

District of Columbia Cash Collections Report

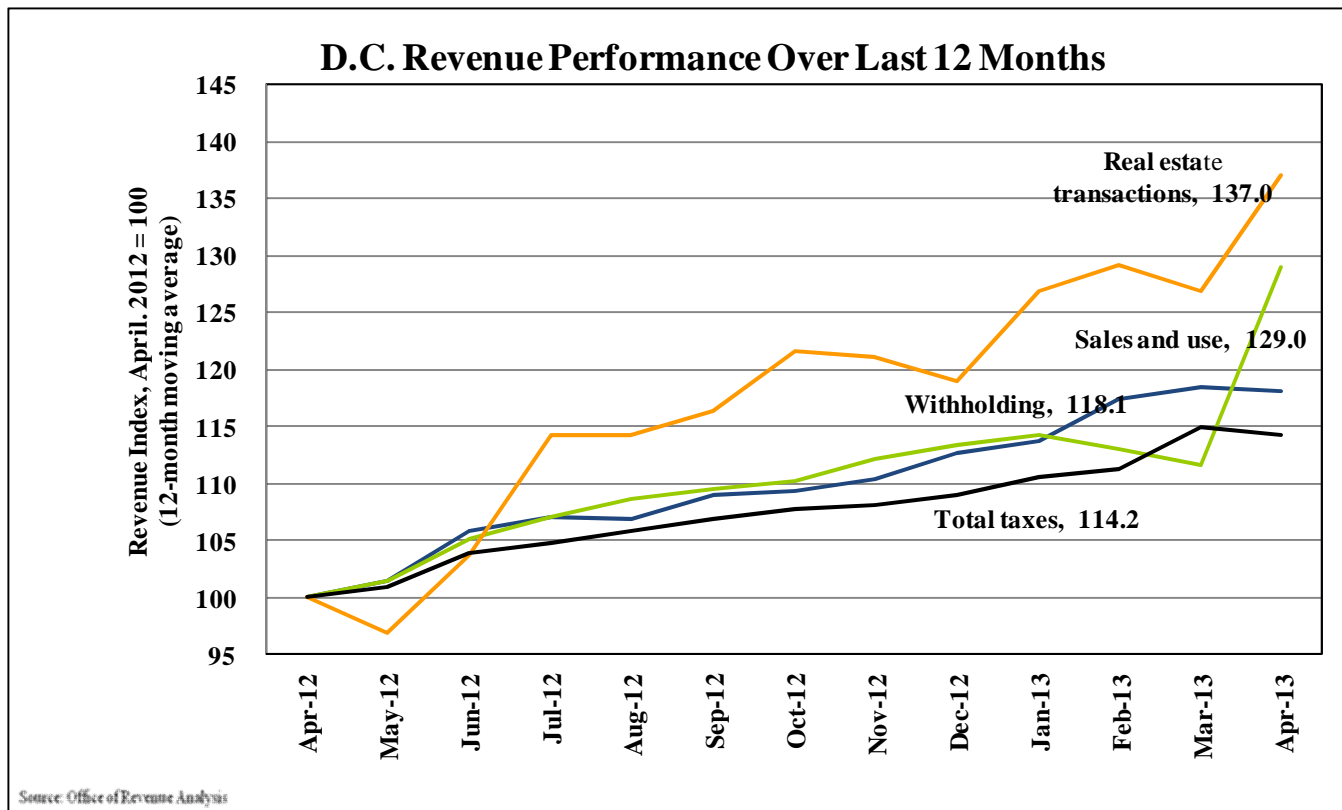
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Tax collections show growth

- The twelve-month moving average of total tax collections for April increased 14.2 percent over the same period last year. The strong growth in tax collections in April is driven largely by a surge in sales and real estate transactions tax collections in April. However, whereas the surge in real estate transactions reflect unusually high real estate market activity in April, the surge in sales tax collections is largely an artifact of changes in the timing of processing of sales tax collections over the past several months compared to the same period last year.
- Withholding tax collections during the twelve-month period ending April 2013 grew by almost 18.1 percent over the previous year. Strong wages and salaries growth in the District continues to be the main source of growth for withholding tax collections.
- Sales tax collections for the twelve month-period ending in April were 29.0 percent higher relative to the same period last year. As already noted above, the surge in sales tax collections for April is largely an artifact changes in the timing of processing.
- The twelve-month period moving average of real estate transactions tax collections for April grew by about 37.0 percent compared to the same period of the previous year and substantially more than previous month due to increased market activity in April.

Collections by Revenue Source

April YTD Tax Collections by Source: 2013 vs. 2012 (\$ '000)

	April 2013	April 2012	Percent change
TOTAL TAX COLLEC- TIONS	3,357,130	2,925,741	14.7
Property	989,842	910,256	8.7
Real Property Tax	977,701	902,518	8.3
Personal Property Tax and Public Space Rental	12,141	7,738	56.9
Real Property Transac- tions	192,205	155,764	23.4
Deed Recordation Tax	109,175	79,159	37.9
Deed Transfer Tax	78,811	56,141	40.4
Economic Interest Tax	4,220	20,464	-79.4
Sales	702,879	666,217	5.5
General Sales and Use Tax	640,805	612,449	4.6
Excise Taxes	62,073	53,768	15.4
Income	1,276,752	978,563	30.5
Individual Income Tax	984,921	728,464	35.2
Corporate Franchise Tax	189,315	169,020	12.0
U.B. Franchise Tax	102,516	81,079	26.4
Gross Receipts and Estate	195,452	214,942	-9.1
Gross Receipts Taxes	170,084	180,027	-5.5
Estate Tax	25,367	34,914	-27.3

Property Taxes. Real property tax collections, fiscal year to date, are 8.3 percent above the same period last year, reflecting first half real property tax payments that were due on March 31. This is in line with the estimate and reflects the growth in real property assessments completed at the end of calendar year 2011.

Real Property Transactions Taxes. April fiscal year to date real property transaction taxes collections were up 23.4 percent over April 2012. Deed recordation tax collections increased by 37.9 percent year to date, while collections for the deed transfer tax increased by 40.4 percent. The strong growth in the real estate transactions taxes through April is due mainly to strong April performance of the collections and reflects strong real estate market activity for the month of April.

General Sales and Use Tax. April fiscal year to date general sales and use tax collections were up by 4.6 percent compared to the same period last year. The year to

date growth in general sales and use tax collections through April reverses a slight decline in collections in February and March. The fluctuations in growth pattern over the past few months largely reflects changes in the timing of processing rather than fluctuations in economic activity. The year to date growth through April is in line with expectations.

Excise Taxes. Fiscal year to date excise tax collections through April grew substantially—by 15.4 percent compared to the same period last year. Higher motor vehicle excise tax collections are the main source of the strong overall excise tax growth.

Income Taxes. April fiscal year to date individual income tax collections grew 35.2 percent over the same period last year. The withholding tax portion grew 15.1 percent, while non-withholding in the Cash Report suggests of a growth of 2,088 percent. Final payments were due in April. While the current performance of non-withholding tax collections is mainly a result of the strong performance of the stock market in the previous year, the timing of the processing of collections is also partially responsible for such a large growth rate..

April fiscal year to date corporate franchise tax collections increased by 12.0 percent, compared to that of April of a year earlier, while unincorporated business tax collections were up 15.4 percent.

Gross Receipts Taxes. Overall, fiscal year to date gross receipts tax collections in April were down by 5.5 percent. Public utilities collections were up by 5.2 percent. Toll telecommunications were down by 1.4 percent and insurance premiums collections were down by 23.9 percent, significantly lower compared to the previous month. However, this reduction appears to be more of a recording and timing issue than an actual reduction in collections.

Non-Tax Revenues. April fiscal year to date non-tax revenue collections were up by 8.2 percent relative to a year earlier. Collections from automated enforcement show a significant increase of 47.0 percent over the same period last year. Meanwhile, traffic fines dropped 12.3 percent and “other” fines and forfeitures grew by a mere 0.6 percent. But, non-tax receipts tend to be lumpy—receipts are high in some months and very low in other

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