



District of Columbia Cash Collections Report

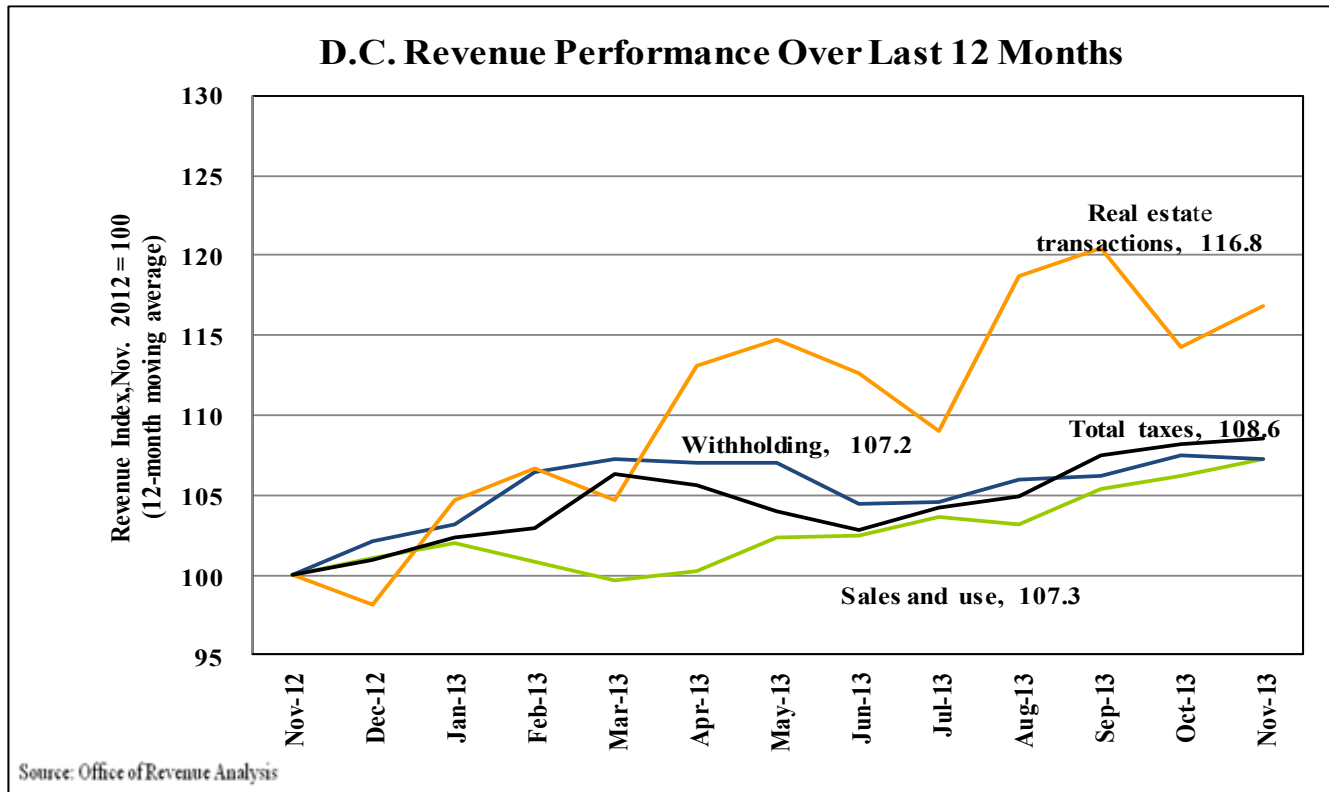
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Highlights

- The twelve-month moving average of total tax collections in November 2013 increased 8.6 percent-over the same period last year. The strong revenue collections growth in November is remarkable given that November revenue collections incorporates the impact of the federal shutdown on the District's revenue collections (withholding and sales tax returns for October were due November 20th). Either economic activity in October was strong enough to offset the effect of the shutdown (more likely) or the November collections has an unusually large amount of tax receipts from previous periods (less likely).
- Withholding tax collections for November grew by 7.2 percent over the previous year in spite of the federal government shut down .
- Sales tax collections for the month of November were 7.3 percent higher compared to the same period last year. As mentioned above, the withholding and sales tax receipts are the sources where we expected to see an impact from the federal shutdown, but the impact is not immediately clear from the data.
- Real estate transactions tax collections for November grew by about 16.8 percent compared to the same period last year, reflecting strong real estate activity for the period.

Collections by Revenue

Nov. YTD Tax Collections by Source: FY2014 vs. FY2013 (\$ '000)

	November 2013	November 2012	Percent change
TOTAL TAX COLLEC- TIONS	592,467	571,767	3.6
Property	18,847	24,557	-23.2
Real Property Tax	15,528	20,690	-24.9
Personal Property Tax and Public Space Rental	3,319	3,867	-14.1
Real Property Transac- tions	55,851	49,465	12.9
Deed Recordation Tax	30,762	28,258	8.9
Deed Transfer Tax	17,283	19,964	-13.4
Economic Interest Tax	7,806	1,243	528.0
Sales	218,953	205,749	6.4
General Sales and Use Tax	209,699	191,866	9.3
Excise Taxes	9,254	13,883	-33.3
Income	258,539	248,292	4.1
Individual Income Tax	239,425	230,187	4.0
Corporate Franchise Tax	13,877	9,262	49.8
U.B. Franchise Tax	5,237	8,844	-40.8
Gross Receipts and Es- tate	40,277	43,703	-7.8
Gross Receipts Taxes	35,589	33,417	6.5
Estate Tax	4,688	10,286	-54.4

Property Taxes. Real property tax collections, fiscal year to date, are 24.9 percent below the same period last year. Note that the first installment of property tax payments are not due until March, so this is not an indicator of likely real property tax growth for the fiscal year.

Real Property Transactions Taxes. November fiscal year to date real property transaction taxes collections were up 12.9 percent over November 2012. Deed recordation tax collections increased by 8.9 percent year to date, while collections for the deed transfer tax decreased by 13.4 percent. The strong growth in the real estate transactions taxes in recent months reflects strong real estate market activity in the District of Columbia for the month. But the performance of this revenue source is both seasonal and volatile, so the performance for any given month is not a good predictor of fiscal year performance.

General Sales and Use Tax. November fiscal year to date general sales and use tax collections were up by 9.3 percent compared to the same period last year. This is a strong rebound from slowing growth over the summer, but it is even more remarkable given that the November collections include the impact of the federal shutdown. **Excise Taxes.** Fiscal year to date excise tax collections through November dropped by 33.3 percent compared

to the same period last year, due mostly to much lower cigarette and motor vehicle excise tax collections.

Income Taxes. November fiscal year to date individual income tax collections grew 4.0 percent over the same period last year. The withholding tax portion grew 6.5 percent, while non-withholding fell by almost 41.4 percent. —The first estimated payments for the fiscal year are not due until January, so the current performance of non-withholding tax collections is not an indicator of likely performance for the fiscal year.

November fiscal year to date corporate franchise tax collections grew by 49.8 percent, compared to that of November of a year earlier, while unincorporated business tax collections decreased by 40.8 percent. Tax payments for business tax filers are not due until March of next year, so, as for the individual income tax, the October performance is not a good indicator of likely performance for the fiscal year.

Gross Receipts Taxes. Overall, fiscal year to date gross receipts tax collections in November were up by 6.5 percent. Public utilities collections were up by 8.6 percent. Toll telecommunications were down by 12.1 percent.

Non-Tax Revenues. November fiscal year to date non-tax revenue collections (including lottery and special purpose funds) were down by 13.5 percent relative to a year earlier. Collections from automated enforcement show a decrease of 113.8 percent over the same period last year. Meanwhile, traffic fines dropped 115.1 percent. Collections in “other” fines and forfeitures were up by 83.9 percent relative to the year before. Again, a new policy decision that went into effect at the beginning of the fiscal year reduced rates charged on certain traffic citations have in turn may have been the primary reason for reduction in collections.

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