

Government of the
District of Columbia



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District of Columbia Data Book: Revenue and Economy

Produced by the Staff of the
Office of Revenue Analysis

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Foreword

The District of Columbia government combines both the expenditure responsibilities and the authority to generate the own-source revenues of a state *and* local (municipal, county, school district) system. The District of Columbia's unique fiscal structure flows from its status as the federal capital with no state level of government, but retaining features of the fiscal federalism of the United States. Since 1995, when a rapid deterioration in District government finances led the U.S. Congress to create the District of Columbia Financial Responsibility and Management Assistance Authority to oversee the finances of the District, the District has undergone significant changes in its economy, finances, and demographics. Between 1995 and 2009, jobs in the District grew by 60,466 or nine percent, personal income grew 118 percent, and revenue grew 121 percent. Since 1996 the District has had 13 consecutive years of budget surpluses, with a general fund balance of \$900 billion at the end of fiscal year 2009. And, after a steady decline since the 1960s, the population of the District has been growing since 1999.

The Office of the Chief Financial Officer (OCFO) must track and understand these changing economic and demographic trends to fulfill its U.S. congressional mandate to issue quarterly revenue estimates and provide fiscal impact statements on every piece of permanent legislation. As such, the OCFO has built an extensive knowledge base of the District's economy and its revenue system. The annual *District of Columbia Data Book: Revenue and Economy*, a distillation of parts of that knowledge base, presents trends in key economic indicators and revenue streams up to the last audited fiscal year. For some revenue streams, notably the individual income tax and the real property tax, the *Data Book* drills down further into the tax data to uncover patterns and trends at the micro level that explain some of the observed macro trends.

The *Data Book* is organized in eight chapters with an accompanying set of appendices. It begins with an overview of the District's economy (Chapter 1) and its revenue system (Chapter 2). It then provides a time series, as well as a cross section profile, of the significant features of the major revenue sources: individual income tax (Chapter 3), taxes on real property and property transfers (Chapter 4), the general sales and use tax (Chapter 5), business taxes (Chapter 6), non-tax revenues (Chapter 7), and special purpose revenue (Chapter 8). Each chapter is preceded by a short text that highlights the chapter's significant features. These chapters are then supplemented in even further detail with Statistics of Income (SOI) from the individual income tax.

The *Data Book* is designed for use by citizens, policymakers, revenue practitioners, and researchers alike. Though the book is about numbers, it is more than just a collection of arcane facts. At its core, it represents a relationship between the people and their government.

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CHAPTER 1: ECONOMIC OVERVIEW

Economic Overview

The District of Columbia's economy generates the revenues discussed in the chapters that follow. This chapter presents information on key features of the economy, including population, jobs, business establishments, income, office space, and housing. This information is contained in 8 figures, each of which includes a table and chart.

- The District's 2009 population of 599,657 was larger than one state (Wyoming), and in 2007 D.C. ranked 27th among all U.S. cities. D.C. has grown by 34,427 (6.1%) since 1998, the year it reached its lowest level since World War II. The center city of the nation's 8th largest metropolitan area,¹ the District contains 11 percent of the region's population. *[Figure 1-1]*
- The 703,033 wage and salary jobs located in the District in 2009 were the second most in D.C. history (2008 was slightly larger). In the 11 years since 1998 (the low point in the 1990's), jobs increased by 89,408 (14.6%). In 2009, D.C. had more wage and salary jobs than 12 states² and contained 23.9 percent of all jobs in the Washington Metropolitan area. *[Figure 1-1]*
- In 2009 federal government employment was still less than it was in 1970, despite increases during the recent U.S. recession. Private sector jobs dipped during the recession, but over the past decade growth has been significant in professional and business services, education and health, non-profit organizations, and hospitality. *[Figure 1-2]*
- In 2007 the District's private sector had 20,994 business establishments, most of them quite small: 49 percent employ four people or less, and another 33 percent employ 5 to 19 persons. Only 85 employed more than 500 persons. *[Figure 1-3]*
- The District's Gross Domestic Product (the value of what is produced in D.C.) has grown in both real and nominal terms each year since 1996. Personal income growth has also increased each year, although there was very little gain in 2009. *[Figures 1-4 and 1-8]*
- D.C.'s per capita income in 2009 was \$66,000, higher than that of any state and 68.6 percent above the U.S. average. D.C.'s estimated 2009 median household income (\$57,018) was also 13.3 percent above the U.S. average. The percentage of D.C. residents living in poverty was, however, 34.1 percent above the U.S. average: 17.3% v. 12.9% (from Census Bureau, based on the 2-year average for 2007 and 2008). 56.6 percent of households were renters in 2008. *[Figures 1-4, 1-5, and 1-8]*
- In 2009 housing unit sales increased from 2008, but the median selling price fell. Home sales in 2009 were still 38 percent lower than in the 2004 peak, and the median price of houses that sold were 27 percent lower than the 2006 peak. Housing became more affordable in 2009; the 2009 ratio of median home price to median income fell below where it was 6 years earlier. From 2004 to 2009, the number of large commercial office buildings located in D.C. increased by 40 (7.2%), and the space in them grew by 13.7 million square feet (12.0%). Occupied space, however, increased by only 7.4 million square feet (7.1%) during this time, with the result that the vacancy rate rose to 12 percent at the end of 2009. *[Figures 1-6 and 1-7]*

¹ The larger metropolitan areas (in order of population) are New York, Los Angeles, Chicago, Dallas, Philadelphia, Houston, and Miami.

² The states are Alaska, Delaware, Hawaii, Idaho, Maine, Montana, New Hampshire, North Dakota, Rhode Island, South Dakota, Vermont, and Wyoming. The D.C. metropolitan area is 4th in wage and salary employment among U.S. metropolitan areas, behind New York, Los Angeles, and Chicago.

Figure 1-1 Population, Households, Wage and Salary Employment in D.C., and Employment Status of D.C. Residents, 1960 - 2009

Calendar Year	Level						Change from Prior Year			
	Population	Households	Jobs Located in D.C.	Employed D.C. Residents	D.C. Labor Force	D.C. unemployment rate	Population	Households	Jobs Located in D.C.	Employed D.C. Residents
1960	765,000	252,344	501,600	na	na	na				
1970	755,100	262,455	566,818	na	na	na				
1980	637,600	252,852	616,082	298,477	321,638	7.2				
1990	605,321	248,985	686,100	311,426	330,976	5.9				
1991	600,870	248,457	677,275	298,321	323,476	7.8	-4,451	-528	-8,825	-13,105
1992	597,565	248,403	673,658	290,607	318,208	8.7	-3,305	-53	-3,617	-7,715
1993	595,301	248,781	670,283	287,797	314,612	8.5	-2,264	377	-3,375	-2,810
1994	589,239	247,567	658,642	285,452	310,632	8.1	-6,062	-1,214	-11,642	-2,344
1995	580,517	245,216	642,567	273,981	299,394	8.5	-8,722	-2,351	-16,075	-11,471
1996	572,377	243,090	623,083	265,851	290,546	8.5	-8,140	-2,126	-19,483	-8,130
1997	567,736	242,432	618,450	262,958	287,086	8.4	-4,641	-658	-4,633	-2,893
1998	565,230	242,683	613,625	270,393	293,925	8.0	-2,506	251	-4,825	7,435
1999	570,213	246,170	627,358	287,935	307,931	6.5	4,983	3,487	13,733	17,541
2000	571,744	248,192	650,242	293,631	311,299	5.7	1,531	2,022	22,883	5,696
2001	578,042	250,777	653,750	290,962	310,226	6.2	6,298	2,585	3,508	-2,669
2002	579,585	251,400	664,225	286,726	307,460	6.8	1,543	623	10,475	-4,235
2003	577,777	250,644	665,708	286,454	308,047	7.0	-1,808	-756	1,483	-272
2004	579,796	251,577	674,283	289,095	311,929	7.3	2,019	933	8,575	2,641
2005	582,049	252,675	682,242	298,621	319,582	6.6	2,253	1,097	7,958	9,526
2006	583,978	254,138	687,608	303,696	322,062	5.7	1,929	1,463	5,367	5,075
2007	586,409	255,201	693,725	310,385	328,146	5.4	2,431	1,063	6,117	6,688
2008	590,074	256,922	703,908	312,278	334,359	6.6	3,665	1,721	10,183	1,893
2009	599,657	261,095	703,033	297,884	331,793	10.2	9,583	4,172	-875	-14,394

Source: Economy.com. (data from U.S. Bureau of the Census and U.S. Bureau of Labor Statistics).

Note: All population numbers represent the estimate as of July of the year. Economy.com estimates for number of households differ slightly from Census Bureau estimates. Employed resident data not available from Economy.com for 1960 and 1970.

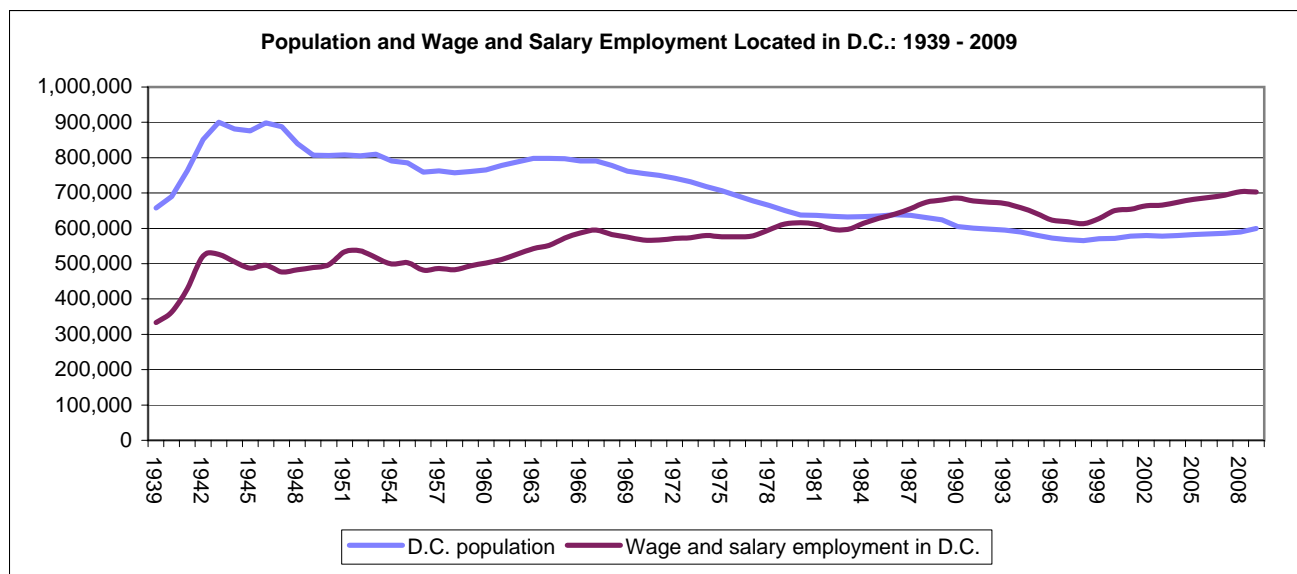


Figure 1-2 Wage and Salary Employment in D.C. by Sector, 1970 - 2009 (000s)

Calendar Year	Total Employment	Government	Federal Government		Business and Professional		Information and Financial	Education and Health	Hospitality	Trade	Non-profit and Other	
			Government	Private Sector	Professional	Other						
1970	566.8	257.6	205.3	309.2	56.4	52.4	52.6	32.4	38.1	45.6	31.7	
1980	616.1	268.1	213.7	348.0	76.3	53.1	64.6	37.9	35.0	49.0	32.1	
1990	686.1	277.3	220.0	408.8	110.4	56.4	77.1	47.5	32.2	51.3	34.0	
1991	677.3	281.2	225.0	396.1	108.2	54.2	78.1	45.1	29.0	51.2	30.4	
1992	673.7	285.8	230.1	387.9	108.5	51.8	77.6	44.0	27.1	52.7	26.2	
1993	670.3	285.2	230.0	385.0	108.9	50.3	77.4	44.2	25.3	53.8	25.1	
1994	658.6	270.5	217.4	388.2	111.5	50.0	78.0	44.8	24.4	54.6	25.0	
1995	642.6	254.9	206.7	387.7	111.6	50.6	76.6	46.4	23.7	54.8	24.0	
1996	623.1	240.5	195.5	382.6	111.4	50.0	76.4	45.5	22.8	53.9	22.5	
1997	618.5	233.2	191.6	385.3	115.6	49.8	79.1	43.4	22.1	53.8	21.4	
1998	613.6	225.8	186.6	387.8	118.7	49.1	81.9	42.4	21.0	54.2	20.7	
1999	627.4	222.5	183.4	404.9	125.7	52.1	83.8	44.2	22.0	55.9	21.2	
2000	650.2	224.0	183.6	426.3	133.8	55.5	87.4	48.1	21.9	57.0	22.7	
2001	653.7	226.1	185.5	427.6	138.8	56.8	85.3	47.8	21.6	55.8	21.6	
2002	664.2	231.7	192.4	432.5	139.1	56.2	89.6	48.2	21.5	56.1	21.8	
2003	665.7	230.7	192.4	435.0	141.7	55.3	88.6	49.6	21.7	56.3	21.7	
2004	674.3	231.3	192.5	443.0	143.9	54.4	92.2	51.0	22.1	58.8	20.6	
2005	682.2	233.7	193.8	448.6	148.4	52.8	92.1	53.7	22.2	59.0	20.3	
2006	687.6	233.0	192.8	454.6	152.1	51.6	93.9	54.2	22.6	60.7	19.5	
2007	693.7	231.0	190.8	462.7	152.8	51.1	98.5	55.5	23.0	62.8	19.1	
2008	703.9	234.8	193.8	469.1	152.4	49.1	102.0	57.8	23.2	65.3	19.3	
2009	703.0	242.2	200.0	460.8	148.4	45.5	104.4	57.9	22.1	64.7	17.9	

Source: Economy.com (data from U.S. Bureau of Labor Statistics)

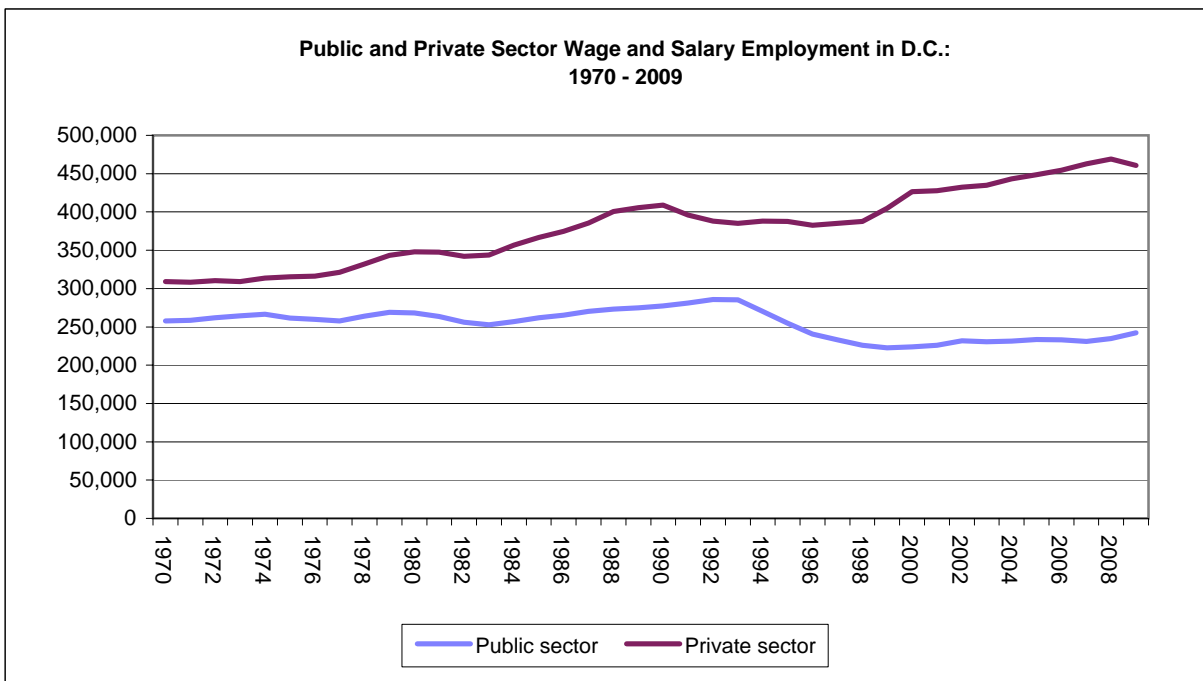


Figure 1-3 Business Establishments in D.C., 2000, 2006, and 2007

A. Number of Establishments by Sector: 2000, 2006, and 2007

Sector	2000	2006	2007	Change from 2000 to 2007	
				Amount	%
Total Number of Establishments	19,655	21,002	20,994	1,339	6.8
Utilities, manufac.,transport, & warehousing	422	346	348	-74	-17.5
Construction	329	394	401	72	21.9
Wholesale trade	372	434	420	48	12.9
Retail trade	1,945	1,934	1,870	-75	-3.9
Information	763	764	757	-6	-0.8
Finance & insurance	1,857	2,074	2,183	326	17.6
Professional, scientific & technical services	4,211	4,728	4,745	534	12.7
Business services	1,337	1,224	1,153	-184	-13.8
Educational services	437	512	536	99	22.7
Health care and social assistance	2,004	2,138	2,109	105	5.2
Arts, entertainment & recreation	241	296	288	47	19.5
Accommodation & food services	1,644	2,016	2,146	502	30.5
Organizations and other services	3,686	4,013	3,993	307	8.3

B. Number of Establishments in 2007 by Sector and Number of Employees in the Establishment

Sector	All Establish-ments	Number of Employees in the Establishment				
		1-4	5-19	20-99	100-499	500 or more
Total	20,994	10,266	6,938	2,994	711	85
Utilities, manufac.,transport, & warehousing	348	191	97	39	20	1
Construction	401	205	127	55	13	1
Wholesale trade	420	243	131	38	8	0
Retail trade	1,870	958	696	193	23	0
Information	757	349	247	114	38	9
Finance & insurance	2,183	1,212	754	180	34	3
Professional, scientific & technical services	4,745	2,600	1,349	599	179	18
Business services	1,153	514	310	226	94	9
Educational services	536	204	163	124	35	10
Health care and social assistance	2,109	970	795	271	59	14
Arts, entertainment & recreation	288	144	76	50	16	2
Accommodation & food services	2,146	734	773	543	89	7
Organizations and other services	3,993	1,902	1,416	561	103	11

Source: U.S. Bureau of the Census: County Business Patterns, 2000, 2006, and 2007.

Note: Total includes unclassified and other.

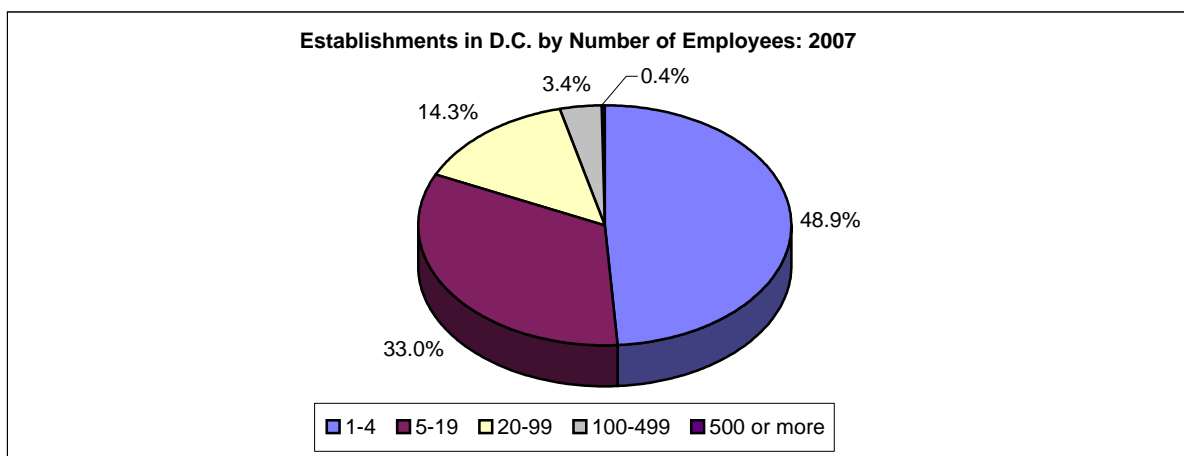


Figure 1-4 Gross Domestic Product, Personal Income, and Consumer Price Index for D.C., 1960 - 2009

Calendar Year	Level						% Change from Prior Year			
	D.C. Gross Domestic Product (\$B)	Inflation-adjusted D.C. Gross Domestic Product (\$B of \$2000)	D.C. Personal Income (\$B)	Per Capita Income in D.C.	Average Household Income in D.C.	Median Household Income in D.C.	D.C. Personal Income	D.C. Gross Domestic Product	Inflation-adjusted D.C. Gross Domestic Product	Consumer Price Index for the Washington/Baltimore Area
1960	na	na	2.24	2,924	6,911	na				
1970	na	na	3.76	4,973	14,296	na				
1980	19.87	49.63	7.80	12,231	30,829	15,600				
1990	40.82	57.07	15.75	26,015	63,262	27,392				
1991	42.60	56.00	16.42	27,333	66,108	29,885	4.3	4.4	-1.9	4.4
1992	44.59	56.62	17.15	28,694	69,005	30,247	4.4	4.7	1.1	2.9
1993	46.58	57.20	17.79	29,883	71,545	27,304	3.7	4.5	1.0	3.5
1994	47.73	56.88	18.15	30,804	73,407	30,116	2.0	2.5	-0.5	3.0
1995	48.02	55.14	18.16	31,291	74,167	30,748	0.1	0.6	-3.1	3.0
1996	48.47	54.11	18.88	32,980	77,679	31,966	3.9	0.9	-1.9	3.1
1997	50.37	54.69	19.76	34,807	81,531	31,860	4.7	3.9	1.1	1.9
1998	51.68	55.09	20.63	36,503	84,850	33,433	4.4	2.6	0.7	1.3
1999	56.41	58.35	21.15	37,093	85,846	38,670	2.5	9.1	5.9	1.9
2000	58.70	58.70	23.15	40,484	93,123	41,222	9.4	4.1	0.6	2.9
2001	63.73	61.57	25.92	44,842	103,313	41,169	12.0	8.6	4.9	3.4
2002	67.72	62.82	26.32	45,404	104,737	39,070	1.5	6.3	2.0	2.8
2003	71.72	64.66	27.44	47,495	109,431	45,044	4.3	5.9	2.9	3.3
2004	77.91	67.54	29.82	51,433	118,469	43,451	8.7	8.6	4.4	3.2
2005	83.42	70.00	32.17	55,269	127,206	44,993	7.9	7.1	3.7	4.9
2006	88.05	71.42	35.17	60,229	138,336	48,477	9.3	5.6	2.0	4.2
2007	92.52	72.64	37.55	64,040	147,037	50,783	6.8	5.1	1.7	3.0
2008	97.23	74.81	39.13	66,315	152,043	55,590	4.2	5.1	3.0	3.5
2009	106.17	80.82	39.58	66,000	151,627	57,018	1.1	9.2	8.0	-0.3

Source: Economy.com

na=not available from this source

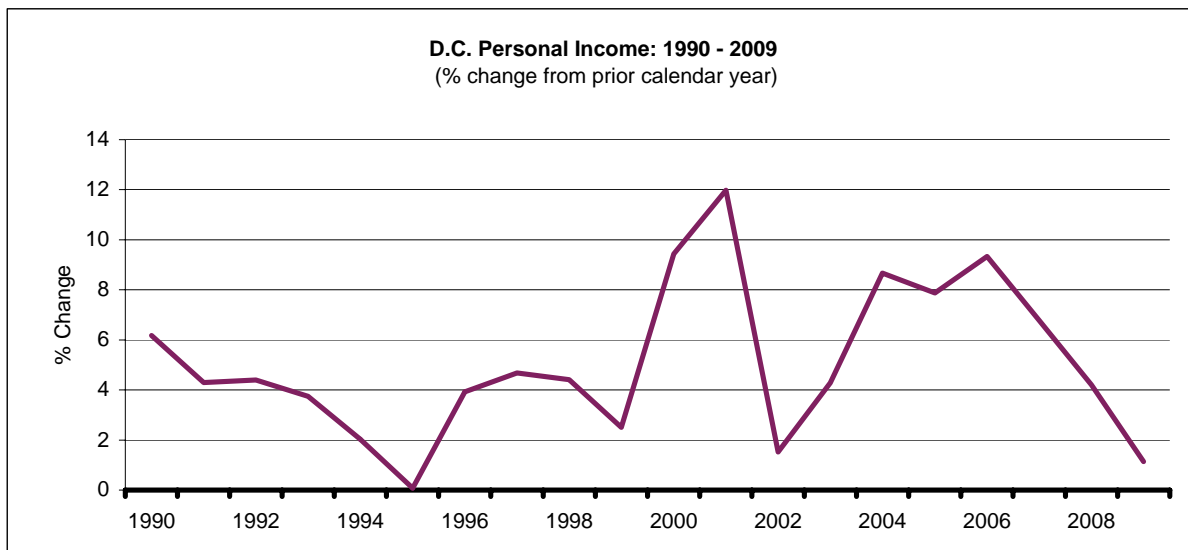


Figure 1-5 Housing Units in D.C., 1982 - 2008

Calendar Year	Housing Stock (number of Occupied Units)		Owner occupied		Renter occupied		Not occupied		Housing Permits	Change in Housing Stock from Prior Year
	units	(households)	Number	%	Number	%	Number	% Not Occupied		
1982	278,485	253,309					25,176	9.0	432	
1983	278,592	253,529					25,063	9.0	164	107
1984	279,158	254,837					24,322	8.7	393	566
1985	279,783	256,239					23,543	8.4	590	625
1986	280,640	258,686					21,954	7.8	640	857
1987	281,406	259,093					22,313	7.9	1,198	766
1988	282,498	257,398					25,100	8.9	852	1,092
1989	283,786	255,786					27,999	9.9	410	1,288
1990	284,574	248,985	96,855	38.9	152,130	61.1	35,589	12.5	368	788
1991	282,970	248,457					34,513	12.2	333	-1,604
1992	280,666	248,403					32,262	11.5	132	-2,304
1993	279,134	248,781					30,353	10.9	305	-1,532
1994	277,542	247,567					29,975	10.8	210	-1,592
1995	276,308	245,216					31,092	11.3	35	-1,234
1996	273,702	243,090					30,612	11.2	0	-2,606
1997	273,082	242,432					30,650	11.2	15	-620
1998	273,215	242,683					30,532	11.2	429	132
1999	273,916	246,170					27,746	10.1	683	701
2000	274,862	248,192	101,262	40.8	146,930	59.2	26,670	9.7	806	946
2001	274,931	250,777					24,154	9.0	896	69
2002	275,088	251,400	100,309	39.9	151,091	60.1	23,688	8.9	1,591	157
2003	275,925	250,644	105,270	42.0	145,374	58.0	25,281	9.6	1,427	837
2004	276,600	251,577	109,688	43.6	141,890	56.4	25,023	9.6	1,936	675
2005	280,044	252,675	107,387	42.5	145,288	57.5	27,369	9.8	2,860	3,444
2006	282,894	254,138	116,395	45.8	137,743	54.2	28,756	10.2	2,105	2,850
2007	284,221	255,201	113,564	44.5	141,636	55.5	29,020	10.1	1,910	1,327
2008	285,353	256,922	111,504	43.4	145,418	56.6	28,431	11.1	536	1,132

Source: Housing stock: Global Insight (discontinued series) before 2000; the U.S. Bureau of the Census after 2000. Occupied units: by Census Bureau definition, occupied housing units are the same as the number of households; household estimates are from Economy.com. Owner and renter: percentages for 1990 and 2000 are from the Census, and for 2002 on are from the American Community Survey; amounts are calculated from the percentages. Not occupied units include vacant, under renovation, in process of being sold, and seasonal or temporary residences for persons who are not D.C. residents. Housing permits are from Economy.com.

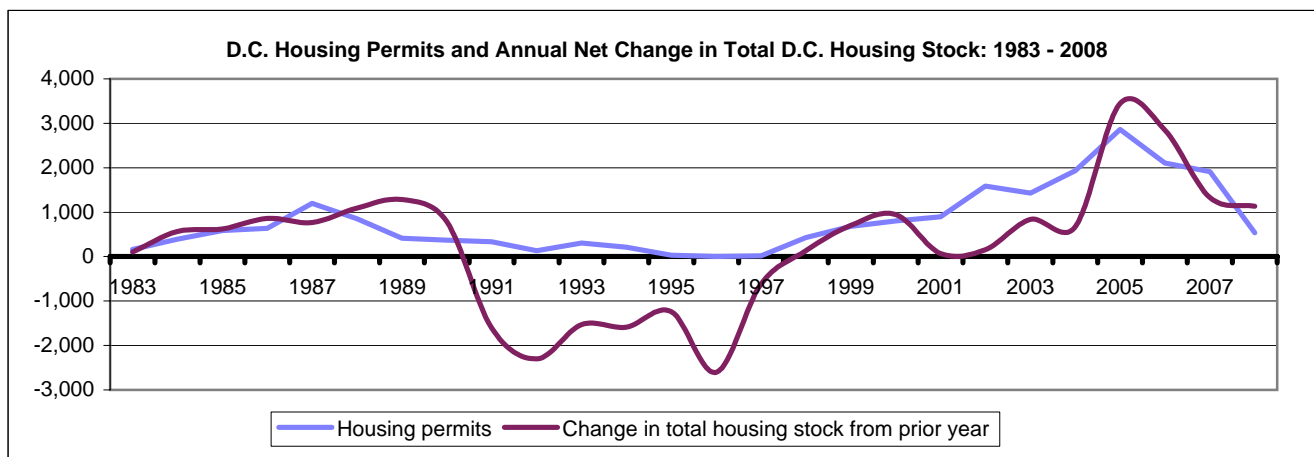


Figure 1-6 Housing Sales, Prices, and Affordability in D.C., 1981 - 2009

Calendar Year	Number of Single Family Home Sales (existing units)	Median Existing Home Price (\$)	OFHEO Price Index	Affordability Index	Ratio of Median Home Price to Median Income	Percent Change from Prior Year	
						Median Existing Home Price	OFHEO Price Index
1981	4,821	66,897	101.33	95.08	3.97		
1982	4,209	68,446	96.96	88.35	3.45	2.32	-4.31
1983	5,629	69,754	98.65	104.41	3.44	1.91	1.75
1984	5,764	72,417	105.17	110.10	3.55	3.82	6.61
1985	7,115	74,674	111.28	117.01	3.54	3.12	5.81
1986	8,742	81,241	121.80	118.42	3.34	8.79	9.46
1987	7,002	94,923	139.13	110.46	3.46	16.84	14.22
1988	6,208	112,738	163.58	100.90	4.22	18.77	17.58
1989	6,839	112,290	183.94	96.99	4.20	-0.40	12.44
1990	5,535	113,278	190.91	103.52	4.14	0.88	3.79
1991	5,158	117,179	191.93	114.98	3.92	3.44	0.54
1992	5,165	118,290	196.20	120.44	3.91	0.95	2.23
1993	5,259	114,704	194.75	142.69	4.20	-3.03	-0.74
1994	5,220	111,716	188.97	139.03	3.71	-2.61	-2.97
1995	5,070	113,520	187.23	136.20	3.69	1.62	-0.92
1996	4,804	118,836	190.95	135.55	3.72	4.68	1.99
1997	6,270	120,380	190.63	133.95	3.78	1.30	-0.17
1998	9,464	119,587	200.71	145.58	3.58	-0.66	5.29
1999	10,017	124,855	216.44	142.28	3.23	4.40	7.84
2000	9,693	135,957	247.07	126.95	3.30	8.89	14.15
2001	9,203	163,031	284.08	121.38	3.96	19.91	14.98
2002	10,060	189,866	327.24	103.39	4.86	16.46	15.19
2003	10,797	216,507	367.58	98.25	4.81	14.03	12.33
2004	12,093	270,784	440.50	83.99	6.23	25.07	19.84
2005	11,094	353,121	542.43	65.15	7.85	30.41	23.14
2006	9,344	361,452	607.52	70.17	7.46	2.36	12.00
2007	8,923	361,088	625.70	77.46	7.11	-0.10	2.99
2008	6,556	283,054	594.78	103.53	5.09	-21.61	-4.94
2009	7,558	264,339	571.74	115.59	4.64	-6.61	-3.87

Source: Economy.com

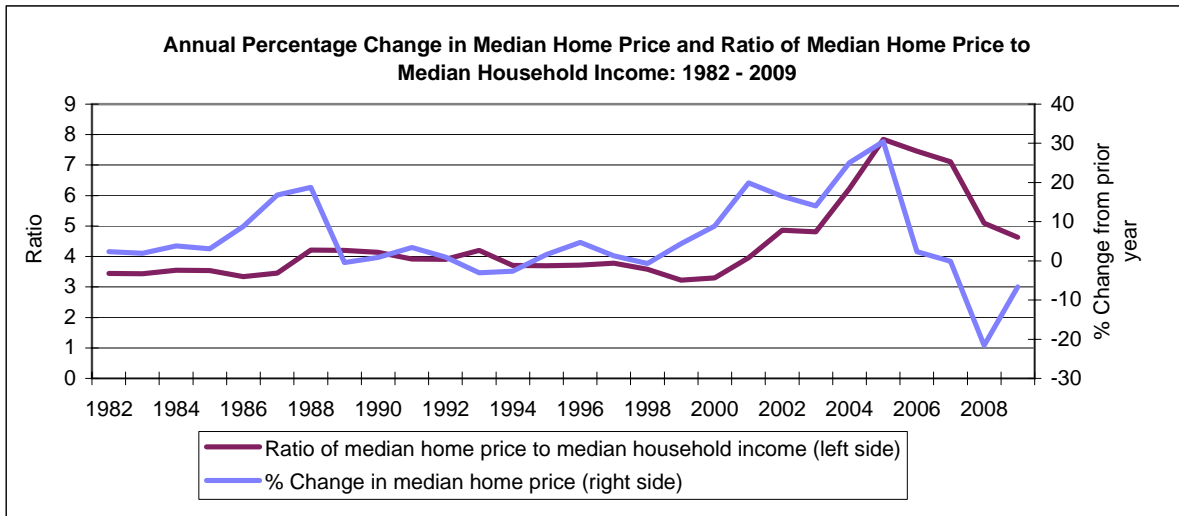


Figure 1-7 Large Commercial Office Buildings in D.C., 1993 - 2009

Calendar Year	Inventory, End of Year		Vacant, Including Sublet		Occupied Space			Percent Change from Prior Year		
	Number of Buildings	Square Feet	Square Feet	% of Inventory	Level (sq. ft.)	Change from Prior Year	New Construction	Inventory	Occupied space	New Construction
1993	537	103,249,046	15,078,842	14.60	88,170,204		1,062,998			
1994	536	103,129,756	13,387,037	12.98	89,742,719	1,572,515	2,253,827	-0.12	1.78	112.0
1995	534	103,876,070	12,710,342	12.24	91,165,728	1,423,009	1,380,750	0.72	1.59	-38.7
1996	536	104,840,215	12,134,311	11.57	92,705,904	1,540,176	1,402,170	0.93	1.69	1.6
1997	537	105,730,685	10,120,705	9.57	95,609,980	2,904,076	459,942	0.85	3.13	-67.2
1998	536	105,602,255	8,024,438	7.60	97,577,817	1,967,837	1,818,442	-0.12	2.06	295.4
1999	534	105,807,499	7,410,609	7.00	98,396,890	819,073	3,644,649	0.19	0.84	100.4
2000	534	106,378,359	6,311,806	5.93	100,066,553	1,669,663	5,018,898	0.54	1.70	37.7
2001	545	109,413,351	7,893,246	7.21	101,520,105	1,453,552	3,123,918	2.85	1.45	-37.8
2002	549	110,715,933	9,400,397	8.49	101,315,536	-204,569	4,859,347	1.19	-0.20	55.6
2003	550	111,901,048	9,199,329	8.22	102,701,719	1,386,183	5,034,188	1.07	1.37	3.6
2004	555	113,421,690	9,046,685	7.98	104,375,005	1,673,286	7,652,823	1.36	1.63	52.0
2005	564	116,885,236	8,229,258	7.04	108,655,978	4,280,973	6,296,136	3.05	4.10	-17.7
2006	576	121,006,042	10,440,277	8.63	110,565,765	1,909,787	4,101,580	3.53	1.76	-34.9
2007	583	122,627,684	11,172,195	9.11	111,455,489	889,724	5,650,399	1.34	0.80	37.8
2008	586	123,682,791	11,287,917	9.13	112,394,874	939,385	7,202,101	0.86	0.84	27.5
2009	595	127,086,867	15,320,288	12.05	111,766,579	-628,295	4,011,339	2.75	-0.56	-44.3

Source: Co-star.

Note: Information is for Class A, B, and C Office buildings with at least 50,000 square feet of rentable space. Excludes government-owned space. Space under renovation is counted in inventory and not in construction. Data as of end of year.

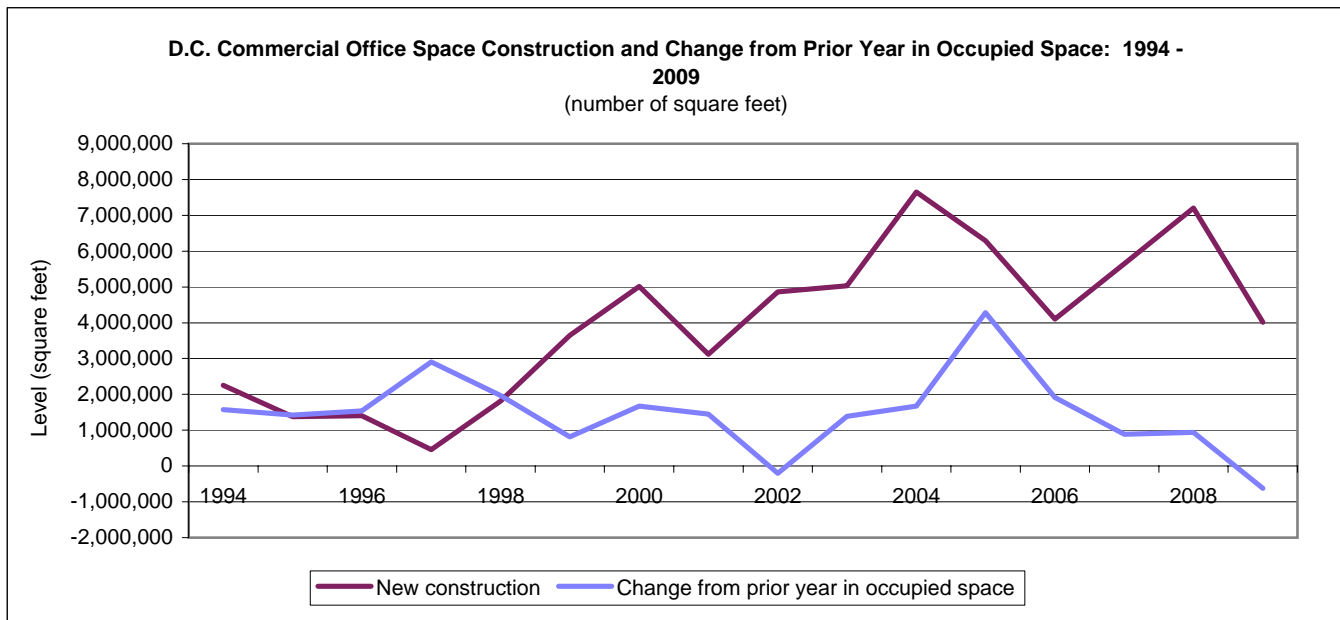
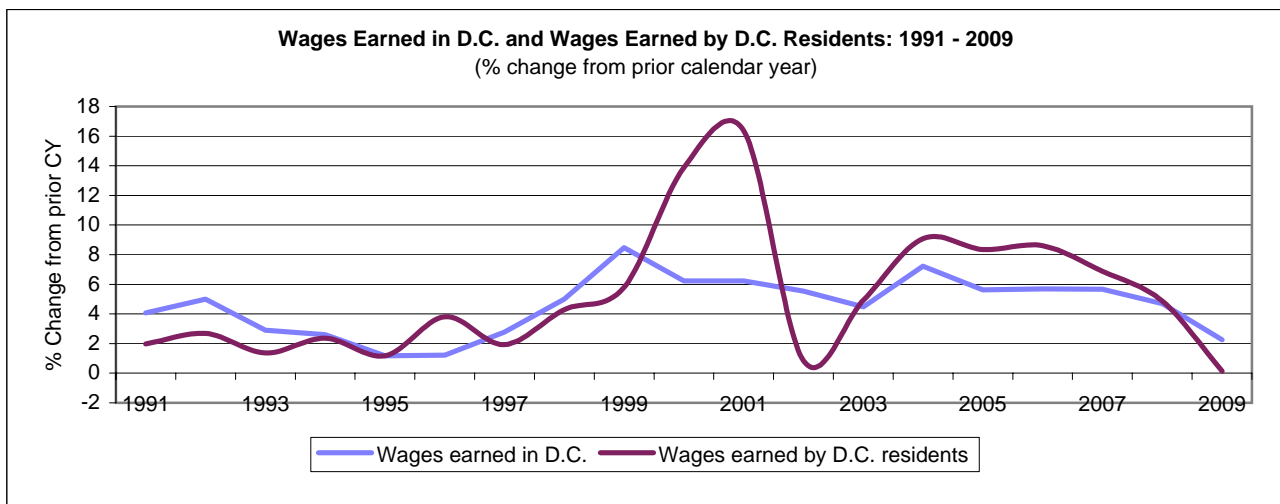


Figure 1-8 Wages and Incomes Earned in D.C. and by D.C. Residents, 1970 - 2009 (\$Millions)

Calendar Year	Earned in D.C.			Earned or received by D.C. residents						Percent change	
	Supplements		% of Wages	Wages and salaries			Retirement and Transfer Payments	Total Personal Income	Wages and Salaries Earned in D.C.	Wages and Salaries of D.C. Residents	
	Wages and Salaries	Amount		Amount	% of Wages Earned in D.C.	Proprietors' Income					Property Income
1970	5,791	570	9.8	2,479	42.8	327	518	302	3,753		
1980	12,336	737	6.0	4,100	33.2	716	1,276	1,026	7,799		
1990	24,096	835	3.5	8,043	33.4	1,387	3,379	1,735	15,748		
1991	25,076	906	3.6	8,202	32.7	1,583	3,369	1,938	16,424	4.1	2.0
1992	26,328	1,134	4.3	8,423	32.0	1,728	3,404	2,177	17,147	5.0	2.7
1993	27,091	1,456	5.4	8,538	31.5	1,980	3,400	2,391	17,790	2.9	1.4
1994	27,797	1,701	6.1	8,739	31.4	2,019	3,483	2,431	18,151	2.6	2.4
1995	28,123	2,026	7.2	8,842	31.4	2,057	3,429	2,357	18,165	1.2	1.2
1996	28,468	2,178	7.7	9,178	32.2	2,233	3,420	2,561	18,877	1.2	3.8
1997	29,254	2,484	8.5	9,356	32.0	2,518	3,830	2,556	19,761	2.8	1.9
1998	30,718	2,910	9.5	9,757	31.8	2,620	4,075	2,725	20,633	5.0	4.3
1999	33,324	3,417	10.3	10,323	31.0	2,648	3,954	2,726	21,151	8.5	5.8
2000	35,402	3,710	10.5	11,756	33.2	2,743	4,204	2,807	23,146	6.2	13.9
2001	37,610	3,910	10.4	13,680	36.4	3,193	4,161	2,901	25,921	6.2	16.4
2002	39,694	4,238	10.7	13,793	34.7	3,223	4,026	3,211	26,316	5.5	0.8
2003	41,471	4,542	11.0	14,475	34.9	3,580	4,019	3,266	27,442	4.5	4.9
2004	44,469	4,741	10.7	15,788	35.5	4,104	4,190	3,312	29,821	7.2	9.1
2005	46,968	4,994	10.6	17,105	36.4	4,374	4,450	3,597	32,169	5.6	8.3
2006	49,636	5,450	11.0	18,575	37.4	4,772	5,262	3,703	35,172	5.7	8.6
2007	52,451	5,901	11.3	19,854	37.9	4,851	5,923	3,983	37,554	5.7	6.9
2008	54,910	6,366	11.6	20,819	37.9	4,991	5,939	4,351	39,131	4.7	4.9
2009	56,153	7,006	12.5	20,848	37.1	5,033	5,560	4,832	39,578	2.3	0.1

Source: Bureau of Economic Analysis.

Note: Wages earned in D.C. are earned by D.C. residents and commuters. Wages earned by D.C. residents are earned both inside and outside of D.C. Wages earned by D.C. residents are estimated by ORA assuming that supplements for wages earned by D.C. residents are the same percentage of wages as for wages earned in D.C. Wages are before deductions for social insurance. Property income is interest, rent, and dividends and does not include capital gains.



CHAPTER 2: REVENUE OVERVIEW

Revenue Overview

This chapter describes the main features of the District's revenue system and gives a context for the discussion of the individual tax sources in the chapters that follow.

- Gross revenues peaked at \$6.2 billion in FY 2008 and declined in FY 2009 to \$5.9 billion. The historic growth rate is four percent annually but revenues have grown as much as 13.2 percent (in FY 2004) and fallen by as much as 4.9 percent (FY 2009). This volatility comes from the mixture of tax and non tax revenue streams. Sales and income taxes grow slower than average and are less volatile while real property and deed taxes have higher growth rates on average but have large swings. *[Figure 2-1]*
- The most striking feature of the District's revenue system is its use of almost the full range of revenue sources available to state and local governments. The revenue sources are shown in three broad categories: state-type taxes (49.9 %), city-type taxes (35.3 %), and non-tax revenue sources (14.9 %). The three largest sources of revenue are the real property tax (30.9 %), the individual income tax (19.3 %), and the general sales and use tax (16.5 %). Together they comprise two-thirds of total revenue. *[Figure 2-2]*
- The District's real tax revenue growth from FY 1970-2009 is characterized by four distinct periods. In the first period, FY 1970-1990, overall tax revenue grew strongly with a moderate degree of volatility (measured as the standard deviation of the growth rates over the period normalized by dividing by the average growth rate). In the second period, FY 1991-1996, real tax revenue declined and volatility was lower. In the third period, FY 1997-2007, real tax revenue returned to positive growth, briefly interrupted by the 2001 recession, but the revenue system was much more volatile. The latest period, FY 2008-2009, is marked by the long recession and illustrates the lag in real property tax collections. Despite the housing market collapse, real property continued to grow in FY 2009 while other revenues declined. *[Figure 2-3]*
- Despite having a broad portfolio of revenue sources, the tax system of the District of Columbia is quite volatile. The volatility of a tax system is the degree to which tax revenue fluctuates from one year to the next. One measure of the volatility of the tax system is the standard deviation of the growth rates over a given period of time. Using this measure, normalized by dividing by the average growth rate of each state (the coefficient of variation), for the period 1992-2007 the District's tax system is one of the most volatile in the nation—the volatility of the District's tax system is topped only by that of Alaska, Hawaii, Indiana, and Wyoming.¹ *[Figure 2-4]*

¹ The U.S. Census publishes the Census of Government Finance which enumerates state and local tax financial information.

Figure 2-1 Gross Revenues, FY 1990 - 2009 (\$000s)

FY	Gross Revenue Collections	Individual						Lottery Transfer	*Special Purpose (O-Type) Revenue
		Income Tax Revenue	Real Property Tax Revenue	Sales & Use Tax Revenue	Deed Tax Revenue	Other Tax Revenue	Non Tax Revenue		
1990	2,499,555	637,910	664,591	466,557	66,445	443,624	171,553	48,875	n/a
1991	2,603,560	615,746	801,876	451,582	40,293	462,235	186,128	45,700	n/a
1992	2,636,187	620,208	820,892	442,496	38,032	462,672	203,387	48,500	n/a
1993	2,806,799	589,521	928,322	410,068	42,662	587,279	182,072	66,875	n/a
1994	2,735,664	650,660	730,641	458,555	45,789	584,408	196,561	69,050	n/a
1995	2,672,692	643,676	654,284	485,651	44,517	562,913	196,551	85,100	n/a
1996	2,687,789	689,408	624,382	467,527	59,810	593,069	178,343	75,250	n/a
1997	2,803,386	753,475	617,694	482,354	68,064	600,717	211,882	69,200	n/a
1998	3,124,147	861,505	616,935	557,081	107,626	664,512	235,188	81,300	n/a
1999	3,438,739	952,156	597,566	592,718	121,086	616,239	212,017	64,225	282,732
2000	3,746,968	1,077,346	610,896	640,212	105,618	682,405	252,434	69,450	308,607
2001	3,981,750	1,098,188	633,172	673,068	139,662	749,518	315,973	84,000	288,169
2002	3,720,799	949,175	726,014	666,228	157,257	730,130	272,759	63,000	156,236
2003	3,924,119	928,968	822,845	690,370	243,248	698,656	303,857	72,050	164,125
2004	4,442,024	1,042,309	947,690	733,217	353,055	728,301	323,699	73,500	240,253
2005	4,984,690	1,160,074	1,060,637	861,078	347,570	819,665	352,427	71,450	311,789
2006	5,305,266	1,233,602	1,153,795	908,884	360,417	837,428	361,951	73,800	375,389
2007	5,978,353	1,313,826	1,448,697	959,968	443,948	956,152	423,875	65,376	366,511
2008	6,202,114	1,342,799	1,672,969	1,015,182	323,223	942,813	385,856	70,300	448,972
2009	5,896,237	1,135,938	1,822,693	973,410	187,402	900,085	353,170	68,775	454,764

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Note: Table displays gross revenue and excludes dedicated tax distributions.

* Prior to the implementation of GASB Statement No. 34 in FY 2002, special purpose fund revenues were not considered local revenues. They were reported differently in the CAFR and were reported with the District's federal and private grants in the Financial Plan. Consequently, the FY 1996 to FY 2001 data in this table are not consistent with the FY 2002 to FY 2009 data.

Figure 2-2 FY 2009 Revenue by Source

Revenue Source	Amount, (\$000s)	Percent
State-Type Taxes	2,940,270	49.9%
Individual Income	1,135,938	19.3%
Corp. Franchise	221,883	3.8%
U.B. Franchise	120,247	2.0%
General Sales and Use Tax	973,410	16.5%
Gross Receipts	315,341	5.3%
Selective Sales	98,943	1.7%
Estate	74,508	1.3%
City-Type Taxes	2,079,258	35.3%
Real Property	1,822,693	30.9%
Deed Recordation	100,764	1.7%
Deed Transfer	78,262	1.3%
Personal Property	69,163	1.2%
Economic Interest	8,376	0.1%
Non-Tax Revenues (including Lottery)	421,945	7.2%
Special Purpose (O Type) Revenue	454,764	7.7%
TOTAL REVENUES	5,896,237	100.0%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Note: The data in this table include earmarked revenue and therefore do not necessarily match the amounts reported in the D.C. Comprehensive Annual Financial Report (CAFR)

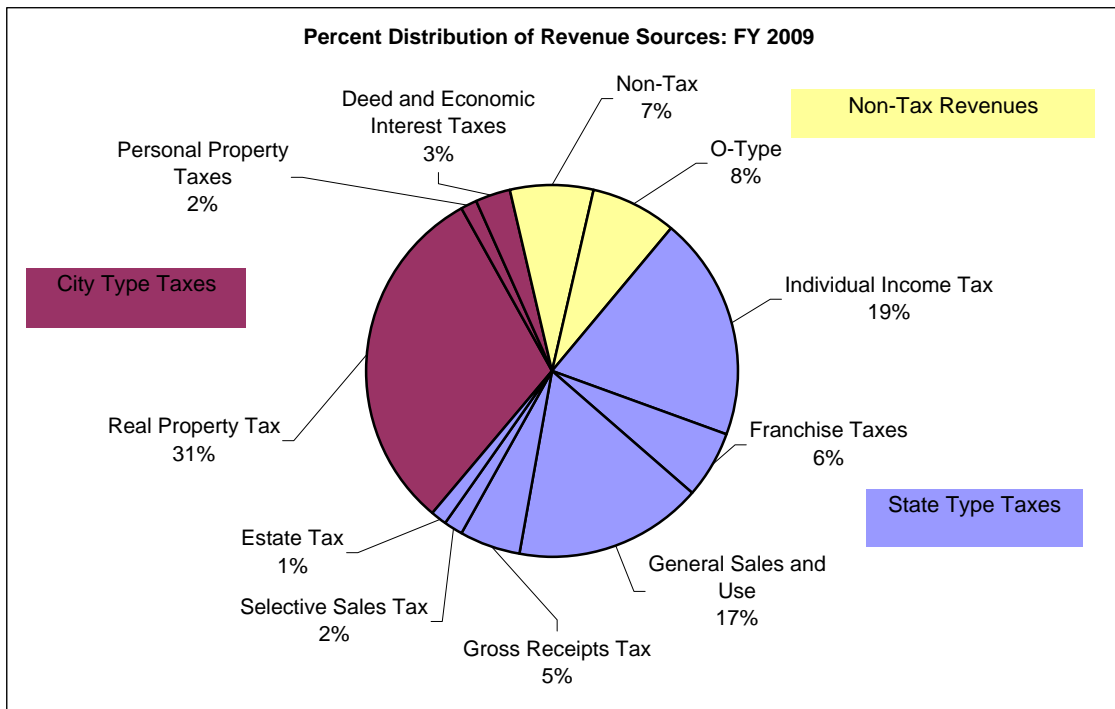


Figure 2-3 Trends in Real Tax Collections, FY 1970 - 2009

	I:1970-1990		II:1991-1996		III:1997-2007		III:2008-2009	
	Average Growth Rate	Standard Deviation (Normalized)	Average Growth Rate	Standard Deviation (Normalized)	Average Growth Rate	Standard Deviation (Normalized)	Average Growth Rate	Standard Deviation (Normalized)
Total Taxes	3.3%	1.51	-1.9%	-2.03	4.5%	1.02	-2.7%	-1.13
Individual Income	3.1%	1.94	-1.6%	-3.94	3.7%	2.14	-8.3%	-1.15
Real Property	3.4%	3.25	-3.1%	-4.69	5.6%	1.53	10.3%	0.13
Sales and Use	3.7%	1.98	-2.7%	-2.64	4.2%	1.20	-1.0%	-4.11

Source: Office of the Chief Financial Officer/Government of the District of Columbia.

Noe: Standard deviations are normalized by dividing by the respective growth rates.

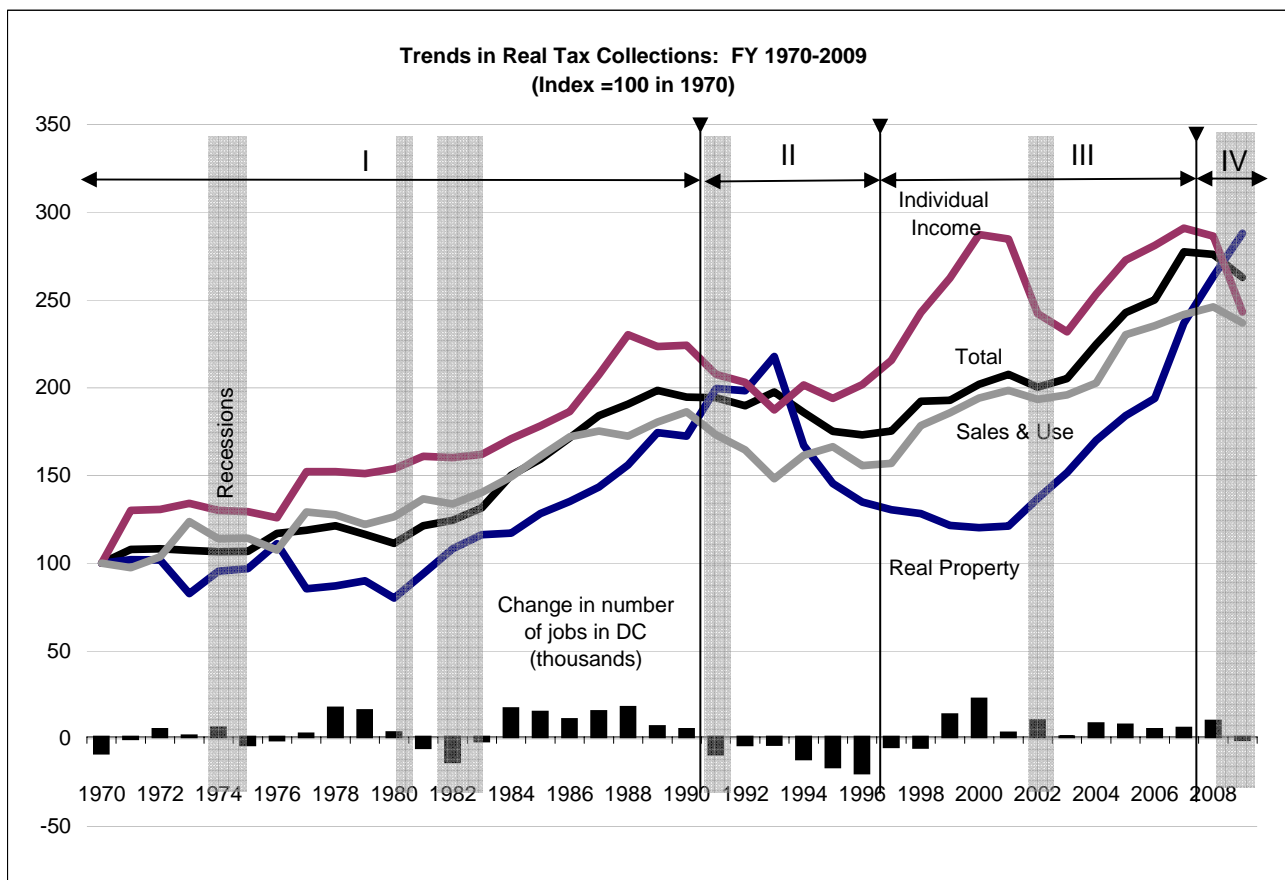
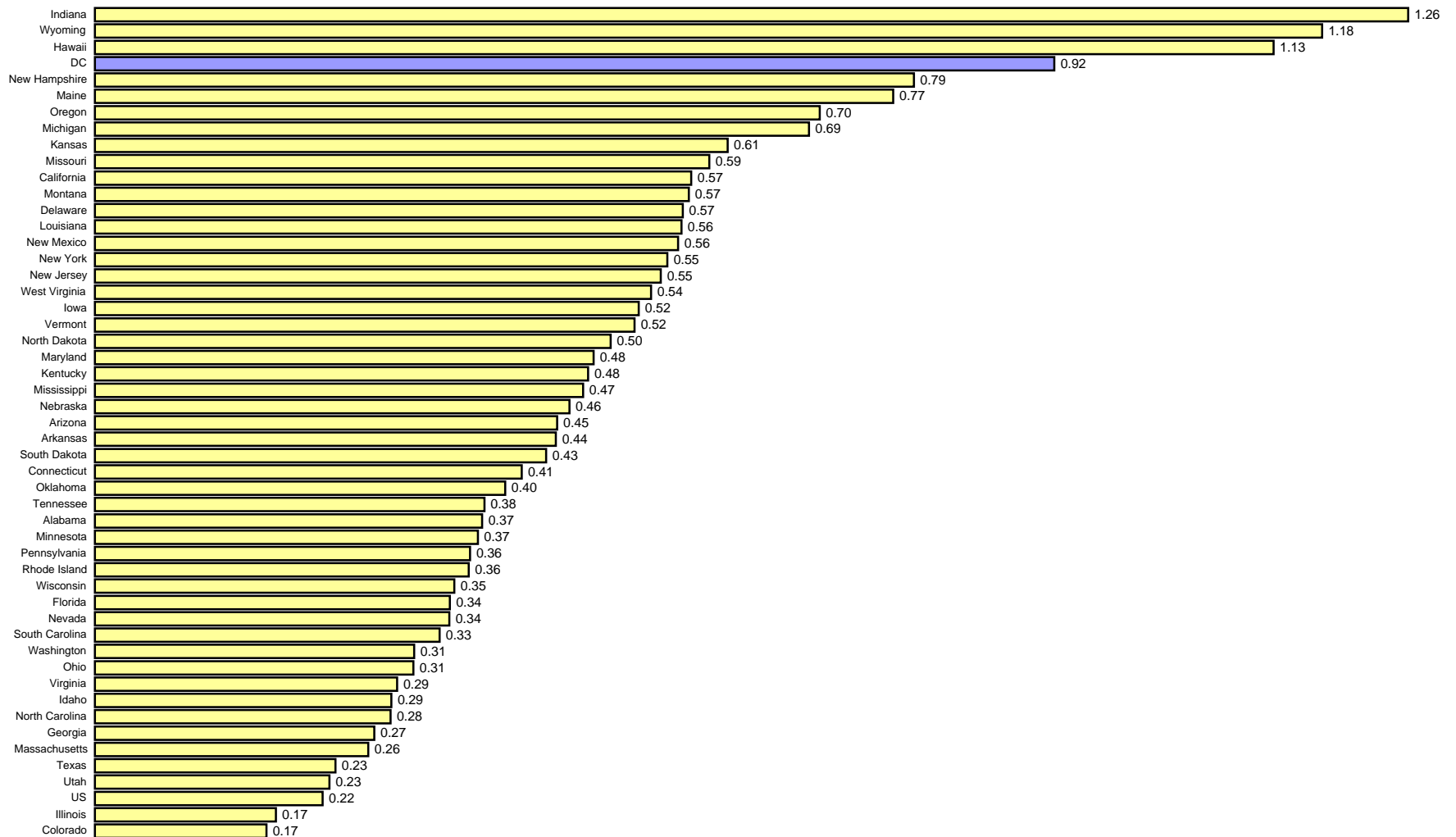


Figure 2-4 State and Local Tax Revenue Volatility¹ by State for the Period 1992-2007²



Source: ORA calculations; U.S. Census Bureau, Governments Division.

Note: Alaska with a measure of 3.34 is an outlier and not shown here because of its distortionary effect on the chart.

¹Volatility is measured as the coefficient of variation (standard deviation divided by the average) of the year over year annual percentage change in tax revenue over the period

² There was no state level tax revenue data for 2001 and 2003. As a result, annual percentage changes could not be calculated for years 2001-2004.

CHAPTER 3: INDIVIDUAL INCOME TAX

Individual Income Tax

The individual income tax base consists of the income of individuals who maintain a permanent residence in the District for either part of or the full taxable year and individuals who maintain a residence for a total of 183 days or more during the taxable year even if their permanent residence is outside the District. The current tax rate for net taxable income (NTI) up to \$10,000 is four percent. The marginal tax rates for NTI between \$10,001 and \$40,000 and NTI greater than \$40,000 are 6 percent and 8.5 percent, respectively.

- Individual income tax revenue declined 15.4 percent between FY 2008 and FY 2009. Revenue increased just over 11 percent in FY 2005, while in FY 2006 and FY 2007 there was an average growth of 6.4 percent each year, followed by a decline in the growth rate for FY 2008 where there was growth of slightly over 2 percent. *[Figure 3-1]*
- In TY 2008, 81.3 percent of the taxpayers were non-married filers, while 18.7 percent were married filers. Of the non-married filers, almost 74 percent were single filers. Although non-married filers comprised just over 81 percent of all taxpayers in TY 2008, this group paid slightly less than half of total taxes: 49.6 percent compared to 50.4 percent for married filers. *[Figure 3-3]*
- 15.5 percent of all filers in TY 2008 were part-year filers who contributed 7.3 percent of the total individual income tax revenue. *[Figure 3-4]*
- In TY 2008 slightly less than 40 percent of 12-month filers had income of less than \$30,000 while 63 percent of part-year filers were in the same income class. Six percent of 12-month filers and one percent of part-year filers had income of \$200,000 and more. *[Figure 3-5]*
- In TY 2008 5.2 percent of filers had incomes of \$200,000 and more, earned 40.2 percent of the District's adjusted gross income (AGI) and contributed 46.5 percent of the total individual income tax revenue. Filers with incomes of \$30,000 or less constituted 43.5 percent of filers, earned 7.3 percent of the total District AGI, and contributed slightly less than 4 percent of all tax revenue. *[Figure 3-6]*
- In TY 2008 43.5 percent of the returns were filed by taxpayers with income of \$30,000 and under. Filers in this income category contributed 10 percent of the total federal adjusted gross income and about 4 percent of D.C. taxes. Filers with income of \$200,000 and over comprised 5.2 percent of the total filers for TY 2008; however this income category contributed 39 percent of the total federal adjusted gross income and almost 47 percent of the total taxes. *[Figure 3-7]*
- Of the earned income tax credit (EITC) returns that were filed, 30.4 percent were filed by single filers who claimed 17.7 percent of the total compared to slightly more than 64 percent of the returns that were filed by head of household filers who claimed 76.5 percent of the total. *[Figure 3-8]*
- Migration data from the Internal Revenue Service (IRS) shows that between 2000 and 2008 there was a net inflow of 5,276 taxpayers into the District. *[Figure 3-9]*
- The exemptions per return (an estimate of the average household size) indicate that the average size of households that moved out of the District was larger than the average size of households that entered the District. *[Figure 3-9]*
- For most of the census tracts in the northeast quadrant, between 40 and 60 percent of the filers were single filers. However, the presence of single filers is much stronger in the northwest quadrant. Many tracts had between 40 and 80 percent of single filers. Some tracts were almost

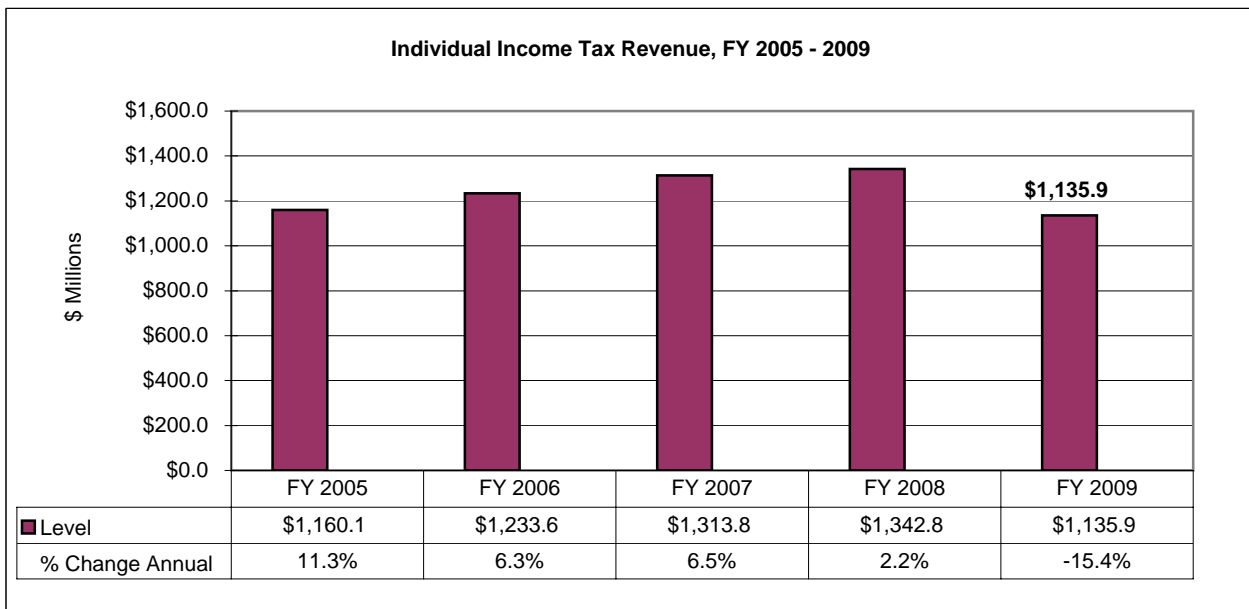
dominated by single filers where the percentage was between 80 and 100 percent. For example, in the area of 5th Street NW and K Street NW. *[Figure 3-10]*

- Most of the census tracts in the northwest quadrant had a low percentage of head of household filers, as oppose to the southeast quadrant where most tracts had at least 20 percent of head of household filers. *[Figure 3-11]*
- A look at the distribution of the earned income tax credit found that the northwest quadrant had the lowest distribution of EITC filers. However, in the southeast quadrant, most of the census tracts had at least 25 percent of filers who claimed the EITC, with one tract having over 75 percent of filers claiming the credit. *[Figure 3-12]*
- For the majority of the census tracts in the northwest quadrant, at least 20 percent of the filers itemize. Specifically, there are a noticeable number of census tracts where the proportion of itemizers was between 40 and 80 percent. However, in other quadrants of the city the presence of itemizers is much less, with most tracts having less than 60 percent of filers who itemize. *[Figure 3-13]*

Figure 3-1 Individual Income Tax, Withholding and Non-Withholding Revenue, FY 1990 - 2009 (\$000s)

Fiscal Year	Individual Income Tax Revenue	Withholding Revenue	Non-Withholding Revenue
FY 1990	637,910	502,101	135,809
FY 1991	615,746	513,379	102,367
FY 1992	620,208	509,420	110,788
FY 1993	589,521	518,545	70,976
FY 1994	650,660	543,556	107,104
FY 1995	643,676	525,954	117,722
FY 1996	689,408	553,460	135,948
FY 1997	753,475	618,301	135,174
FY 1998	861,505	651,859	209,646
FY 1999	952,156	698,653	253,503
FY 2000	1,077,346	779,556	297,790
FY 2001	1,098,188	790,670	307,518
FY 2002	949,175	804,402	144,773
FY 2003	928,968	815,795	113,173
FY 2004	1,042,309	875,602	166,707
FY 2005	1,160,074	919,069	241,005
FY 2006	1,233,602	970,766	262,836
FY 2007	1,313,826	974,787	339,039
FY 2008	1,342,799	1,004,237	338,562
FY 2009	1,135,938	1,021,188	114,750

Source: Office of the Chief Financial Officer/Government of the District of Columbia



**Figure 3-2 Filers, Dependents, Federal Adjusted Gross Income and Total Taxes,
TY 2004 - 2008**

	TY 2004	TY 2005	TY 2006	TY 2007	TY 2008
Number of Filers	260,657	270,772	288,263	301,304	304,714
Number of Dependents*	130,305	130,681	135,822	140,649	141,039
Federal Adjusted Gross Income (\$Millions)	\$16,774	\$16,744	\$22,479	\$24,713	\$22,891
Total Taxes (\$Millions)	\$965	\$941	\$1,188	\$1,235	\$1,123

Source: Office of the Chief Financial Officer/Government of the District of Columbia

*A dependent is an individual who is reliant on another and who can be claimed on that person's tax return.

Figure 3-3 Distribution of Filers, Taxes and Average Federal Adjusted Gross Income by Filer Type, TY 2008

Filer Type	Number of Filers	Distribution of Filers	Tax(\$)	Distribution of Tax	Tax Per Filer(\$)	Average Federal Adjusted Gross Income(\$)
All Filers	302,944	100.0%	1,122,929,229	100.0%	3,707	78,674
Single	181,137	59.8%	481,421,462	42.9%	2,658	57,692
Head of Household	56,990	18.8%	73,628,042	6.6%	1,292	37,287
Dependent	8,079	2.7%	1,625,879	0.1%	201	8,280
<i>Subtotal: Non-married Filers</i>	<i>246,206</i>	<i>81.3%</i>	<i>556,675,383</i>	<i>49.6%</i>	<i>2,261</i>	<i>51,216</i>
Married Separate	9,516	3.1%	38,396,091	3.4%	4,035	91,031
Married Combined Separate	23,828	7.9%	325,413,978	29.0%	13,657	244,756
Married Filing Joint	23,300	7.7%	201,561,585	17.9%	8,651	184,604
Registered Domestic Partners	94	0.03%	882,192	0.1%	9,385	162,626
<i>Subtotal: Married Filers</i>	<i>56,738</i>	<i>18.7%</i>	<i>566,253,846</i>	<i>50.4%</i>	<i>9,980</i>	<i>194,178</i>

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Note: A few returns are not clearly classified by filer type and are not included

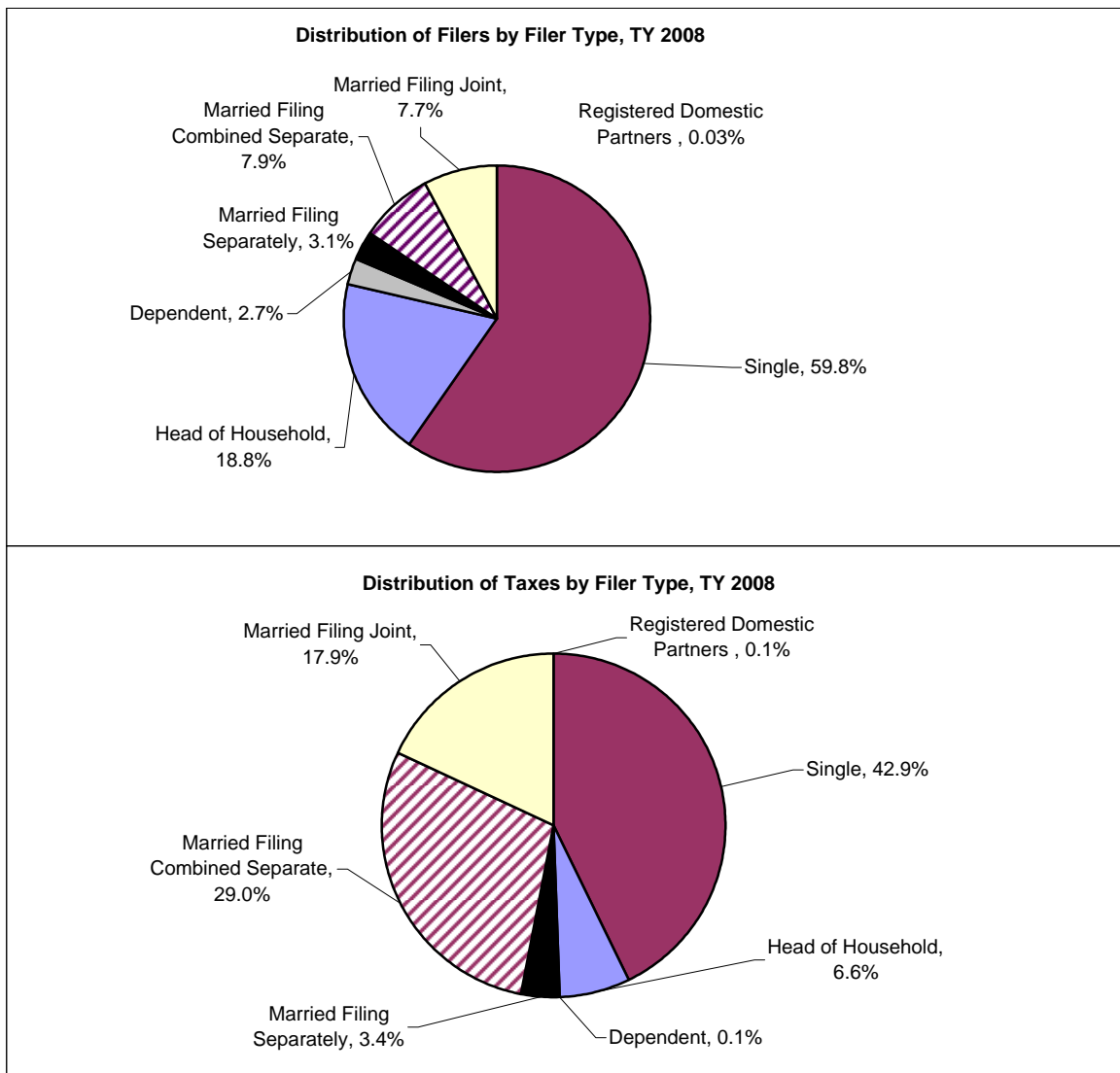


Figure 3-4 Distribution of Filers, Taxes and Average D.C. Adjusted Gross Income by 12-Month and Part-Year Filers, TY 2008

Filer Type	Number of Filers	Distribution of Filers	Tax(\$)	Distribution of Tax	Tax Per Filer(\$)	Average D.C. AGI (\$)
All Filers	304,713	100.0%	1,122,959,053	100.0%	3,685	69,228
12-Month Filers	257,364	84.5%	1,041,431,601	92.7%	4,047	75,899
Part-Year Filers	47,349	15.5%	81,527,452	7.3%	1,722	32,968

Note: A few returns are not clearly classified by filer type and are not included.

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 3-5 Distribution of D.C. Adjusted Gross Income by 12-Month Filers and Part-Year Filers, TY 2008

Income Category	Number of Filers, TY 2008	12-Month Filers, TY 2008	Distribution of Filers	Part-Year Filers, TY 2008	Distribution of Filers
Less than \$30,000	132,606	102,689	39.9%	29,916	63.2%
\$30,000-\$50,000	62,177	53,230	20.7%	8,947	18.9%
\$50,000-\$75,000	41,486	36,718	14.3%	4,768	10.1%
\$75,000-\$100,000	22,375	20,489	8.0%	1,886	4.0%
\$100,000-\$200,000	30,342	28,973	11.3%	1,369	2.9%
\$200,000-\$500,000	12,357	11,998	4.7%	359	0.8%
\$500,000 and over	3,398	3,290	1.3%	108	0.2%
Total	304,741	257,387	100.0%	47,353	100.0%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 3-6 Distribution of Filers, Taxes and Average D.C. Adjusted Gross Income by Income Category, TY 2008

Income Category	Number of Filers	Distribution of Filers	Cumulative Distribution of Filers	D.C. AGI (\$Millions)	Distribution of D.C. AGI	Cumulative Distribution of D.C. AGI	Tax (\$Millions)	Distribution of Tax	Cumulative Distribution of Tax
Breakeven and Loss	7,490	2.5%	2.5%	-314	-1.5%	-1.5%	0.1	0.0%	0.0%
\$0.01 Under \$10,000	41,816	13.7%	16.2%	219	1.0%	-0.4%	1.6	0.1%	0.2%
\$10,000 Under \$20,000	43,991	14.4%	30.6%	656	3.1%	2.7%	13.0	1.2%	1.3%
\$20,000 Under \$30,000	39,367	12.9%	43.5%	979	4.6%	7.3%	29.1	2.6%	3.9%
\$30,000 Under \$50,000	62,177	20.4%	63.9%	2,444	11.6%	18.9%	93.2	8.3%	12.2%
\$50,000 Under \$75,000	41,486	13.6%	77.5%	2,532	12.0%	30.9%	118.1	10.5%	22.7%
\$75,000 Under \$100,000	22,375	7.3%	84.9%	1,931	9.2%	40.0%	102.3	9.1%	31.8%
\$100,000 Under \$150,000	20,764	6.8%	91.7%	2,521	11.9%	52.0%	143.5	12.8%	44.6%
\$150,000 Under \$200,000	9,579	3.1%	94.8%	1,648	7.8%	59.8%	99.8	8.9%	53.5%
\$200,000 Under \$500,000	12,357	4.1%	98.9%	3,555	16.9%	76.6%	228.0	20.3%	73.8%
\$500,000 Under \$1,000,000	2,193	0.7%	99.6%	1,489	7.1%	83.7%	95.3	8.5%	82.3%
\$1,000,000 and Over	1,205	0.4%	100.0%	3,437	16.3%	100.0%	199.2	17.7%	100.0%
Total	304,800	100.0%		21,098	100.0%		1,123.1	100.0%	

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 3-7 Distribution of Returns, Federal Adjusted Gross Income and D.C. Taxes by Income Category, TY 2008

Income Category	Total Number of Returns	Federal Adjusted Gross Income Totals	Total Taxes
\$30,000 and Under	43.5%	10.2%	3.9%
\$30,000-\$50,000	20.4%	11.3%	8.3%
\$50,000-\$75,000	13.6%	11.4%	10.5%
\$75,000-\$100,000	7.3%	8.8%	9.1%
\$100,000-\$200,000	10.0%	19.3%	21.7%
\$200,000-\$500,000	4.1%	16.5%	20.3%
\$500,000 and Over	1.1%	22.5%	26.2%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

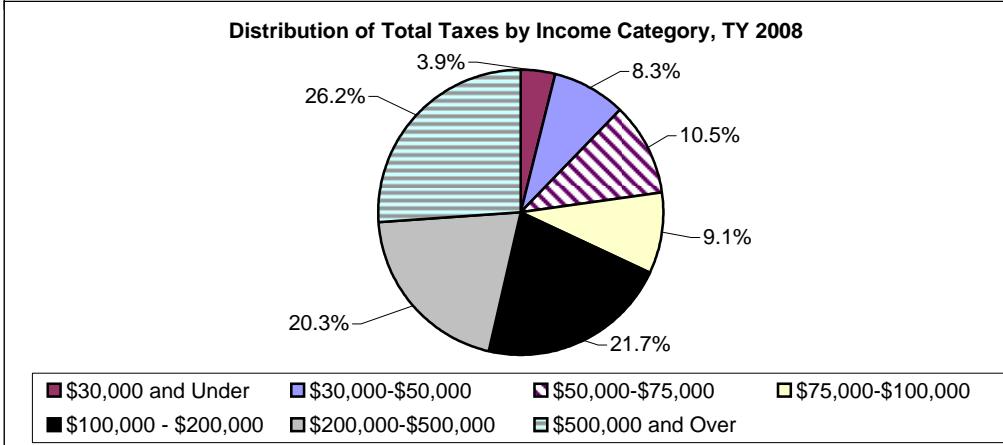
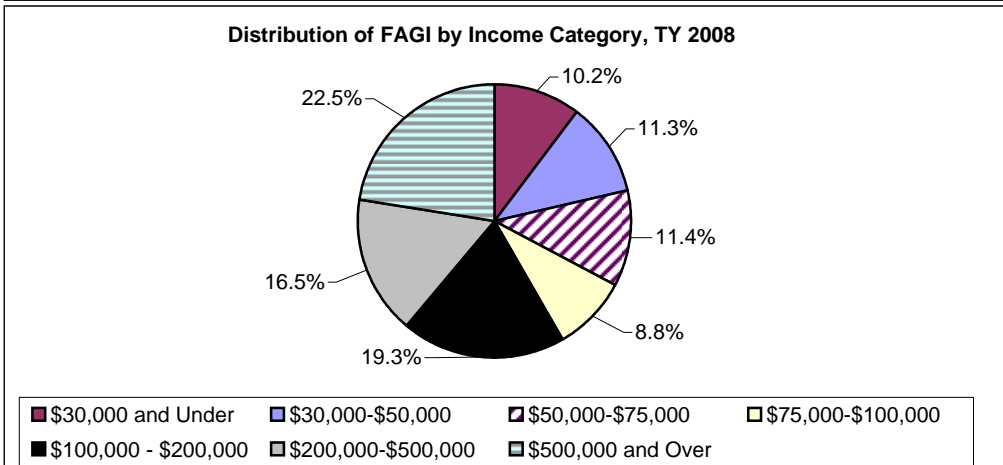
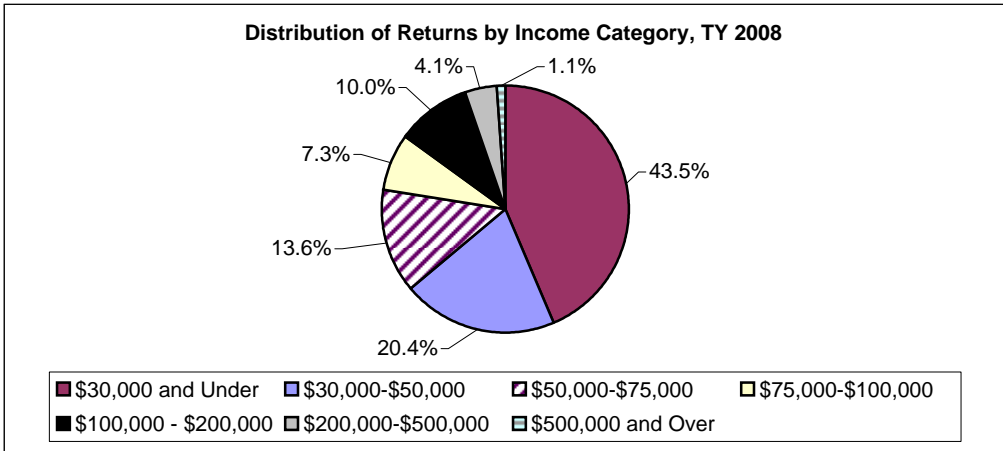


Figure 3-8 Distribution of Earned Income Tax Credit (EITC) Returns and Totals by Filer Type, TY 2008

	Number of Returns	Total (\$)
Total	49,312	40,055,741
Single	15,013	7,088,039
<i>Percent Distribution</i>	30.4%	17.7%
Married Filing Combined Separately	333	264,366
<i>Percent Distribution</i>	0.7%	0.7%
Joint	2,249	2,040,708
<i>Percent Distribution</i>	4.6%	5.1%
Head of Household	31,717	30,662,628
<i>Percent Distribution</i>	64.3%	76.5%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

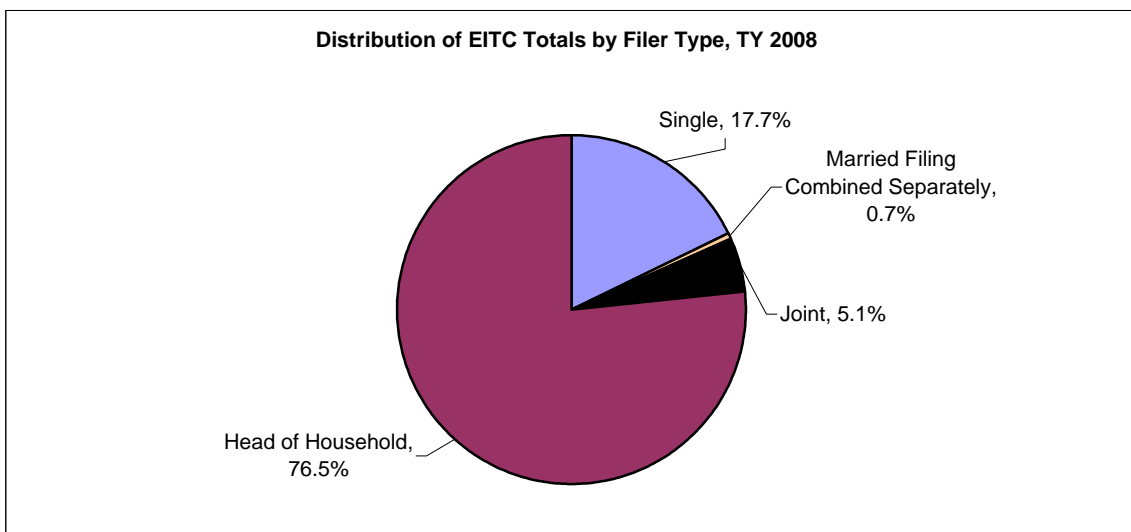
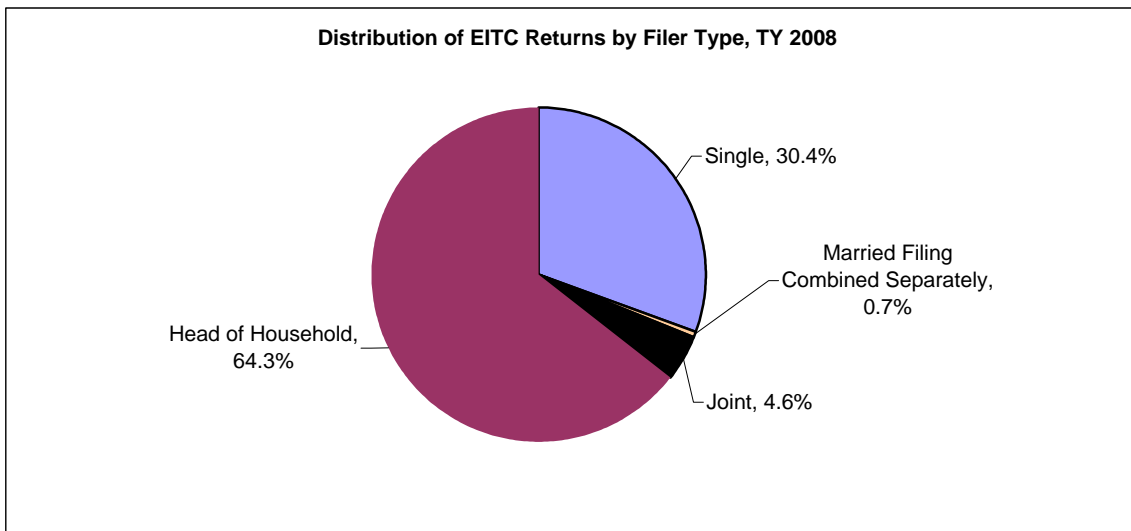


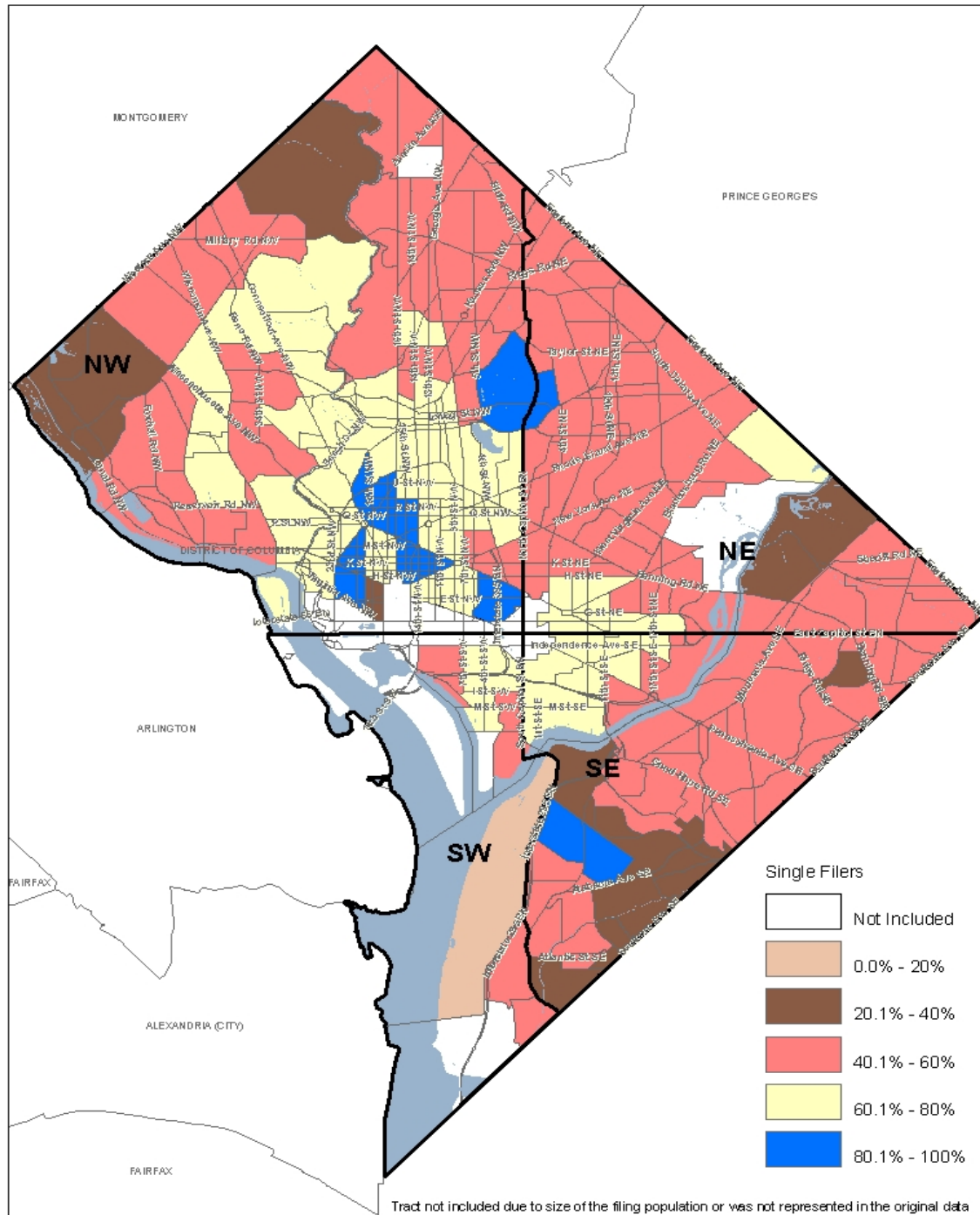
Figure 3-9 Washington, D.C. Migration Data 2000 - 2008

Year	Returns (IN)	Returns (OUT)	(-) net outflow (+) net inflow	AGI per Return (IN) (\$)	AGI per Return (OUT) (\$)	Exemptions (IN)	Exemptions (OUT)	Exemptions per Return (IN)	Exemptions per Return (OUT)
2000-2001	23,881	24,353	-472	45,331	50,460	34,278	40,489	1.4	1.7
2001-2002	25,243	23,754	1,489	47,604	51,653	35,717	38,656	1.4	1.6
2002-2003	23,484	24,648	-1,164	44,395	51,832	33,275	40,330	1.4	1.6
2003-2004	23,914	24,074	-160	42,989	51,906	32,974	39,335	1.4	1.6
2004-2005	24,688	24,124	564	45,613	56,001	33,307	39,544	1.3	1.6
2005-2006	25,758	24,174	1,584	50,521	57,533	34,601	38,816	1.3	1.6
2006-2007	25,857	24,253	1,604	49,788	60,704	34,189	38,555	1.3	1.6
2007-2008	27,102	25,271	1,831	50,765	60,806	35,808	38,989	1.3	1.5
Total	199,927	194,651	5,276						

Source: Internal Revenue Service

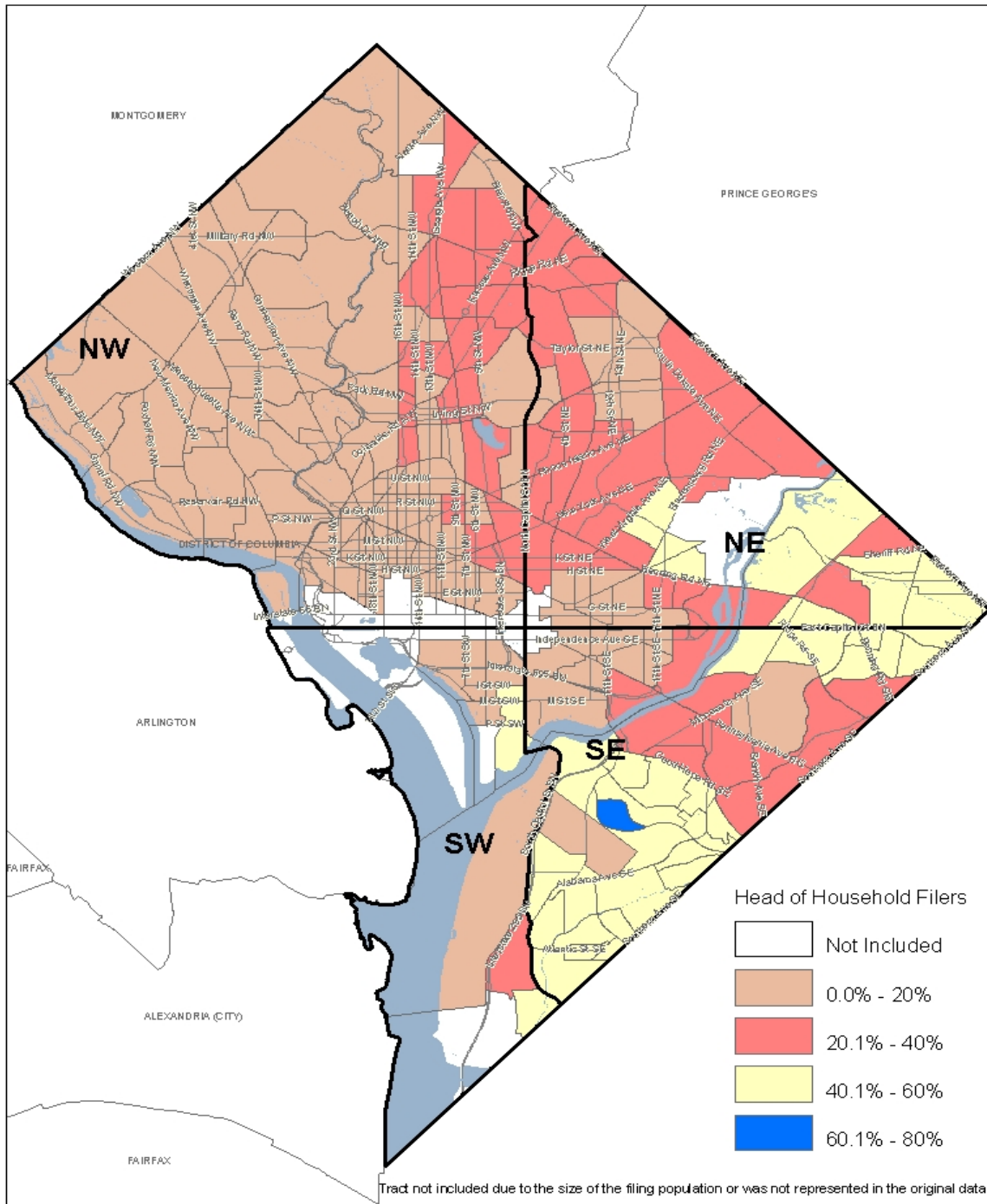
Note: IN refers to migration into Washington, D.C. and OUT refers to migration from Washington, D.C.

Figure 3-10 Percentage of Single Filers by Census Tract, TY 2008



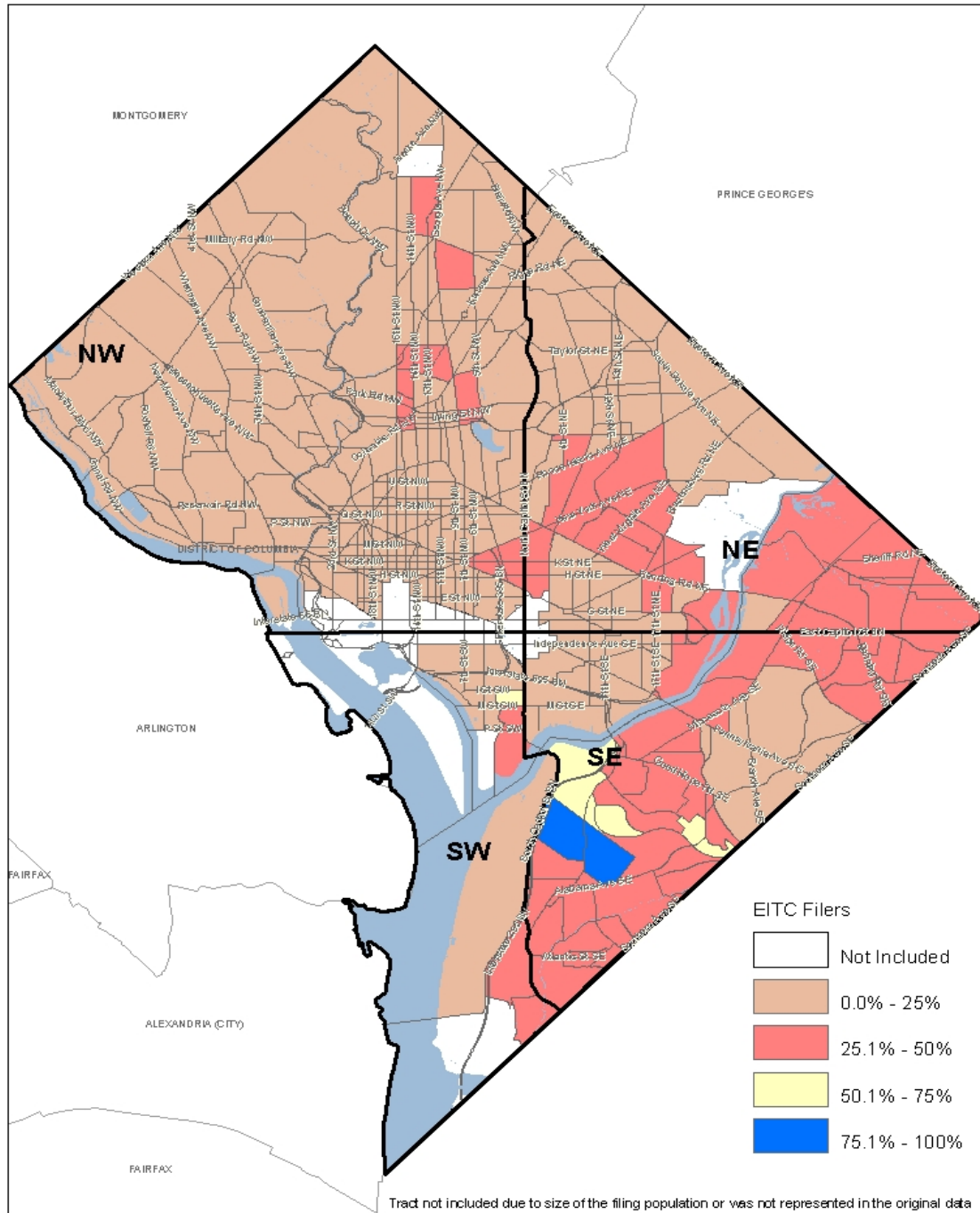
Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 3-11 Percentage of Head of Household Filers by Census Tract, TY 2008



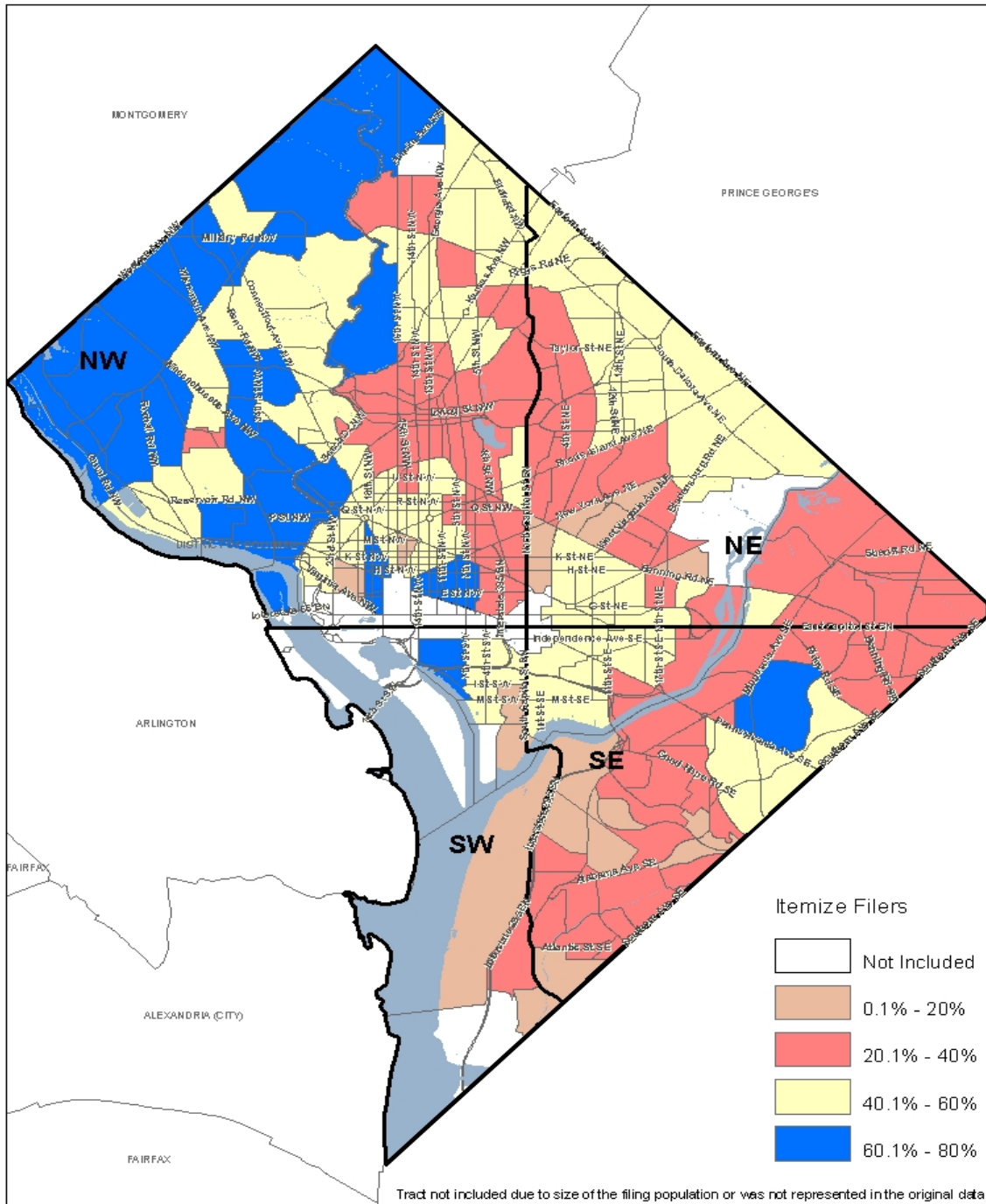
Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 3-12 Percentage of Earned Income Tax Credit Filers by Census Tract, TY 2008



Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 3-13 Percentage of Itemize Filers by Census Tract, TY 2008



Source: Office of the Chief Financial Officer/Government of the District of Columbia

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CHAPTER 4: REAL PROPERTY AND DEED TAXES

Real Property and Deed Taxes

The District of Columbia has only 69 square miles of total area. However, the District of Columbia is unique among major cities in the United States in that an extremely large portion of the city's land area (56 percent) is exempt from property taxation [Figure 4-3], largely via federal law. The following tables highlight the underpinnings and market dynamics of the real property market in the "Federal City".

- In 2009, residential property accounted for 80.6 percent of the taxable land area, but 31 percent of the annual real property tax revenue. Commercial property, on the other hand, accounted for 17.6 percent of the taxable land area but 66.4 percent of the annual real property tax revenue. This situation stems from a policy that causes the effective tax rate for commercial properties to be more than double the effective tax rate for residential properties. [Figure 4-4]
- Real property tax revenue continued to grow in FY 2009 [Figure 4-2] despite the faltering national economy and the collapse in the national real estate market and modestly lower tax rates [Figure 4-31]. This result stems primarily from a 2-year lag between real property tax collections and when the respective property valuations and property sales took place, as well as the continued growth in the value of large office buildings [Figure 4-24]
- However, since deed taxes are collected in the same year in which the respective property transactions occurs, the declining number of property sales and falling sale prices in 2008 and 2009 showed up immediately as declining deed tax revenues in 2008 and 2009. [Figure 4-1]
- In 2005, residential property accounted for 36.6 percent of real property tax revenue and commercial property accounted for 61.8 percent of total real property tax revenue [Figure 4-29]. But in 2009, residential property accounted for only 31.1 percent and commercial property accounted for 66.3 percent of total real property tax revenue. This declining share of property taxes coming from residential property is a direct result of the bursting of the housing bubble.
- In 2008, the average residential assessment value was six percent less than actual residential property market sales that occurred in that year, and the average large commercial office building assessment value was 23 percent less than actual building market sales that also occurred in that year. [Figure 4-26]
- However, the average 2009 residential assessment value exceeded actual market sale prices in that same year by two percent, and the average large commercial office building assessment value exceeded actual market sale prices by only nine percent. [Figure 4-27]
- This is significant given that many news reports from around the country in 2009 were indicating that residential and commercial property values declined 20 - 40 percent due to the simultaneous national economic recession, the national real estate market collapse and global credit crisis. For example, a 40 percent decline in market value in 2009 would produce a 2009 assessment value/sale price ratio of 1.67 for a respective property.

Figure 4-1 Real Property Tax, Deed Recordation Tax, Deed Transfer Tax, Economic Interest Tax, FY 1990 - 2009 (\$000s)

Fiscal Year	Real Property Tax Revenue	Deed Recordation Tax Revenue	Deed Transfer Tax Revenue	Economic Interest Tax Revenue
FY 1990	664,591	35,477	30,968	0
FY 1991	801,876	19,953	18,815	1,525
FY 1992	820,892	17,831	19,944	257
FY 1993	928,322	20,245	21,506	911
FY 1994	730,641	23,547	21,980	262
FY 1995	654,284	22,691	21,826	0
FY 1996	624,382	33,099	26,701	10
FY 1997	617,694	30,821	27,162	10,081
FY 1998	616,935	53,863	42,597	11,166
FY 1999	597,566	70,398	47,001	3,687
FY 2000	610,896	60,418	44,660	540
FY 2001	633,172	75,936	62,086	1,640
FY 2002	726,014	89,951	62,228	5,078
FY 2003	822,845	139,262	99,052	4,934
FY 2004	947,690	193,554	143,232	16,269
FY 2005	1,060,637	190,048	146,929	10,593
FY 2006	1,153,795	197,528	132,615	30,274
FY 2007	1,448,697	226,743	152,411	64,794
FY 2008	1,672,969	155,974	112,434	54,815
FY 2009	1,822,693	100,764	78,262	8,376

Source: Office of the Chief Financial Officer/Government of the District of Columbia

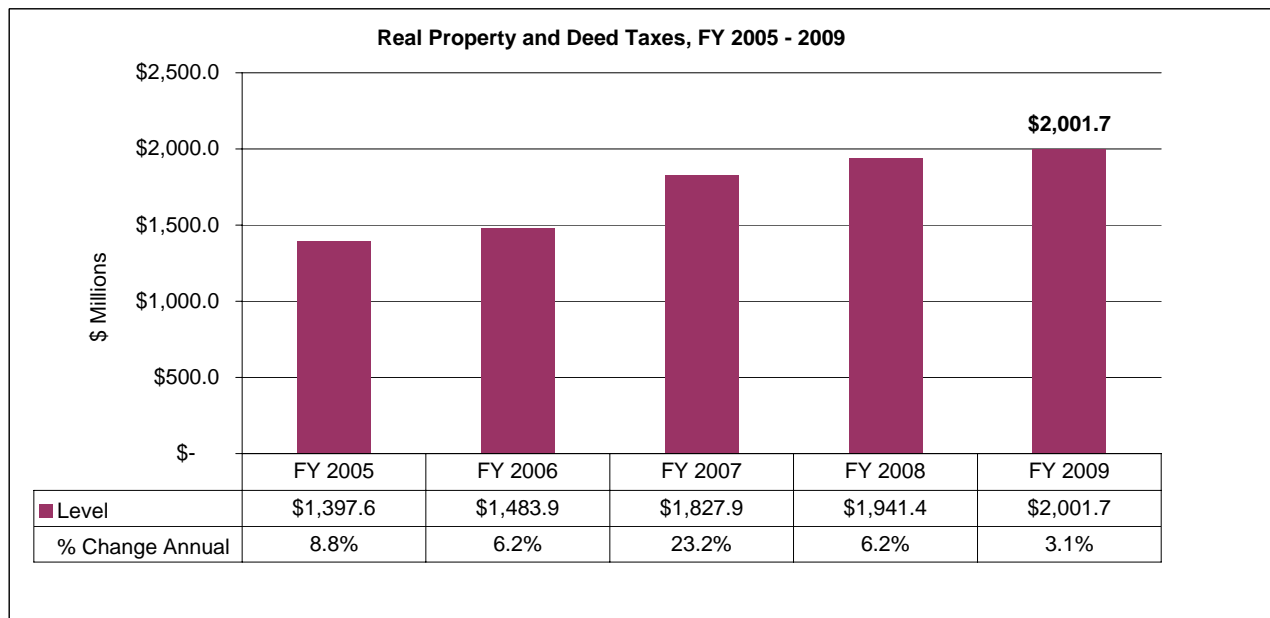


Figure 4-2 Percent Change in Real Property Tax Revenue, FY 1990 - 2009

FY	Real Property Tax Revenue	Percent Change
1990	664,591	4.0%
1991	801,876	20.7%
1992	820,892	2.4%
1993	928,322	13.1%
1994	730,641	-21.3%
1995	654,284	-10.5%
1996	624,382	-4.6%
1997	617,694	-1.1%
1998	616,935	-0.1%
1999	597,566	-3.1%
2000	610,896	2.2%
2001	633,172	3.6%
2002	726,014	14.7%
2003	822,845	13.3%
2004	947,690	15.2%
2005	1,060,637	11.9%
2006	1,153,795	8.8%
2007	1,448,697	25.6%
2008	1,672,969	15.5%
2009	1,822,693	8.9%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

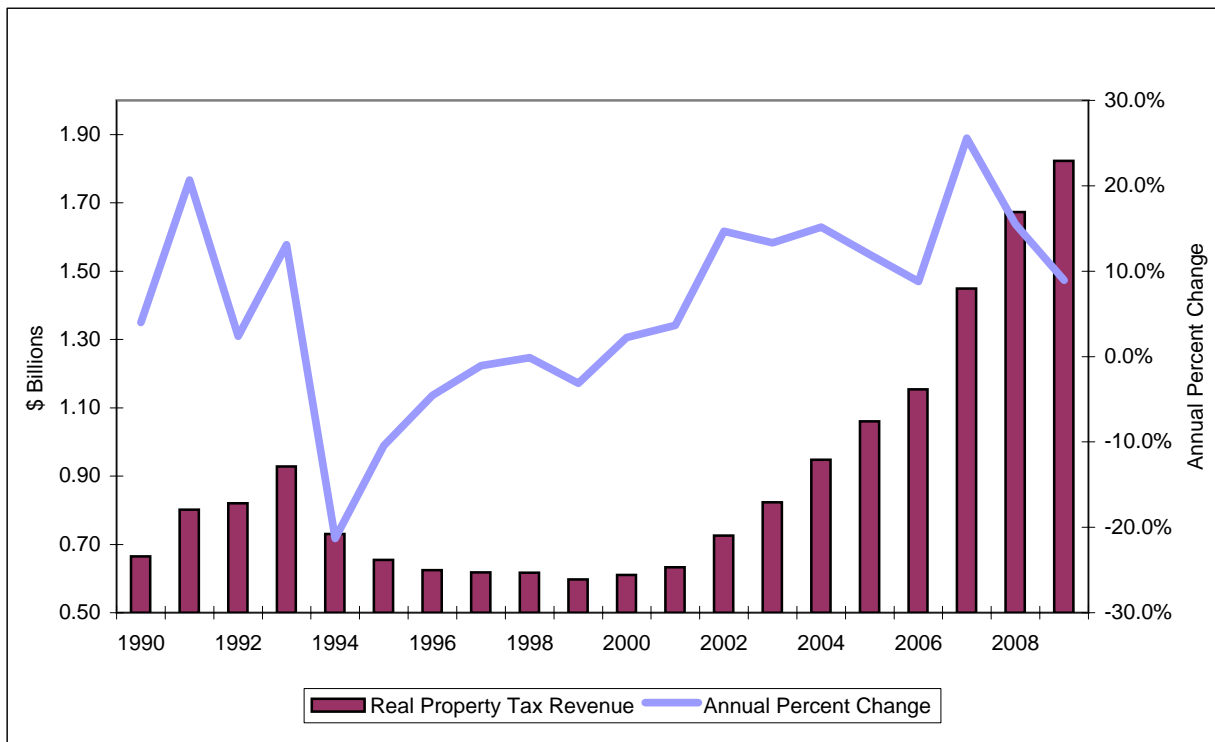


Figure 4-3 Summary of Real Property in the District of Columbia, TY 2009

	Land Area		Assessed Value	
	(Acres)	Percent	(\$Millions)	Percent
Taxable	12,887	43.6%	157,592	65.6%
Tax Exempt	16,659	56.4%	82,541	34.4%
U.S. Government	11,122	37.6%	45,486	18.9%
DC Government	1,996	6.8%	11,440	4.8%
All Other Exempt	3,541	12.0%	25,615	10.7%
Total	29,546	100%	240,133	100%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Note: The data in this table represents 46 square miles of land area. The District of Columbia has a total area of 69 square miles, including approximately 7 square miles of water area and 16 square miles of highways, streets, roads and alleys.

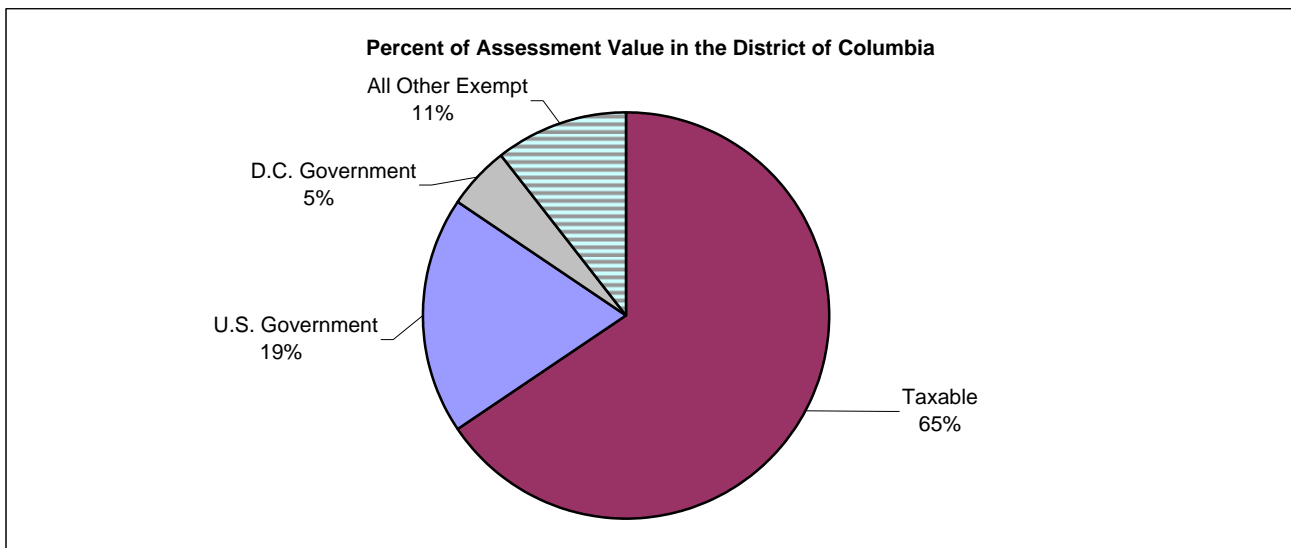
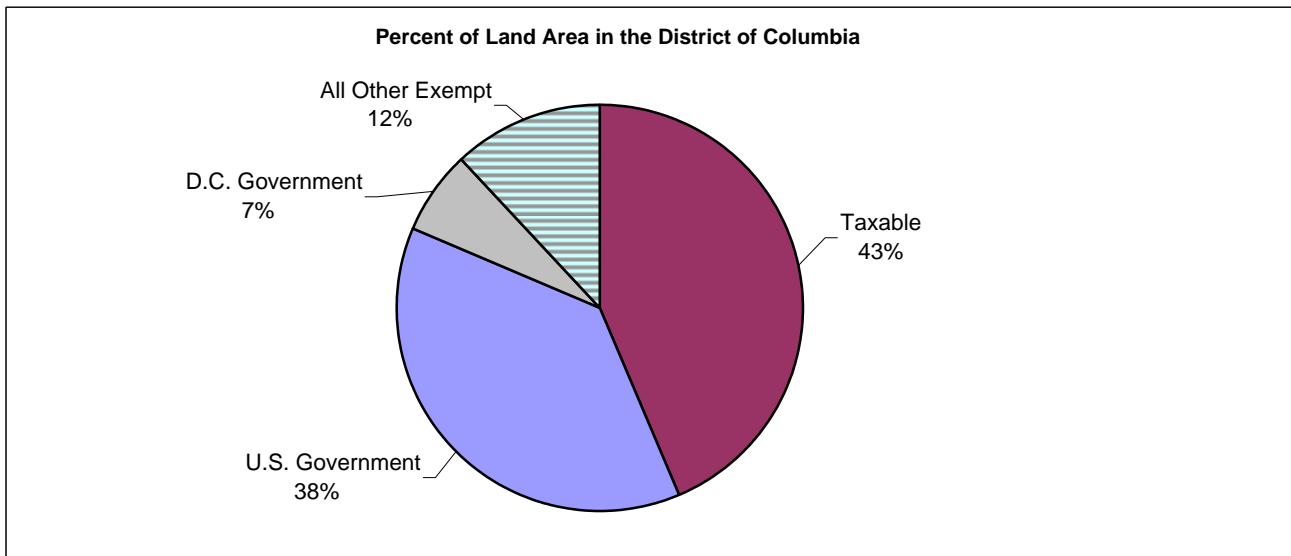


Figure 4-4 Real Property Assessed Value and Tax Liability by Class, TY 2009

Class	Number of Properties	Acres	Percent of Acres	Assessed Value (\$Millions)	Percent of Assessed Value	Tax Liability (\$Millions)	Percent of Liability	Effective Tax Rate
Class 1* (Residential)	166,852	10,351.3	80.6%	90,437	57.4%	561.0	31.0%	\$0.62
Homestead	96,705	6,345.1	49.4%	55,091	35.0%	273.0	15.1%	\$0.50
Non-Senior	76,631	4,868.6	37.9%	45,731	29.0%	253.0	14.0%	\$0.55
Senior	20,074	1,476.4	11.5%	9,360	5.9%	20.0	1.1%	\$0.21
Non-Homestead	70,147	4,006.3	31.2%	35,346	22.4%	288.0	15.9%	\$0.81
Class 2 (Commercial)	8,558	2,258.2	17.6%	66,627	42.3%	1,199.0	66.4%	\$1.80
Class 3 (Vacant/Abandoned)	2,357	230.7	1.8%	528	0.3%	47.0	2.6%	\$8.90
Total	177,767	12,840.3	100.0%	157,592	100.0%	1,807.0	100.0%	\$1.15

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Note: Within Class 1, there are two broad categories of residential properties: homestead (owner-occupied) properties and non-homestead (non-owner-occupied) residential properties. Homestead properties are registered with the Office of Tax and Revenue (OTR) by their owners and are officially considered to be owner-occupied housing structures or units for the purpose of receiving specified annual property tax relief. Non-homestead properties are generally not eligible for tax relief. However, non-homestead properties should not be interpreted as being housing units. The category of non-homestead properties includes (but is not limited to) non-registered owner-occupied properties, non-owner-occupied residential properties, multifamily properties, unimproved residential lots and residential parking spaces.

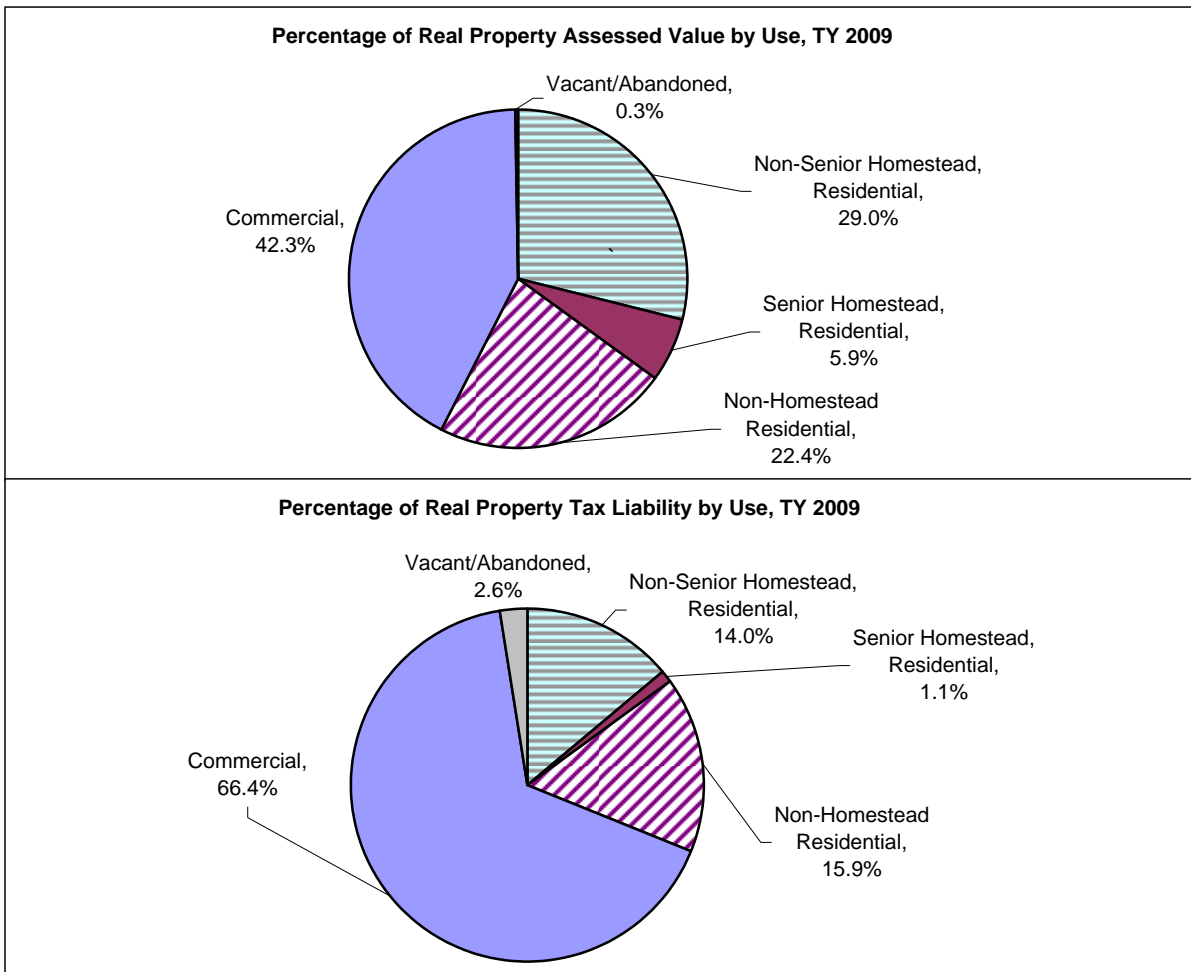


Figure 4-5 City-Wide Percentage Distribution of Assessed Value and Estimated Tax Liability by Ward and Class, TY 2009

Assessed Value				
Ward	Class 1	Class 2	Class 3	Total
1	6.5%	1.1%	0.0%	7.7%
2	11.7%	29.7%	0.0%	41.4%
3	13.8%	1.6%	0.0%	15.4%
4	7.4%	0.4%	0.0%	7.8%
5	4.9%	1.3%	0.0%	6.2%
6	8.0%	7.7%	0.0%	15.8%
7	3.2%	0.3%	0.1%	3.5%
8	1.8%	0.2%	0.1%	2.1%
Total	57.4%	42.3%	0.3%	100.0%

Tax Liability				
Ward	Class 1	Class 2	Class 3	Total
1	3.6%	1.6%	0.3%	5.5%
2	7.3%	47.1%	0.2%	54.6%
3	7.9%	2.4%	0.1%	10.4%
4	3.4%	0.6%	0.3%	4.3%
5	2.2%	1.9%	0.4%	4.5%
6	4.3%	12.1%	0.4%	16.8%
7	1.4%	0.4%	0.5%	2.3%
8	1.0%	0.3%	0.4%	1.7%
Total	31.1%	66.3%	2.6%	100.0%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-6 Real Property Tax Assessment and Liability by Ward, TY 2009

Ward	Assessed Value		Tax Liability	
	(\$Millions)	Percent	(\$Millions)	Percent
1	12,114.5	7.7%	99.3	5.5%
2	65,311.6	41.4%	986.5	54.6%
3	24,325.1	15.4%	188.7	10.4%
4	12,263.9	7.8%	77.0	4.3%
5	9,843.5	6.2%	81.3	4.5%
6	24,883.6	15.8%	302.7	16.8%
7	5,544.4	3.5%	40.9	2.3%
8	3,305.7	2.1%	30.7	1.7%
Total	157,592.3	100.0%	1,807.1	100.0%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-7 Percentage Distribution of Real Property Assessed Value and Estimated Tax Liability by Ward and Class, TY 2009

Assessed Value				
Ward	Class 1	Class 2	Class 3	Total
1	11.3%	2.7%	12.4%	7.7%
2	20.5%	70.2%	7.0%	41.4%
3	24.1%	3.7%	5.0%	15.4%
4	12.8%	0.9%	11.8%	7.8%
5	8.6%	3.0%	14.8%	6.2%
6	14.0%	18.3%	14.4%	15.8%
7	5.5%	0.7%	17.2%	3.5%
8	3.2%	0.5%	17.4%	2.1%
Total	100.0%	100.0%	100.0%	100.0%

Tax Liability				
Ward	Class 1	Class 2	Class 3	Total
1	11.6%	2.4%	12.1%	5.5%
2	23.4%	71.0%	7.4%	54.6%
3	25.4%	3.6%	5.1%	10.4%
4	10.9%	0.9%	12.3%	4.3%
5	7.1%	2.9%	14.4%	4.5%
6	13.9%	18.2%	13.9%	16.8%
7	4.5%	0.6%	17.7%	2.3%
8	3.1%	0.4%	17.0%	1.7%
Total	100.0%	100.0%	100.0%	100.0%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-8 All Class I Residential Real Property by Decile, TY 2009

Decile	Number of Properties	Assessed Value (\$Millions)	Percent of Assessed Value of Class	Average Value (\$000s)	Median Value (\$000s)
1st	16,688	578.6	0.6%	34.7	30.0
2nd	16,685	3,408.7	3.8%	204.3	210.7
3rd	16,684	4,406.6	4.9%	264.1	264.0
4th	16,685	5,261.2	5.8%	315.3	315.5
5th	16,681	6,067.1	6.7%	363.7	364.3
6th	16,689	6,923.2	7.7%	414.8	414.2
7th	16,684	8,059.9	8.9%	483.1	481.1
8th	16,686	10,090.9	11.2%	604.8	602.8
9th	16,685	13,233.0	14.6%	793.1	787.0
10th	16,685	32,407.8	35.8%	1,942.3	1,237.7
Total	166,852	90,437.0	100.0%	542.0	387.9

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-9 Homestead Properties by Decile, TY 2009

Decile	Number of Properties	Assessed Value (\$Millions)	Percent of Assessed Value of Class	Average Value (\$000s)	Median Value (\$000s)
1st	9,672	2,071.6	3.8%	214.2	223.0
2nd	9,668	2,656.3	4.8%	274.8	274.8
3rd	9,672	3,127.1	5.7%	323.3	323.5
4th	9,669	3,558.7	6.5%	368.1	368.3
5th	9,673	3,990.2	7.2%	412.5	412.2
6th	9,670	4,519.2	8.2%	467.3	466.2
7th	9,670	5,360.8	9.7%	554.4	551.3
8th	9,669	6,672.4	12.1%	690.1	690.0
9th	9,672	8,375.9	15.2%	866.0	857.9
10th	9,670	14,758.4	26.8%	1,526.2	1,304.8
Total	96,705	55,090.5	100.0%	569.7	437.0

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-10 All Class 2 Commercial Real Property by Decile, TY 2009

Decile	Number of Properties	Assessed Value (\$Millions)	Percent of Assessed Value of Class	Average Value (\$000s)	Median Value (\$000s)
1st	855	52.4	0.1%	61.3	60.0
2nd	856	165.1	0.2%	192.9	193.6
3rd	856	262.4	0.4%	306.5	304.9
4th	856	362.5	0.5%	423.4	422.5
5th	856	498.6	0.7%	582.5	578.8
6th	851	675.9	1.0%	794.3	791.2
7th	861	983.8	1.5%	1,142.6	1,123.1
8th	856	1,633.1	2.5%	1,907.8	1,863.8
9th	856	4,226.8	6.3%	4,937.9	4,326.4
10th	855	57,766.8	86.7%	67,563.5	39,822.4
Total	8,558	66,627.4	100.0%	7,785.4	682.7

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-11 Subsector: Large Commercial Office Buildings Real Property Tax Liability by Decile, TY 2009

Decile	Number of Properties	Total Tax Liability (\$Millions)	Percent of Total Liability of SubSector	Percent of Total Liability of all Class 2 Properties	Percent of Total Liability of Total Real Property Tax Base
1st	57	6.9	0.8%	0.6%	0.4%
2nd	57	13.1	1.6%	1.1%	0.7%
3rd	57	21.0	2.5%	1.8%	1.2%
4th	57	34.1	4.1%	2.8%	1.9%
5th	57	51.1	6.1%	4.3%	2.8%
6th	58	70.9	8.5%	5.9%	3.9%
7th	57	90.6	10.8%	7.6%	5.0%
8th	57	117.8	14.1%	9.8%	6.5%
9th	57	155.7	18.6%	13.0%	8.6%
10th	57	274.4	32.8%	22.9%	15.2%
Total	571	835.6	100.0%	69.7%	46.2%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-12 Condominiums- Units, Assessments and Tax Liability by Ward, TY 2009

Ward	Number of Units	Percent of Properties	Acres	Percent of Acres	Assessed Value (\$Millions)	Percent of Assessed Value	Liability (\$Millions)	Percent of Liability
1	7,678	17.2%	76.6	13.3%	3,131.0	18.5%	20.9	18.6%
2	14,944	33.5%	95.7	16.7%	6,790.9	40.1%	47.2	42.1%
3	8,938	20.0%	139.8	24.4%	3,310.1	19.5%	20.5	18.3%
4	945	2.1%	16.3	2.8%	258.6	1.5%	1.6	1.5%
5	2,531	5.7%	84.6	14.7%	599.6	3.5%	3.6	3.2%
6	6,398	14.3%	77.3	13.5%	2,288.9	13.5%	15.3	13.6%
7	1,676	3.8%	45.8	8.0%	306.7	1.8%	1.6	1.4%
8	1,541	3.5%	37.9	6.6%	252.2	1.5%	1.4	1.3%
Total	44,651	100.0%	574.0	100.0%	16,938.0	100.0%	112.1	100.0%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-13 Single Family Dwellings - Properties, Assessments and Tax Liability by Ward, TY 2009

Ward	Number of Properties	Percent of Properties	Acres	Percent of Acres	Assessed Value (\$Millions)	Percent of Assessed Value	Liability (\$Millions)	Percent of Liability
1	6,601	7.3%	278.3	3.8%	3,784.6	7.1%	20.8	7.0%
2	5,110	5.6%	266.3	3.6%	6,266.2	11.8%	42.1	14.1%
3	13,687	15.1%	1,971.5	27.0%	15,487.1	29.1%	100.1	33.6%
4	19,432	21.4%	1,833.1	25.1%	10,443.3	19.7%	52.7	17.7%
5	15,144	16.7%	1,084.6	14.9%	5,699.4	10.7%	25.3	8.5%
6	11,114	12.3%	368.5	5.0%	6,013.6	11.3%	32.7	11.0%
7	13,282	14.6%	1,080.0	14.8%	3,818.2	7.2%	16.7	5.6%
8	6,332	7.0%	419.4	5.7%	1,633.2	3.1%	7.6	2.5%
Total	90,702	100.0%	7,301.9	100.0%	53,145.6	100.0%	297.8	100.0%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-14 Residential/MultiFamily (5 or Less Dwelling Units) - Properties, Assessments and Tax Liability by Ward, TY 2009

Ward	Number of Properties	Percent of Properties	Acres	Percent of Acres	Assessed Value (\$Millions)	Percent of Assessed Value	Liability (\$Millions)	Percent of Liability
1	1,820	15.2%	87.2	13.5%	1,476.7	18.5%	9.6	17.7%
2	1,756	14.6%	69.5	10.8%	1,928.2	24.2%	13.3	24.5%
3	380	3.2%	31.4	4.9%	344.8	4.3%	2.6	4.8%
4	647	5.4%	44.6	6.9%	325.6	4.1%	2.2	4.0%
5	2,198	18.3%	126.4	19.6%	935.9	11.7%	6.5	12.0%
6	3,391	28.3%	128.7	19.9%	2,409.6	30.2%	16.1	29.6%
7	926	7.7%	73.7	11.4%	284.7	3.6%	2.1	3.9%
8	875	7.3%	84.3	13.1%	263.9	3.3%	2.0	3.6%
Total	11,993	100.0%	645.7	100.0%	7,969.4	100.0%	54.3	100.0%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-15 Residential/MultiFamily (6 or More Dwelling Units) - Properties, Assessments and Tax Liability by Ward, TY 2009

Ward	Number of Properties	Percent of Properties	Acres	Percent of Acres	Assessed Value (\$Millions)	Percent of Assessed Value	Tax Liability (\$Millions)	Percent of Liability
1	317	12.1%	95.1	8.3%	1,280.2	15.4%	10.9	15.5%
2	251	9.6%	65.0	5.7%	2,272.0	27.3%	19.0	27.1%
3	162	6.2%	112.4	9.8%	1,791.4	21.5%	15.4	21.9%
4	253	9.7%	83.5	7.3%	420.5	5.1%	3.6	5.1%
5	277	10.6%	131.0	11.4%	393.4	4.7%	3.3	4.7%
6	209	8.0%	65.6	5.7%	1,013.9	12.2%	8.2	11.7%
7	476	18.2%	198.1	17.3%	453.2	5.4%	3.8	5.4%
8	672	25.7%	395.6	34.5%	695.6	8.4%	6.0	8.6%
Total	2,617	100.0%	1,146.3	100.0%	8,320.2	100.0%	70.2	100.0%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-16 Homesteads- Properties, Assessments and Tax Liability by Ward, TY 2009

Ward	Non-Senior			Senior		
	Number of Properties	Assessed Value (\$Millions)	Tax Liability (\$Millions)	Number of Properties	Assessed Value (\$Millions)	Tax Liability (\$Millions)
1	9,172	5,079.8	27.8	1,105	604.1	1.2
2	11,054	8,280.5	51.0	927	759.5	2.1
3	14,633	13,649.1	86.9	2,244	1,745.8	5.0
4	11,423	6,490.1	33.9	5,028	2,445.6	5.2
5	9,055	3,437.3	13.8	4,100	1,498.5	2.5
6	11,032	5,977.8	30.8	1,943	986.6	1.9
7	6,693	1,914.6	6.4	3,501	1,016.0	1.6
8	3,569	901.5	2.8	1,226	303.6	0.4
Total	76,631	45,730.8	253.3	20,074	9,359.8	19.8

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-17 Large Office Buildings* - Properties, Assessments and Tax Liability by Ward, TY 2009

Ward	Number of Properties	Percent of Properties	Acres	Percent of Acres	Assessed Value (\$Millions)	Percent of Assessed Value	Tax Liability (\$Millions)	Percent of Liability
1	6	1.1%	4.5	1.2%	246.2	0.5%	4.4	0.5%
2	438	76.7%	248.1	64.4%	36,348.1	79.6%	665.9	79.7%
3	31	5.4%	40.1	10.4%	892.0	2.0%	16.3	2.0%
4	5	0.9%	3.8	1.0%	29.5	0.1%	0.5	0.1%
5	6	1.1%	8.8	2.3%	184.3	0.4%	3.4	0.4%
6	81	14.2%	76.2	19.8%	7,903.1	17.3%	143.8	17.2%
8	4	0.7%	3.5	0.9%	62.9	0.1%	1.1	0.1%
Total	571	100.0%	385.0	100.0%	45,666.1	100.0%	835.6	100.0%

* Non-residential structures with elevators primarily used for offices

Source: Office of the Chief Financial Officer/Government of the District of Columbia

**Figure 4-18 All Other Commercial Properties (Excluding Large Office Buildings & PGUVA*)
- Properties, Assessments and Tax Liability by Ward, TY 2009**

Wards	Number of Properties	Percent of Properties	Acres	Percent of Acres	Assessed Value (\$Millions)	Percent of Assessed Value	Tax Liability (\$Millions)	Percent of Liability
1	781	13.1%	87.5	6.3%	1,438.1	8.2%	22.2	7.3%
2	1,670	27.9%	190.1	13.6%	8,986.2	51.5%	159.9	52.9%
3	421	7.0%	131.3	9.4%	1,496.3	8.6%	25.8	8.6%
4	594	9.9%	121.7	8.7%	500.4	2.9%	8.3	2.7%
5	967	16.2%	423.9	30.3%	1,521.5	8.7%	26.0	8.6%
6	973	16.3%	153.0	10.9%	2,881.7	16.5%	50.0	16.6%
7	332	5.5%	211.9	15.1%	395.4	2.3%	6.4	2.1%
8	245	4.1%	79.4	5.7%	218.6	1.3%	3.6	1.2%
Total	5,983	100.0%	1,398.7	100.0%	17,438.2	100.0%	302.2	100.0%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

* PGUVA properties are commercial and residential parking spaces, parking garages, parking lots, unimproved lots, vacant lots, and abandoned properties.

Note: This subgroup of properties was created solely for analytical purposes. The purpose of this subgroup is to extract so-called lesser productive properties that reside within the broader residential and commercial tax classes so as to minimize quantitative distortions in the broader classes, particularly in terms of number of properties. For example, a large condominium building may have 200 individual condominium units within it. But, the building may also contain over 100 garage parking spaces that are individual separate properties that may be owned, bought, and sold by condominium owners or anyone else. Separating the condominium dwelling units from the condominium parking spaces lessens the tendency to misinterpret the 300 individual properties as 300 dwellings.

Figure 4-19 Residential PGUVA* - Properties, Assessments and Tax Liability by Ward, TY 2009

Ward	Number of Properties	Percent of Properties	Acres	Percent of Acres	Assessed Value (\$Millions)	Percent of Assessed Value	Tax Liability (\$Millions)	Percent of Liability
1	1,645	15.0%	2.7	8.1%	43.5	12.8%	0.4	12.5%
2	3,571	32.6%	4.0	11.9%	122.3	36.0%	1.0	36.5%
3	2,998	27.3%	12.2	35.8%	80.7	23.8%	0.7	24.1%
4	264	2.4%	2.9	8.6%	5.7	1.7%	0.0	1.7%
5	197	1.8%	3.1	9.1%	5.2	1.5%	0.0	1.5%
6	1,677	15.3%	4.4	12.9%	73.6	21.7%	0.6	21.2%
7	302	2.8%	2.9	8.6%	4.9	1.5%	0.0	1.5%
8	309	2.8%	1.7	5.0%	3.2	1.0%	0.0	1.0%
Total	10,963	100.0%	34.0	100.0%	339.2	100.0%	2.8	100.0%

Figure 4-20 Commercial PGUVA* - Properties, Assessments and Tax Liability by Ward, TY 2009

Ward	Number of Properties	Percent of Properties	Acres	Percent of Acres	Assessed Value (\$Millions)	Percent of Assessed Value	Tax Liability (\$Millions)	Percent of Liability
1	140	3.1%	14.5	3.1%	117.0	3.3%	1.6	2.7%
2	362	9.1%	43.3	9.1%	1,433.0	40.7%	25.6	41.8%
3	119	4.8%	22.6	4.8%	89.2	2.5%	1.5	2.4%
4	85	4.9%	23.2	4.9%	80.4	2.3%	1.4	2.4%
5	343	26.2%	124.3	26.2%	310.9	8.8%	5.4	8.8%
6	543	23.3%	110.5	23.3%	1,400.0	39.7%	24.1	39.4%
7	259	23.4%	110.9	23.4%	65.3	1.9%	1.1	1.8%
8	153	5.3%	25.1	5.3%	27.1	0.8%	0.4	0.7%
Total	2,004	100.0%	474.5	100.0%	3,523.1	100.0%	61.2	100.0%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

* PGUVA properties are commercial and residential parking spaces, parking garages, parking lots, unimproved lots, vacant lots, and abandoned properties.

Note: This subgroup of properties was created solely for analytical purposes. The purpose of this subgroup is to extract so-called lesser productive properties that reside within the broader residential and commercial tax classes so as to minimize quantitative distortions in the broader classes, particularly in terms of number of properties. For example, a large condominium building may have 200 individual condominium units within it. But, the building may also contain over 100 garage parking spaces that are individual separate properties that may be owned, bought, and sold by condominium owners or anyone else. Separating the condominium dwelling units from the condominium parking spaces lessens the tendency to misinterpret the 300 individual properties as 300 dwellings.

Figure 4-21 Total Acres of Residential Property and Total Residential Assessment by Property Type, TY 2009

Property Type	Acres	Assessment Value (\$Millions)
Single Family Dwellings	7,302	53,146
Condominiums	574	16,938
Multifamily (5 units or less)	646	7,969
Multifamily (6 units or more)	1,146	8,320
Other	683	4,064
Total	10,351	90,437

Source: Office of the Chief Financial Officer/Government of the District of Columbia

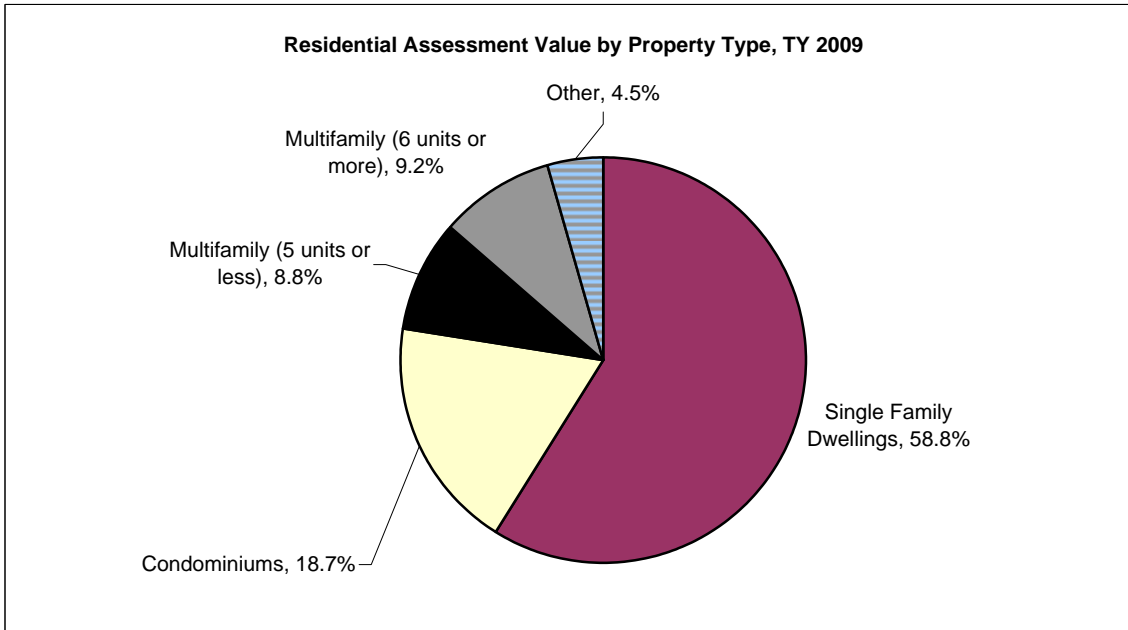
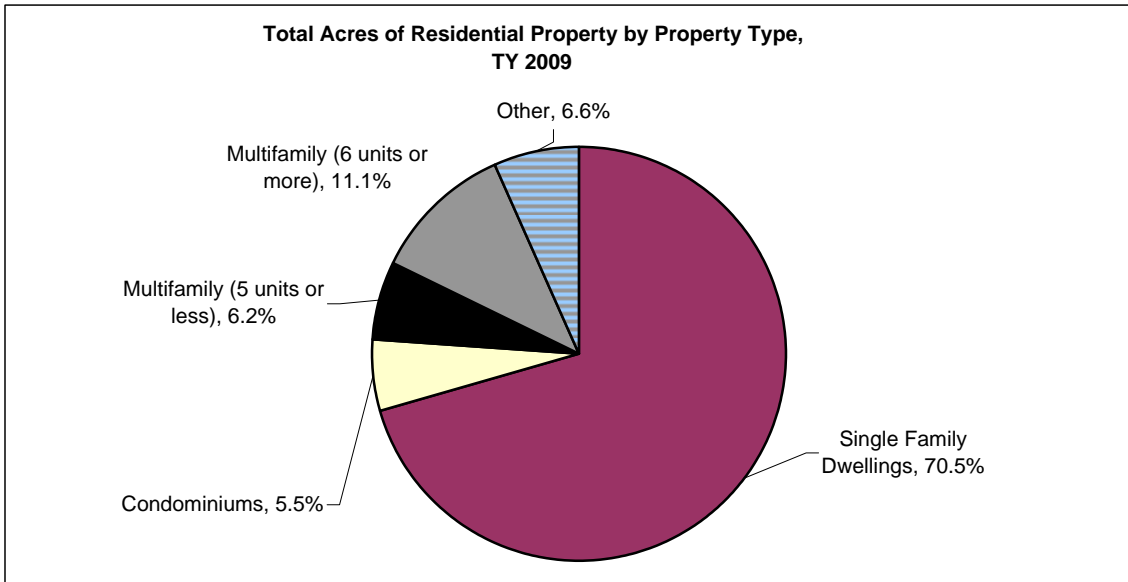


Figure 4-22 District Real Estate Transactions Tax Revenue and Percent Change, FY 1986 - 2009

FY	Amount (\$000s)			Percent Changes		
	Recordation	Transfer	Economic Interest	Recordation	Transfer	Economic Interest
1986	24,541	20,158	-	15.9%	21.4%	-
1987	33,533	29,836	-	36.6%	48.0%	-
1988	34,250	28,125	-	2.1%	-5.7%	-
1989	37,637	27,785	-	9.9%	-1.2%	-
1990	35,477	30,968	63	-5.7%	11.5%	-
1991	19,953	18,815	1,525	-43.8%	-39.2%	-
1992	17,831	19,944	257	-10.6%	6.0%	-83.1%
1993	20,245	21,506	911	13.5%	7.8%	254.5%
1994	23,547	21,980	262	16.3%	2.2%	-71.2%
1995	22,691	21,826	0	-3.6%	-0.7%	-100.0%
1996	33,099	26,701	10	45.9%	22.3%	-
1997	30,821	27,162	10,081	-6.9%	1.7%	100710.0%
1998	53,863	42,597	11,166	74.8%	56.8%	10.8%
1999	70,398	47,001	3,687	30.7%	10.3%	-67.0%
2000	60,418	44,660	540	-14.2%	-5.0%	-85.4%
2001	75,936	62,086	1,640	25.7%	39.0%	203.7%
2002	89,951	62,228	5,078	18.5%	0.2%	209.6%
2003	139,262	99,052	4,934	54.8%	59.2%	-2.8%
2004	193,554	143,232	16,269	39.0%	44.6%	229.7%
2005	190,048	146,929	10,593	-1.8%	2.6%	-34.9%
2006	197,528	132,615	30,274	3.9%	-9.7%	185.8%
2007	226,743	152,411	64,794	14.8%	14.9%	114.0%
2008	155,974	112,434	54,815	-31.2%	-26.2%	-15.4%
2009	100,764	78,262	8,376	-35.4%	-30.4%	-84.7%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

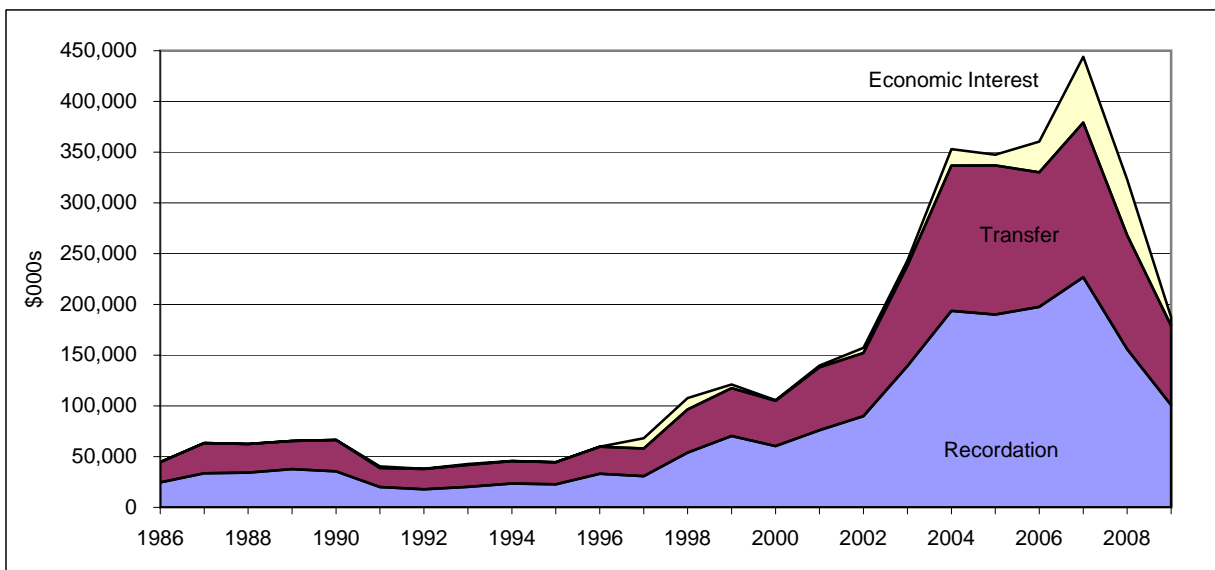
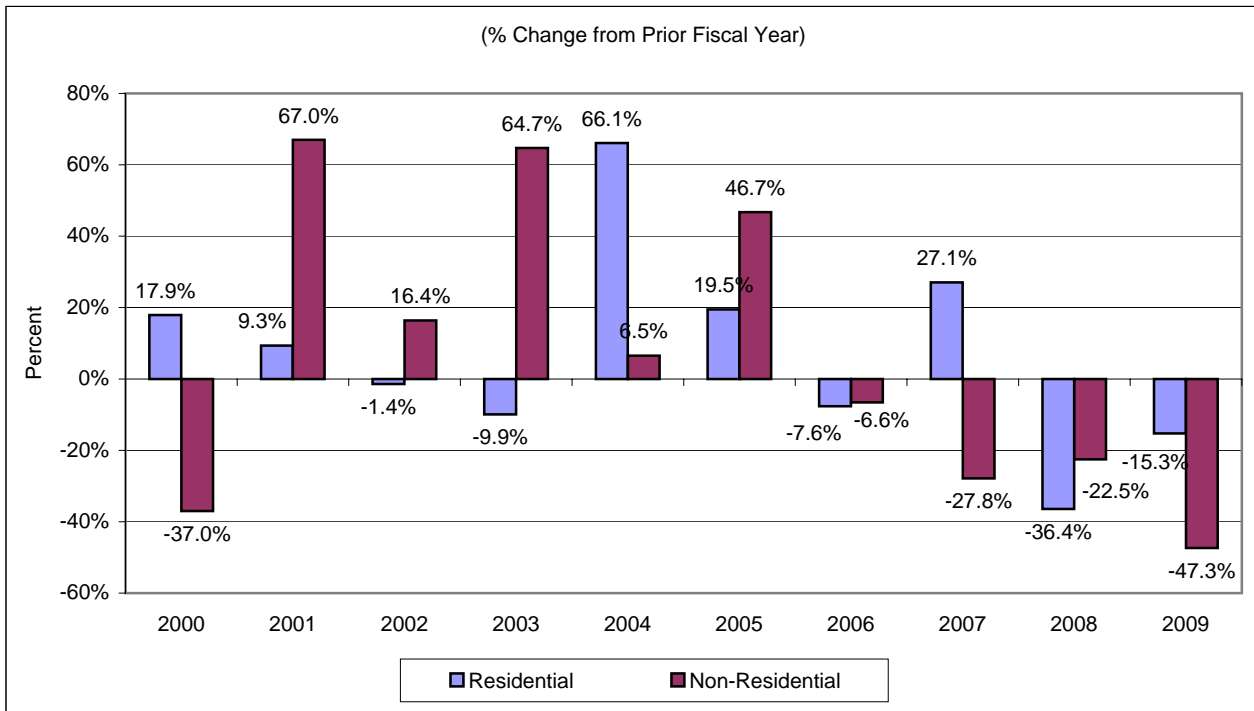


Figure 4-23 Normalized Transfer Tax Revenue Trends by Sector, FY 2000 - 2009



Source: Office of the Chief Financial Officer/Government of the District of Columbia and U.S. Bureau of Labor Statistics

* Normalized transfer tax data transforms official annual deed transfer tax revenue into tax revenue as if it was taxed at a 1.1 percent tax rate. This method nullifies the effects of the tax rate changes in FYs 2003, 2005 and 2007 in order to extract and better understand the underlying economic activity that is reflected by deed tax collections.

Figure 4-24 Annual Taxable Assessment Growth by Property Type, TY 2009 Compared to TY 2008

Property Type	Annual Growth Rate
Class 1	
Single Family Dwellings	2.0%
Condominiums	0.1%
Multifamily (5 units or less)	1.0%
Multifamily (6 units or more)	14.8%
Other	18.9%
Total Class 1	3.1%
Class 2	
Large Office Buildings	11.9%
Small Office Buildings	9.1%
Large Hotels	11.9%
Small Hotels	6.1%
All Other	18.9%
Total Class 2	13.0%
Class 3	
Residential Property	3.2%
Commercial Property	28.4%
Total Class 3	10.5%
Total	7.1%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-25 Annual Taxable Assessment Growth by Ward and Class, TY 2009 Compared to TY 2008

Ward	Class 1	Class 2	Class 3	Total
1	2.3%	18.1%	3.7%	4.3%
2	2.7%	10.9%	0.5%	8.4%
3	1.4%	6.3%	1.2%	1.9%
4	2.2%	20.9%	16.2%	3.0%
5	3.9%	31.9%	7.4%	8.6%
6	4.4%	18.5%	7.4%	10.9%
7	8.1%	23.2%	16.4%	9.4%
8	10.7%	19.9%	19.7%	11.7%
Total	3.1%	13.0%	10.5%	7.1%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-26 Assessment Value/Sales Price Ratio* by Property Type, TY 2008

Property Type	Sales	Average Price	Median Price	Mean Ratio	Median Ratio
Class 1					
Single Family Dwellings	2,030	713,986	555,000	0.92	0.95
Condominiums	2,544	432,364	380,000	0.96	0.96
Multifamily (5 units or less)	272	747,919	652,500	0.96	0.95
Multifamily (6 units or more)	43	2,456,579	1,000,000	0.72	0.67
All Other	16	1,146,681	840,000	0.36	0.15
Total Class 1	4,905	586,491	439,900	0.94	0.96
Class 2					
Large Office Buildings	27	71,373,935	62,047,563	0.77	0.74
Small Office Buildings	17	3,207,992	1,550,000	1.08	0.85
Large Hotels	3	59,046,400	29,589,200	0.68	0.56
Small Hotels	-	-	-		
All Other	128	3,494,876	1,000,000	0.86	0.72
Total Class 2	175	14,848,799	1,367,000	0.86	0.74
All	5,080	1,076,082	445,000	0.94	0.95

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Note: The assessed value/sales price ratio is a measurement of assessment quality for recently valued properties. The ratio measures how closely assessed values compare to the actual sale prices for a given year. The International Association of Assessing Officers recommends that central tendency ratios across broad property types range between 0.90 and 1.10, which would in turn indicate uniform and quality assessment work. This range indicates that assessed values for broad classes of properties typically should not differ from sale prices in the respective time period by more than +/- 10 percent.

Figure 4-26 considers unadjusted sale prices during TY 2008 and the assessed value of respective properties with a valuation date of January 1, 2007, which is the date for the TY 2008 assessments. Only sales that are arms-length transactions between a buyer and seller are included in the analysis. When there are fewer than 30 sales citywide for a given type of property, ratio statistics may not represent actual market conditions due to the small sample size.

Figure 4-27 Assessment Value/Sales Price Ratio by Property Type, TY 2009

Property Type	Sales	Average Price	Median Price	Mean Ratio	Median Ratio
Class 1					
Single Family Dwellings	1,744	699,492	579,655	1.05	1.02
Condominiums	2,057	427,373	370,000	1.01	1.00
Multifamily (5 units or less)	217	711,594	675,000	1.09	1.06
Multifamily (6 units or more)	29	1,084,178	660,000	1.08	0.92
All Other	85	634,168	440,000	0.34	0.32
Total Class 1	4,132	566,017	435,000	1.02	1.01
Class 2					
Large Office Buildings	13	62,580,739	59,249,834	1.09	1.15
Small Office Buildings	17	1,465,068	980,000	1.05	0.94
Large Hotels	0	0	0	-	-
Small Hotels	0	0	0	-	-
All Other	148	3,104,902	420,000	0.68	0.59
Total Class 2	178	7,020,245	495,000	0.68	0.62
All	4,310	830,302	435,000	0.99	1.00

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Note: Figure 4-27 considers unadjusted sale prices during TY 2009 and the assessed value of respective properties with a valuation date of January 1, 2008, which is the date for the TY 2009 assessments.

Figure 4-28 Real Property Assessed Value and Tax Liability by Property Type, TY 2005 - 2009 (\$000s)

Property type	2005		2006		2007		2008		2009	
	Assessed Value	Liability	Assessed Value	Liability	Assessed Value	Liability	Assessed Value	Liability	Assessed Value	Liability
Class 1										
Single Family Dwellings	33,419,295	226,740	39,211,923	228,797	47,661,469	257,505	52,027,874	275,174	53,145,597	297,849
Condominiums	8,967,846	63,319	11,521,035	74,112	14,634,463	92,908	17,142,827	108,035	16,938,014	112,135
Multifamily (5 units or less)	4,379,750	34,193	5,287,445	37,196	6,878,066	46,064	7,646,879	50,148	7,969,374	54,317
Multifamily (6 units or more)	4,127,150	39,436	4,617,480	42,286	5,778,377	50,684	6,855,480	57,971	8,320,183	70,161
All Other	2,144,502	13,888	2,568,667	14,932	3,195,364	17,957	3,769,984	23,614	4,063,787	26,687
Total Class 1	53,038,544	377,575	63,206,549	397,323	78,147,739	465,119	87,443,045	514,941	90,436,955	561,149
Class 2										
Large Office Buildings	24,612,961	451,681	26,918,061	499,059	34,074,160	627,303	42,714,689	777,354	45,666,116	835,553
Small Office Buildings	808,056	14,730	932,025	17,554	1,123,497	20,564	1,342,460	24,254	1,401,971	23,747
Large Hotels	2,409,579	44,577	3,002,877	55,727	3,877,938	71,742	4,699,167	83,675	5,210,622	95,517
Small Hotels	75,305	1,393	79,436	1,439	133,497	2,470	138,361	2,560	149,512	2,644
All Other	6,942,957	125,771	7,844,853	147,123	9,961,738	183,657	12,310,558	209,914	14,199,146	241,524
Total Class 2	34,848,860	638,152	38,777,252	720,902	49,170,830	905,736	61,205,235	1,097,757	66,627,367	1,198,985
Class 3										
Residential Property	169,521	7,781	149,492	7,100	179,703	8,427	562,244	27,020	370,615	33,165
Commercial Property	205,226	9,479	160,914	9,696	158,484	7,265	423,504	19,272	157,413	13,781
Total Class 3	374,747	17,261	310,406	16,797	338,187	15,692	985,748	46,292	528,027	46,946
All	88,262,151	1,032,988	102,294,206	1,135,022	127,656,755	1,386,546	149,634,028	1,658,990	157,592,349	1,807,080

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-29 Shares of Real Property Assessed Value and Tax Liability by Property Type, TY 2005-2009

Property type	2005		2006		2007		2008		2009	
	Assessed Value	Liability	Assessed Value	Liability	Assessed Value	Liability	Assessed Value	Liability	Assessed Value	Liability
Class 1										
Single Family Dwellings	37.9%	21.9%	38.3%	20.2%	37.3%	18.6%	34.8%	16.6%	33.7%	16.5%
Condominiums	10.2%	6.1%	11.3%	6.5%	11.5%	6.7%	11.5%	6.5%	10.7%	6.2%
Multifamily (5 units or less)	5.0%	3.3%	5.2%	3.3%	5.4%	3.3%	5.1%	3.0%	5.1%	3.0%
Multifamily (6 units or more)	4.7%	3.8%	4.5%	3.7%	4.5%	3.7%	4.6%	3.5%	5.3%	3.9%
All Other	2.4%	1.3%	2.5%	1.3%	2.5%	1.3%	2.5%	1.4%	2.6%	1.5%
Total Class 1	60.1%	36.6%	61.8%	35.0%	61.2%	33.5%	58.4%	31.0%	57.4%	31.1%
Class 2										
Large Office Buildings	27.9%	43.7%	26.3%	44.0%	26.7%	45.2%	28.5%	46.9%	29.0%	46.2%
Small Office Buildings	0.9%	1.4%	0.9%	1.5%	0.9%	1.5%	0.9%	1.5%	0.9%	1.3%
Large Hotels	2.7%	4.3%	2.9%	4.9%	3.0%	5.2%	3.1%	5.0%	3.3%	5.3%
Small Hotels	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.1%	0.2%	0.1%	0.1%
All Other	7.9%	12.2%	7.7%	13.0%	7.8%	13.2%	8.2%	12.7%	9.0%	13.4%
Total Class 2	39.5%	61.8%	37.9%	63.5%	38.5%	65.3%	40.9%	66.2%	42.3%	66.3%
Class 3										
Residential Property	0.2%	0.8%	0.1%	0.6%	0.1%	0.6%	0.4%	1.6%	0.2%	1.8%
Commercial Property	0.2%	0.9%	0.2%	0.9%	0.1%	0.5%	0.3%	1.2%	0.1%	0.8%
Total Class 3	0.4%	1.7%	0.3%	1.5%	0.3%	1.1%	0.7%	2.8%	0.3%	2.6%
All	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-30 Real Property and Deed Statutory Tax Rates 1972 - 2001

	Real Property Tax Rates (Rates per \$100 of Assessed Value)					Deed Tax Rates		
	Class 1 Owner Occupied	Class 2 Tenant Occupied	Class 3 Hotel/Motel	Class 4 Commercial	Class 5 Vacant	Deed Recordation	Deed Transfer	Economic Interest
1972	1.72	1.72	1.72	1.72	1.72	0.50%	0.50%	-
1973	1.83	1.83	1.83	1.83	1.83	0.50%	0.50%	-
1974	1.83	1.83	1.83	1.83	1.83	0.50%	0.50%	-
1975	1.83	1.83	1.83	1.83	1.83	0.50%	0.50%	-
1976	1.83	1.83	1.83	1.83	1.83	1.00%	1.00%	-
1977	1.83	1.83	1.83	1.83	1.83	1.00%	1.00%	-
1978	1.54	1.54	1.83	1.83	1.83	1.00%	1.00%	-
1979	1.54	1.54	1.83	1.83	1.83	1.00%	1.00%	-
1980	1.22	1.54	2.13	2.13	2.13	1.00%	1.00%	-
1981	1.22	1.54	2.13	2.13	2.13	1.00%	1.00%	-
1982	1.22	1.54	2.13	2.13	2.13	1.00%	1.00%	-
1983	1.22	1.54	2.13	2.13	2.13	1.00%	1.00%	-
1984	1.22	1.54	2.13	2.13	2.13	1.00%	1.00%	-
1985	1.22	1.54	1.82	2.03	2.03	1.00%	1.00%	-
1986	1.22	1.54	1.82	2.03	2.03	1.00%	1.00%	-
1987	1.22	1.54	1.82	2.03	2.03	1.00%	1.00%	-
1988	1.22	1.54	1.82	2.03	2.03	1.00%	1.00%	-
1989	1.22	1.54	1.82	2.03	2.03	1.10%	1.10%	-
1990	0.96	1.54	1.82	2.15	3.29	1.10%	1.10%	2.20%
1991	0.96	1.54	1.85	2.15	3.29	1.10%	1.10%	2.20%
1992	0.96	1.54	1.85	2.15	3.29	1.10%	1.10%	2.20%
1993	0.96	1.54	1.85	2.15	5.00	1.10%	1.10%	2.20%
1994	0.96	1.54	1.85	2.15	5.00	1.10%	1.10%	2.20%
1995	0.96	1.54	1.85	2.15	5.00	1.10%	1.10%	2.20%
1996	0.96	1.54	1.85	2.15	5.00	1.10%	1.10%	2.20%
1997	0.96	1.54	1.85	2.15	5.00	1.10%	1.10%	2.20%
1998	0.96	1.54	1.85	2.15	5.00	1.10%	1.10%	2.20%
1999	0.96	1.54	1.85	2.15	5.00	1.10%	1.10%	2.20%
2000	0.96	1.34	1.85	2.05	-	1.10%	1.10%	2.20%
2001	0.96	1.15	1.85	1.95	-	1.10%	1.10%	2.20%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-31 Real Property and Deed Statutory Tax Rates 2002 - 2010

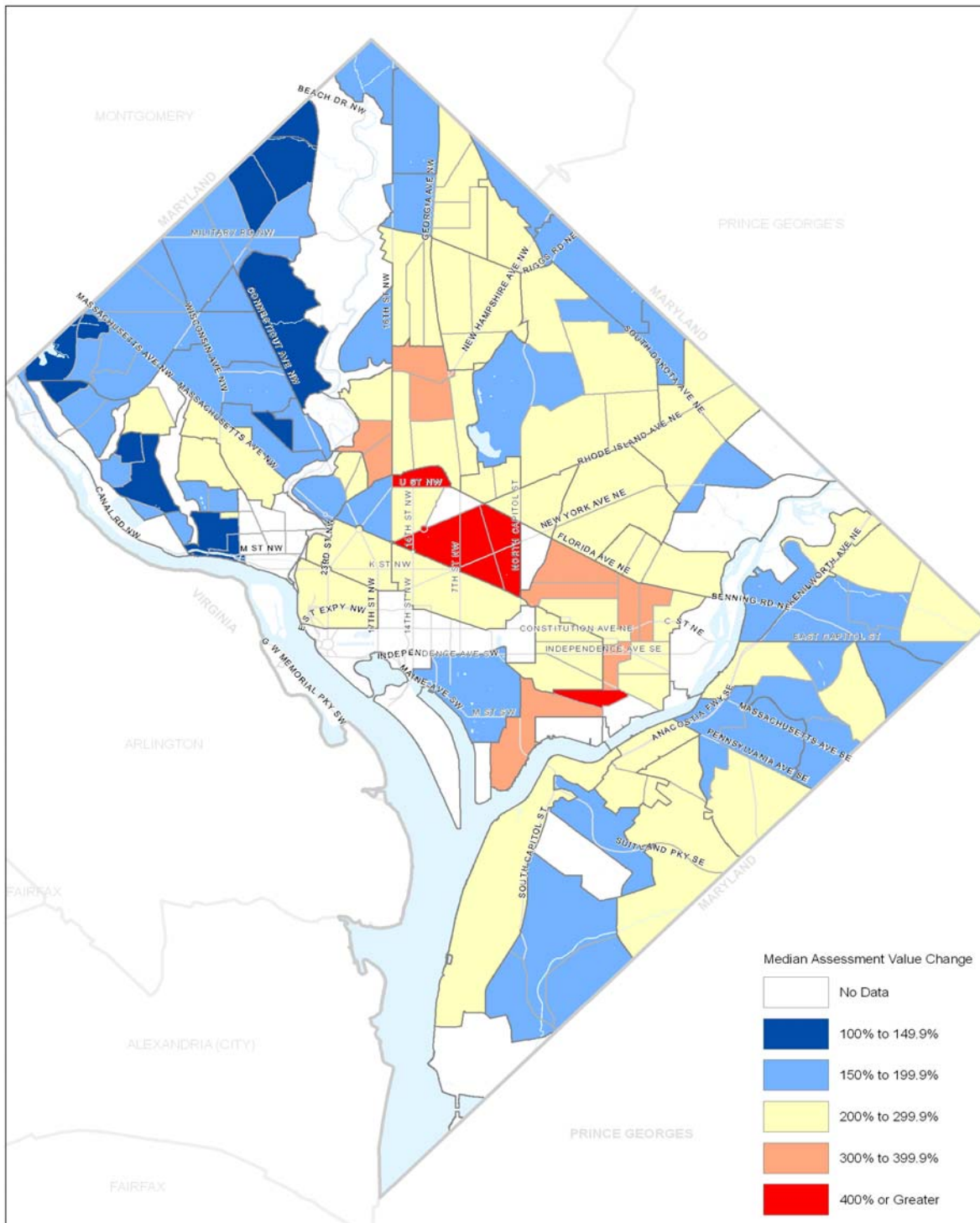
	2002	2003	2004	2005	2006	2007	2008	2009	2010
Real Property (Rates per \$100 of Assessed Value)									
Class 1 (Residential) Tax Rate	\$0.96	\$0.96	\$0.96	\$0.96	\$0.92	\$0.88	\$0.85	\$0.85	\$0.85
Homestead Deduction Amount	\$30,000	\$30,000	\$30,000	\$38,000	\$60,000	\$60,000	\$64,000	\$67,500	\$67,500
Assessment Cap	25%	25%	12%	12%	10%	10%	10%	10%	10%
Class 2 (Commercial) Tax Rate	\$1.85	\$1.85	\$1.85	\$1.85	\$1.85	\$1.85	\$1.85		
Rate for 1st \$3 Million in Assessed Value	-	-	-	-	-	-	-	\$1.65	\$1.65
Rate for Assessed Value Over \$3 Million	-	-	-	-	-	-	-	\$1.85	\$1.85
Class 3 (Vacant) Tax Rate	-	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$10.00	\$10.00
Deed Taxes									
Deed Transfer	1.10%	*1.50%	1.50%	1.10%	1.10%	**1.45%	1.45%	1.45%	1.45%
Deed Recordation	1.10%	1.50%	1.50%	1.10%	1.10%	1.45%	1.45%	1.45%	1.45%
Economic Interest	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.90%	2.90%	2.90%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

* While the Deed Transfer and Deed Recordation tax rates for nearly all taxable transactions was 1.50% for FYs 2003 and 2004, the Deed Transfer and Deed Recordation tax rates for residential properties with a total value that does not exceed \$250,000 remained 1.10% for those two years.

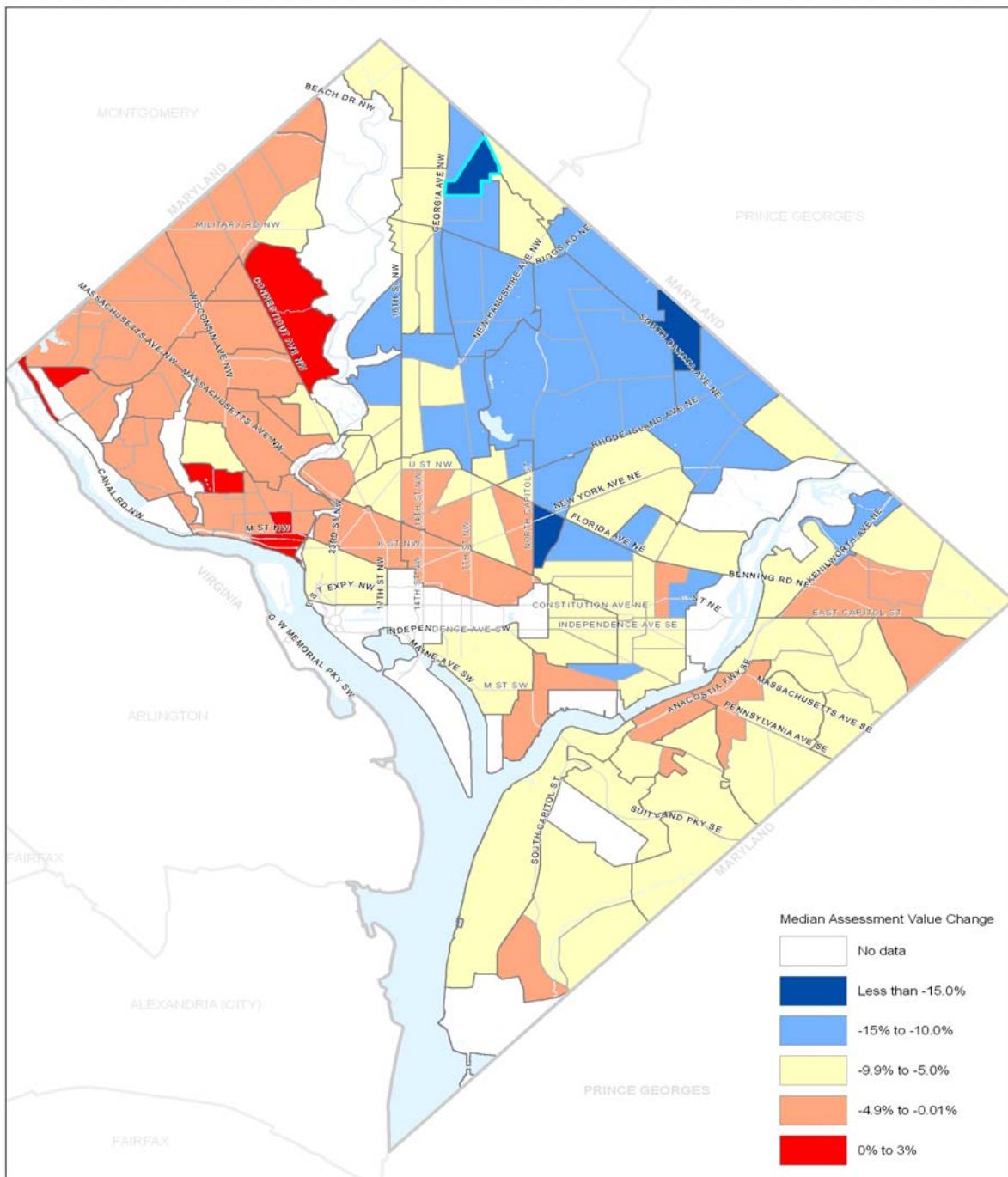
** While the Deed Transfer and Deed Recordation tax rates for nearly all taxable transactions increased to 1.45% beginning in FY 2007, the Deed Transfer and Deed Recordation tax rates for residential properties with a total value that does not exceed \$400,000 has remained 1.10%.

Figure 4-32 The Percent Change in the Median Assessment Value of Single-Family Homes Between 2001 and 2009 by Assessment Neighborhood



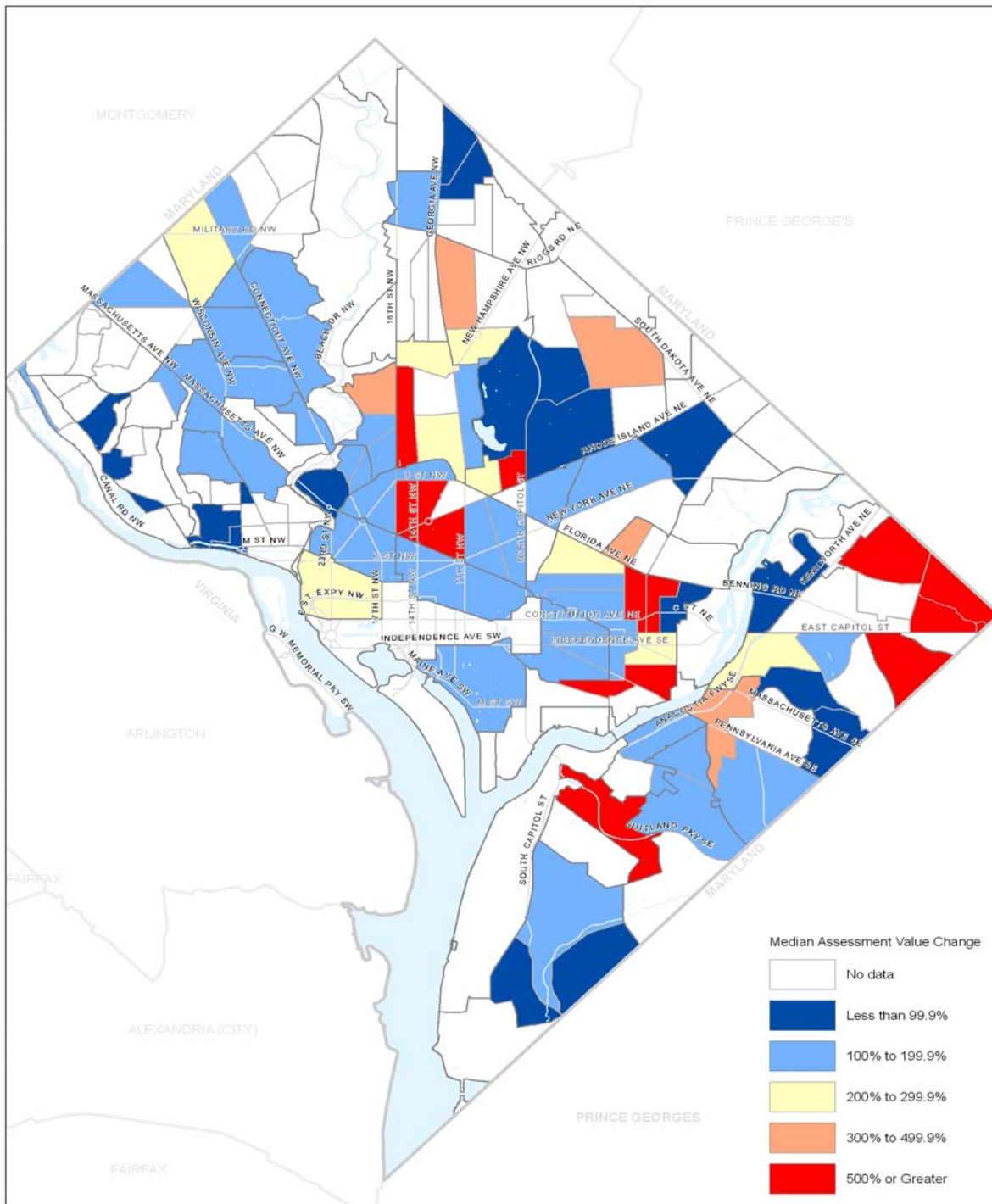
Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-33 The Percent Change in the Median Assessment Value of Single-Family Homes Between 2009 and 2011 by Assessment Neighborhood



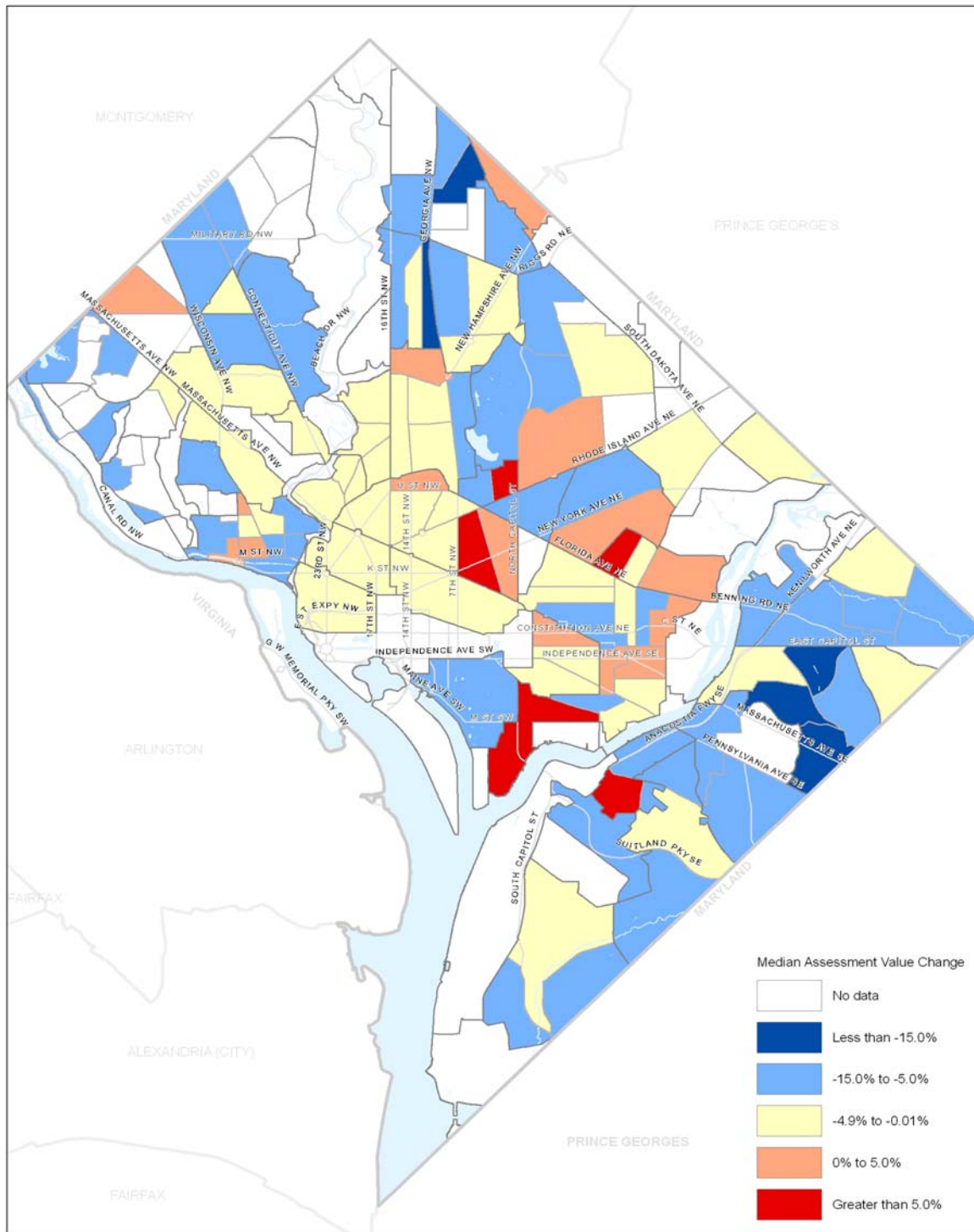
Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-34 The Percent Change in the Median Assessment Value of Condominium Units Between 2001 and 2009 by Assessment Neighborhood



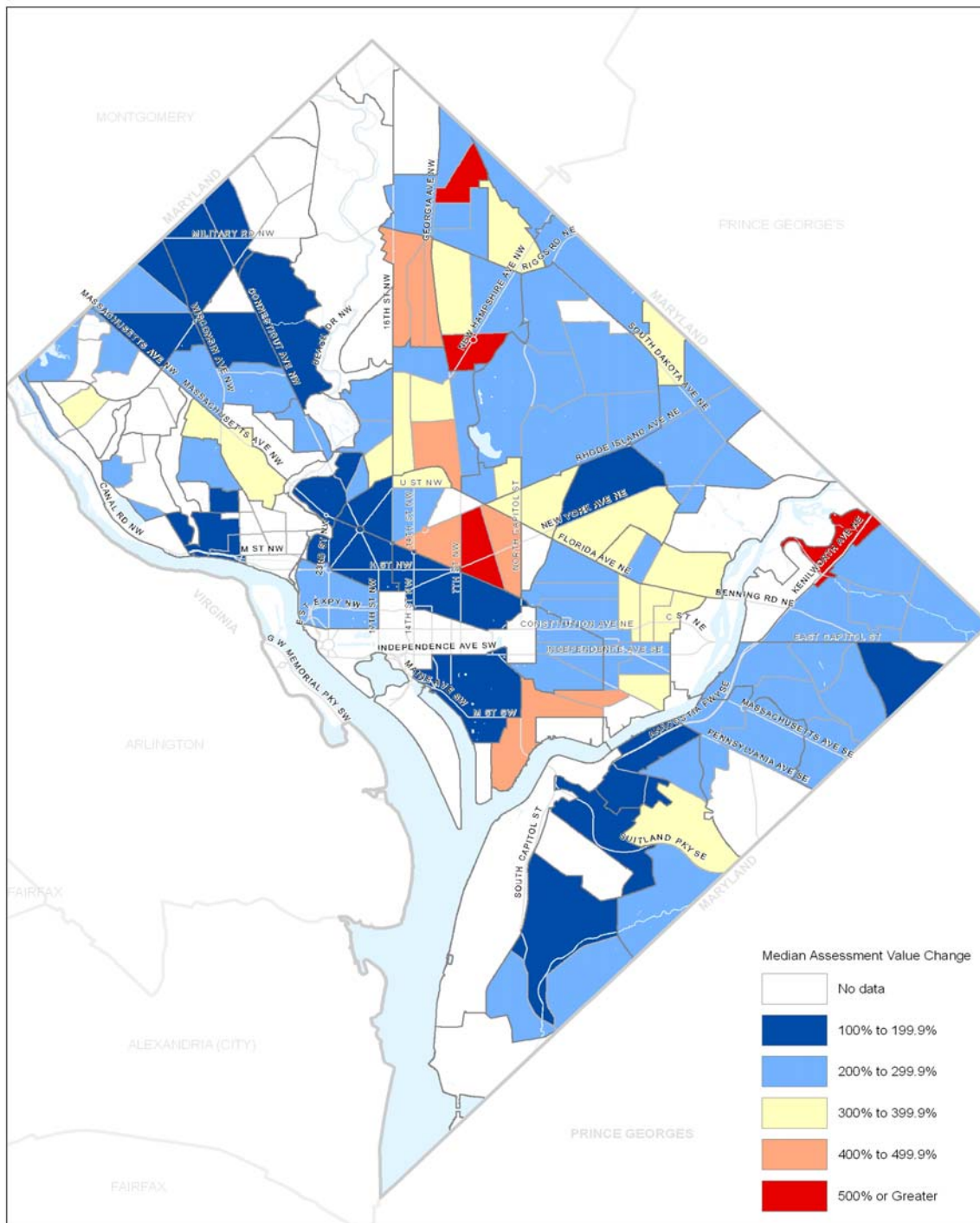
Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-35 The Percent Change in the Median Assessment Value of Condominium Units Between 2009 and 2011 by Assessment Neighborhood



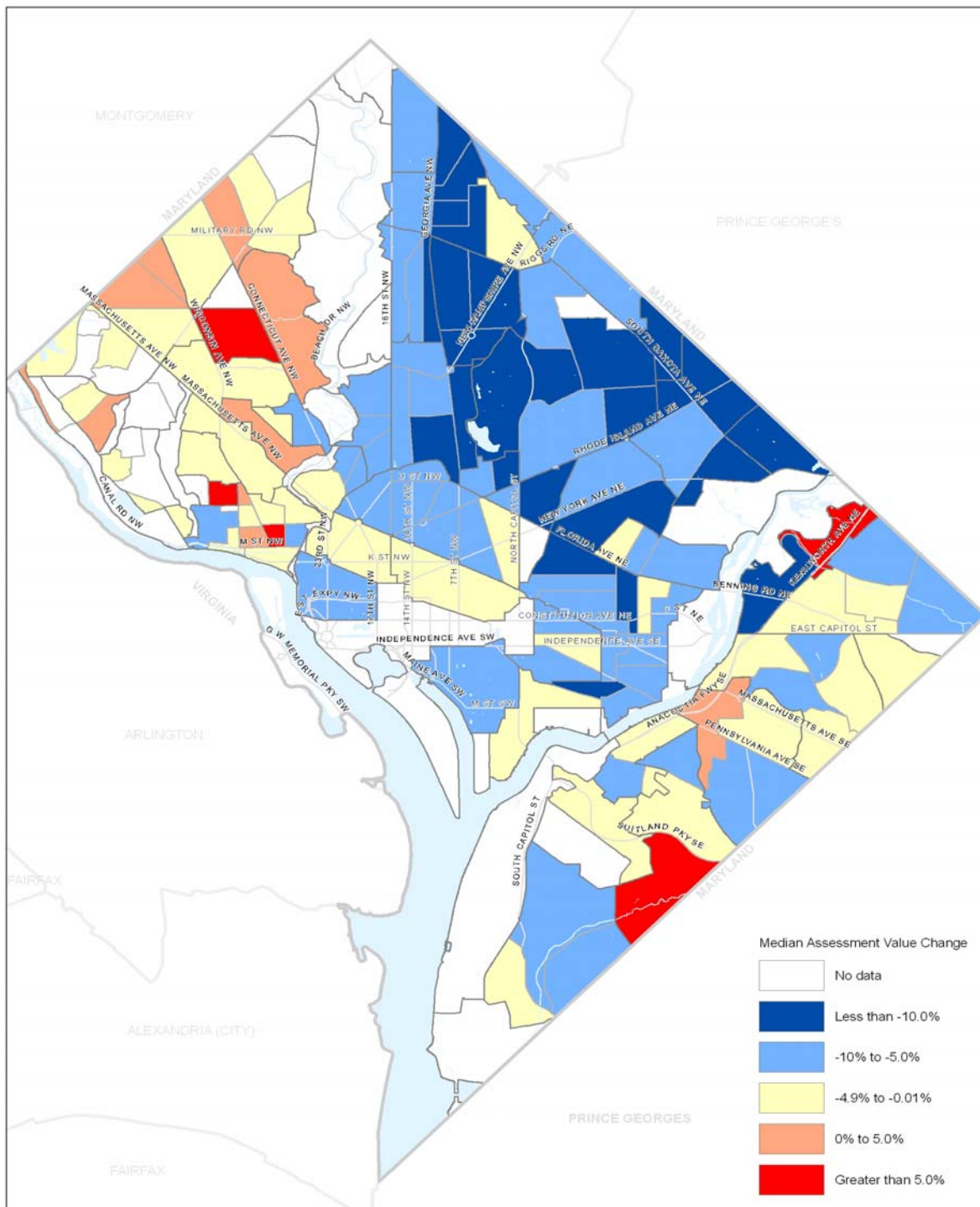
Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-36 The Percent Change in the Median Assessment Value of Small Multi-Family Buildings (less than six units) Between 2001 and 2009 by Assessment Neighborhood



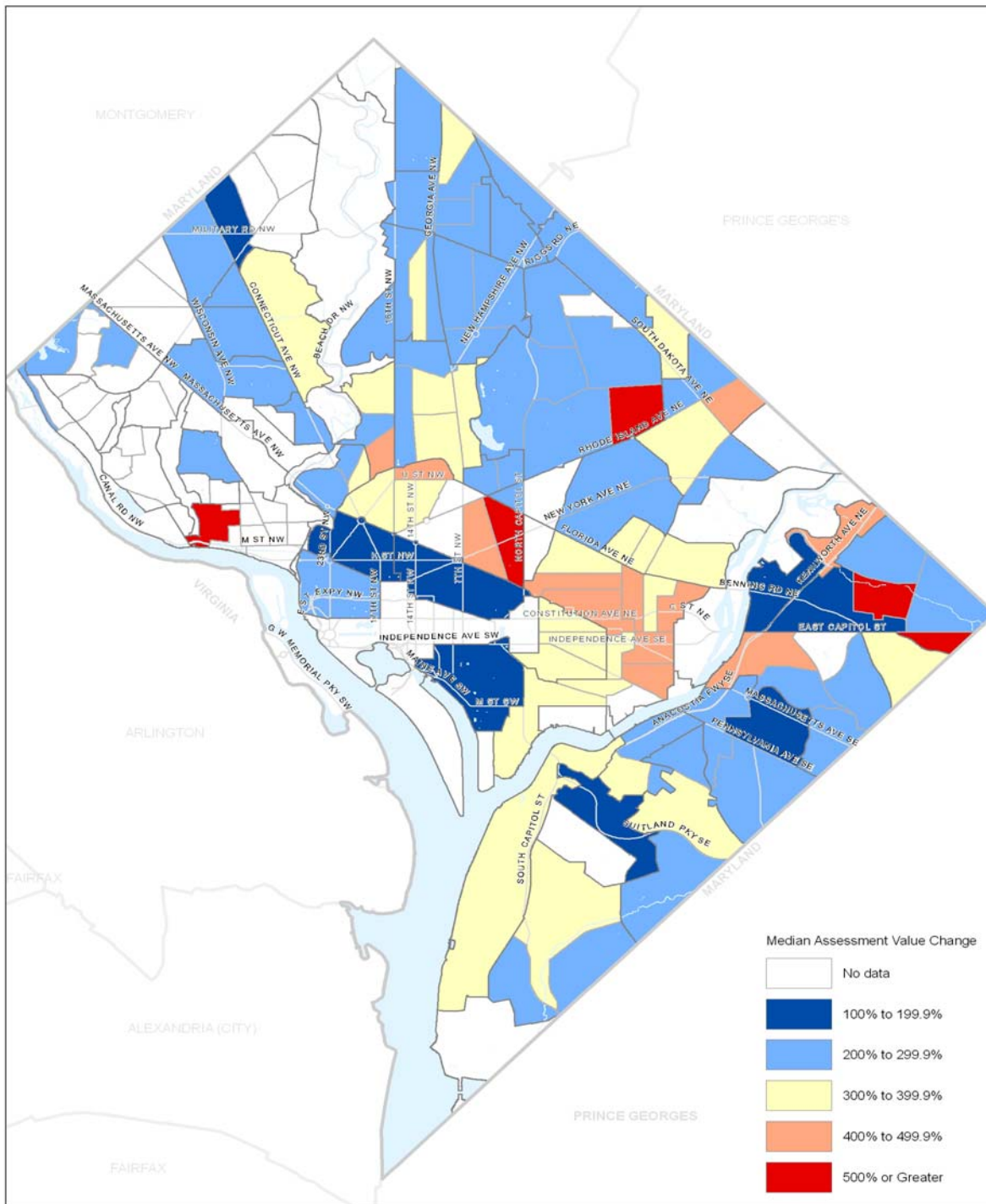
Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-37 The Percent Change in the Median Assessment Value of Small Multi-Family Buildings (less than six units) Between 2009 and 2011 by Assessment Neighborhood



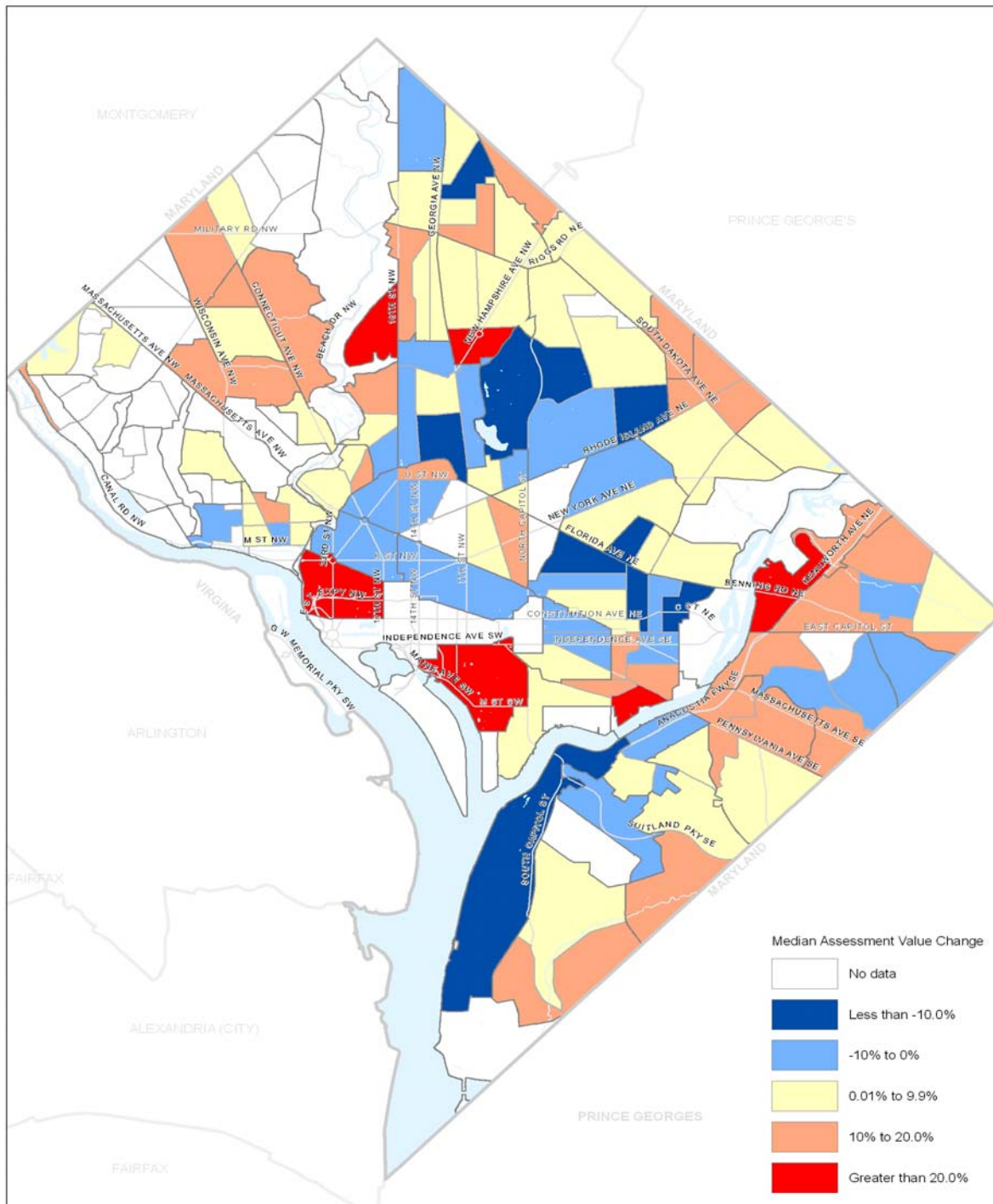
Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-38 The Percent Change in the Median Assessment Value of Large Multi-Family Buildings (six or more units) Between 2001 and 2009 by Assessment Neighborhood



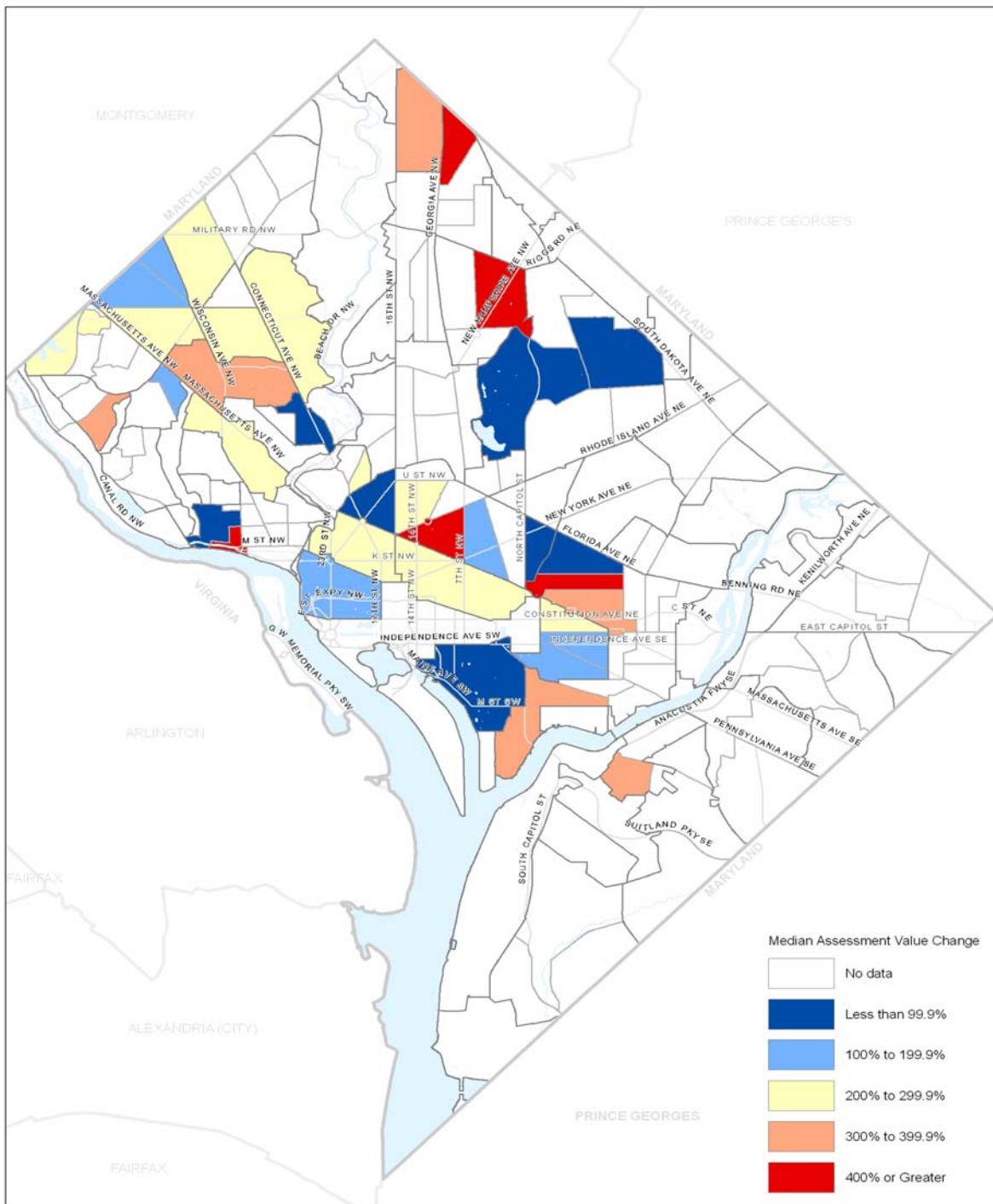
Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-39 The Percent Change in the Median Assessment Value of Large Multi-Family Buildings (six or more units) Between 2009 and 2011 by Assessment Neighborhood



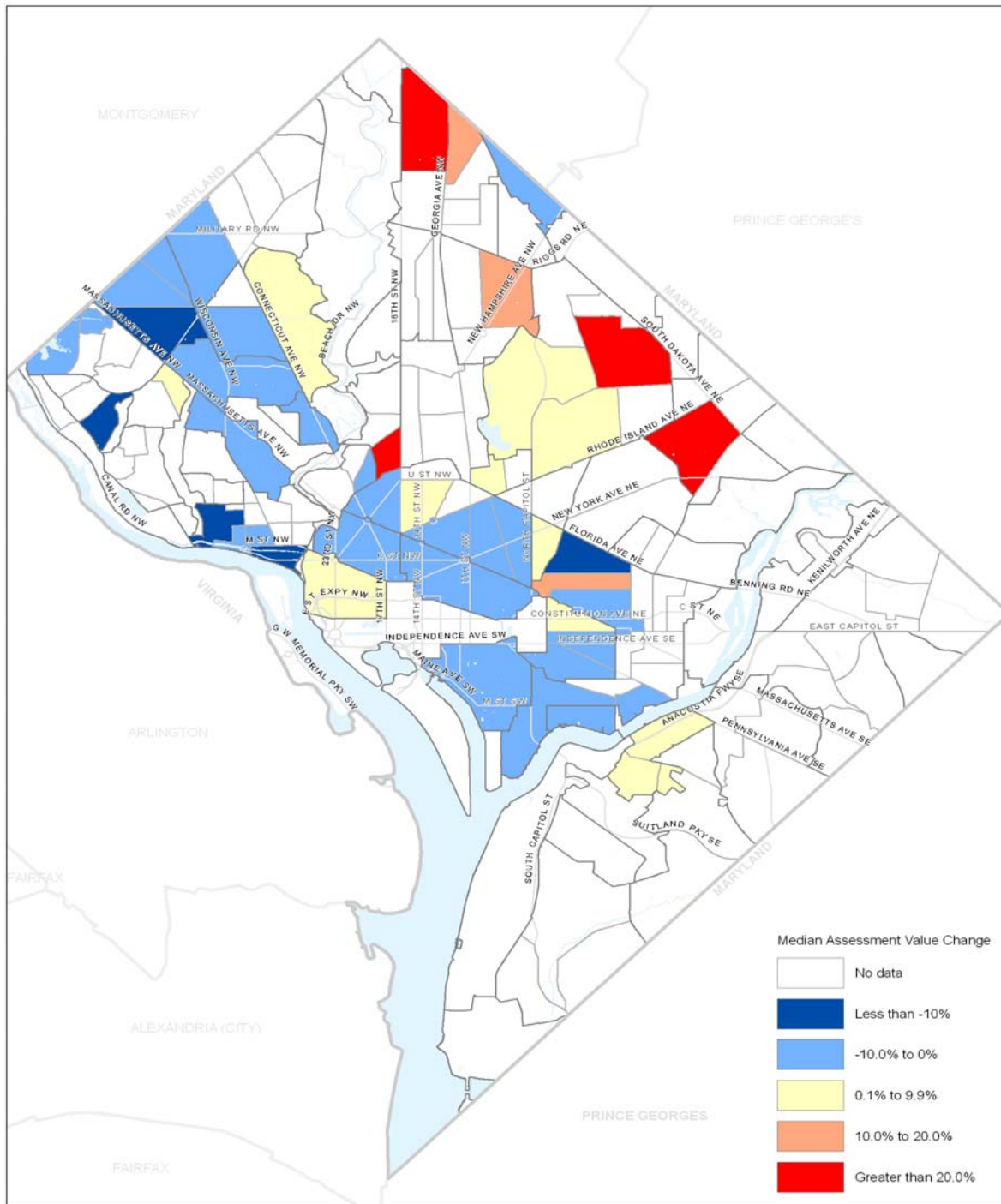
Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-40 The Percent Change in the Median Assessment Value of Large Office Buildings Between 2001 and 2009 by Assessment Neighborhood



Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 4-41 The Percent Change in the Median Assessment Value of Large Office Buildings Between 2009 and 2011 by Assessment Neighborhood



Source: Office of the Chief Financial Officer/Government of the District of Columbia

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CHAPTER 5: GENERAL SALES AND USE TAX

General Sales and Use Tax

Revenue from the District's sales and use tax is collected using a five-tier structure. Sales of tangible personal property and certain specified services are taxed at 5.75 percent¹. Sales of alcoholic beverages for consumption outside the premises are taxed at 9 percent. Sales of food and drink for immediate consumption, sales of alcoholic beverages for consumption on the premises, the rental or leasing of motor vehicles and sales of prepaid phone cards are taxed at 10 percent (with one percentage point earmarked for the Convention Center Authority). Parking and storing of vehicles are taxed at 12 percent. Transient accommodations are taxed at 14.5 percent (with 4.45 percentage points going to the Convention Center Authority).

The use tax is imposed at the same rate on property sold or purchased outside the District and then brought into the District to be used, stored or consumed. The total amount of use taxes collected (including tax at 5.75 percent rate, 9 percent rate and 10 percent rate) is less than six percent of the total sales and use tax collected.

- *Figure 5-1* shows trends in collections from sales and use taxes from FY 1990 to 2009. In general, gross sales taxes grew during the period. With the recessions in FY 2002 and FY 2009, revenue from sales taxes fell slightly (-1 percent and -4 percent respectively). The table also shows the trends in the dedication of portions of the sales tax for various purposes.
- *Figure 5-2* shows the sales tax base and tax collected by rate category in FY 2009. The general retail sales tax category was the largest portion of total taxable sales (59%). Contributions to total taxable sales from the other categories in descending order are: restaurant (24%), hotel (12%), parking (3%) and alcoholic beverages (2%). The contributions to the total tax liability, in descending order, by category are: general retail (43%), restaurant (30%), hotel (21%), parking (4%) and liquor (2%).
- *Figure 5-3* shows the gross general sales tax revenue by type of business for FY 2005 to FY 2009. The contributions by type of business are similar across all years. In order of relative importance, they are retail, restaurant, hotel, parking and liquor.
- *Figure 5-4* shows a summary of sales tax data for TY 2007 by NAICS code. The category with the largest percentage of filers, tax liability and total sales is accommodations and food services. Retail trade is second and the third largest category for filers, tax liability and total sales is professional and business services. These three categories combined account for 66.2 percent of the total filers, 78.6 percent of the sales tax liability, and 75.4 percent of total taxable sales.

¹ Effective FY 2010, the 5.75 percent rate was increased to 6 percent.

Figure 5-1 General Sales and Use Tax (Gross), Transfers and Net Revenue, FY 1990 - 2009 (\$000s)

Fiscal Year	General Sales and Use (Gross) Revenue	Transfer to Convention Center *	Transfer to Ballpark Fund	Transfer to DDOT	Transfer to TIF	Transfer to School Modernization	General Sales and Use (Net)
FY 1990	466,557	0	0	0	0	0	466,557
FY 1991	451,582	0	0	0	0	0	451,582
FY 1992	442,496	0	0	0	0	0	442,496
FY 1993	410,068	0	0	0	0	0	410,068
FY 1994	458,555	0	0	0	0	0	458,555
FY 1995	485,651	0	0	0	0	0	485,651
FY 1996	467,527	0	0	0	0	0	467,527
FY 1997	482,354	0	0	0	0	0	482,354
FY 1998	557,081	0	0	0	0	0	557,081
FY 1999	592,718	51,145	0	0	0	0	541,573
FY 2000	640,212	54,524	0	0	0	0	585,688
FY 2001	673,068	55,851	0	0	0	0	617,217
FY 2002	666,228	53,874	0	0	0	0	612,354
FY 2003	690,370	58,905	0	0	0	0	631,465
FY 2004	733,217	62,200	0	0	0	0	671,017
FY 2005	861,078	77,490	8,547	0	6,733	0	768,308
FY 2006	908,884	79,706	8,664	33,586	11,562	0	775,366
FY 2007	959,968	83,312	8,275	37,087	14,205	100,000	717,089
FY 2008	1,015,182	91,493	12,364	37,420	23,450	100,000	750,455
FY 2009	973,410	91,538	9,434	23,765	18,121	106,000	724,552

Source: Office of the Chief Financial Officer/Government of the District of Columbia

*Transfer to the Convention Center Fund from Sales Tax has been effective since October 1994. Data is available from 1999.

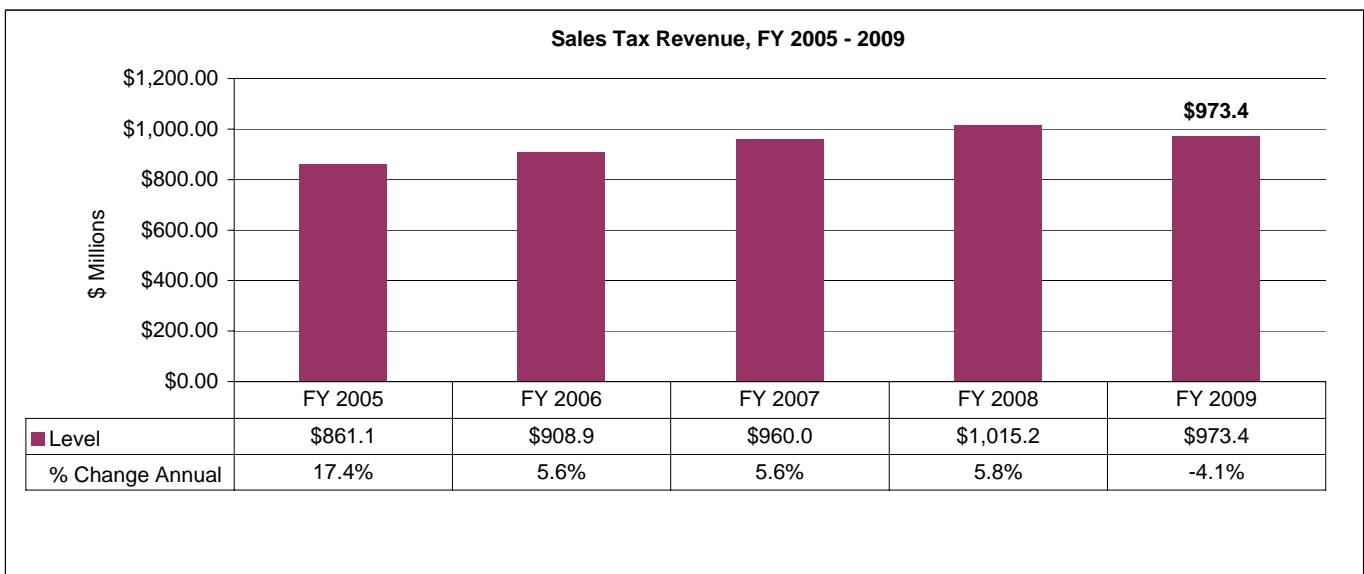


Figure 5-2 Estimated Sales Tax Base and Payments by Tax Type, FY 2009 (\$Millions)

	Retail	Liquor	Restaurant	Parking	Hotel	Total
Base	7,272	248	2,883	335	1,409	
Rate	5.75%	9.0%	10.0%	12.0%	14.5%	
Collections	418.2	22.4	288.3	40.2	204.3	973.4
Convention Center Transfer			28.8		62.7	91.5
TIF Transfer						18.1
Ballpark Transfer						9.4
Parking Tax Transfer				23.8		23.8
School Modernization Fund Transfer					106.0	106.0
Local Fund	418.2	22.4	259.5	16.4	141.6	(133.5)

Source: Office of the Chief Financial Officer/Government of the District of Columbia

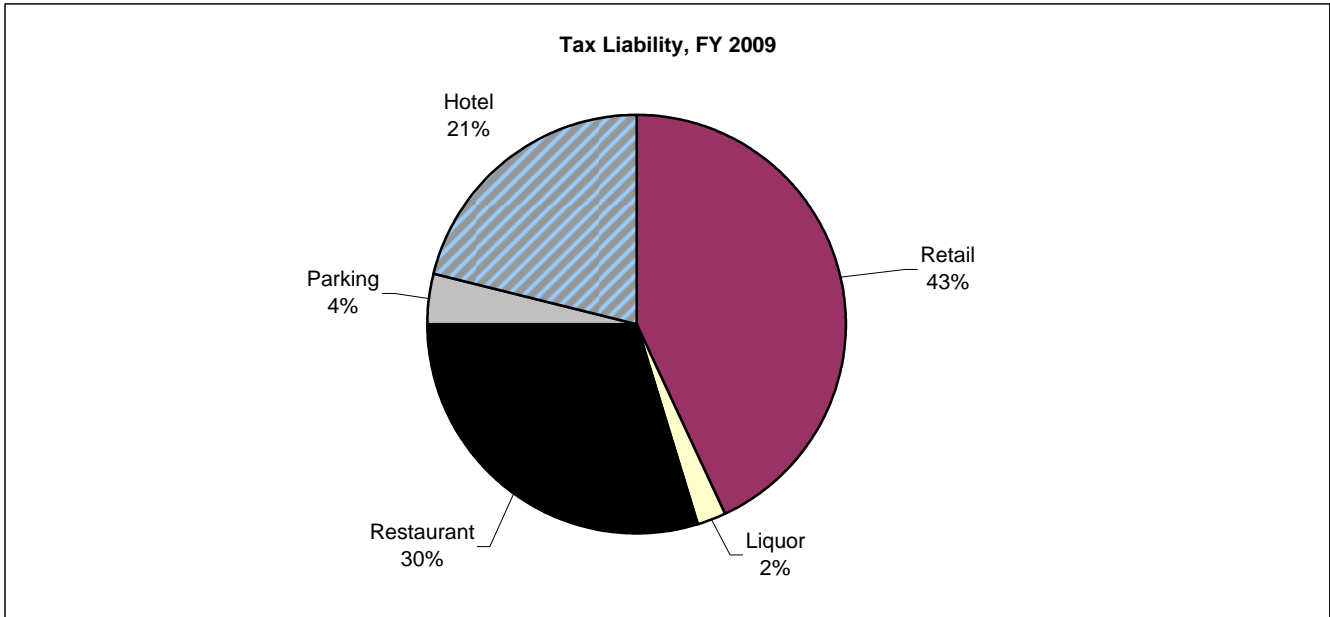
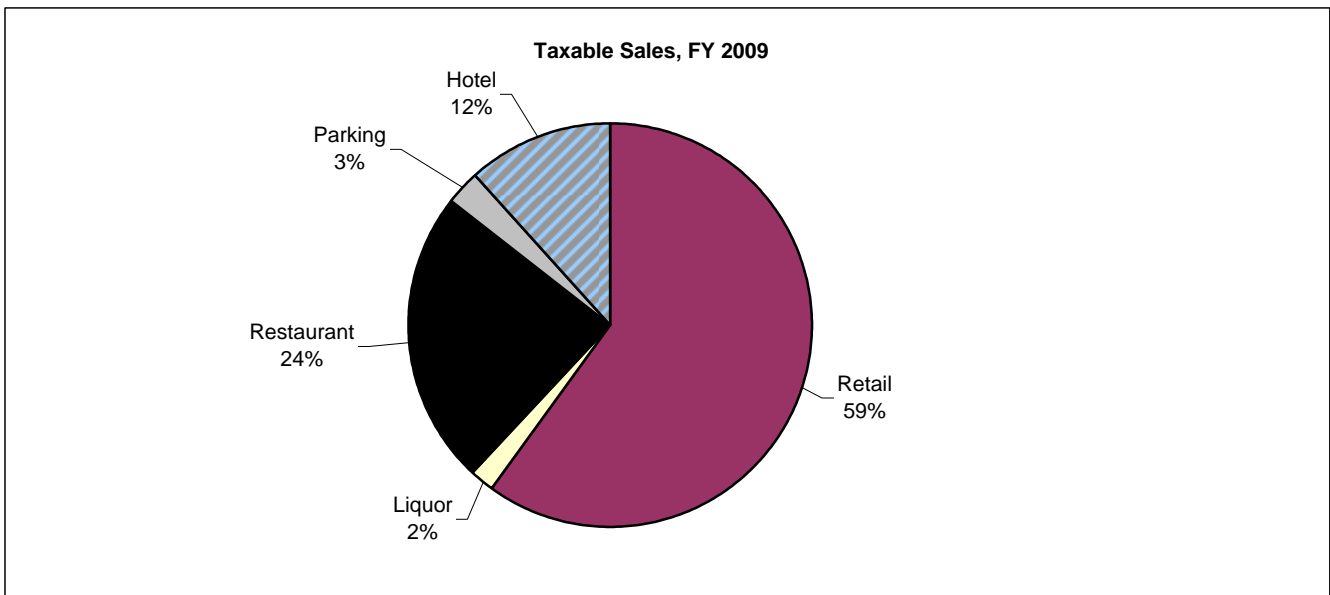


Figure 5-3 Gross General Sales Tax Revenue by Type of Business, FY 2005 - 2009 (\$Millions)

Tax Type	2005 *	2006	2007	2008	2009
Retail	373.3	426.7	453.8	460.7	418.2
Liquor	19.7	20.9	22.1	24.6	22.4
Restaurant	246.1	249.2	260.5	288.3	288.3
Parking	34.7	33.6	37.1	37.4	40.2
Hotel	172.0	178.5	186.6	204.2	204.3
Total	845.8	908.9	960.0	1,015.2	973.4

Source: Office of the Chief Financial Officer/Government of the District of Columbia

*Does not include amounts transferred to Baseball Fund (\$8.5 million) and TIF Transfer (\$6.7 million)

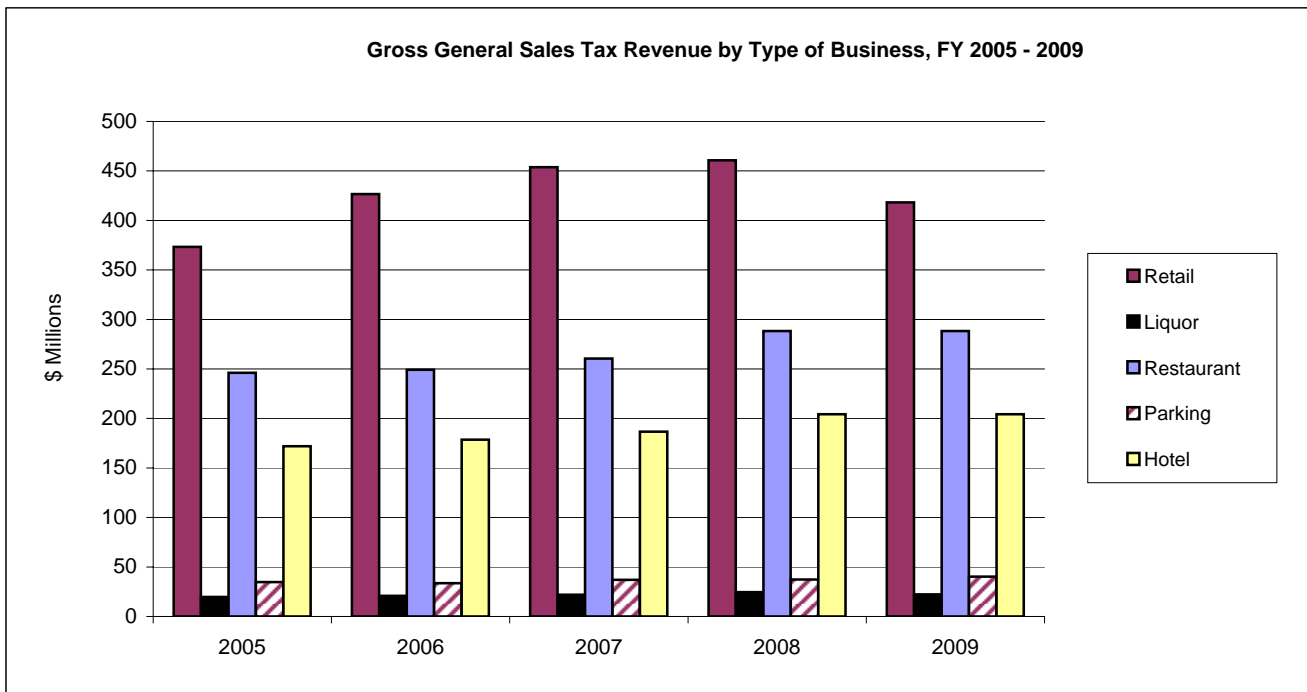
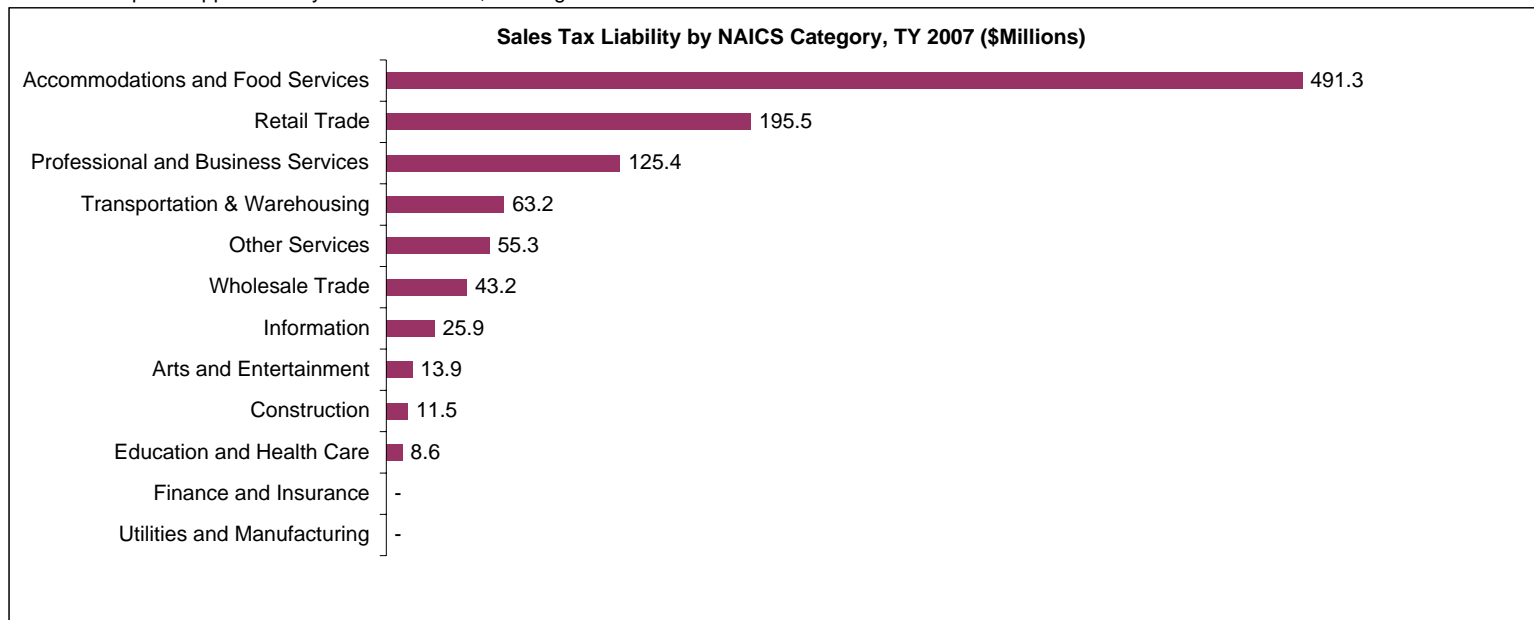


Figure 5-4 Summary of Completed NAICS Code Data, TY 2007 Sales Tax Data

NAICS Category Description	Number of Filers*	Percent of Total	Sales Tax Liability (\$)	Percent of Total	Total Taxable Sales (\$)	Percent of Total	Total Sales (\$)	Percent of Total
Utilities and Manufacturing	-	-	-	-	-	-	-	-
Transportation & Warehousing	589	8.6%	63,212,663	6.1%	944,499,797	8.0%	5,395,423,210	21.0%
Construction	238	3.5%	11,472,300	1.1%	140,737,063	1.2%	467,602,720	1.8%
Wholesale Trade	543	7.9%	43,156,036	4.2%	686,316,492	5.8%	2,531,858,283	9.8%
Retail Trade	1,511	22.1%	195,495,156	18.9%	2,927,793,327	24.8%	4,815,980,614	18.7%
Information	324	4.7%	25,904,317	2.5%	322,496,427	2.7%	1,323,775,431	5.1%
Finance and Insurance	-	-	-	-	-	-	-	-
Professional and Business Services	1,484	21.7%	125,380,735	12.1%	1,652,420,604	14.0%	5,306,297,893	20.6%
Education and Health Care	84	1.2%	8,622,588	0.8%	85,217,695	0.7%	143,796,860	0.6%
Arts and Entertainment	57	0.8%	13,885,453	1.3%	182,625,036	1.5%	215,225,414	0.8%
Accommodations and Food Services	1,537	22.5%	491,334,929	47.5%	4,315,600,262	36.6%	4,779,450,978	18.6%
Other Services	479	7.0%	55,299,419	5.3%	542,441,061	4.6%	770,201,515	3.0%
Total	6,846	100.0%	1,033,763,596	100.0%	11,800,147,764	100.0%	25,749,612,918	100.0%

Source: Office of the Chief Financial Officer/ Government of the District of Columbia

*Based on a sample of approximately 50% of tax filers, who together accounted for 90% of total sales.



CHAPTER 6: CORPORATE FRANCHISE AND UNINCORPORATED BUSINESS TAXES

Corporate Franchise and Unincorporated Business Taxes

The District's franchise tax is imposed on all corporations and unincorporated businesses having nexus in the District of Columbia. The tax liability is determined by multiplying the rate of 9.975 percent (9.5 percent rate plus a surtax of 5 percent of the base rate) by the net taxable business income that is apportioned to the District of Columbia. Business income is apportioned to the District of Columbia based on a three-factor formula – sales, payroll, and property – with each factor weighted equally. When this apportionment formula does not fairly represent the extent of the taxpayer's business activities in the District, that taxpayer may petition for (or the Office of Tax and Revenue may require) consideration of a different formula.

Income from unincorporated businesses with annual gross receipts of \$12,000 or less is excluded from the tax base. Also excluded from the tax base is income from nonresident-owned unincorporated businesses that provide professional services (e.g. law firms). For taxable unincorporated businesses, owners are allowed a 30 percent salary allowance along with a \$5,000 exemption. When 80 percent or more of the entity's income is derived from personal services, the unincorporated business income is taxed under the individual income tax.

- The minimum tax of \$100 was paid by 66.4 percent of corporate franchise taxpayers in TY 2008 [*Figure 6- 2*].
- *Figure 6-3* shows that of the corporate franchise taxpayers who pay more than the minimum tax, the top 10 percent of taxpayers pay approximately 80 percent of the total tax greater than the minimum.
- *Figure 6-4* shows that the minimum tax of \$100 was paid by 64.2 percent of unincorporated business taxpayers in TY 2008.
- *Figure 6-5* shows that of the unincorporated business taxpayers who pay more than the minimum tax, the top 10 percent of taxpayers pay approximately 80 percent of the total tax greater than the minimum.

Figure 6-1 Business Tax Revenue, FY 1990 - 2009 (\$000s)

Fiscal Year	Business Tax Revenue	Corporate Franchise	Unincorporated Business
FY 1990	139,741	112,273	27,468
FY 1991	133,279	102,767	30,512
FY 1992	87,877	62,751	25,126
FY 1993	140,998	105,038	35,960
FY 1994	150,208	113,981	36,227
FY 1995	160,679	121,407	39,272
FY 1996	154,145	123,114	31,031
FY 1997	183,505	144,563	38,942
FY 1998	221,597	174,729	46,868
FY 1999	217,595	163,699	53,896
FY 2000	261,218	190,594	70,624
FY 2001	302,049	233,237	68,812
FY 2002	211,249	142,647	68,602
FY 2003	238,484	156,777	81,707
FY 2004	256,700	168,353	88,347
FY 2005	312,358	195,492	116,866
FY 2006	357,881	215,283	142,598
FY 2007	422,535	255,511	167,024
FY 2008	413,095	286,204	126,891
FY 2009	342,130	221,883	120,247

Source: Office of the Chief Financial Officer/Government of the District of Columbia

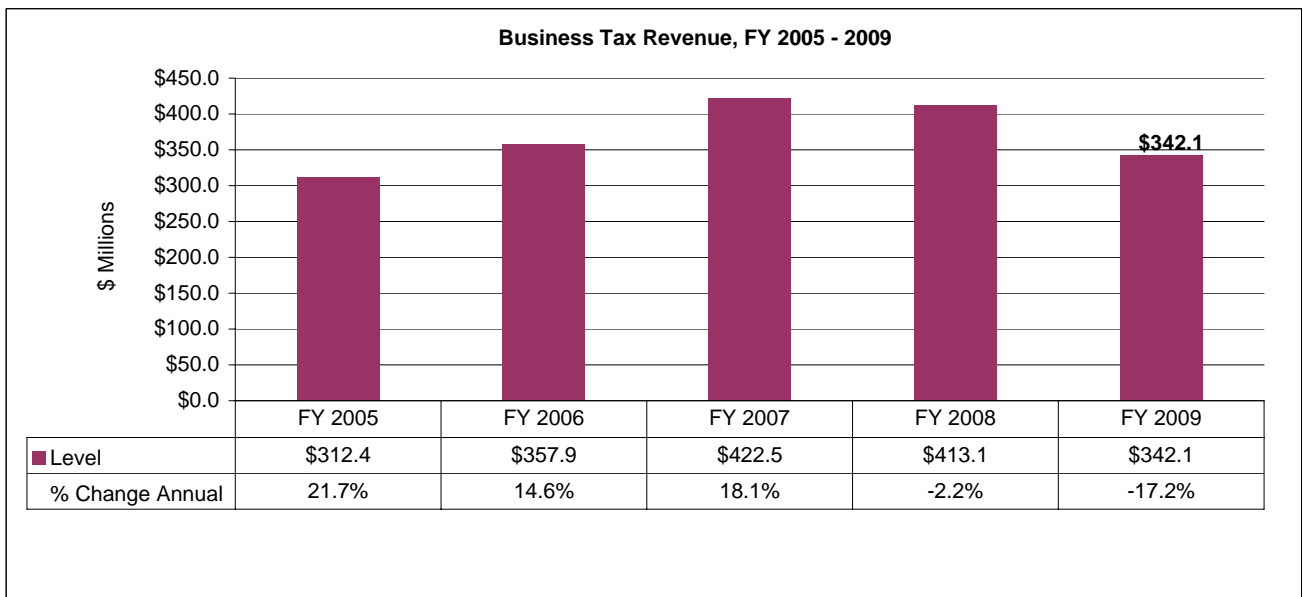


Figure 6-2 Number of Corporate Franchise Taxpayers Who Pay the Minimum Tax of \$100, TY 2008

Number Who Pay Minimum	Number Who Pay Greater than \$100	Total Taxpayers	Percent of Total
16,397	8,281	24,678	66.4%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 6-3 Corporate Franchise Tax Liability by Decile for Entities with Liability Greater than \$100, TY 2008

Decile	Number of Taxpayers	Median Tax Due (\$000s)	Total Due (\$000s)	Percent of Total
1st	826	0.2	132	0.08%
2nd	830	0.3	263	0.17%
3rd	827	0.6	472	0.30%
4th	829	1.0	816	0.52%
5th	828	1.6	1,373	0.88%
6th	829	2.7	2,283	1.47%
7th	828	4.5	3,744	2.41%
8th	828	7.8	6,702	4.32%
9th	828	17.1	14,890	9.59%
10th	828	66.4	125,865	80.25%
Total	8,281		156,539	100%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 6-4 Number of Unincorporated Business Taxpayers Who Pay the Minimum Tax of \$100, TY 2008

Number Who Pay Minimum	Number Who Pay Greater than \$100	Total Taxpayers	Percent of Total
10,108	5,632	15,740	64.2%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 6-5 Unincorporated Business Tax Liability by Decile for Entities with Liability Greater than \$100, TY 2008

Decile	Number of Taxpayers	Median Tax Due (\$000s)	Total Due (\$000s)	Percent of Total
1st	563	0.2	121	0.11%
2nd	562	0.5	271	0.25%
3rd	564	0.8	456	0.42%
4th	564	1.2	686	0.63%
5th	563	1.8	1,029	0.96%
6th	563	2.7	1,563	1.49%
7th	564	4.7	2,621	2.49%
8th	563	7.9	4,583	4.38%
9th	563	16.8	10,083	9.62%
10th	563	66.9	84,806	79.66%
Total	5,632		106,220	100%

Source: Office of the Chief Financial Officer/Government of the District of Columbia

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CHAPTER 7: NON-TAX REVENUE

Non-Tax Revenue

The local fund non-tax revenue includes: a) licenses and permits; b) fines and forfeitures; c) charges for services; and d) miscellaneous revenues. Lottery transfers, technically an interfund transfer, are generally included in non-tax revenue.

- Total non-tax revenues have increased from \$220.4 million in FY 1990 to \$421.9 million in FY 2009. *[Figure 7-1]* The average annual increase of 3.3 percent is slower than the 4 percent average annual increase in gross tax revenue. After a strong period of growth from 2003 to 2007, non-tax revenues have declined for the last two years.
 - Licenses and permits which make up about 16 percent of non-tax revenues have suffered due to declines in the construction industry and vehicle registrations which make up almost two-thirds of the category.
 - Fines and forfeitures, which account for 25 percent of non-tax revenue, declined in FY 2008 but grew in FY 2009, due to increased traffic enforcement and broader use of automated enforcement tools.
 - Charges for services, 10 percent of non-tax revenue, are driven by ambulance fees and corporate recordation fees. Combined, these two fees account for over half of charges for services. Beginning in FY 2009, an increase in the emergency ambulance fees added \$3.5 million to the category, offsetting weakness in deed recordation and corporate recordation, two other major components.
 - Miscellaneous revenue, 34 percent of non-tax revenue, fell primarily due to lower interest income. D.C. bank holdings earn interest and the last two years that income has diminished due to greater use of fund balance due to revenue declines and an interest rate environment near zero due to the financial crisis.
 - Lottery revenue, 16 percent of non-tax revenue, is a relatively stable revenue stream and returns about \$70 million annually to the District. The net transfer to the general fund after prize payout and expenses was 28 percent of lottery sales in FY 2009.
- Total non-tax revenue grew by 6.2 percent from FY 2004 but most of the growth was at the beginning of the period. The FY 2009 amount was below the level in FY 2005. The peak was FY 2007. *[Figure 7-2]*
- *Figures 7-3, 7-4, and 7-5* highlight construction permits and fees, traffic fines, and interest income.
 - Construction permits and fees are a significant portion of nontax revenues and follow the construction industry. The contraction in real property markets is apparent in the decline in FY 2009.
 - Traffic fines have benefited from automated enforcement. *Figure 7-4* shows the number of tickets issued monthly by photo radar and red light cameras. In FY 2009, there were 56% more tickets issued than FY 2008, primarily from photo radar cameras that capture vehicles exceeding the speed limit.
 - Interest income soared to \$82 million in FY 2007, becoming a significant component of overall revenue and 17 percent of nontax revenue. By FY 2009, the amount had declined to less than \$12 million as fund balance and interest rates declined.

Figure 7-1 Non-Tax and Lottery Revenue, FY 1990 - 2009 (\$000s)

Fiscal Year	Total Non-Tax and Lottery Revenue	Licenses & Permits	Fines and Forfeitures	Charges for Services	Misc. Revenue	Lottery Transfer
FY 1990	220,428	32,285	48,542	49,736	40,990	48,875
FY 1991	231,828	32,997	53,026	51,671	48,434	45,700
FY 1992	251,887	41,856	51,860	57,420	52,251	48,500
FY 1993	248,947	44,564	51,845	52,903	32,760	66,875
FY 1994	265,611	49,098	48,107	52,104	47,252	69,050
FY 1995	281,651	47,583	42,447	52,687	53,834	85,100
FY 1996	253,593	49,400	40,792	46,134	42,017	75,250
FY 1997	281,082	45,489	51,664	43,810	70,919	62,900
FY 1998	316,488	48,123	53,177	34,752	99,136	81,300
FY 1999	276,242	46,534	47,688	31,055	86,740	64,225
FY 2000	321,884	43,754	53,216	37,257	118,207	69,450
FY 2001	399,973	41,394	57,052	63,938	153,589	84,000
FY 2002	335,759	50,195	86,539	55,472	80,553	63,000
FY 2003	375,907	59,761	88,455	65,736	89,905	72,050
FY 2004	397,199	61,505	99,478	53,705	109,011	73,500
FY 2005	423,877	74,010	108,012	51,344	119,061	71,450
FY 2006	435,751	72,184	112,456	47,646	129,665	73,800
FY 2007	489,251	78,283	101,436	52,421	191,735	65,376
FY 2008	456,156	84,921	98,932	43,493	158,510	70,300
FY 2009	421,945	65,924	101,415	44,092	141,739	68,775

Source: Office of the Chief Financial Officer/Government of the District of Columbia

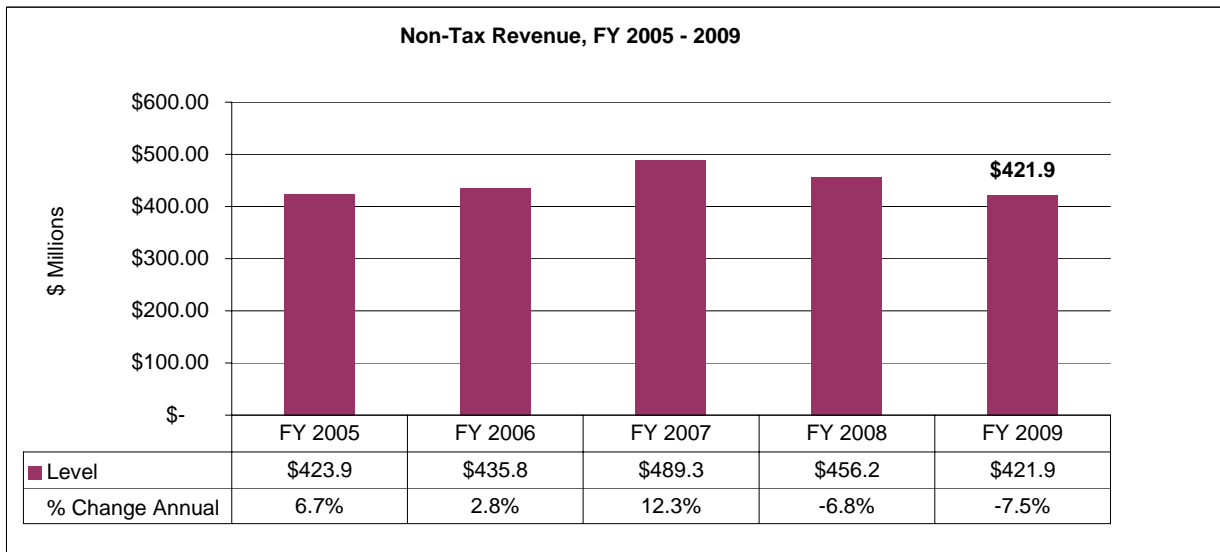


Figure 7-2 Selected Non-Tax Revenue, FY 2000 - 2009 (\$000s)

Fiscal Year	Traffic Fines	Insurance License	Building Structures & Permits	Interest Income	Unclaimed Property	Automated Enforcement*	Emergency Ambulance Fee	Motor Vehicle Registration
FY 2000	43,799	2,232	9,439	12,779	28,042	7,079	2,961	15,755
FY 2001	48,065	3,062	10,091	32,936	18,260	6,830	3,441	16,611
FY 2002	62,472	1,639	10,207	9,333	16,148	22,874	5,189	16,778
FY 2003	69,032	7,524	10,202	11,246	19,986	17,552	8,757	18,527
FY 2004	70,737	4,724	11,673	8,238	26,409	24,310	9,557	17,913
FY 2005	73,064	12,812	15,870	26,052	28,993	26,949	9,852	21,584
FY 2006	79,961	7,201	15,887	53,851	29,949	29,942	8,811	25,019
FY 2007	81,057	13,581	12,982	82,954	36,167	17,206	8,156	23,083
FY 2008	88,869	8,821	15,940	62,601	34,644	7,715	6,227	30,577
FY 2009	74,131	11,790	12,076	11,864	32,869	25,958	5,910	29,895

* Automated enforcement includes photo radar and red light camera enforced traffic fines.

Source: Office of the Chief Financial Officer/Government of the District of Columbia

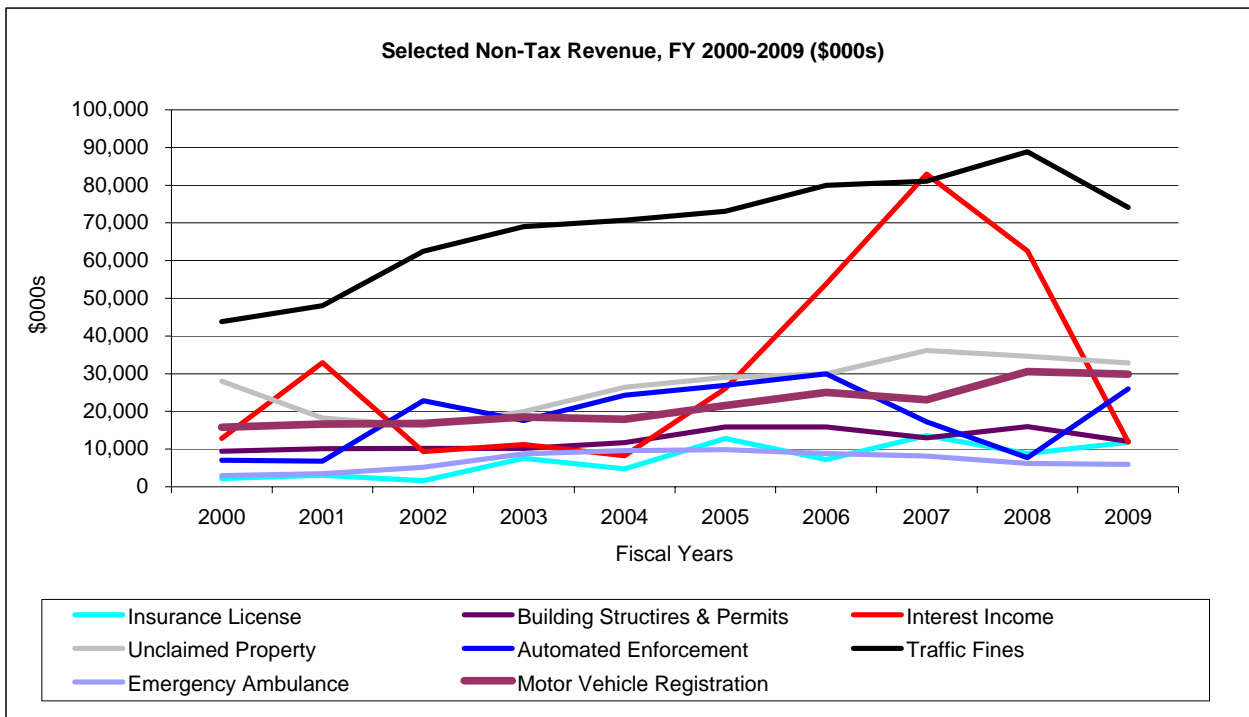
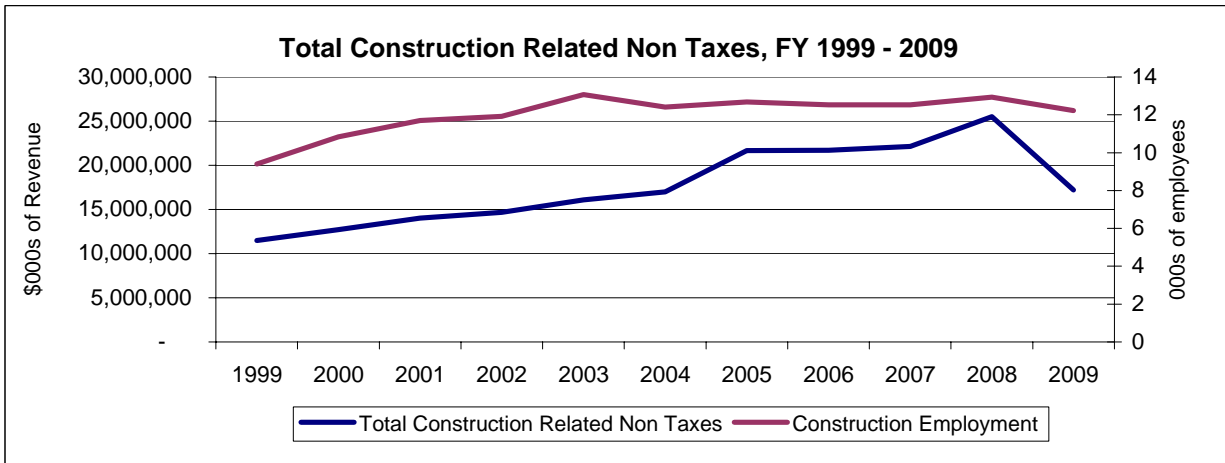
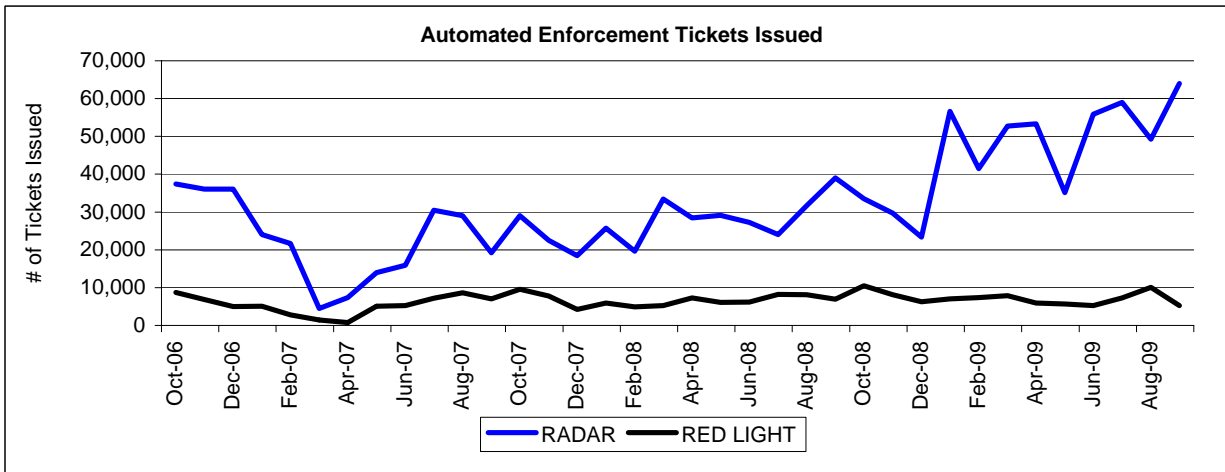


Figure 7-3 Total Construction Related Non-Taxes, FY 2005 - 2009 (\$000s)



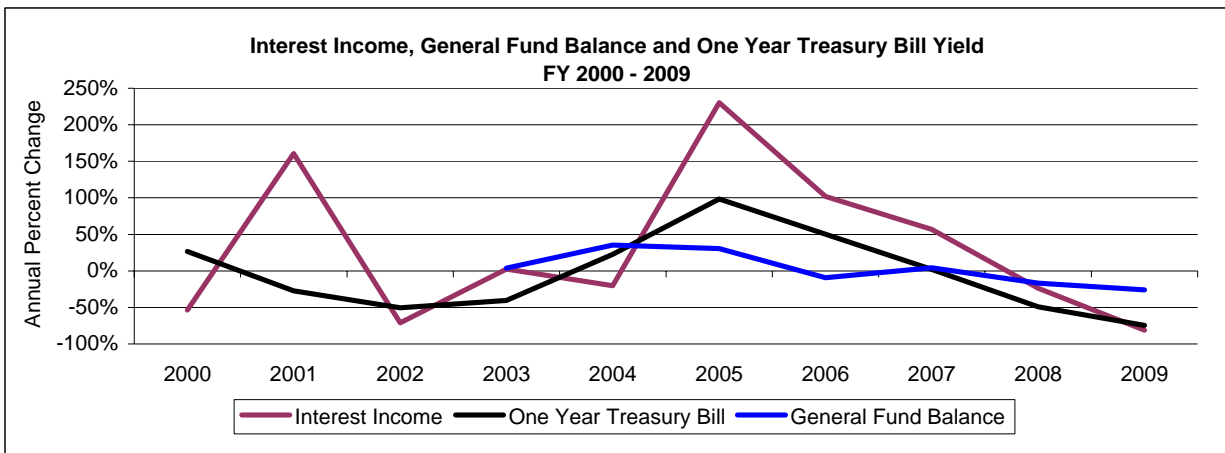
Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 7-4 Traffic Fines, FY 1999 - 2009 (\$000s)



Source: Office of the Chief Financial Officer/Government of the District of Columbia

Figure 7-5 Interest Income Versus One Year Treasury Bill, FY 2000-2009



Source: Office of the Chief Financial Officer/Government of the District of Columbia

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CHAPTER 8: SPECIAL PURPOSE REVENUE

Special Purpose (O-Type) Revenue

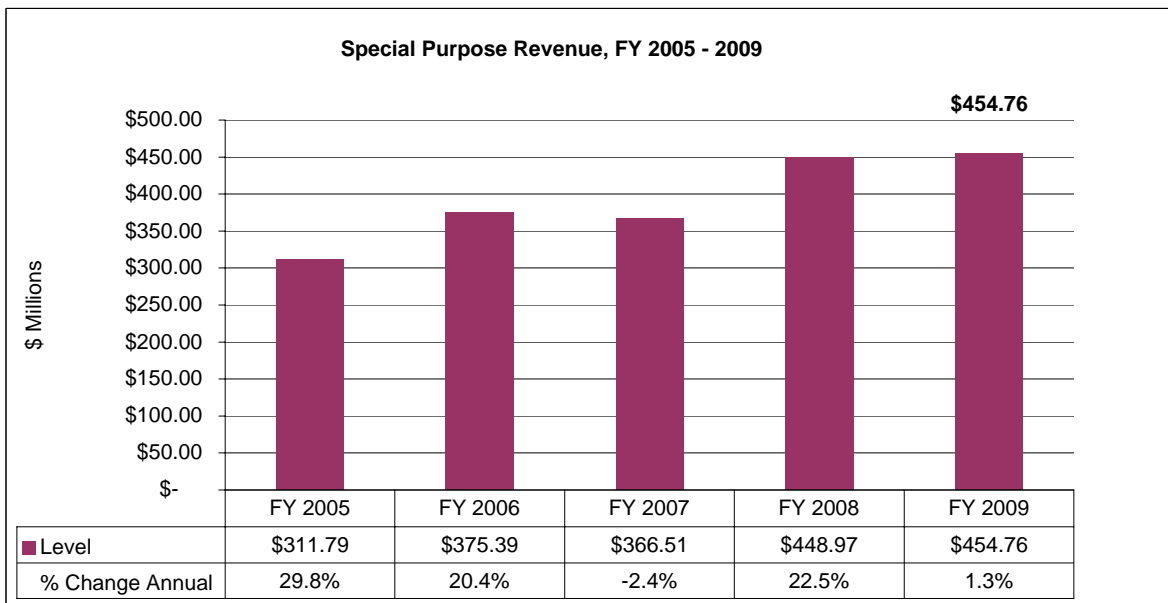
- Special purpose non-tax revenue funds, or O-Type revenue funds, are District of Columbia agency funds whose revenue is generated from fees, fines, assessments, or reimbursements. The revenue is designated for use by the fund to cover the cost of performing the fund's function.
- *Figure 8-1* reports the total revenue received during the fiscal year by all special purpose revenue funds.
- Over the FY 2002 - FY 2009 period, the number of special purpose revenue funds with revenue ranged from a low of 163 funds (in FY 2004) to a high of 183 (in FY 2008).
- In FY 2009, 180 funds collected revenue. The revenue received by these funds ranged from a low of \$60 for the fiscal year (Office of the State Superintendent of Education's "State Education Other Fund") to a high of \$88.2 million (District Department of Transportation's "Unified Fund").

Figure 8-1 Special Purpose (O-Type) Revenue, FY 1996 - 2009 (\$000s)

Fiscal Year	Special Purpose (O-Type) Revenue
FY 1990	n/a
FY 1991	n/a
FY 1992	n/a
FY 1993	n/a
FY 1994	n/a
FY 1995	n/a
FY 1996	n/a
FY 1997	n/a
FY 1998	n/a
FY 1999	282,732
FY 2000	308,607
FY 2001	288,169
FY 2002	156,236
FY 2003	164,125
FY 2004	240,253
FY 2005	311,789
FY 2006	375,389
FY 2007	366,511
FY 2008	448,972
FY 2009	454,764

Source: Office of the Chief Financial Officer/Government of the District of Columbia

Note: Prior to the implementation of GASB Statement No. 34 in FY 2002, special purpose fund revenues were not considered local revenues. They were reported differently in the CAFR and were reported with the District's federal and private grants in the Financial Plan. Consequently, the FY 1996 to FY 2001 data in this table are not defined the same as the FY 2002 to FY 2009 data.



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APPENDIX A

Figure A-1 Demographic, Social, Economic and Housing Characteristics: CY2000 and CY2005 to CY2008*

	2000	2005	2006	2007	2008
<i>Demographic</i>					
Total Population (Official Census Bureau)	572,059	582,049	585,459	588,292	599,657
Total Population (American Community Survey)	na	na	581,530	588,292	591,833
Total Household Population	536,497	515,118	546,305	552,984	556,627
Total Households	248,590	248,213	250,456	251,039	249,996
Family Households	114,166	108,483	108,759	108,181	107,365
Percent Distribution	45.9%	43.7%	43.4%	43.1%	42.9%
With own children under 18 years	49,104	46,920	42,232	45,089	45,891
Percent Distribution	43.0%	43.3%	38.8%	41.7%	42.7%
Married-Couple Families	56,631	54,212	55,871	55,790	54,439
Percent Distribution	49.6%	50.0%	51.4%	51.6%	50.7%
With own children under 18 years	20,741	18,943	18,333	18,752	19,474
Percent Distribution	36.6%	34.9%	32.8%	33.6%	35.8%
Female Householder, no husband present	47,032	44,193	43,487	42,957	42,983
Percent Distribution	41.2%	40.7%	40.0%	39.7%	40.0%
With own children under 18 years	24,561	23,546	21,070	22,919	22,150
Percent Distribution	52.2%	53.3%	48.5%	53.4%	51.5%
Non-family Households	134,172	139,730	141,697	142,858	142,631
Percent Distribution	54.0%	56.3%	56.6%	56.9%	57.1%
Average Household Size	2.16	2.08	2.18	2.20	2.23
<i>Social</i>					
Population 25 years of age and over	384,535	371,932	395,630	401,018	403,768
High School Graduate or Higher	299,168	310,935	333,516	343,672	346,433
Percent high school graduate or higher	77.8%	83.6%	84.3%	85.7%	85.8%
Bachelor's Degree or Higher	116,975	140,854	153,084	163,244	166,981
Percent bachelor's degree or higher	39.1%	45.30%	45.90%	47.50%	48.2%

Figure A-1 continued

	2000	2005	2006	2007	2008
<i>Economic</i>					
Employed Civilian Population 16 years and over	263,108	255,385	288,360	292,422	306,366
Occupation					
Management, professional, and related occupations	134,387	143,623	161,719	162,093	170,483
Percent Distribution	51.1%	56.2%	56.1%	55.4%	55.6%
Service occupations	42,308	39,306	47,160	46,957	49,090
Percent Distribution	16.1%	15.4%	16.4%	16.1%	16.0%
Sales and office occupations	59,966	48,110	57,937	59,120	61,624
Percent Distribution	22.8%	18.8%	20.1%	20.2%	20.1%
Other Occupations*	26,447	24,346	21,544	24,252	25,169
Percent Distribution	10.1%	9.5%	7.5%	8.3%	8.2%
<i>* Consists of farm, fishing and forestry occupations; construction, extraction, maintenance and repair occupations; and production, transportation, and material moving occupations.</i>					
Employed Civilian Population 16 years and over	263,108	255,385	288,360	292,422	306,366
Industry					
Agriculture, forestry, fishing and hunting, and mining	203	166	917	174	866
Percent Distribution	0.1%	0.1%	0.3%	0.1%	0.3%
Construction	10,337	9,338	8,680	8,808	10,606
Percent Distribution	3.9%	3.7%	3.0%	3.0%	3.5%
Manufacturing	4,024	4,172	3,440	3,678	4,439
Percent Distribution	1.5%	1.6%	1.2%	1.3%	1.4%
Wholesale trade	2,385	4,172	1,738	2,275	1,840
Percent Distribution	0.9%	1.6%	0.6%	0.8%	0.6%
Retail trade	15,678	11,550	13,193	16,673	16,223
Percent Distribution	6.0%	4.5%	4.6%	5.7%	5.3%
Transportation and warehousing, and utilities	9,521	8,351	8,331	10,206	9,990
Percent Distribution	3.6%	3.3%	2.9%	3.5%	3.3%
Information	16,846	12,914	13,972	14,542	11,965

Figure A-1 continued

	2000	2005	2006	2007	2008
Percent Distribution	6.4%	5.1%	4.8%	5.0%	3.9%
Finance and insurance, and real estate and rental and leasing	19,388	18,176	19,819	18,784	19,775
Percent Distribution	7.4%	7.1%	6.9%	6.4%	6.5%
Professional, scientific, and management, and administrative and waste management services	49,564	55,558	68,928	62,792	63,936
Percent Distribution	18.8%	21.8%	23.9%	21.5%	20.9%
Educational services, and health care, and social assistance	47,312	49,450	56,652	56,783	61,271
Percent Distribution	18.0%	19.4%	19.6%	19.4%	20.0%
Arts, entertainment, and recreation, and accommodation, and food services	23,904	22,770	26,308	25,697	30,005
Percent Distribution	9.1%	8.9%	9.1%	8.8%	9.8%
Other services, except public administration	24,445	21,279	20,912	26,096	26,243
Percent Distribution	9.3%	8.3%	7.3%	8.9%	8.6%
Public administration	39,501	40,180	45,470	45,914	49,207
Percent Distribution	15.0%	15.7%	15.8%	15.7%	16.1%
Total households	248,590	248,213	250,456	251,039	249,996
Household Income					
Less than \$10,000	36,939	33,380	32,514	25,469	27,751
Percent Distribution	14.9%	13.4%	13.0%	10.1%	11.1%
\$10,000 to \$14,999	14,594	13,313	11,341	13,791	10,342
Percent Distribution	5.9%	5.4%	4.5%	5.5%	4.1%
\$15,000 to \$24,999	28,443	23,719	23,052	24,038	19,551
Percent Distribution	11.4%	9.6%	9.2%	9.6%	7.8%
\$25,000 to \$34,999	30,592	25,975	21,752	22,732	20,503
Percent Distribution	12.3%	10.5%	8.7%	9.1%	8.2%
\$35,000 to \$49,999	35,311	33,274	31,591	30,903	31,871
Percent Distribution	14.2%	13.4%	12.6%	12.3%	12.7%
\$50,000 to \$74,999	39,553	40,429	39,551	37,529	38,460
Percent Distribution	15.9%	16.3%	15.8%	14.9%	15.4%

Figure A-1 continued

	2000	2005	2006	2007	2008
\$75,000 to \$99,999	22,437	24,654	26,368	26,544	28,781
Percent Distribution	9.0%	9.9%	10.5%	10.6%	11.5%
\$100,000 to \$149,999	20,790	24,243	29,332	31,777	31,007
Percent Distribution	8.4%	9.8%	11.7%	12.7%	12.4%
\$150,000 to \$199,999	8,292	12,439	14,437	17,062	16,550
Percent Distribution	3.3%	5.0%	5.8%	6.8%	6.6%
\$200,000 or more	11,639	16,787	20,518	21,194	25,180
Percent Distribution	4.7%	6.8%	8.2%	8.4%	10.1%
Median household income**	\$44,270	\$47,221	\$51,847	\$54,317	\$57,936
Mean household income**	\$69,551	\$75,058	\$81,991	\$88,335	\$93,118
<i>Housing</i>					
Total housing units	274,845	277,775	282,900	284,235	285,363
Occupied housing units	248,338	248,213	250,456	251,039	249,996
Percent Distribution	90.4%	89.4%	88.5%	88.3%	87.6%
Vacant housing units	26,507	29,562	32,444	33,196	35,367
Percent Distribution	9.6%	10.6%	11.5%	11.7%	12.4%
Owner Occupied Housing Units	101,214	105,518	114,586	111,813	108,571
<i>Value</i>					
Less than \$50,000	1,933	847	521	280	1,430
Percent Distribution	1.9%	0.8%	0.5%	0.3%	1.3%
\$50,000 to \$99,999	19,661	2,094	1,631	1,180	761
Percent Distribution	19.4%	2.0%	1.4%	1.1%	0.7%
\$100,000 to \$149,000	27,757	6,549	3,177	3,647	1,243
Percent Distribution	27.4%	6.2%	2.8%	3.3%	1.1%
\$150,000 to \$199,999	15,142	9,826	6,067	5,124	3,920
Percent Distribution	15.0%	9.3%	5.3%	4.6%	3.6%

Figure A-1 continued

	2000	2005	2006	2007	2008
\$300,000 to \$499,999	14,715	30,805	38,143	38,165	36,109
Percent Distribution	14.5%	29.2%	33.3%	34.1%	33.3%
\$500,000 to \$999,999	7,901	28,822	35,946	35,588	38,166
Percent Distribution	7.8%	27.3%	31.4%	31.8%	35.2%
\$1,000,000 or more	1,934	8,097	11,712	12,279	11,811
Percent Distribution	1.9%	7.7%	10.2%	11.0%	10.9%
Median Value	\$153,500	\$384,400	\$437,700	\$450,900	\$474,100

*The demographic data is household population data and excludes the population living in institutions, college dormitories, and other group quarters; it was not updated to reflect revisions to the total population number.

**Median and mean household income are adjusted for inflation.

Source: U.S. Census Bureau (2000), American Community Survey (2005-2008)



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