

COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT January 2026

Summary

Commonwealth Transportation Fund (CTF) revenues increased by 4.7 percent (\$20.3 million) in January compared to the same month last year. This increase is primarily attributable to an increase in Motor Fuels Tax and State Sales & Use Tax collections. The growth in these collections is slightly offset by minor decreases in collections on International Registration Plan fees and interest earnings.

Motor Fuels Tax

Motor fuels taxes collections increased 6.9 percent in January compared to the same month last year.

The West Texas Intermediate Spot Crude Oil Price average increased to \$60 per barrel in January from \$57.97 in December. The Energy Information Administration's (EIA) forecast for crude oil prices suggests that the price will decrease in 2026 to an average of \$57.7 per barrel from an average of \$69 per barrel in 2025, a decrease of 16.4 percent. This reduction will be caused by a planned increase in oil production from the U.S. and OPEC+ countries.

Real average price of a gallon of regular fuel decreased to \$2.81 in January. The EIA estimates that the increased supply of crude oil will drive the average price of a gallon of gas to approximately \$2.91 in Calendar Year 2026, down from \$3.10 average price in 2025.

Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 0.9 percent in January.

Total U.S. light vehicle sales decreased to 14.9 million (SAAR) units in January 2026, from 16.0 million (SAAR) in December.

New light-vehicle sales decreased 3.5 percent in January month-over-month, due in part to fewer purchasing incentives and disruptions brought on by a month-end winter storm. According to Kelly Blue Book, the average transaction price (ATP) for a new vehicle decreased 2.2 percent compared to December, but increased 1.9 percent compared to this month last year. Sales of used vehicles, from franchised and independent dealers, increased 4.6 percent in January compared to December, and grew 3.3 percent compared to this month last year. According to the Manheim Used Vehicle Value Index,

wholesale prices were up 2.4 percent month-over-month in January, which is also a 2.4 percent increase compared to this month last year.

According to Cox Automotive, 66,276 new electric vehicles were sold during January, which denotes a decrease of 20.4 percent from December, and a 29.9 percent year-over-year decrease from this month last year. Used EV sales totaled 31,503 for the month, a 20.8 percent increase from December, and a year-over-year increase of 21.2 percent over January of last year. The average transaction price for a new electric vehicle decreased 3.1 percent this month compared to December, and decreased 0.6 percent compared to January 2025. The average transaction price of a used electric vehicle decreased 2.5 percent month-over-month and decreased 5.1 percent year-over-year.

State Retail Sales Tax

The transportation portion of state retail sales tax collections increased by 7.1 percent in January.

Motor Vehicle Licenses

Motor vehicle registration fee collections increased 1.1 percent in January.

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	January			Year-To-Date			% Annual Growth Required By Estimate
			FY 2026	FY 2025	% Change	FY 2026	FY 2025	% Change	
Motor Fuel Taxes	\$1,660,100	19.73	\$141,771	\$132,590	6.9	\$1,005,122	\$948,629	6.0	5.4
Insurance Premiums Tax	256,704	3.05	0	0	-	256,704	228,661	12.3	12.3
Motor Vehicle Sales and Use Tax	1,365,400	16.23	114,979	113,947	0.9	794,277	784,813	1.2	2.6
State Sales and Use Tax	1,457,400	17.32	147,493	137,714	7.1	893,381	843,361	5.9	3.2
Motor Vehicle License Fees	235,200	2.80	16,366	16,185	1.1	128,665	131,075	(1.8)	4.0
Highway Use Fee	96,000	1.13	6,741	6,431	4.8	53,819	47,973	12.2	14.4
International Registration Plan	117,100	1.39	7,622	7,658	(0.5)	59,735	61,951	(3.6)	0.4
Recordation Tax	60,200	0.72	4,727	4,374	8.1	39,476	33,986	16.2	0.5
Interest Earnings	36,700	0.44	13,780	14,272	(3.4)	29,808	28,485	4.6	(32.8)
Misc. Taxes, Fees, and Revenues	20,100	0.24	1,670	1,665	0.3	12,993	13,155	(1.2)	(10.8)
Total State Taxes and Fees	<u>\$5,304,904</u>	<u>63.05</u>	<u>\$455,149</u>	<u>\$434,836</u>	<u>4.7</u>	<u>\$3,273,980</u>	<u>\$3,122,089</u>	<u>4.9</u>	<u>3.8</u>

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)**

Revenue	FY 2026 Estimate	As a % of Total Fund	January			Year-To-Date			% Annual Growth Required By Est
			FY 2026	FY 2025	% Change	FY 2026	FY 2025	% Change	
COMMONWEALTH TRANSPORTATION FUND									
Motor Vehicle Fuels Taxes (Includes Aviation & Road Taxes)	\$1,660,100	19.73	\$141,771	\$132,590	6.9	\$1,005,122	\$948,629	6.0	5.4
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	1,365,400	16.23	114,979	113,947	0.9	794,277	784,813	1.2	2.6
State Sales and Use Tax	1,457,400	17.32	147,493	137,714	7.1	893,381	843,361	5.9	3.2
Motor Vehicle License Fees	235,200	2.80	16,366	16,185	1.1	128,665	131,075	(1.8)	4.0
Highway Use Fee	96,000	1.13	6,741	6,431	4.8	53,819	47,973	12.2	14.4
International Registration Plan	117,100	1.39	7,622	7,658	(0.5)	59,735	61,951	(3.6)	0.4
Insurance Premiums Tax	256,704	3.05	0	0	-	256,704	228,661	12.3	12.3
Recordation Tax	60,200	0.72	4,727	4,374	8.1	39,476	33,986	16.2	0.5
Total Commonwealth Transportation Fund	\$5,248,104	62.37	\$439,699	\$418,899	5.0	\$3,231,179	\$3,080,449	4.9	4.2
HIGHWAY MAINTENANCE AND OPERATING FUND									
Misc. Taxes, Fees, and Revenues	\$20,100	0.24	\$1,670	\$1,665	0.3	\$12,993	\$13,155	(1.2)	(10.8)
Other Miscellaneous Revenues	302,212	3.59	9,121	7,965	14.5	343,130	373,578	(8.2)	(38.8)
Federal Grants and Contracts	0	0.00	4,149	9,323	(55.5)	23,302	34,544	(32.5)	(100.0)
Transfer (to) / from Transportation Trust Fund	532,639	6.33	(18,164)	0	-	247,836	254,000	(2.4)	1.1
Total Highway Maintenance and Operating Fund	\$854,951	10.16	(\$3,224)	\$18,953	(117.0)	\$627,261	\$675,277	(7.1)	(22.8)
TRANSPORTATION TRUST FUND									
Interest Earnings	\$36,700	0.44	\$13,780	\$14,272	(3.4)	\$29,808	\$28,485	4.6	(32.8)
Federal Grants and Contracts	1,657,155	19.69	63,815	42,185	51.3	1,105,513	938,108	17.8	21.7
Receipts from Cities/Counties	1,044,700	12.41	50,464	61,095	(17.4)	426,641	328,292	30.0	77.6
Toll Revenues	92,526	1.10	3,505	3,146	11.4	31,138	31,586	(1.4)	42.2
Miscellaneous Revenues	13,467	0.16	13,526	753	#	211,862	225,443	(6.0)	(96.6)
Transfer (to) / from Highway Maintenance and Operating Fund	(532,639)	(6.33)	18,164	0	-	(247,836)	(254,000)	2.4	(1.1)
Total Transportation Trust Fund	\$2,311,909	27.47	\$163,254	\$121,451	34.4	\$1,557,126	\$1,297,914	20.0	19.3
TOTAL COMMONWEALTH TRANSPORTATION FUND, HIGHWAY MAINTENANCE AND OPERATING FUND, AND TRANSPORTATION TRUST FUND									
	\$8,414,964	100.00	\$599,729	\$559,303	7.2	\$5,415,566	\$5,053,640	7.2	4.1

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