



District of Columbia Cash Collections Report

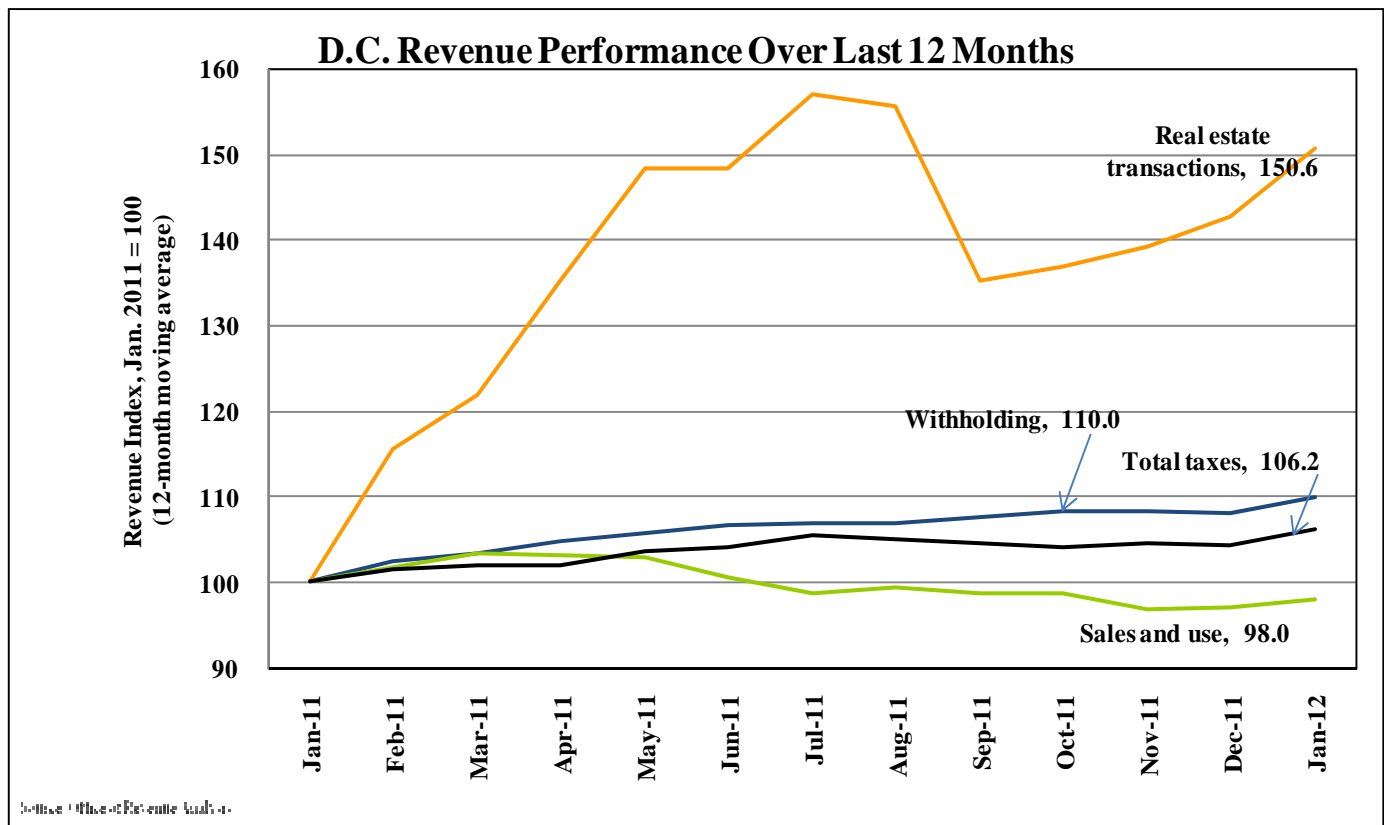
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Tax collections show growth

- The twelve-month moving average of total tax collections for January increased 6.2 percent over the same period last year. Growth in overall tax collections has been steady, despite fluctuations in some revenue sources. Strong wages and salaries growth, an active real estate market, and an estate tax windfall this month drive growth in the tax collections.
- Withholding tax collections during the same twelve month period grew by 10.0 percent over the previous year. The strength in withholding collections growth is attributable to strong wages and salaries growth in the District over the twelve-month-period ending in January.
- Sales tax collections for the twelve-month-period ending in January were slightly higher than the previous month, but still 2.0 percent lower relative to the same period last year. Most of the decline is likely due to a pull back in spending by consumers because of the general uncertainty in the economy.
- The twelve-month moving average of real estate transactions tax collections for January grew by 50.6 percent compared to the same period of the previous year. A still active real estate market drove the extraordinary growth over the period.

Collections by Revenue Source

January YTD Tax Collections by Source: 2012 vs. 2011 (\$ '000)

	January 2012	January 2011	Percent change
TOTAL TAX COLLEC- TIONS	1,191,520	1,101,098	8.2
Property	23,532	58,914	-60.1
Real Property Tax	19,652	58,525	-66.4
Personal Property	3,880	389	897.4
Real Property Transac- tions	109,908	58,990	86.3
Deed Recordation Tax	49,631	31,923	55.5
Deed Transfer Tax	39,102	26,304	48.6
Economic Interest Tax	21,175	763	2675.2
Sales	353,396	347,504	1.7
General Sales and Use Tax	327,299	333,775	-1.9
Excise Taxes	26,097	13,729	90.1
Income	599,108	543,805	10.2
Individual Income Tax	493,431	452,598	9.0
Corporate Franchise Tax	64,468	59,659	8.1
U.B. Franchise Tax	41,210	31,548	30.6
Gross Receipts and Estate	105,576	91,885	14.9
Gross Receipts Taxes	75,246	71,157	5.7
Estate Tax	30,330	20,728	46.3

Property Taxes. Year-to-date real property tax collections through the first month of the calendar year show a decline of 66.4 percent below the same period last year. However, the first real property tax payment for the new fiscal year is not due until March 31st and therefore the current performance of real property tax collections does not predict the likely performance over the entire fiscal year.

Real Property Transactions Taxes. January fiscal year to date real property transaction taxes collections were up 86.3 percent from January 2011. Deed recordation tax collections increased by 55.5 percent year to date, while collections for the deed transfer and economic interest taxes increased, 48.6 percent and 2,675.2 percent, respectively. A few high-priced commercial and residential building sales drove the growth.

General Sales and Use Tax. January fiscal year to date general sales and use tax collections were down by 1.9 per-

cent compared to the same period last year. The slow down in growth may reflect the prevailing high level of uncertainty about general economic conditions.

Excise Taxes. Fiscal year to date excise tax collections through January grew substantially—by 90.1 percent compared to the same period last year, due mostly to the seasonal nature of these collections.. Higher motor vehicle fuel taxes and cigarette excise tax collections are the main sources of the strong overall excise tax growth.

Income Taxes. January fiscal year to date individual income tax collections were 9.0 percent higher than that of the same period last year. The withholding tax portion grew 6.3 percent. The first estimated tax payments, which was due in January, was 21 percent higher than the previous year and augurs well for the upcoming April 15th filing season.

January fiscal year to date corporate franchise tax collections increased 8.1 percent compared to that of January of a year earlier. The unincorporated business tax collections were up 30.6 percent. The unincorporated business tax is tied closely to the District's real estate market and reflects the continued strong performance of the sector.

Gross Receipts Taxes. Overall, fiscal year to date gross receipts tax collections in January were up by 5.7 percent. Public utilities collections were down by 3.0 percent, and toll telecommunications collections were down by 2.2 percent. However, insurance premiums were up by 374.3 percent, offsetting losses caused by other lower collections.

Non-Tax Revenues. January fiscal year to date non-tax revenue collections were up by 1.7 percent relative to a year earlier. Collections from licenses and permits increased by 96.6 percent while fines and forfeiture collections decreased by 30.0 percent. Charges for services and miscellaneous nontax revenue increased by 15.7 percent and 20.1 percent, respectively. But, non-tax receipts tend to be lumpy—receipts are high some months and very low in other months—so it is too early to evaluate the performance of this revenue source.

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