



District of Columbia Cash Collections Report

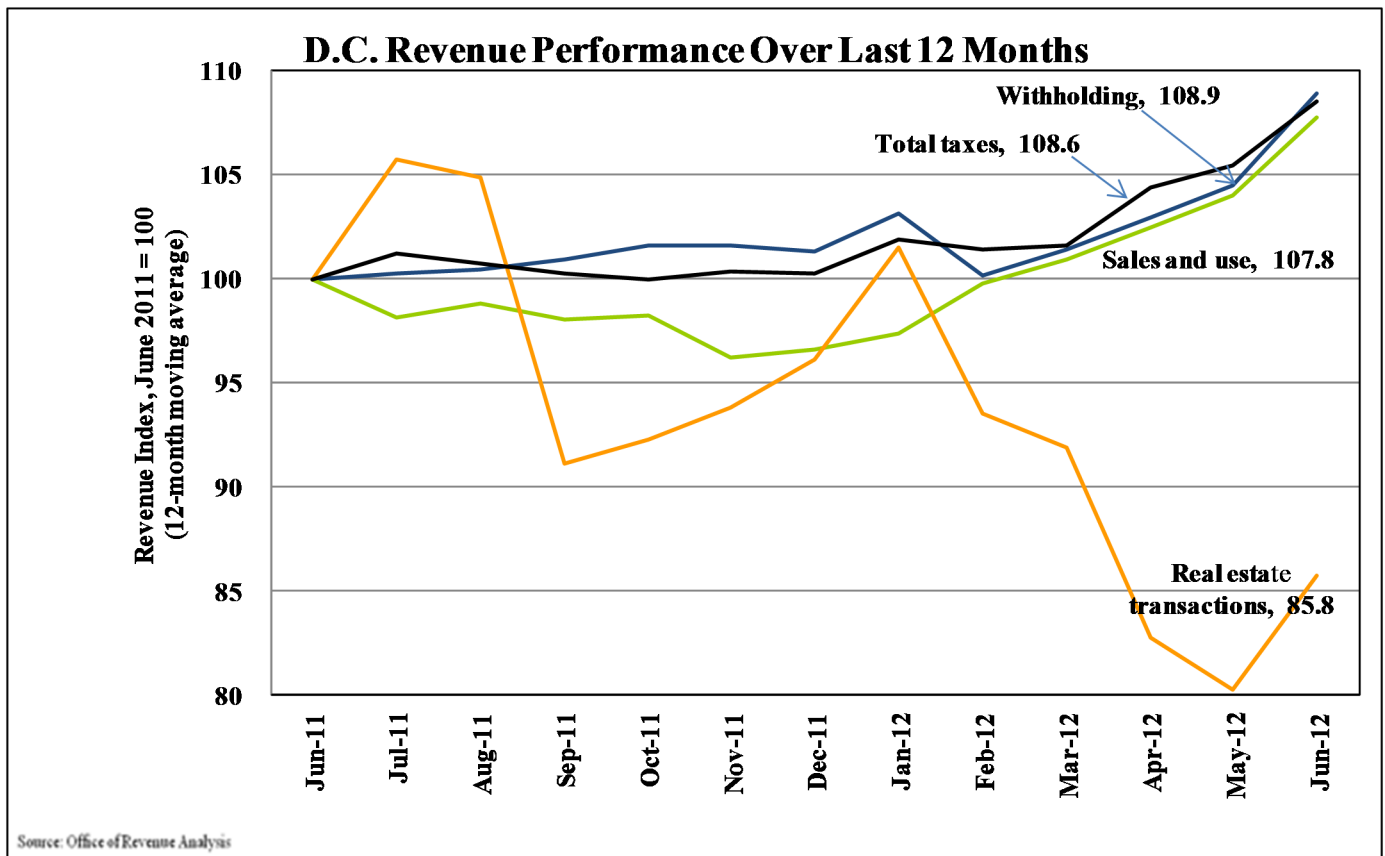
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Tax collections show growth

- The twelve-month moving average of total tax collections for June increased 8.6 percent over the same period last year. The pace of growth of tax collections picked up again in June after slowing slightly the previous two months.
- The twelve-month moving average for withholding tax collections grew 8.9 percent over the previous year. The strength in withholding collections growth is attributable to: 1) strong wages and salaries growth in the District over the twelve-month period ending in June, and 2) several legislative changes that increase the amount of withheld income tax.
- Sales tax collections for the twelve-month period ending in June are up by almost 7.8 percent relative to the same time last year. This is a remarkable recovery after last year's decline.
- The twelve-month moving average of real estate transactions (deed) taxes collections for June ticked up, but collections are still a 14.2 percent below the same period of the previous year. This is a marked reversal from the previous year when an active real estate market drove strong growth in collections for the real estate transactions taxes.

Collections by Revenue Source

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

	June 2012	June 2011	Percent change
TOTAL TAX COLLECTIONS	3,873,424	3,475,145	11.5
Property	950,080	882,713	7.6
Real Property Tax	940,034	881,614	6.6
Other Property Taxes	10,047	1,099	814.2
Real Property Transactions	211,851	238,227	-11.1
Deed Recordation Tax	105,485	123,539	-14.6
Deed Transfer Tax	81,341	105,827	-23.1
Economic Interest Tax	25,026	8,861	182.4
Sales	893,209	796,172	12.2
General Sales and Use Tax	820,365	725,435	13.1
Excise Taxes	72,844	70,737	3.0
Income	1,449,041	1,241,802	16.7
Individual Income Tax	1,093,084	958,322	14.1
Corporate Franchise Tax	221,809	173,966	27.5
U.B. Franchise Tax	134,148	109,514	22.5
Gross Receipts and Estate	369,243	316,231	16.8
Gross Receipts Taxes	276,569	265,903	4.0
Estate Tax	92,674	50,327	84.1

Property Taxes. Year-to-date real property tax collections through June show an increase of 6.6 percent compared to the same period last year. This pace of growth is slightly below the forecasted 7.2 percent, but collections are on track to meet the estimate.

Real Property Transactions Taxes. June fiscal year-to-date real property transaction taxes collections were down 11.1 percent from June 2011. Deed recordation tax collections decreased by 14.6 percent year to date, while collections for the deed transfer tax were down by 23.1 percent. At the same time, economic interest tax collections increased by 182.4 percent.

General Sales and Use Tax. June fiscal year-to-date general sales and use tax collections were up by 13.1 percent compared to the same period last year. As the national economy strengthened late last year, District sales and use tax collections started to recover from the impact of the downturn. But, given recent weakness in the na-

tional economy, it remains to be seen whether growth can continue at the current pace.

Excise Taxes. Fiscal year-to-date excise tax collections through June grew by almost 3.0 percent compared to the same period last year. Higher motor vehicle excise taxes and cigarette excise tax collections were the main sources of the strong growth.

Income Taxes. June fiscal year-to-date individual income tax collections were 14.1 percent higher than that of the same period last year. The year-to-date withholding tax portion increased 10.4 percent.

June fiscal year-to-date corporate franchise tax collections increased 27.5 percent compared to that of June of a year earlier, as business profits have soared over the past year. Unincorporated business tax collections were up 22.5 percent. The implementation of the combined reporting requirement for businesses explains the unusually high growth in collections from the business taxes.

Gross Receipts Taxes. Overall, fiscal year-to-date gross receipts tax collections in June were up by 4.0 percent. Toll telecommunications collections were down by 6.6 percent and collections from insurance premiums were up by 27.7 percent, while public utilities collections were down by 5.2 percent.

Non-Tax Revenues. June fiscal year-to-date non-tax revenue collections were up by 25.9 percent relative to a year earlier. Collections from licenses and permits increased by 14.3 percent while fines and forfeiture collections increased by 29.5 percent. Charges for services increased by 16.2 percent and miscellaneous nontax revenue was increased by 38.6. Because non-tax receipts tend to be lumpy—receipts are high some months and very low in other months—it is too early to evaluate the performance of this revenue source.

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