



# District of Columbia Cash Collections Report

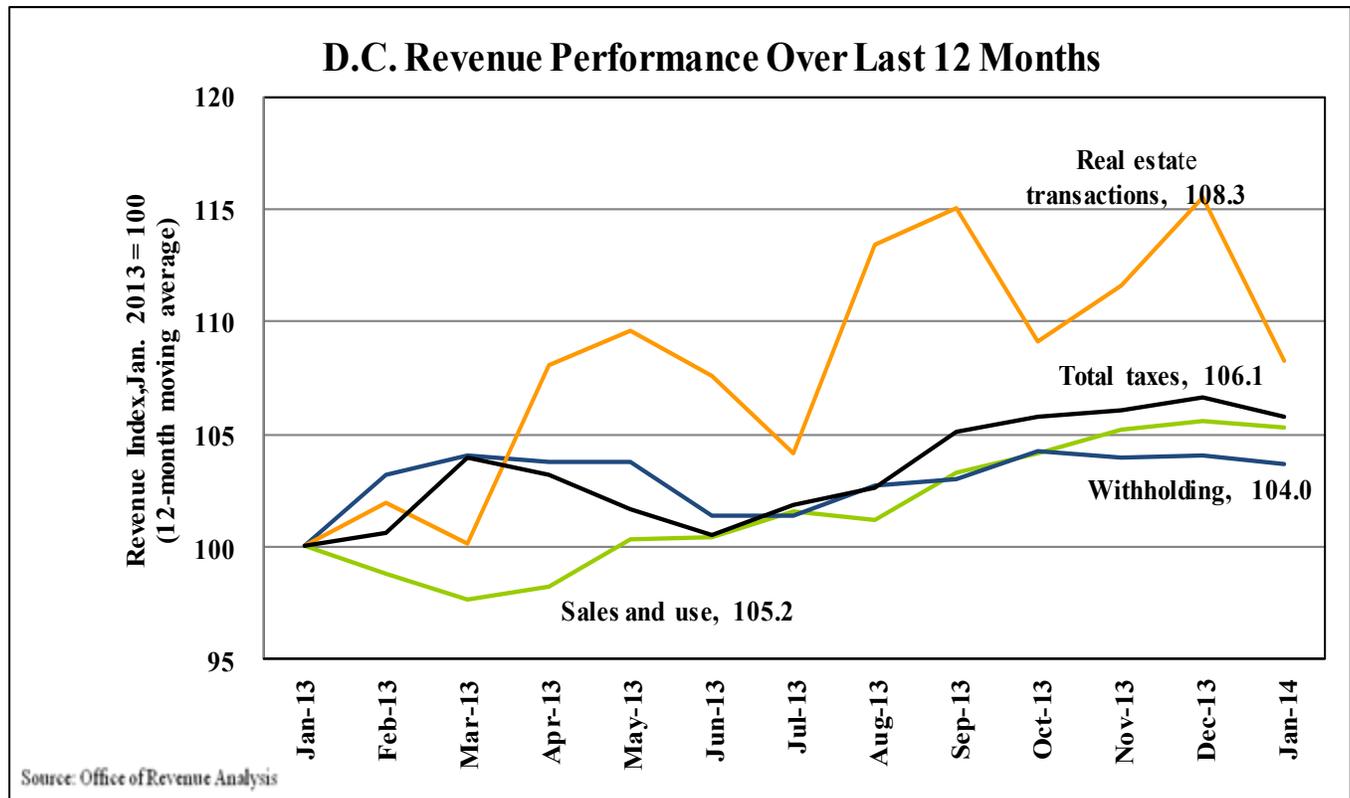
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## Highlights

- The twelve-month moving average of total tax collections in January 2014 increased 6.1 percent-over the same period last year. January's collections demonstrate continued strength of the District's economy despite challenges it faced in October from the federal government's partial shutdown.
- The twelve-month moving average of withholding tax collections for January grew by 4.0 percent over the previous year. The source of the steady growth over the past year is the District's robust population growth.
- Average sales tax collections growth for the twelve months through January were 5.2 percent higher than the same period last year. The strong growth in sales tax collection in the face of federal cutbacks and a federal government shutdown is another demonstration that the growing population adds a degree of resilience to the local economy.
- The twelve-month moving average of real estate transactions tax collections for January grew by about 8.3 percent compared to the same period last year, reflecting strong real estate activity for over the period past year. As the graph shows, activity slowed sharply in the last month, perhaps due to the unusually cold winter.

# Collections by Revenue

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

	January 2014	January 2013	Percent change
<b>TOTAL TAX COLLEC- TIONS</b>	<b>1,338,582</b>	<b>1,383,670</b>	<b>-3.3</b>
<b>Property</b>	<b>26,175</b>	<b>34,556</b>	<b>-24.2</b>
Real Property Tax	18,979	28,625	-33.7
Personal Property Tax and Public Space Rental	7,196	5,931	21.3
<b>Real Property Transac- tions</b>	<b>121,239</b>	<b>120,642</b>	<b>0.5</b>
Deed Recordation Tax	63,582	67,507	-5.8
Deed Transfer Tax	43,539	50,840	-14.4
Economic Interest Tax	14,118	2,294	515.4
<b>Sales</b>	<b>412,582</b>	<b>411,240</b>	<b>0.3</b>
General Sales and Use Tax	387,682	375,464	3.2
Excise Taxes	24,900	35,776	-30.4
<b>Income</b>	<b>691,949</b>	<b>730,236</b>	<b>-5.2</b>
Individual Income Tax	588,821	603,198	-2.4
Corporate Franchise Tax	71,320	88,805	-19.7
U.B. Franchise Tax	31,808	38,233	-16.8
<b>Gross Receipts and Es- tate</b>	<b>86,636</b>	<b>86,996</b>	<b>-0.4</b>
Gross Receipts Taxes	74,963	71,165	5.3
Estate Tax	11,673	15,831	-26.3

**Property Taxes.** Real property tax collections, fiscal year to date, are 33.7 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.** January fiscal year to date real property transaction taxes collections were up only 0.5 percent over January 2013. Deed recordation tax collections decreased by 5.8 percent year to date, while collections for the deed transfer tax decreased by 14.4 percent. The recent weak growth in the real estate transactions taxes is not necessarily evidence of a weakening District real estate market since the performance of this revenue source is both seasonal and volatile.

**General Sales and Use Tax.** January fiscal year to date general sales and use tax collections were up by 3.2 percent compared to the same period last year. Growth was relatively strong given the unusually cold winter and the federal government shutdown at the start of the fiscal year.

**Excise Taxes.** Fiscal year to date excise tax collections through January dropped by 30.4 percent compared to the same period last year, due mostly to much lower cigarette, motor vehicle fuel and motor vehicle excise tax collections. The big drop in category may be related to the lag in reporting of the motor vehicle excise tax collection.

**Income Taxes.** January fiscal year to date individual income tax collections declined 2.4 percent over the same period last year. The withholding tax portion grew 2.1 percent, while non-withholding decreased by 19.6 percent. The weaker than expected withholding growth may be due to disruptions by the recent snowstorms. The first estimated payments for the fiscal year are due in January, but all the payments might not have been fully processed at the time the report was generated.

January fiscal year to date corporate franchise tax collections decreased by 19.7 percent, compared to that of January of a year earlier, while unincorporated business tax collections decreased by 16.8 percent. Tax payments for business tax filers are not due until March of 2014, so the January performance may not be a good indicator of likely performance for the fiscal year.

**Gross Receipts Taxes.** Overall, fiscal year to date gross receipts tax collections in January were up by 5.3 percent. Public utilities collections were up by 5.0 percent. However, toll telecommunications were down by 8.1 percent.

**Non-Tax Revenues.** January fiscal year to date non-tax revenue collections (excluding legalized gambling and special purpose revenue) were down by 23.6 percent relative to a year earlier. Collections from automated enforcement show a decrease of 75.2 percent over the same period last year. Meanwhile, traffic fines increased 11.1 percent. Collections in "other" fines and forfeitures were down by 22.8 percent relative to the year before. A new policy decision that went into effect at the beginning of the fiscal year reduced the rates charged on certain traffic citations. This may have been the primary reason for the reduction in fines and forfeiture collections.

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