

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER



Glen Lee
Chief Financial Officer

December 30, 2022

The Honorable Muriel Bowser
Mayor of the District of Columbia
1350 Pennsylvania Avenue, NW, Suite 306
Washington, DC 20004

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue, NW, Suite 504
Washington, DC 20004

Re: December 2022 Revenue Estimates

Dear Mayor Bowser and Chairman Mendelson:

This is to inform you that the revenue estimate for the FY 2023 – 2026 District of Columbia Budget and Financial Plan is unchanged from September. Fiscal Year 2022 revenue is revised upward by \$172.1 million to reflect the latest data on collections as well as year-end accounting adjustments. The recently enacted Fare-Free Bus Funding Emergency Amendment Act of 2022 included a dedication of sales tax revenue, and the local source revenue impact of the legislation is incorporated in the figures shown in the table below.

December revenue estimate compared to previous estimate

| | Actual | | Estimated | | Projected | |
|------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|-----------------|-----------------|
| Local Source, General Fund Revenue Estimate (\$M) | FY 2021 | FY 2022* | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
| September 2022 Revenue Estimate | 8,723.5 | 9,747.3 | 9,583.7 | 9,769.1 | 10,052.1 | 10,378.2 |
| <i>December revision to estimate</i> | | <i>172.1</i> | - | - | - | - |
| <i>Dedication to two new funds under Fare-Free Bus Funding Emergency Act</i> | | | <i>-13.5</i> | <i>-53.0</i> | <i>-55.2</i> | <i>-57.4</i> |
| December 2022 Revenue Estimate | 8,723.5 | 9,919.3 | 9,570.2 | 9,716.1 | 9,997.0 | 10,320.8 |
| Revenue Change from Previous Year | | | | | | |
| Amount | 573.6 | 1,195.8 | (349.2) | 145.9 | 280.9 | 323.9 |
| <i>Year-Over-Year Percent Change</i> | <i>7.0%</i> | <i>13.7%</i> | <i>-3.5%</i> | <i>1.5%</i> | <i>2.9%</i> | <i>3.2%</i> |

*Preliminary FY 2022 may differ from final annual financial report

The Federal Reserve actions to slow demand and bring inflation down to 2% have increased the chance of a recession, but there is a great degree of uncertainty amongst forecasters on the timing and depth of a recession and even whether a recession is inevitable in the near- to mid-term. Some broad economic indicators like employment and wages are strong and have not shown signs of weakness. Employment in DC was up 1.9 percent for the 3-months ending November 2022 over the similar period in 2021. The DC unemployment rate is a historically low 4.6 percent, and unemployment claims remain at levels lower than before the pandemic. Wages earned in DC and wages earned by DC residents remain strong. Both indicators are growing at almost 7 percent, driving strong consumption. Some portion of wage growth is due to tight labor markets and inflationary pressures, both of which are expected to abate in 2023, potentially slowing the growth rate.

On the other hand, federal employment in DC has declined 4.3 percent, a concerning trend as federal jobs are about 25 percent of DC employment and 30 percent of wages. Other signs of economic weakness include a declining stock market, negative spread between long- and short-term interest rates (known as an “inverted yield curve” and which historically has been an accurate predictor of recessions), and high mortgage rates, which could weaken housing and commercial property markets. These trends could be the harbinger of a broad-based recession, but, given the current strength in the labor market, are likely indicators of further turbulence in the financial and investment markets, the scenario that was incorporated in the outlook certified in the September revenue estimate.


Fare-Free Bus Funding Emergency Act

The Fare-Free Bus Funding Emergency Amendment Act of 2022 included a triggered dedication of local fund sales tax revenue if the revenue in the December 2022 or February 2023 estimate is above the budgeted amount for FY 2023-FY 2026. The Act also requires the Director of the District Department of Transportation (DDOT) to enter into an agreement with the Washington Metropolitan Transit Authority prior to the provision of any fare-free Metrobus transportation. As the table below indicates, the funding criteria has been met. However, there are real risks to the revenue estimate should the economy slow or contract, and the funding trigger may not be sustainable if the February 2023 estimate is revised downward from the current estimate.

| | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|-----------------------------------------------|----------------|---------------|---------------|---------------|
| FY 2023-FY 2026 Budgeted Local Revenue | 9,471,454 | 9,711,312 | 9,990,147 | 10,280,078 |
| December 2022 Local Revenue Estimate | 9,583,689 | 9,769,122 | 10,052,140 | 10,378,247 |
| Difference | 112,235 | 57,810 | 61,933 | 98,169 |
| Fare-Free Bus Funding Emergency Amendment Act | 13,500 | 53,031 | 55,183 | 57,422 |
| Remaining | 98,735 | 4,779 | 6,750 | 40,747 |

We will continue to monitor the economy and will inform you of any developments that impair the current forecast. If you have any questions regarding these matters, please contact me at (202) 727-2476.

Sincerely,



Glen Lee

DISTRIBUTION LIST

Councilmember Anita Bonds (At-Large)

Councilmember Elissa Silverman (At-Large)

Councilmember Robert White (At-Large)

Councilmember Christina Henderson (At-Large)

Councilmember Brianne Nadeau (Ward 1)

Councilmember Brooke Pinto (Ward 2)

Councilmember Mary Cheh (Ward 3)

Councilmember Janeese Lewis George (Ward 4)

Councilmember Kenyan McDuffie (Ward 5)

Councilmember Charles Allen (Ward 6)

Councilmember Vincent Gray (Ward 7)

Councilmember Trayon White (Ward 8)

Kevin Donahue, City Administrator

John Falcicchio, Chief of Staff, Executive Office of the Mayor

Jennifer Reed, Director, Mayor's Office of Budget and Performance Management

Jennifer Budoff, Budget Director, Council of the District of Columbia

Kathy Patterson, District of Columbia Auditor

December 2022 Revenue Estimates

December 30, 2022

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TABLE 1: REVENUE SUMMARY TABLE

| \$ in Thousands | ACTUAL | | ESTIMATE | | OUT YEAR PROJECTIONS | |
|---------------------------------|------------------|-------------------|------------------|-------------------|----------------------|-------------------|
| | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 |
| PROPERTY | 3,037,653 | 2,944,567 | 2,926,432 | 2,979,923 | 3,047,689 | 3,119,741 |
| Real Property | 2,914,101 | 2,814,534 | 2,806,572 | 2,860,063 | 2,927,829 | 2,999,881 |
| Personal Property | 80,479 | 82,885 | 76,760 | 76,760 | 76,760 | 76,760 |
| Public Space Rental | 43,073 | 47,149 | 43,100 | 43,100 | 43,100 | 43,100 |
| <i>Dedicated to other funds</i> | -43,939 | -42,268 | -39,898 | -51,067 | -56,935 | -58,230 |
| PROPERTY (NET) | 2,993,714 | 2,902,298 | 2,886,534 | 2,928,856 | 2,990,754 | 3,061,511 |
| SALES & EXCISE | 1,309,821 | 1,819,058 | 1,882,968 | 1,951,153 | 2,035,343 | 2,113,682 |
| General Sales | 1,202,736 | 1,702,383 | 1,782,630 | 1,849,779 | 1,932,987 | 2,010,379 |
| Alcohol | 6,197 | 6,919 | 6,435 | 6,538 | 6,642 | 6,793 |
| Cigarette | 22,185 | 22,465 | 18,987 | 18,891 | 18,797 | 18,703 |
| Motor Vehicle | 55,085 | 59,002 | 50,204 | 51,109 | 52,038 | 53,020 |
| Motor Fuel | 23,618 | 28,290 | 24,712 | 24,836 | 24,879 | 24,787 |
| <i>Dedicated to other funds</i> | -358,876 | -489,083 | -527,713 | -585,252 | -604,561 | -619,817 |
| SALES & EXCISE (NET) | 950,944 | 1,329,975 | 1,355,255 | 1,365,901 | 1,430,782 | 1,493,865 |
| INCOME | 3,506,270 | 4,108,314 | 4,029,717 | 4,168,564 | 4,320,758 | 4,496,562 |
| Individual Income | 2,643,213 | 3,116,991 | 3,125,410 | 3,255,543 | 3,403,245 | 3,565,723 |
| Corporate Franchise | 670,250 | 728,036 | 709,759 | 711,385 | 712,045 | 721,641 |
| U.B. Franchise | 192,807 | 263,286 | 194,548 | 201,636 | 205,468 | 209,199 |
| INCOME (NET) | 3,506,270 | 4,108,314 | 4,029,717 | 4,168,564 | 4,320,758 | 4,496,562 |
| GROSS RECEIPTS | 370,135 | 402,501 | 387,929 | 388,576 | 390,434 | 393,304 |
| Public Utilities | 129,291 | 129,362 | 131,688 | 132,478 | 133,273 | 134,073 |
| Toll Telecommunications | 37,861 | 46,716 | 41,741 | 42,431 | 41,774 | 42,102 |
| Insurance Premiums | 130,261 | 145,200 | 134,198 | 135,499 | 136,814 | 138,142 |
| Ballpark Fee | 37,014 | 41,975 | 39,900 | 37,900 | 37,900 | 37,900 |
| Private sports wagering | 2,140 | 3,963 | 4,798 | 4,338 | 4,412 | 4,485 |
| Games of Skill | 3 | 17 | 16 | 16 | 16 | 16 |
| Health Related Taxes | 33,564 | 35,268 | 35,588 | 35,913 | 36,245 | 36,584 |
| <i>Dedicated to other funds</i> | -138,297 | -150,638 | -152,925 | -156,977 | -158,561 | -160,397 |
| GROSS RECEIPTS (NET) | 231,838 | 251,863 | 235,004 | 231,600 | 231,873 | 232,907 |
| OTHER TAX | 585,255 | 738,184 | 618,273 | 569,061 | 563,878 | 578,340 |
| Estate | 31,742 | 48,202 | 36,541 | 36,986 | 37,438 | 37,895 |
| Deed Recordation | 297,229 | 383,560 | 318,070 | 291,214 | 287,805 | 295,816 |
| Deed Transfer | 234,503 | 271,147 | 239,765 | 220,693 | 218,467 | 224,461 |
| Economic Interest | 21,782 | 35,276 | 23,897 | 20,168 | 20,168 | 20,168 |
| <i>Dedicated to other funds</i> | -81,161 | -99,963 | -85,133 | -78,252 | -77,415 | -79,524 |
| OTHER TAX (NET) | 504,094 | 638,221 | 533,140 | 490,809 | 486,463 | 498,816 |
| TOTAL TAX (GROSS) | 8,809,134 | 10,012,624 | 9,845,319 | 10,057,277 | 10,358,102 | 10,701,628 |
| TOTAL TAX (NET) | 8,186,861 | 9,230,672 | 9,039,651 | 9,185,730 | 9,460,630 | 9,783,660 |
| NONTAX | 488,498 | 647,998 | 486,808 | 488,903 | 494,569 | 494,183 |
| Licenses & Permits | 126,367 | 135,008 | 141,635 | 149,295 | 153,516 | 153,318 |
| Fines & Forfeits | 137,544 | 158,305 | 153,207 | 152,983 | 152,263 | 151,658 |
| Charges for Services | 80,588 | 78,880 | 71,642 | 71,920 | 73,697 | 73,713 |
| Miscellaneous | 143,999 | 275,806 | 120,324 | 114,705 | 115,093 | 115,494 |
| NONTAX (NET) | 488,498 | 647,998 | 486,808 | 488,903 | 494,569 | 494,183 |
| LOTTERY | 48,150 | 40,670 | 43,731 | 43,975 | 44,275 | 45,550 |
| <i>Dedicated to other funds</i> | | | | -2,517 | -2,517 | -2,568 |
| LOTTERY (NET) | 48,150 | 40,670 | 43,731 | 41,458 | 41,758 | 42,982 |
| GROSS REVENUE | 9,345,783 | 10,701,292 | 10,375,857 | 10,590,155 | 10,896,946 | 11,241,361 |
| LOCAL FUND REVENUE | 8,723,509 | 9,919,340 | 9,570,189 | 9,716,091 | 9,996,957 | 10,320,825 |
| OTHER FUNDS (See Table 2) | 622,273 | 781,952 | 805,668 | 874,064 | 899,989 | 920,536 |

TABLE 1: REVENUE SUMMARY TABLE (Continued)

| % Change from Year Ago | ACTUAL | | ESTIMATE | | OUT YEAR PROJECTIONS | |
|----------------------------------|--------|--------|----------|--------|----------------------|--------|
| | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 |
| PROPERTY | 2.8% | -3.1% | -0.6% | 1.8% | 2.3% | 2.4% |
| Real Property | 2.7% | -3.4% | -0.3% | 1.9% | 2.4% | 2.5% |
| Personal Property | 3.6% | 3.0% | -7.4% | 0.0% | 0.0% | 0.0% |
| Public Space Rental | 8.6% | 9.5% | -8.6% | 0.0% | 0.0% | 0.0% |
| <i>Dedicated to other funds</i> | -1.0% | -3.8% | -5.6% | 28.0% | 11.5% | 2.3% |
| PROPERTY (NET) | 2.9% | -3.1% | -0.5% | 1.5% | 2.1% | 2.4% |
| SALES & EXCISE | -0.5% | 38.9% | 3.5% | 3.6% | 4.3% | 3.8% |
| General Sales | -1.6% | 41.5% | 4.7% | 3.8% | 4.5% | 4.0% |
| Alcohol | 3.1% | 11.6% | -7.0% | 1.6% | 1.6% | 2.3% |
| Cigarette | -11.0% | 1.3% | -15.5% | -0.5% | -0.5% | -0.5% |
| Motor Vehicle | 35.3% | 7.1% | -14.9% | 1.8% | 1.8% | 1.9% |
| Motor Fuel | 5.1% | 19.8% | -12.6% | 0.5% | 0.2% | -0.4% |
| <i>Dedicated to other funds</i> | -11.0% | 36.3% | 7.9% | 10.9% | 3.3% | 2.5% |
| SALES & EXCISE(NET) | 4.1% | 39.9% | 1.9% | 0.8% | 4.8% | 4.4% |
| INCOME | 12.9% | 17.2% | -1.9% | 3.4% | 3.7% | 4.1% |
| Individual Income | 11.2% | 17.9% | 0.3% | 4.2% | 4.5% | 4.8% |
| Corporate Franchise | 16.4% | 8.6% | -2.5% | 0.2% | 0.1% | 1.3% |
| U.B. Franchise | 26.8% | 36.6% | -26.1% | 3.6% | 1.9% | 1.8% |
| INCOME (NET) | 12.9% | 17.2% | -1.9% | 3.4% | 3.7% | 4.1% |
| GROSS RECEIPTS | -0.3% | 8.7% | -3.6% | 0.2% | 0.5% | 0.7% |
| Public Utilities | -5.5% | 0.1% | 1.8% | 0.6% | 0.6% | 0.6% |
| Toll Telecommunications | -7.4% | 23.4% | -10.6% | 1.7% | -1.5% | 0.8% |
| Insurance Premiums | 8.5% | 11.5% | -7.6% | 1.0% | 1.0% | 1.0% |
| Ballpark Fee | -0.6% | 13.4% | -4.9% | -5.0% | 0.0% | 0.0% |
| Private sports wagering | | 85.2% | 21.1% | -9.6% | 1.7% | 1.7% |
| Games of Skill | | 0.0% | -2.7% | 0.0% | 0.0% | 0.0% |
| Health Related Taxes | -6.5% | 5.1% | 0.9% | 0.9% | 0.9% | 0.9% |
| <i>Dedicated to other funds</i> | 5.5% | 8.9% | 1.5% | 2.6% | 1.0% | 1.2% |
| GROSS RECEIPTS (NET) | -3.4% | 8.6% | -6.7% | -1.4% | 0.1% | 0.4% |
| OTHER TAX | 19.4% | 26.1% | -16.2% | -8.0% | -0.9% | 2.6% |
| Estate | -14.8% | 51.9% | -24.2% | 1.2% | 1.2% | 1.2% |
| Deed Recordation | 13.8% | 29.0% | -17.1% | -8.4% | -1.2% | 2.8% |
| Deed Transfer | 30.7% | 15.6% | -11.6% | -8.0% | -1.0% | 2.7% |
| Economic Interest | 79.7% | 62.0% | -32.3% | -15.6% | 0.0% | 0.0% |
| <i>Dedicated to other funds</i> | 17.6% | 23.2% | -14.8% | -8.1% | -1.1% | 2.7% |
| OTHER TAX (NET) | 19.7% | 26.6% | -16.5% | -7.9% | -0.9% | 2.5% |
| TOTAL TAX (GROSS) | 6.9% | 13.7% | -1.7% | 2.2% | 3.0% | 3.3% |
| TOTAL TAX (NET) | 7.9% | 12.7% | -2.1% | 1.6% | 3.0% | 3.4% |
| NONTAX | -6.6% | 32.7% | -24.9% | 0.4% | 1.2% | -0.1% |
| Licenses & Permits | 0.6% | 6.8% | 4.9% | 5.4% | 2.8% | -0.1% |
| Fines & Forfeits | -7.0% | 15.1% | -3.2% | -0.1% | -0.5% | -0.4% |
| Charges for Services | 17.3% | -2.1% | -9.2% | 0.4% | 2.5% | 0.0% |
| Miscellaneous | -20.3% | 91.5% | -56.4% | -4.7% | 0.3% | 0.3% |
| NONTAX (NET) | -6.6% | 32.7% | -24.9% | 0.4% | 1.2% | -0.1% |
| LOTTERY | 26.5% | -15.5% | 7.5% | 0.6% | 0.7% | 2.9% |
| <i>Dedicated to other funds</i> | | | | | | |
| LOTTERY (NET) | 26.5% | -15.5% | 7.5% | -5.2% | 0.7% | 2.9% |
| GROSS REVENUE | 6.2% | 14.5% | -3.0% | 2.1% | 2.9% | 3.2% |
| LOCAL FUND REVENUE | 7.0% | 13.7% | -3.5% | 1.5% | 2.9% | 3.2% |
| OTHER FUNDS (See Table 2) | -4.0% | 25.7% | 3.0% | 8.5% | 3.0% | 2.3% |

December 2022 Revenue Estimates

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| TABLE 2: DEDICATED/ENTERPRISE REVENUE | | | | | | | | |
|----------------------------------------------|-------------------|----------------|----------------|----------------|----------------------|----------------|----------------|------------|
| \$ in Thousands | | | | | | | | |
| DEDICATED TO | Tax Type | ACTUAL | ESTIMATE | | OUT YEAR PROJECTIONS | | | Fund |
| | | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 | |
| TIF | Real Property | 18,942 | 15,481 | 15,589 | 16,940 | 18,555 | 19,073 | ENTERPRISE |
| | General Sales | 4,306 | 20,718 | 22,462 | 24,474 | 29,733 | 31,124 | ENTERPRISE |
| PILOT | Real Property | 24,273 | 23,170 | 22,958 | 32,775 | 37,028 | 37,806 | ENTERPRISE |
| | General Sales | 7,628 | 9,128 | 9,726 | 10,391 | 10,762 | 11,157 | ENTERPRISE |
| Walter Reed Development | Real Property | 724 | 744 | 744 | 744 | 744 | 744 | DEDICATED |
| St. Elizabeth East Campus Red. Fun | Real Property | - | 607 | 607 | 607 | 607 | 607 | DEDICATED |
| | General Sales | - | 81 | 81 | 81 | 81 | 81 | DEDICATED |
| Convention Center | General Sales | 53,396 | 111,218 | 135,206 | 143,357 | 150,556 | 157,414 | DEDICATED |
| Convention Center-DestinationDC | General Sales | 1,535 | 4,611 | 6,041 | 6,385 | 6,729 | 7,074 | DEDICATED |
| Ballpark | General Sales | 4,323 | 11,321 | 14,535 | 16,150 | 16,150 | 16,150 | ENTERPRISE |
| | Public Utility | 7,337 | 7,450 | 7,393 | 7,422 | 7,407 | 7,414 | ENTERPRISE |
| | Toll Telecom | 2,186 | 2,234 | 2,710 | 2,971 | 2,841 | 2,906 | ENTERPRISE |
| | Ballpark Fee | 37,014 | 42,603 | 39,900 | 37,900 | 37,900 | 37,900 | ENTERPRISE |
| Healthy DC - Marijuana | General Sales | 1,818 | 1,799 | 2,234 | 2,234 | 2,234 | 2,234 | DEDICATED |
| Healthy DC - MCO | Insurance premium | 58,069 | 65,618 | 67,134 | 68,432 | 69,756 | 71,107 | DEDICATED |
| WMATA - Operations | General Sales | 40,289 | 64,827 | 71,310 | 74,875 | 77,122 | 79,435 | DEDICATED |
| WMATA - Capital | General Sales | 178,500 | 178,500 | 178,500 | 178,500 | 178,500 | 178,500 | DEDICATED |
| WMATA - Bus Fare Fund | General Sales | - | - | 13,500 | 53,031 | 55,183 | 57,422 | DEDICATED |
| Healthy Schools | General Sales | 5,590 | 5,690 | 5,690 | 5,690 | 5,690 | 5,690 | DEDICATED |
| ABRA | General Sales | 1,170 | 1,170 | 1,170 | 1,170 | 1,170 | 1,170 | DEDICATED |
| Comm. on Arts and Humanities | General Sales | 36,703 | 41,077 | 42,546 | 44,077 | 45,772 | 47,579 | DEDICATED |
| Highway Trust Fund | Motor Fuel | 23,618 | 23,588 | 24,712 | 24,836 | 24,879 | 24,787 | DEDICATED |
| Nursing Facility Quality of Care | Health Related | 15,453 | 15,965 | 16,285 | 16,610 | 16,943 | 17,281 | DEDICATED |
| Hospital Fund | Health Related | 8,479 | 8,454 | 8,454 | 8,454 | 8,454 | 8,454 | DEDICATED |
| Hospital Provider Fee Fund | Health Related | 5,317 | 5,310 | 5,310 | 5,310 | 5,310 | 5,310 | DEDICATED |
| ICF-IDD Stevie Sellows | Health Related | 4,314 | 5,539 | 5,539 | 5,539 | 5,539 | 5,539 | DEDICATED |
| Dept of Behavioral Health | Sports Wager | 127 | 200 | 200 | 200 | 200 | 200 | DEDICATED |
| Neighborhood Safety and Engagement Fund | Sports Wager | | | | 2,069 | 2,106 | 2,143 | DEDICATED |
| | Lottery-SW | | | | 1,259 | 1,259 | 1,284 | DEDICATED |
| Early Childhood Development Fund | Sports Wager | | | | 2,069 | 2,106 | 2,143 | DEDICATED |
| | Lottery-SW | | | | 1,259 | 1,259 | 1,284 | DEDICATED |
| Housing Production | Deed Recordation | 41,459 | 54,776 | 44,582 | 41,806 | 41,300 | 42,499 | ENTERPRISE |
| Trust Fund (HPTF) | Deed Transfer | 34,530 | 39,720 | 35,318 | 32,716 | 32,384 | 33,282 | ENTERPRISE |
| | Economic Interest | 1,049 | 1,036 | 891 | 891 | 891 | 891 | ENTERPRISE |
| HPTF-Debt Service | Deed Recordation | 3,126 | 3,134 | 3,129 | 1,876 | 1,871 | 1,873 | DEDICATED |
| | Deed Transfer | 646 | 647 | 646 | 387 | 386 | 387 | DEDICATED |
| | Economic Interest | - | - | - | - | - | - | DEDICATED |
| West End Maintenance | Deed Recordation | 176 | 338 | 283 | 287 | 291 | 295 | DEDICATED |
| | Deed Transfer | 176 | 338 | 283 | 287 | 291 | 295 | DEDICATED |
| TOTAL | | 622,273 | 767,092 | 805,668 | 874,064 | 899,989 | 920,536 | |

Table 3. Estimated Key Economic Indicators for the DC Economy - December 2022

Forecast Period Fiscal Year 2017 to
Fiscal Year 2026

| Variable | Actual | | | | | Estimated | | Forecast | | |
|------------------------------------------|--------|--------|--------|--------|--------|-----------|---------|----------|---------|---------|
| | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 |
| Gross Domestic Product - DC (\$billions) | 132.3 | 138.2 | 143.1 | 144.5 | 149.7 | 159.0 | 167.4 | 175.3 | 184.1 | 193.1 |
| <i>% change annual</i> | 3.1% | 4.5% | 3.5% | 1.0% | 3.6% | 6.2% | 5.3% | 4.7% | 5.1% | 4.9% |
| Real GDP-DC (2012 \$billions) | 120.4 | 123.1 | 124.5 | 123.0 | 124.8 | 127.0 | 127.5 | 129.5 | 132.5 | 135.4 |
| <i>% change annual</i> | 1.3% | 2.2% | 1.1% | -1.2% | 1.4% | 1.7% | 0.4% | 1.6% | 2.3% | 2.2% |
| Personal Income (\$billions) | 54.0 | 56.1 | 57.1 | 60.7 | 64.2 | 65.0 | 68.2 | 71.4 | 74.8 | 78.6 |
| <i>% change annual</i> | 3.7% | 3.9% | 1.8% | 6.4% | 5.8% | 1.2% | 4.8% | 4.8% | 4.8% | 5.0% |
| Real Personal Income (2012 \$billions) | 46.7 | 47.0 | 47.7 | 49.4 | 50.4 | 48.5 | 49.2 | 50.6 | 52.2 | 53.7 |
| <i>% change annual</i> | 3.6% | 0.5% | 1.5% | 3.7% | 1.9% | -3.7% | 1.4% | 2.9% | 3.1% | 2.9% |
| Per capita personal income | 79,477 | 81,923 | 83,037 | 88,141 | 95,347 | 97,338 | 101,415 | 105,529 | 110,000 | 114,952 |
| <i>% change annual</i> | 2.6% | 3.1% | 1.4% | 6.2% | 8.2% | 2.1% | 4.2% | 4.1% | 4.2% | 4.5% |
| Real per capita personal income (2012\$) | 68,825 | 68,629 | 69,338 | 71,750 | 74,728 | 72,546 | 73,119 | 74,731 | 76,657 | 78,533 |
| <i>% change annual</i> | 2.5% | -0.3% | 1.0% | 3.5% | 4.2% | -2.9% | 0.8% | 2.2% | 2.6% | 2.5% |
| Wages in DC (\$billions) | 72.2 | 75.7 | 78.1 | 79.4 | 83.1 | 89.6 | 94.9 | 100.0 | 105.1 | 110.0 |
| <i>% change annual</i> | 4.0% | 4.8% | 3.3% | 1.7% | 4.6% | 7.8% | 5.9% | 5.4% | 5.1% | 4.7% |
| Wages of DC residents (\$billions) | 27.1 | 29.0 | 30.3 | 31.0 | 32.6 | 35.0 | 36.6 | 38.3 | 40.0 | 41.9 |
| <i>% change annual</i> | 5.4% | 6.9% | 4.4% | 2.4% | 5.1% | 7.4% | 4.7% | 4.5% | 4.5% | 4.8% |
| Population (000s) | 679.2 | 684.4 | 687.4 | 688.9 | 673.9 | 668.1 | 672.2 | 676.9 | 680.4 | 683.7 |
| <i>% change annual</i> | 1.1% | 0.8% | 0.4% | 0.2% | -2.2% | -0.9% | 0.6% | 0.7% | 0.5% | 0.5% |
| Households (000s) | 301.7 | 307.0 | 312.0 | 313.1 | 306.3 | 306.1 | 309.4 | 313.0 | 316.1 | 318.0 |
| <i>% change annual</i> | 0.3% | 1.8% | 1.6% | 0.4% | -2.2% | -0.1% | 1.1% | 1.2% | 1.0% | 0.6% |
| Civilian labor force (000s) | 394.4 | 395.3 | 398.8 | 393.9 | 381.3 | 385.7 | 389.2 | 391.9 | 393.5 | 395.5 |
| <i>% change annual</i> | 0.2% | 0.2% | 0.9% | -1.2% | -3.2% | 1.2% | 0.9% | 0.7% | 0.4% | 0.5% |
| Employment in DC (000s) | 782.7 | 791.2 | 796.3 | 762.8 | 734.6 | 764.5 | 775.4 | 781.2 | 787.0 | 790.5 |
| <i>% change annual</i> | 1.0% | 1.1% | 0.6% | -4.2% | -3.7% | 4.1% | 1.4% | 0.8% | 0.7% | 0.4% |
| Employment of DC residents (000s) | 369.7 | 373.1 | 376.9 | 365.6 | 354.2 | 363.3 | 369.8 | 370.6 | 370.8 | 371.8 |
| <i>% change annual</i> | 0.3% | 0.9% | 1.0% | -3.0% | -3.1% | 2.6% | 1.8% | 0.2% | 0.0% | 0.3% |
| Unemployment rate | 6.2 | 5.7 | 5.5 | 7.2 | 7.1 | 5.8 | 5.0 | 5.4 | 5.8 | 6.0 |
| Housing Starts | 4,309 | 4,732 | 6,180 | 5,193 | 5,462 | 3,604 | 3,202 | 3,148 | 3,104 | 2,887 |
| Home Sales | 8,598 | 8,957 | 8,474 | 8,421 | 10,379 | 10,092 | 9,256 | 9,322 | 9,223 | 8,998 |
| <i>% change annual</i> | 3.1% | 4.2% | -5.4% | -0.6% | 23.2% | -2.8% | -8.3% | 0.7% | -1.1% | -2.4% |
| Avg Home Sale Price (000s) | 825.0 | 835.0 | 796.0 | 805.0 | 839.0 | 883.0 | 900.0 | 928.0 | 952.0 | 966.0 |
| <i>% change annual</i> | 3.8% | 1.2% | -4.7% | 1.2% | 4.2% | 5.3% | 1.9% | 3.2% | 2.6% | 1.4% |
| SP 500 Stock Index | 19.2% | 3.3% | 14.7% | 15.2% | 29.4% | -11.3% | 1.7% | 1.3% | 0.9% | 1.3% |
| US 10 Year Treasury | 2.3% | 2.7% | 2.5% | 1.1% | 1.3% | 2.4% | 3.2% | 3.3% | 3.7% | 3.9% |
| Washington Area CPI: % change prior year | 0.9% | 2.1% | 1.3% | 0.9% | 2.9% | 6.6% | 4.2% | 2.2% | 2.2% | 2.1% |

* Change in SP500 Index is change from 4th quarter to 4th quarter on calendar basis. (For example, the value in FY2018 is the % change from CY 2017:4 to CY 2018:4).

Note: Estimated by the D.C. Office of Revenue Analysis based on forecasts of the D.C. and national economies prepared by IHS Markit (August 2022) and Moodys Analytics (August 2022); forecasts of the national economy prepared by the Congressional Budget Office (May 2022) and Blue Chip Economic Indicators (August 2022); BLS labor market information from August 2022; the Census Bureau estimates of DC population (2021); BEA estimates of DC personal income (2022q1); Metropolitan Regional Information System (MRIS) DC home sales data (July 2022), accessed in part through the Greater Capital Area Association of Realtors.