



September 2021 Revenue Estimate

September 30, 2021

Revenue: January 2020 (pre-pandemic)-August 2021



-1%

Tax revenue decline since January 2020

+11%

Individual and business income tax revenue increase since January 2020

+3%

Real property tax revenue increase since January 2020 (excludes 2nd half payment)

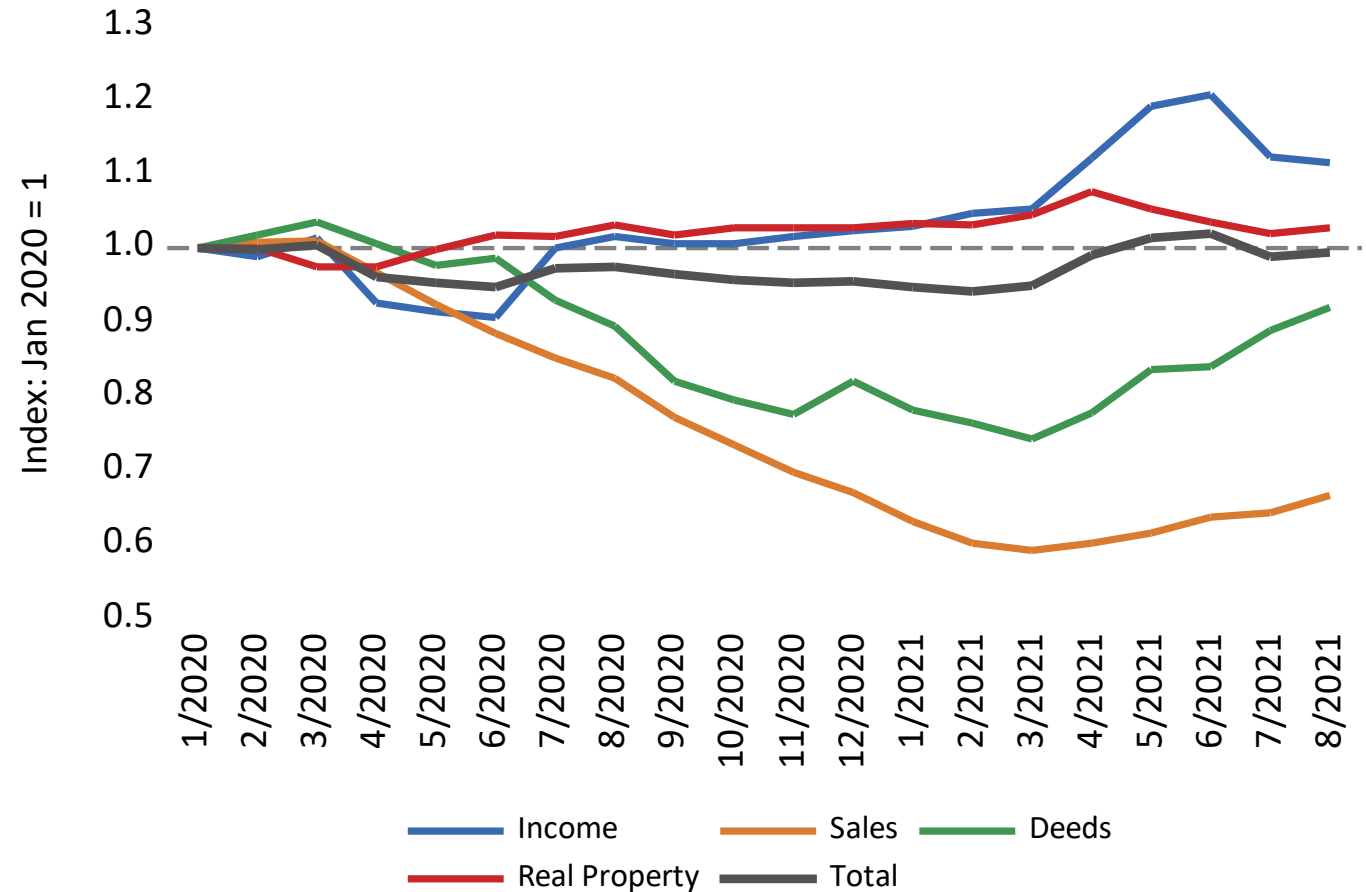
-8%

Deed tax revenue decline since January 2020

-33%

Sales tax revenue decline since January 2020

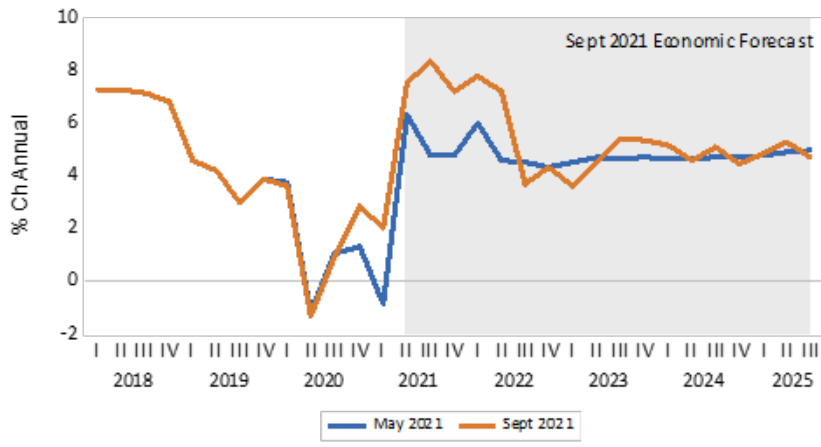
Tax Revenue Performance Since January 2020



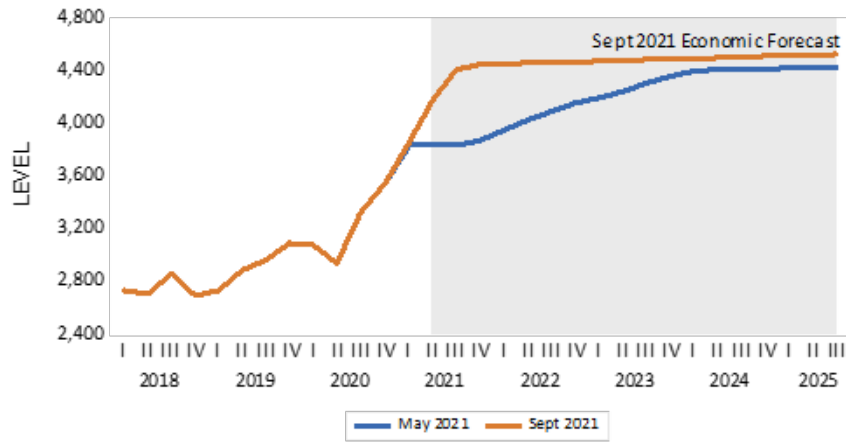
Forecast for key economic variables



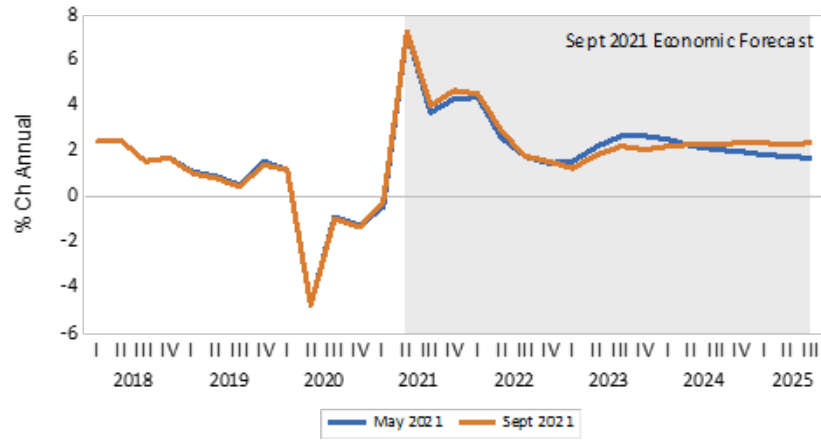
DC Resident Wages



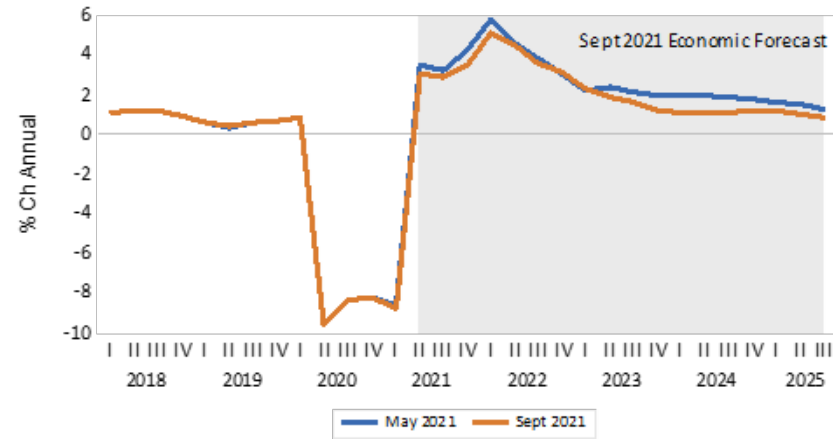
S&P 500 Stock Market Index



Real GDP-DC



Employment in DC



FY 2021-FY 2025 Financial Plan



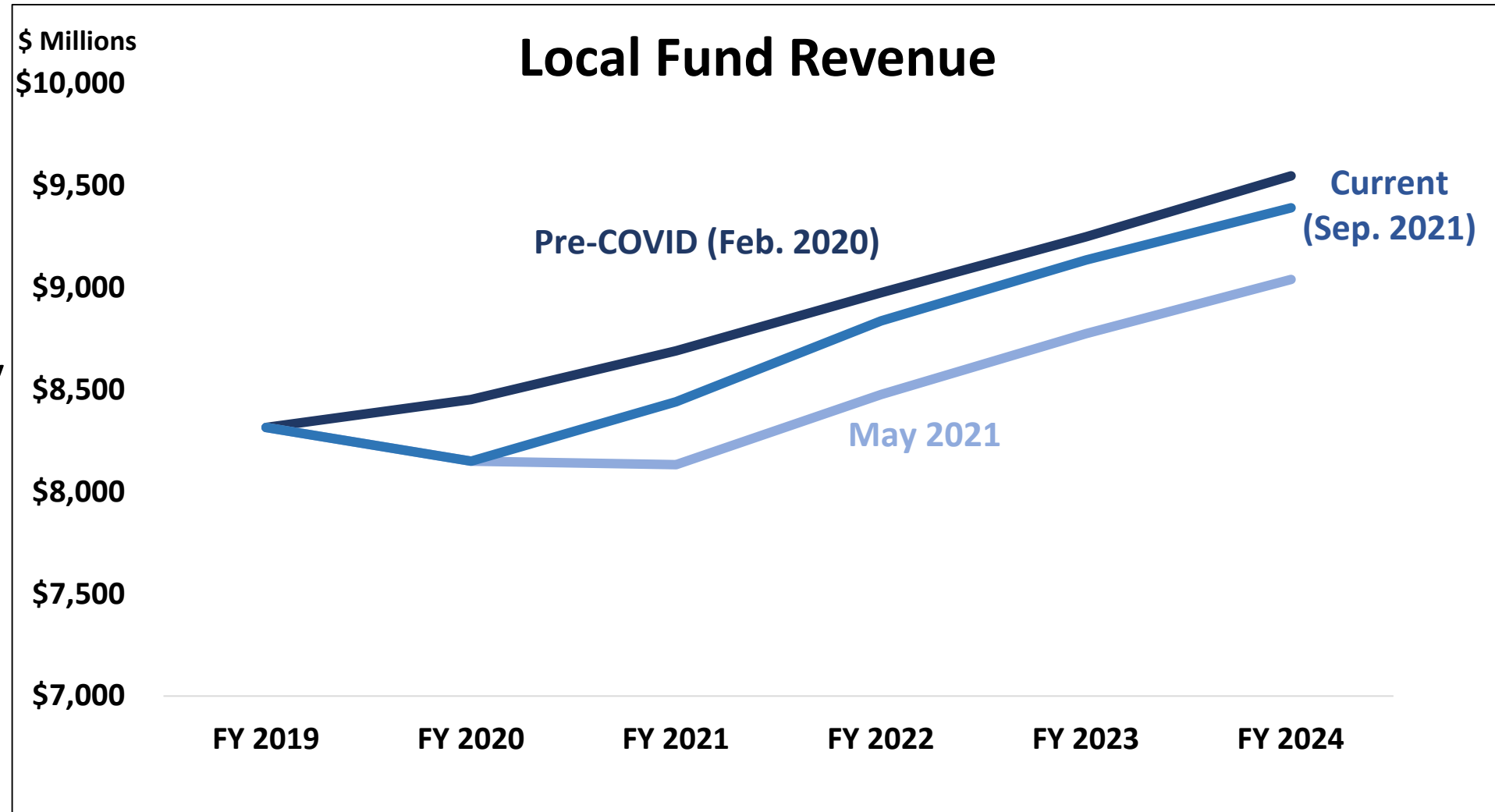
September revenue estimate compared to previous estimate

	Actual	Estimated			Projected	
Local Source, General Fund Revenue Estimate (\$M)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
May 2021 Revenue Estimate	8,149.8	8,133.3	8,476.8	8,774.7	9,040.6	9,328.1
<i>FY 2022 Budget Support Act Revenue</i>		<i>16.5</i>	<i>103.3</i>	<i>151.6</i>	<i>163.8</i>	<i>176.0</i>
May 2021 Revenue Estimate adjusted for budget		8,149.9	8,580.1	8,926.3	9,204.4	9,504.1
<i>September revisions to estimate</i>		<i>311.3</i>	<i>289.0</i>	<i>231.6</i>	<i>211.9</i>	<i>174.2</i>
September 2021 Revenue Estimate	8,149.8	8,461.2	8,869.0	9,157.9	9,416.3	9,678.4
Revenue Change From Previous Year						
Amount	(165.0)	311.4	407.9	288.9	258.4	262.1
<i>Year-Over-Year Percent Change</i>	<i>-2.0%</i>	<i>3.8%</i>	<i>4.8%</i>	<i>3.3%</i>	<i>2.8%</i>	<i>2.8%</i>

September 2021 revision: +\$1.7 Billion for FY 2021- FY2025



- ✓ The September revenue forecast narrows the gap getting us closer to the Pre-COVID forecast level.
- ✓ Accelerated recovery and continuing improvement in the stock market raised the level in FY 2021.
- ✓ The FY 2022 Budget Support Act (BSA) added \$611.3 million to the financial plan.



Income taxes comprise about 91% of the additional revenue



Revenue Source (\$ thousands)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Individual Income	\$109,475	\$185,654	\$174,663	\$161,964	\$150,097
Withholding	\$30,171	\$71,381	\$62,366	\$54,842	\$38,796
Non-withholding	\$79,304	\$114,273	\$112,298	\$107,121	\$111,302
Business Income	\$67,696	\$49,196	\$55,959	\$56,286	\$38,129
Deed Recordation/Transfer	\$54,692	\$45,253	\$32,418	\$33,373	\$34,327
Sales	\$8,647	-	-	-	-
Real property	-	(\$2,442)	(\$35,097)	(\$63,633)	(\$73,218)
All other revenue	\$67,744	(\$10,738)	(\$6,155)	(\$12,021)	(\$10,680)
Dedicated revenue	\$3,046	\$22,040	\$9,848	\$35,952	\$35,576
Total	\$311,300	\$288,964	\$231,635	\$211,921	\$174,231

Risks to Recovery and Outlook



- ✓ Federal government shutdown
- ✓ Pandemic worsens/new wave of infection
- ✓ Vaccine acceptance lags
- ✓ Tourism slower to recover due to lack of travel confidence
- ✓ Remote work expansion
- ✓ Supply chain problems persist
- ✓ Post pandemic demographic changes
- ✓ Inflation or rising interest rates shock stock market
- ✓ National security and other global issues

Questions?