$ 1,515,165	62.7 %	\$ (25,461,771)	\$ (23,590,882)	\$ (1,870,888)	(7.9)%

NOTE: This report has been prepared from preliminary month end figures and is subject to change.

STATE OF MAINE**Undedicated Revenues - Highway Fund****For the Second Month Ended August 31, 2026****For the Fiscal Year Ending June 30, 2027****Comparison to Budget****Exhibit V**

	Month				Fiscal Year to Date				Total Budgeted Fiscal Year Ending 6/30/2027
	Actual	Budget	Variance Over(Under)	Percent Over(Under)	Actual	Budget	Variance Over(Under)	Percent Over(Under)	
Fuel Taxes	\$ 23,028,472	\$ 23,293,626	\$ (265,154)	(1.1)%	\$ 44,112,198	\$ 43,732,209	\$ 379,989	0.9 %	\$ 243,535,059
Motor Vehicle Registration & Fees	11,969,766	9,266,394	2,703,372	29.2 %	20,346,845	16,757,573	3,589,272	21.4 %	115,466,229
Motor Vehicle Inspection Fees	164,303	266,874	(102,571)	(38.4)%	423,402	533,748	(110,346)	(20.7)%	3,202,500
Miscellaneous Taxes & Fees	157,907	152,988	4,919	3.2 %	367,172	306,773	60,399	19.7 %	1,417,720
Fines, Forfeits & Penalties	123,544	-	123,544	- %	232,103	151,603	80,500	53.1 %	606,412
Earnings on Investments	374,048	104,418	269,630	258.2 %	374,048	208,841	165,207	79.1 %	1,253,021
Auto Sales Tax Transfer from General Fund	-	-	-	- %	59,385,328	57,330,019	2,055,309	3.6 %	115,295,972
Fuel Tax Transfer to Transcap	(2,360,339)	(2,361,441)	1,102	- %	(4,521,421)	(4,516,187)	(5,234)	(0.1)%	(24,962,344)
Auto Sales Tax Transfer to Transcap	-	-	-	- %	(13,064,772)	(12,612,604)	(452,168)	(3.6)%	(25,365,114)
Transfer from Liquor Commission	4,872,724	3,228,176	1,644,548	50.9 %	4,872,724	3,228,176	1,644,548	50.9 %	55,000,000
All Other	976,065	356,058	620,007	174.1 %	1,254,492	662,565	591,927	89.3 %	12,404,465
Total Collected	\$ 39,306,491	\$ 34,307,093	\$ 4,999,398	14.6 %	\$ 113,782,120	\$ 105,782,716	\$ 7,999,404	7.6 %	\$ 497,853,920

NOTE: This report has been prepared from preliminary month end figures and is subject to change.

STATE OF MAINE**Undedicated Revenues - Highway Fund****For the Second Month Ended August 31, 2026 and 2025****For the Fiscal Year Ending June 30, 2027 and 2026****Comparison to To Prior Year****Exhibit VI**

	Month				Fiscal Year to Date			
	Current Year	Prior Year	Variance Over(Under)	Percent Over(Under)	Current Year	Prior Year	Variance Over(Under)	Percent Over(Under)
Fuel Taxes	\$ 23,028,472	\$ 23,710,887	\$ (682,416)	(2.9)%	\$ 44,112,198	\$ 45,219,914	\$ (1,107,715)	(2.4)%
Motor Vehicle Registration & Fees	11,969,766	13,085,696	(1,115,929)	(8.5)%	20,346,845	23,340,607	(2,993,762)	(12.8)%
Motor Vehicle Inspection Fees	164,303	92,458	71,845	77.7 %	423,402	198,983	224,419	112.8 %
Miscellaneous Taxes & Fees	157,907	156,485	1,422	0.9 %	367,172	313,370	53,802	17.2 %
Fines, Forfeits & Penalties	123,544	103,717	19,827	19.1 %	232,103	209,792	22,311	10.6 %
Earnings on Investments	374,048	456,588	(82,539)	(18.1)%	374,048	456,588	(82,539)	(18.1)%
Auto Sales Tax Transfer from General Fund	-	-	-	- %	59,385,328	59,907,966	(522,638)	(0.9)%
Fuel Tax Transfer to Transcap	(2,360,339)	(2,454,062)	93,723	3.8 %	(4,521,421)	(4,666,484)	145,063	3.1 %
Auto Sales Tax Transfer to Transcap	-	-	-	- %	(13,064,772)	(13,179,753)	114,980	0.9 %
Transfer from Liquor Commission	4,872,724	2,765,350	2,107,374	76.2 %	4,872,724	2,765,350	2,107,374	76.2 %
All Other	976,065	677,016	299,049	44.2 %	1,254,492	1,432,822	(178,330)	(12.4)%
Total Collected	\$ 39,306,491	\$ 38,594,133	\$ 712,357	1.8 %	\$ 113,782,120	\$ 115,999,154	\$ (2,217,034)	(1.9)%

NOTE: This report has been prepared from preliminary month end figures and is subject to change.

**Maine Revenue Services
Taxable Sales by Sector
In Thousands of Dollars**

	July'26	% Ch.	July'25	% Ch.	July'24	Average Last 3 Mos. Vs. Last Yr. % Change	Moving Total Last 12 Mos. Vs. Prior % Change	YTD Growth CY'26 vs. '25 Thru July % Change
Building Supply	\$457,216.1	6.4%	\$429,658.3	-0.5%	\$432,016.0	1.7%	-1.2%	-1.1%
Food Store	\$307,549.5	3.9%	\$296,022.1	1.2%	\$292,629.9	2.6%	2.1%	2.4%
General Merchandise	\$426,391.3	5.0%	\$406,237.6	1.9%	\$398,855.5	3.0%	2.5%	3.7%
Other Retail	\$658,035.6	3.3%	\$637,257.6	6.7%	\$597,460.5	4.1%	5.0%	4.5%
Auto/Transportation	\$703,799.1	-2.3%	\$720,377.4	2.9%	\$700,372.0	-1.1%	-1.3%	-1.3%
Restaurant	\$504,086.5	6.8%	\$471,925.7	4.7%	\$450,613.1	4.3%	3.5%	3.8%
Lodging	\$386,906.7	12.9%	\$342,752.7	0.8%	\$340,152.0	10.6%	5.1%	8.0%
Consumer Sales	\$3,443,984.7	4.2%	\$3,304,231.3	2.9%	\$3,212,098.9	2.8%	1.8%	2.1%
Business Operating	\$384,347.5	13.4%	\$338,918.3	9.8%	\$308,604.6	8.0%	5.0%	5.2%
Total	\$3,828,332.2	5.1%	\$3,643,149.6	3.5%	\$3,520,703.6	3.4%	2.2%	2.5%
Utilities	\$167,281.7	13.9%	\$146,877.0	2.1%	\$143,797.4	13.3%	7.2%	11.6%
Total plus Utilities	\$3,995,613.9	5.4%	\$3,790,026.6	3.4%	\$3,664,500.9	3.7%	2.4%	2.9%