

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



**Glen Lee**  
Chief Financial Officer

June 27, 2025

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: June 2025 Revenue Estimates**

Dear Mayor Bowser and Chairman Mendelson:

This letter certifies that the revenue estimate for the FY 2026 – FY 2029 Budget and Financial Plan of the District of Columbia remains unchanged from the February 2025 estimate. FY 2025 revenue has been revised upward by \$243.7 million based on year-to-date collection data, which shows substantially higher-than-expected corporate and non-withholding individual income tax revenue. The increase in individual income and corporate tax revenue is due to capital gains from high-wealth individuals and unexpectedly high profits and foreign income from major corporations, as revealed in April tax filings. Most of the additional revenue in FY 2025 is nonrecurring, as it is based on exceptionally strong income and asset price appreciation from last year, which is not expected to be repeated in the current economic environment.

**June 2025 Revenue Estimate Compared to the Previous Estimate**

	Actual		Estimate		Projections	
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<b>Local Source, General Fund Revenue Estimate (\$M)</b>						
<i>February 2025 Revenue Estimate</i>	10,223.9	10,680.2	10,630.6	10,917.4	11,278.7	11,656.4
<i>June Revision to the Estimate-Local</i>	0.0	243.7	0.0	0.0	0.0	0.0
<b>June 2025 Revenue Estimate</b>	<b>10,223.9</b>	<b>10,923.9</b>	<b>10,630.6</b>	<b>10,917.4</b>	<b>11,278.7</b>	<b>11,656.4</b>
<b>Revenue Change From Previous Year</b>						
Amount	249.4	700.0	(293.2)	286.7	361.4	377.6
<i>Year-Over-Year Percent Change</i>	2.5%	6.8%	-2.7%	2.7%	3.3%	3.3%

The economic outlook for the District remains mostly unchanged since February, although the level of uncertainty has grown. Legal challenges to many of the federal workforce reductions proposed by the current administration have added to the uncertainty regarding the timing and extent of those reductions. Shifting federal budget, trade, and immigration policies further increase economic uncertainty. The U.S. Bureau of Labor Statistics revised downward the employment figures for the District for FY 2023 and 2024, but increased estimates for resident employment and the labor force. Additionally, the U.S. Bureau of Economic Analysis lowered personal income and wage estimates for the fourth quarter of FY 2024, resulting in a revised, lower growth forecast for FY 2025. These adjustments were already factored into withholding income tax receipts, which align with the February forecast. Given no major changes to the economic outlook aside from heightened uncertainty, we are maintaining the February 2025 economic forecast with only minor adjustments for updated historical data.

This estimate is based on various sources, including cash collection reports; federal data on District population, employment, and income; private sources on housing, commercial real estate, and hotels; economic forecasts for the U.S. prepared by the Congressional Budget Office and private-sector economists, such as the Blue Chip consensus forecast by 50 private-sector economists and two private firms (S&P Global and Moody's Analytics) that also forecast the District's economy.

## **FY 2025 Revenue Highlights**

Year-to-date revenue data show collections are 9.9 percent higher than the same period in FY 2024. A portion of the additional revenue is due to a policy change which increased the rate of Paid Family Leave (PFL) employment taxes which were then transferred to the Local fund. Individual income tax revenues increased by 13.4 percent year-to-date, driven mainly by the non-withholding component, particularly final and extension payments. As noted earlier, greater-than-anticipated final and extension payments significantly contributed to the strong year-to-date tax revenue performance, in line with trends in other states and the nation. The withholding component of individual income tax rose 8.1 percent through March, above the February forecast of 4 percent. Since then, receipts have declined by an average of 0.3 percent each month. As a result, withholding income tax revenue is expected to meet the forecast by the end of the fiscal year.

General sales tax revenue has risen by 5 percent, surpassing the February forecast of 2.2 percent, mainly due to higher tax receipts from restaurant and hotel taxes. As a result, the estimate for general sales tax revenue in FY 2025 has been increased by approximately \$28 million to reflect stronger-than-expected year-to-date cash collections. The recent downward trend in hotel sector tax receipts raises concerns and is expected to slow the overall growth for the fiscal year.

Real property tax receipts declined by 1.1 percent based on first-half collections, which is better than the forecasted decline of 2.6 percent for the fiscal year. Real property tax receipts are expected to meet the annual forecast with the second-half collections. Real property tax refunds have already increased significantly—up 96.5 percent this year—adding some uncertainty to the forecast.

Local non-tax revenue grew by 27.9 percent year-to-date, almost matching the forecasted 28 percent for the fiscal year. Most of the growth was driven by additional employer contributions to the Universal Paid Leave Fund, which were transferred to the Local fund per the Universal Paid Leave Amendment Act of 2024 (already reflected in the February forecast). Declines in automated traffic enforcement, business licenses, building permits, motor vehicle registrations, and lottery sales pose a risk that total non-tax revenue may fall short of expectations by the end of the fiscal year.

Year-to-date revenue growth remains strong, but it is important to remember that the uncertain economic environment poses significant risks to the revenue forecast. The direct and indirect effects of federal workforce reductions, as well as changing federal budget, tariff, and immigration policies, could undermine the current revenue strengths. These risks are discussed more fully below.

## **Risks to the Economic Outlook and Revenue Forecast**

The current forecast carries several notable risks. As a government-dependent economy, the District relies heavily on federal jobs and related economic activities, making the new administration's policies a key factor in shaping the city's economic outlook. If the administration's proposed workforce reductions are upheld by the Courts or are sustained by Congress in the Fiscal Year 2026 federal budget, the economic impact on the District will be substantial. In either case, layoffs of federal employees could happen more quickly and be on a larger scale than currently expected. Although the private sector might absorb some displaced federal workers, the recent slowdown in the local job market leaves limited room for substantial private sector growth.

Shifting federal budget, trade, and immigration policies create considerable uncertainty for businesses and consumers. Changes to tax laws and discretionary spending could either benefit or harm the District's economy and finances. Stricter trade and immigration policies might disrupt supply chains, raise input costs, and slow population and labor force growth, potentially reducing economic activity in the District. Other national risks include recession or stagflation (a mix of slow growth and high inflation), along with escalating conflicts in Ukraine and the Middle East that could disrupt energy markets and trade flows, and potentially reshape fiscal priorities.

The growing volume of vacant office space remains a major concern. The average vacancy rate for office buildings in the central business district was 16.9 percent in the first quarter of 2025, slightly below what it was at the same time last year but higher than it has been in decades. A recent study by the D.C. Office of Revenue Analysis revealed that between 2020 and 2023, vacant office space increased by 8.4 million square feet, a 46.2 percent rise, primarily driven by the shift toward remote work. This trend is expected to continue for at least the next few years, even with the recent return-to-office order for federal employees. The assessed values of hundreds of office buildings are projected to remain depressed through 2029. A sharper-than-anticipated decline in property values could pose a risk to commercial property and deed tax revenues.

*June 2025 Revenue Estimates*

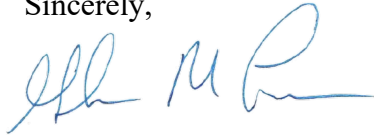
*June 27, 2025*

*Page 4*

The prevailing risks and high level of uncertainty create a challenging forecast environment. We will continue to carefully monitor monthly revenue collections, progress on federal budget deliberations and federal employment, developments in the nation's economy and capital markets, and any geopolitical events that could impact the forecast.

If you have any questions regarding these matters, please contact me at (202) 727-2476.

Sincerely,

A handwritten signature in blue ink, appearing to read "Glen Lee". The signature is fluid and cursive, with the first name "Glen" and last name "Lee" clearly distinguishable.

Glen Lee

**DISTRIBUTION LIST**

Councilmember Anita Bonds (At-Large)

Councilmember Robert White (At-Large)

Councilmember Christina Henderson (At-Large)

Councilmember Kenyan McDuffie (At-Large)

Councilmember Brianne Nadeau (Ward 1)

Councilmember Brooke Pinto (Ward 2)

Councilmember Matthew Frumin (Ward 3)

Councilmember Janeese Lewis George (Ward 4)

Councilmember Zachary Parker (Ward 5)

Councilmember Charles Allen (Ward 6)

Councilmember Wendell Felder (Ward 7)

Kevin Donahue, City Administrator

Lindsey Parker, 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

**June 2025 Revenue Estimates**

**June 27, 2025**

**Page 6**

**TABLE 1: REVENUE SUMMARY TABLE**

\$ in Thousands	ACTUAL	ESTIMATE		OUT YEAR PROJECTIONS		
	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029
<b>PROPERTY</b>	3,039,519	2,962,559	2,869,971	2,923,002	2,991,302	3,094,247
Real Property	2,916,752	2,840,877	2,751,103	2,803,929	2,870,687	2,972,995
Personal Property	83,354	82,388	80,392	79,857	81,398	82,033
Public Space Rental	39,413	39,294	38,477	39,216	39,217	39,218
<i>Dedicated to other funds</i>	-52,541	-33,513	-28,399	-28,913	-24,610	-25,319
<b>PROPERTY (NET)</b>	2,986,978	2,929,046	2,841,572	2,894,088	2,966,691	3,068,927
<b>SALES &amp; EXCISE</b>	2,084,378	2,158,249	2,209,560	2,282,908	2,335,999	2,388,608
General Sales	2,001,987	2,078,730	2,127,033	2,201,667	2,254,202	2,312,104
Alcohol	7,027	6,291	6,817	6,715	6,782	6,850
Cigarette	9,763	8,423	8,673	8,578	8,484	8,391
Motor Vehicle	43,823	43,282	45,884	45,163	46,097	41,179
Motor Fuel	21,778	21,523	21,152	20,786	20,434	20,084
<i>Dedicated to other funds</i>	-593,709	-587,192	-573,083	-563,399	-553,477	-561,132
<b>SALES &amp; EXCISE(NET)</b>	1,490,670	1,571,056	1,636,477	1,719,509	1,782,522	1,827,475
<b>INCOME</b>	4,271,954	4,675,935	4,356,061	4,492,741	4,597,600	4,703,284
Individual Income	3,138,951	3,437,056	3,258,162	3,368,786	3,473,995	3,578,790
Corporate Franchise	932,363	1,036,582	922,101	954,458	951,058	958,657
U.B. Franchise	200,640	202,296	175,798	169,498	172,547	165,837
<b>INCOME (NET)</b>	4,271,954	4,675,935	4,356,061	4,492,741	4,597,600	4,703,284
<b>GROSS RECEIPTS</b>	421,622	569,458	628,500	634,221	639,548	648,099
Public Utilities	122,724	124,702	124,559	123,993	123,428	124,415
Toll Telecommunications	35,869	35,347	34,347	33,506	32,221	32,478
Insurance Premiums	167,070	174,769	186,780	188,692	190,627	192,584
Ballpark Fee	51,519	49,743	52,266	53,508	54,699	55,916
Private sports wagering	3,795	18,734	18,884	19,035	19,188	19,341
Games of Skill	121	135	136	138	139	140
Health Related Taxes	40,524	166,027	211,528	215,350	219,248	223,224
<i>Dedicated to other funds</i>	-177,002	-325,465	-385,554	-392,569	-399,752	-353,761
<b>GROSS RECEIPTS (NET)</b>	244,620	243,993	242,946	241,652	239,795	294,338
<b>OTHER TAX</b>	375,079	429,995	485,227	530,744	665,267	743,102
Estate	44,965	37,125	45,606	46,132	46,665	47,204
Deed Recordation	168,985	215,469	241,620	263,494	335,129	378,412
Deed Transfer	147,327	157,234	177,834	200,950	263,306	297,318
Economic Interest	13,803	20,168	20,168	20,168	20,168	20,168
<i>Dedicated to other funds</i>	-49,888	-50,986	-52,010	-53,055	-54,029	-55,114
<b>OTHER TAX (NET)</b>	325,191	379,010	433,217	477,689	611,238	687,988
<b>TOTAL TAX (GROSS)</b>	<b>10,192,552</b>	<b>10,796,196</b>	<b>10,549,320</b>	<b>10,863,617</b>	<b>11,229,717</b>	<b>11,577,340</b>
<b>TOTAL TAX (NET)</b>	<b>9,319,412</b>	<b>9,799,040</b>	<b>9,510,273</b>	<b>9,825,680</b>	<b>10,197,848</b>	<b>10,582,013</b>
<b>NONTAX</b>	865,118	1,093,975	1,089,223	1,059,564	1,048,938	1,042,364
Licenses & Permits	142,463	133,645	146,551	147,325	148,939	150,590
Fines & Forfeits	232,947	288,318	304,764	298,704	292,765	286,945
Charges for Services	73,874	349,753	72,690	72,287	74,132	73,828
Miscellaneous	415,834	322,259	565,218	541,248	533,102	531,001
<i>Dedicated to other funds</i>	0	0	0	0	0	0
<b>NONTAX (NET)</b>	865,118	1,093,975	1,089,223	1,059,564	1,048,938	1,042,364
<b>LOTTERY</b>	39,350	30,840	31,112	32,112	31,962	32,000
<i>Dedicated to other funds</i>	0	0	0	0	0	0
<b>LOTTERY (NET)</b>	39,350	30,840	31,112	32,112	31,962	32,000
<b>GROSS REVENUE</b>	11,097,020	11,921,011	11,669,654	11,955,293	12,310,617	12,651,704
<b>LOCAL FUND REVENUE</b>	10,223,880	10,923,855	10,630,608	10,917,356	11,278,748	11,656,377
<b>OTHER FUNDS</b>	873,140	997,156	1,039,046	1,037,937	1,031,869	995,326

*June 2025 Revenue Estimates*

*June 27, 2025*

*Page 7*

**TABLE 1: REVENUE SUMMARY TABLE (Continued)**

% Change from Year Ago	ACTUAL		ESTIMATE		OUT YEAR PROJECTIONS		
	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	
<b>PROPERTY</b>	2.5%	-2.5%	-3.1%	1.8%	2.3%	3.4%	
Real Property	2.7%	-2.6%	-3.2%	1.9%	2.4%	3.6%	
Personal Property	-0.7%	-1.2%	-2.4%	-0.7%	1.9%	0.8%	
Public Space Rental	-5.0%	-0.3%	-2.1%	1.9%	0.0%	0.0%	
<i>Dedicated to other funds</i>	20.1%	-36.2%	-15.3%	1.8%	-14.9%	2.9%	
<b>PROPERTY (NET)</b>	2.2%	-1.9%	-3.0%	1.8%	2.5%	3.4%	
<b>SALES &amp; EXCISE</b>	3.6%	3.5%	2.4%	3.3%	2.3%	2.3%	
General Sales	4.2%	3.8%	2.3%	3.5%	2.4%	2.6%	
Alcohol	2.6%	-10.5%	8.4%	-1.5%	1.0%	1.0%	
Cigarette	4.4%	-13.7%	3.0%	-1.1%	-1.1%	-1.1%	
Motor Vehicle	-14.4%	-1.2%	6.0%	-1.6%	2.1%	-10.7%	
Motor Fuel	-3.1%	-1.2%	-1.7%	-1.7%	-1.7%	-1.7%	
<i>Dedicated to other funds</i>	4.5%	-1.1%	-2.4%	-1.7%	-1.8%	1.4%	
<b>SALES &amp; EXCISE(NET)</b>	3.3%	5.4%	4.2%	5.1%	3.7%	2.5%	
<b>INCOME</b>	2.3%	9.5%	-6.8%	3.1%	2.3%	2.3%	
Individual Income	3.0%	9.5%	-5.2%	3.4%	3.1%	3.0%	
Corporate Franchise	2.9%	11.2%	-11.0%	3.5%	-0.4%	0.8%	
U.B. Franchise	-9.0%	0.8%	-13.1%	-3.6%	1.8%	-3.9%	
<b>INCOME (NET)</b>	2.3%	9.5%	-6.8%	3.1%	2.3%	2.3%	
<b>GROSS RECEIPTS</b>	3.9%	35.1%	10.4%	0.9%	0.8%	1.3%	
Public Utilities	-1.1%	1.6%	-0.1%	-0.5%	-0.5%	0.8%	
Toll Telecommunications	-2.3%	-1.5%	-2.8%	-2.4%	-3.8%	0.8%	
Insurance Premiums	6.0%	4.6%	6.9%	1.0%	1.0%	1.0%	
Ballpark Fee	10.1%	-3.4%	5.1%	2.4%	2.2%	2.2%	
Private sports wagering	141.4%	393.7%	0.8%	0.8%	0.8%	0.8%	
Games of Skill	222.9%	12.2%	0.8%	0.8%	0.8%	0.8%	
Health Related Taxes	4.3%	309.7%	27.4%	1.8%	1.8%	1.8%	
<i>Dedicated to other funds</i>	7.6%	83.9%	18.5%	1.8%	1.8%	-11.5%	
<b>GROSS RECEIPTS (NET)</b>	1.4%	-0.3%	-0.4%	-0.5%	-0.8%	22.7%	
<b>OTHER TAX</b>	-13.4%	14.6%	12.8%	9.4%	25.3%	11.7%	
Estate	-52.4%	-17.4%	22.8%	1.2%	1.2%	1.2%	
Deed Recordation	-13.4%	27.5%	12.1%	9.1%	27.2%	12.9%	
Deed Transfer	10.0%	6.7%	13.1%	13.0%	31.0%	12.9%	
Economic Interest	43.9%	46.1%	0.0%	0.0%	0.0%	0.0%	
<i>Dedicated to other funds</i>	-1.6%	2.2%	2.0%	2.0%	1.8%	2.0%	
<b>OTHER TAX (NET)</b>	-15.0%	16.5%	14.3%	10.3%	28.0%	12.6%	
<b>TOTAL TAX (GROSS)</b>	2.0%	5.9%	-2.3%	3.0%	3.4%	3.1%	
<b>TOTAL TAX (NET)</b>	1.7%	5.1%	-2.9%	3.3%	3.8%	3.8%	
<b>NONTAX</b>	10.6%	26.5%	-0.4%	-2.7%	-1.0%	-0.6%	
Licenses & Permits	-3.1%	-6.2%	9.7%	0.5%	1.1%	1.1%	
Fines & Forfeits	48.8%	23.8%	5.7%	-2.0%	-2.0%	-2.0%	
Charges for Services	4.7%	373.4%	-79.2%	-0.6%	2.6%	-0.4%	
Miscellaneous	1.9%	-22.5%	75.4%	-4.2%	-1.5%	-0.4%	
<i>Dedicated to other funds</i>							
<b>NONTAX (NET)</b>	11.2%	26.5%	-0.4%	-2.7%	-1.0%	-0.6%	
<b>LOTTERY</b>	17.6%	-21.6%	0.9%	3.2%	-0.5%	0.1%	
<i>Dedicated to other funds</i>							
<b>LOTTERY (NET)</b>	17.6%	-21.6%	0.9%	3.2%	-0.5%	0.1%	
<b>GROSS REVENUE</b>	2.7%	7.4%	-2.1%	2.4%	3.0%	2.8%	
<b>LOCAL FUND REVENUE</b>	2.5%	6.8%	-2.7%	2.7%	3.3%	3.3%	
<b>OTHER FUNDS</b>	5.0%	14.2%	4.2%	-0.1%	-0.6%	-3.5%	

<b>TABLE 2: DEDICATED/ENTERPRISE REVENUE</b>							
\$ in Thousands		ACTUAL	ESTIMATE		OUT YEAR PROJECTIONS		
DEDICATED TO	Tax Type	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029
TIF	Real Property	15,254	14,829	14,465	15,109	10,497	10,850
	General Sales	29,080	29,095	30,448	31,154	29,434	30,360
PILOT	Real Property	36,346	17,742	12,992	12,862	13,171	13,527
	General Sales	24,330	8,871	-	-	-	-
Walter Reed Development	Real Property	638	639	639	639	639	639
St. Elizabeth East Campus Red. Fund	Real Property	304	304	304	304	304	304
	General Sales	131	141	143	146	149	148
Convention Center	General Sales	167,086	175,836	170,579	172,438	174,172	177,949
Convention Center-Destination DC	General Sales	32,211	34,280	33,411	19,223	7,786	7,942
Ballpark*	General Sales	13,872	16,382	16,640	16,864	17,103	17,345
	Public Utility	7,324	7,851	7,842	7,807	7,771	7,833
	Toll Telecom	2,062	2,067	1,997	1,922	1,950	1,938
	Ballpark Fee	51,519	49,743	52,266	53,508	54,699	-
Healthy DC - Marijuana	General Sales	1,861	1,898	1,936	-	-	-
Medical Cannabis Social Equity Fund	General Sales	-	-	-	1,975	2,014	2,055
Healthy DC - MCO	Insurance premium	75,573	83,580	95,575	97,486	99,436	101,425
WMATA - Operations	General Sales	75,256	76,761	75,492	76,859	77,522	79,460
WMATA - Capital	General Sales	178,500	178,500	178,500	178,500	178,500	178,500
Healthy Schools	General Sales	5,690	-	-	-	-	-
ABRA	General Sales	870	-	-	-	-	-
Comm. on Arts and Humanities	General Sales	43,044	43,905	44,783	45,454	46,363	47,290
Highway Trust Fund	Motor Fuel	21,778	21,523	21,152	20,786	20,434	20,084
Nursing Facility Quality of Care	Health Related	19,145	18,021	21,569	22,001	22,441	22,890
Hospital Fund	Health Related	8,716	8,454	8,454	8,454	8,454	8,454
Hospital Provider Fee Fund	Health Related	7,339	6,603	6,603	6,603	6,603	6,603
Inpatient Hospital - Provider Fee Fund	Health Related	-	81,164	106,225	108,349	110,516	112,727
Outpatient Hospital -Provider Fee Fund	Health Related	-	46,398	63,289	64,555	65,846	67,163
ICF-IDD Stevie Sellows	Health Related	5,325	5,388	5,388	5,388	5,388	5,388
Child Trust Fund	Sports Wager	-	16,196	16,346	16,497	16,650	19,341
Vision Zero Enhancement Fund	Traffic Fines-ATE	-	-	-	-	-	-
Housing Production Trust Fund (HPTF)	Deed Recordation	23,094	24,951	25,296	25,347	26,067	26,662
	Deed Transfer	22,099	20,273	20,936	21,916	22,251	22,722
	Economic Interest	2,070	3,025	3,025	3,025	3,025	3,025
HPTF-Debt Service	Deed Recordation	2,253	2,257	2,260	2,260	2,257	2,262
	Deed Transfer	-	-	-	-	-	-
	Economic Interest	-	-	-	-	-	-
West End Maintenance	Deed Recordation	185	239	246	254	215	222
	Deed Transfer	185	239	246	254	215	222
		<b>873,140</b>	<b>997,156</b>	<b>1,039,046</b>	<b>1,037,937</b>	<b>1,031,869</b>	<b>995,326</b>

\* Beginning FY2029, dedications to Ballpark dedications would go to Ballpark Preservation and Improvement Fund

**June 2025 Revenue Estimates**

**June 27, 2025**

**Page 9**

**Supplemental Tables**

**TABLE 1-1 REVENUE COMPONENTS**

\$ in Thousands	ACTUAL		ESTIMATE		OUT YEAR PROJECTIONS	
	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029
<b>1. REAL PROPERTY</b>	<b>2,916,752</b>	<b>2,840,877</b>	<b>2,751,103</b>	<b>2,803,929</b>	<b>2,870,687</b>	<b>2,972,995</b>
Residential (C1)	1,202,617	1,238,030	1,255,771	1,295,384	1,335,326	1,394,013
Commercial (C2)	1,676,265	1,557,921	1,448,785	1,460,136	1,485,016	1,526,623
Vacant & Blighted	37,870	44,926	46,547	48,409	50,345	52,359
<b>2. GENERAL SALES</b>	<b>2,001,987</b>	<b>2,078,730</b>	<b>2,127,033</b>	<b>2,201,667</b>	<b>2,254,202</b>	<b>2,312,104</b>
General (6%)	911,239	941,797	1,025,944	1,098,054	1,145,950	1,178,086
Food and drink for immediate consumption (10% )	549,305	568,680	546,068	557,484	570,537	584,801
Hotel and short term lodging (15.95%)	396,078	420,593	409,925	398,057	388,003	395,763
All others	145,365	147,660	145,097	148,072	149,712	153,454
<b>3. INDIVIDUAL INCOME TAX</b>	<b>3,138,951</b>	<b>3,437,056</b>	<b>3,258,162</b>	<b>3,368,786</b>	<b>3,473,995</b>	<b>3,578,790</b>
Withholding	2,846,218	2,961,531	2,941,484	3,025,827	3,119,350	3,213,688
Nonwithholding	292,732	475,526	316,679	342,959	354,646	365,102

Remark: Commercial (C2) includes hotel, retail stores and other industrial complex properties

**Supplemental Tables**

**TABLE 1-1 REVENUE COMPONENTS (Continued)**

% Change from Year Ago	ACTUAL		ESTIMATE		OUT YEAR PROJECTIONS	
	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029
<b>1. REAL PROPERTY</b>	<b>2.7%</b>	<b>-2.6%</b>	<b>-3.2%</b>	<b>1.9%</b>	<b>2.4%</b>	<b>3.6%</b>
Residential (C1)	2.6%	2.9%	1.4%	3.2%	3.1%	4.4%
Commercial (C2)	1.9%	-7.1%	-7.0%	0.8%	1.7%	2.8%
Vacant & Blighted	65.1%	18.6%	3.6%	4.0%	4.0%	4.0%
<b>2. GENERAL SALES</b>	<b>4.2%</b>	<b>3.8%</b>	<b>2.3%</b>	<b>3.5%</b>	<b>2.4%</b>	<b>2.6%</b>
General (6%)	4.8%	3.4%	8.9%	7.0%	4.4%	2.8%
Food and drink for immediate consu	-0.8%	3.5%	-4.0%	2.1%	2.3%	2.5%
Hotel and short term lodging (15.95%)	13.1%	6.2%	-2.5%	-2.9%	-2.5%	2.0%
All others	-1.8%	1.6%	-1.7%	2.1%	1.1%	2.5%
<b>3. INDIVIDUAL INCOME TAX</b>	<b>3.0%</b>	<b>9.5%</b>	<b>-5.2%</b>	<b>3.4%</b>	<b>3.1%</b>	<b>3.0%</b>
Withholding	8.2%	4.1%	-0.7%	2.9%	3.1%	3.0%
Nonwithholding	-30.1%	62.4%	-33.4%	8.3%	3.4%	2.9%

## Estimated Key Economic Indicators for the DC Economy - Jun. 2025

Forecast Period Fiscal Year 2019 to Fiscal Year 2029

Variable	Actual						Estimated		Forecast			
	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	
Gross Domestic Product - DC (\$billions)	143.9	145.9	153.9	163.9	173.6	183.7	191.0	193.2	199.4	206.8	214.9	
<i>% change annual</i>	3.1%	1.4%	5.5%	6.5%	5.9%	5.9%	4.0%	1.1%	3.2%	3.7%	3.9%	
Real GDP-DC (2017 \$billions)	138.4	137.8	141.8	144.9	145.3	147.5	148.8	145.9	147.0	149.2	151.8	
<i>% change annual</i>	0.9%	-0.4%	2.9%	2.2%	0.3%	1.5%	0.9%	-1.9%	0.8%	1.5%	1.7%	
Personal Income (\$billions)	57.4	60.0	64.5	66.7	71.4	75.2	77.4	77.6	80.4	83.6	86.7	
<i>% change annual</i>	2.8%	4.7%	7.4%	3.4%	7.2%	5.3%	2.8%	0.4%	3.6%	3.9%	3.8%	
Real Personal Income (2017 \$billions)	50.7	52.1	53.9	51.7	53.6	55.6	56.3	55.7	56.5	57.6	58.6	
<i>% change annual</i>	2.7%	2.8%	3.3%	-3.9%	3.6%	3.6%	1.3%	-1.1%	1.4%	1.9%	1.8%	
Per capita personal income	81,083	87,942	96,544	98,608	104,166	107,461	108,989	109,141	113,317	117,720	121,939	
<i>% change annual</i>	2.1%	8.5%	9.8%	2.1%	5.6%	3.2%	1.4%	0.1%	3.8%	3.9%	3.6%	
Real per capita personal income (2017 \$)	71,670	76,359	80,656	76,539	78,202	79,374	79,283	78,271	79,559	81,102	82,438	
<i>% change annual</i>	2.1%	6.5%	5.6%	-5.1%	2.2%	1.5%	-0.1%	-1.3%	1.6%	1.9%	1.6%	
Wages in DC (\$billions)	78	80	83	88	92	96	99	101	104	107	111	
<i>% change annual</i>	3.2%	1.9%	4.3%	5.6%	4.4%	5.1%	3.0%	1.6%	3.1%	3.4%	3.5%	
Wages of DC residents (\$billions)	30.3	30.9	32.3	34.9	37.1	39.3	40.5	40.6	41.7	42.8	44.0	
<i>% change annual</i>	4.4%	2.2%	4.4%	7.9%	6.5%	5.8%	3.1%	0.1%	2.7%	2.7%	2.7%	
Personal Consumption Expenditure (\$billions)	49.3	47.7	51.1	57.0	61.3	64.9	67.5	69.0	71.5	74.5	77.7	
<i>% change annual</i>	4.3%	-3.4%	7.3%	11.5%	7.6%	5.8%	4.1%	2.2%	3.7%	4.2%	4.3%	
Population (000s)	707.6	683.8	667.7	676.0	685.8	700.1	709.9	711.4	709.9	709.8	711.2	
<i>% change annual</i>	0.7%	-3.4%	-2.3%	1.2%	1.4%	2.1%	1.4%	0.2%	-0.2%	0.0%	0.2%	
<b>Households (000s)</b>	<b>321.0</b>	<b>314.8</b>	<b>319.2</b>	<b>330.2</b>	<b>339.4</b>	<b>347.0</b>	<b>352.8</b>	<b>354.4</b>	<b>354.9</b>	<b>355.6</b>	<b>357.1</b>	
<i>% change annual</i>	1.9%	-1.9%	1.4%	3.4%	2.8%	2.3%	1.7%	0.4%	0.1%	0.2%	0.4%	
<b>Employment in DC (000s)</b>	<b>796.0</b>	<b>762.0</b>	<b>728.2</b>	<b>757.6</b>	<b>765.1</b>	<b>768.7</b>	<b>766.5</b>	<b>746.4</b>	<b>743.0</b>	<b>742.8</b>	<b>744.6</b>	
<i>% change annual</i>	0.6%	-4.3%	-4.4%	4.0%	1.0%	0.5%	-0.3%	-2.6%	-0.4%	0.0%	0.2%	
<b>Employment of DC residents (000s)</b>	<b>376.7</b>	<b>364.2</b>	<b>350.6</b>	<b>370.5</b>	<b>382.1</b>	<b>393.5</b>	<b>392.5</b>	<b>389.1</b>	<b>387.7</b>	<b>387.9</b>	<b>389.7</b>	
<i>% change annual</i>	0.9%	-3.3%	-3.7%	5.7%	3.1%	3.0%	-0.2%	-0.9%	-0.4%	0.1%	0.5%	
Civilian labor force (000s)	399.2	392.6	378.1	390.5	401.1	414.9	413.0	407.6	405.0	404.7	405.9	
<i>% change annual</i>	0.8%	-1.7%	-3.7%	3.3%	2.7%	3.4%	-0.4%	-1.3%	-0.6%	-0.1%	0.3%	
Unemployment rate	5.6	7.3	7.3	5.1	4.7	5.2	5.4	5.9	5.9	5.8	5.7	
Housing Starts	5,962	4,803	5,448	4,462	5,197	1,337	1,816	2,355	2,550	2,545	2,541	
Home Sales (000s)	9,823	10,031	12,692	11,170	7,713	6,754	7,004	8,101	9,143	9,501	9,779	
<i>% change annual</i>	-3.2%	2.1%	26.5%	-12.0%	-31.0%	-12.4%	3.7%	15.7%	12.9%	3.9%	2.9%	
Avg Home Sale Price (000s)	764.2	797.0	821.7	819.8	780.2	786.3	795.8	811.6	837.1	868.7	904.0	
<i>% change annual</i>	1.6%	4.3%	3.1%	-0.2%	-4.8%	0.8%	1.2%	2.0%	3.1%	3.8%	4.1%	
Multifamily residential average rent per unit (\$)	2,188	2,193	2,185	2,301	2,353	2,402	2,487	2,598	2,688	2,772	2,853	
<i>% change annual</i>	2.7%	0.2%	-0.3%	5.3%	2.2%	2.1%	3.5%	4.5%	3.5%	3.1%	2.9%	
CBD office vacancy rate	11.2%	12.1%	14.2%	15.6%	17.1%	18.2%	18.7%	19.9%	20.3%	20.7%	20.9%	
SP 500 Stock Index	14.7%	15.2%	29.4%	-16.3%	16.1%	32.2%	-3.4%	-4.6%	-4.1%	-3.4%	-2.9%	
US 10 Year Treasury	2.5	1.1	1.3	2.4	3.8	4.2	4.4	4.2	4.1	4.0	4.0	
Washington Area CPI: % change prior year	1.7%	1.5%	4.2%	7.3%	5.2%	3.4%	2.9%	3.1%	2.8%	1.9%	2.4%	

Note: Estimated by the D.C. Office of Revenue Analysis based on forecasts of the D.C. and national economies prepared by S&P Global Market Intelligence (Aug. 2024); Moodys Analytics (Aug. 2024); BLS labor market information from Aug. 2024; the Census Bureau estimates of DC population (July 2023); BEA estimates of DC personal income (2024q1) and CoStar D.C. property market data (Q2 2024).