



District of Columbia Cash Collections Report

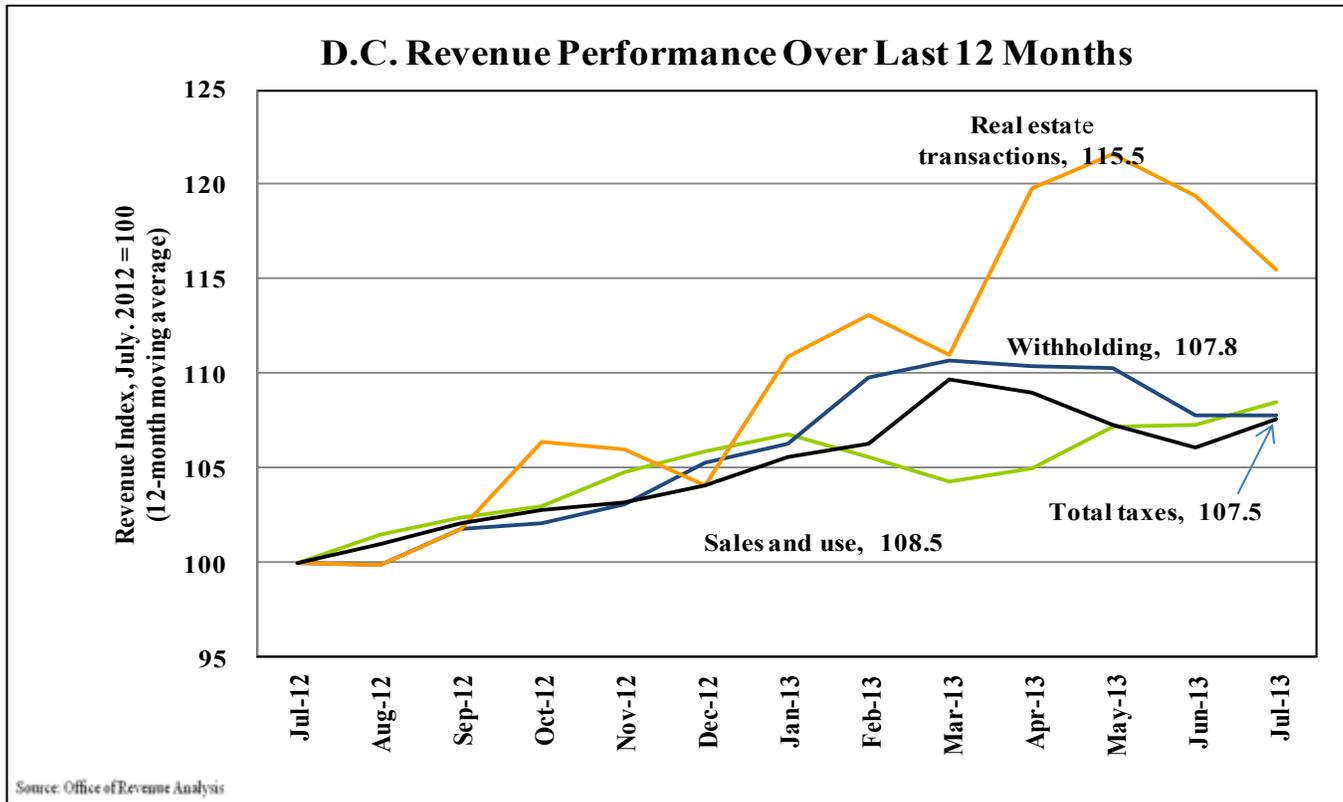
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Volume IV, Issue X

July 2013



Tax collections show growth

- The twelve-month moving average of total tax collections for July increased 7.5 percent over the same period last year. However, although July's total collections appear to be larger than the month before, growth has been slowing since March 2013, mostly due to lower collections in real estate transactions, income and gross receipt taxes, relative to the earlier months.
- Withholding tax collections during the twelve-month period ending July 2013 grew by 7.8 percent over the previous year, yet were slightly lower than a month before. In general, strong wages and salaries growth in the District has been the main driver of higher growth for withholding tax collections, but it seems that wages and salaries growth has slowed in recent months, perhaps from the effects of the federal sequestration.
- Sales tax collections for the twelve month-period ending in July were 8.5 percent higher relative to the same period last year, although much of this increase was due to changes in the timing of processing.
- The twelve-month period moving average of real estate transactions tax collections for July grew by about 15.5 percent compared to the same period last year, reflecting, perhaps, slowing but still fairly vibrant DC real estate market despite recent federal cutbacks.

Collections by Revenue Source

July YTD Tax Collections by Source: 2013 vs. 2012 (\$ '000)

	July 2013	July 2012	Percent change
TOTAL TAX COLLECTIONS	4,096,926	3,862,368	6.1
Property	1,007,853	943,141	6.9
Real Property Tax	980,972	933,095	5.1
Personal Property Tax and Public Space Rental	26,881	10,046	167.6
Real Property Transactions	245,360	211,851	15.8
Deed Recordation Tax	143,703	110,046	30.6
Deed Transfer Tax	97,437	81,341	19.8
Economic Interest Tax	4,220	20,464	-79.4
Sales	927,549	892,921	3.9
General Sales and Use Tax	847,515	819,881	3.4
Excise Taxes	80,034	73,040	9.6
Income	1,631,154	1,449,041	12.6
Individual Income Tax	1,268,314	1,093,084	16.0
Corporate Franchise Tax	233,928	221,809	5.5
U.B. Franchise Tax	128,912	134,148	-3.9
Gross Receipts and Estate	285,010	365,415	-22.0
Gross Receipts Taxes	255,464	272,740	-6.3
Estate Tax	29,545	92,674	-68.1

Property Taxes. Real property tax collections, fiscal year to date, are 5.1 percent above the same period last year, reflecting first half real property tax payments that were due on March 31. This is in line with the estimate and reflects the growth in real property assessments completed at the end of calendar year 2011.

Real Property Transactions Taxes. June fiscal year to date real property transaction taxes collections were up 15.8 percent over June 2012. Deed recordation tax collections increased by 30.6 percent year to date, while collections for the deed transfer tax increased by 19.8 percent. The strong growth in the real estate transactions taxes in recent months reflects strong real estate market activity in the District of Columbia.

General Sales and Use Tax. June fiscal year to date general sales and use tax collections were up by 3.4 percent compared to the same period last year. The year to date growth in general sales and use tax collections

through June reverses a slight decline in collections during the early months of the current calendar year. The fluctuations in the growth pattern seen over the past few months largely reflect changes in the timing of processing rather than fluctuations in economic activity. The year to date growth through June is in line with expectations.

Excise Taxes. Fiscal year to date excise tax collections through June grew by 9.6 percent compared to the same period last year. Higher motor vehicle excise tax collections are the main source of the strong overall excise tax growth.

Income Taxes. June fiscal year to date individual income tax collections grew 16.0 percent over the same period last year. The withholding tax portion grew 7.7 percent, while non-withholding grew by almost 90.5 percent. Final payments were due in April, so the current performance of non-withholding tax collections is mainly a result of the strong performance of the stock market in the previous year.

June fiscal year to date corporate franchise tax collections increased by 5.5 percent, compared to that of June of a year earlier, while unincorporated business tax collections were down by 3.9 percent.

Gross Receipts Taxes. Overall, fiscal year to date gross receipts tax collections in June were down by 6.3 percent. Public utilities collections were down by 7.9 percent. Toll telecommunications were down by 4.4 percent and insurance premiums collections were down by 14.8 percent. The sharp decline of insurance premiums collections since April are most likely due to changes in the timing of processing the collections.

Non-Tax Revenues. June fiscal year to date non-tax revenue collections were down by 3.2 percent relative to a year earlier. Collections from automated enforcement show an increase of 7.6 percent over the same period last year. Meanwhile, traffic fines dropped 34.1 percent. Collections in "other" fines and forfeitures were down by 35.1 percent relative to the year before. But, non-tax receipts tend to be lumpy—receipts are high in some months and very low in other months—so the current performance of this revenue source does not reflect the likely performance for the entire fiscal year.

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