

District of Columbia Cash Collections Report

Office of Revenue Analysis
Office of the Chief Financial Officer
Government of the District of Columbia

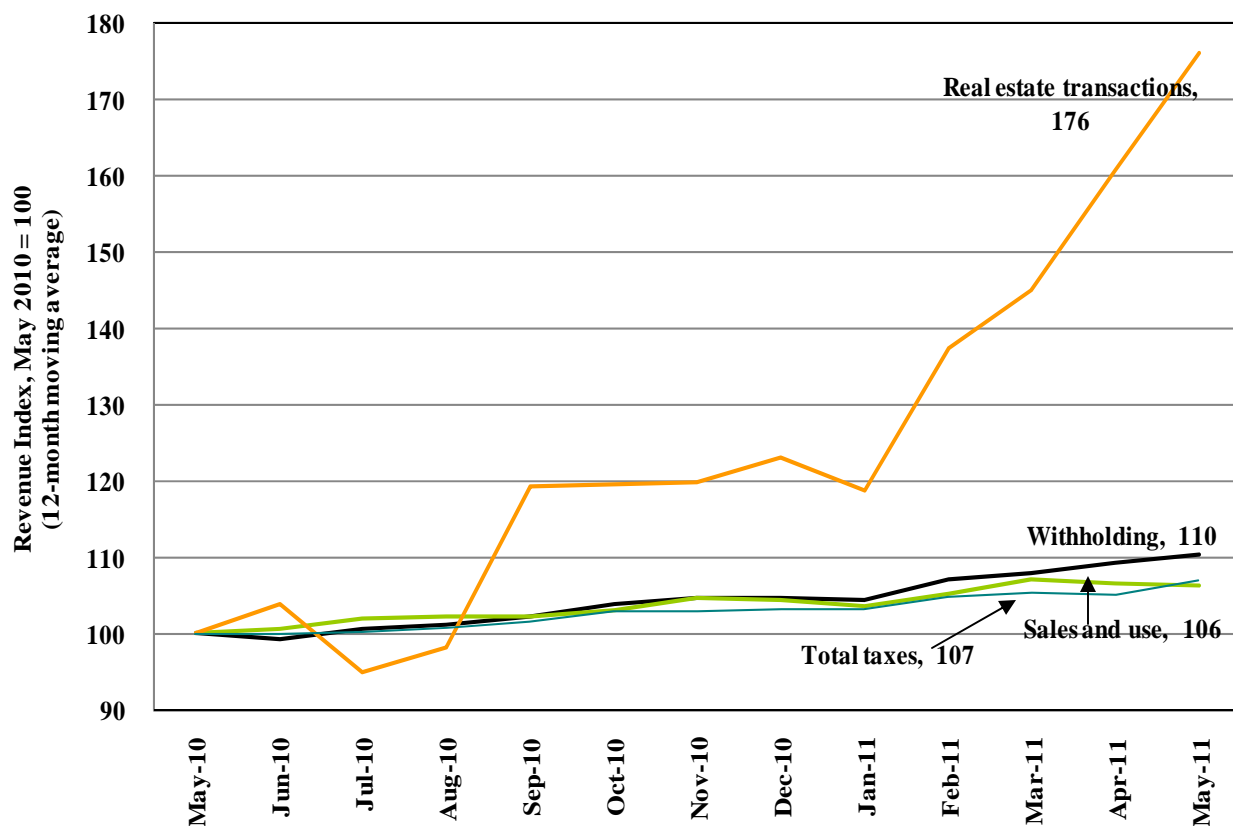
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D.C. Revenue Performance Over Last 12 Months



Source: Office of Revenue Analysis

Tax collections show growth

Major Taxes Due in May are Withholdings and Sales Taxes

- The twelve-month moving average of total tax collections through May grew 7 percent over the same period, last year. The robust growth in total tax collections is one of many DC economic indicators that show the District of Columbia's economy continues to bounce back from the recession.
- Withholding tax collections through May grew 10 percent over the previous year, driven by strong growth in wages and salaries.
- Sales tax collections grew 6 percent as the hospitality sector and local spending continues to recover.
- Real estate transactions tax collections grew very strongly, with 67 percent growth in April over the same period of the previous year; strong sales in the District's high-end commercial real estate market was the main driver.

Collections by Revenue Source

May YTD Tax Collections by Source: 2011 vs. 2010 (\$ '000)

| | May 2011 | May 2010 | Percent change |
|-----------------------------------|------------------|------------------|-------------------|
| TOTAL TAX COLLECTIONS | 3,129,941 | 2,874,820 | 8.9 |
| Property | 879,683 | 929,497 | -5.4 |
| Real Property Tax | 878,725 | 928,384 | -5.4 |
| Personal Property Tax | 957 | 1,113 | -14.0 |
| Real Property Transactions | 198,572 | 107,274 | 85.1 |
| Deed Recordation Tax | 96,657 | 52,879 | 82.8 |
| Deed Transfer Tax | 93,381 | 42,156 | 121.5 |
| Economic Interest Tax | 8,534 | 12,239 | -30.3 |
| Sales | 715,586 | 675,725 | 5.9 |
| General Sales and Use Tax | 656,557 | 616,945 | 6.4 |
| Excise Taxes | 59,029 | 58,780 | 0.4 |
| Income | 1,072,958 | 947,767 | 13.2 |
| Individual Income Tax | 851,402 | 726,832 | 17.1 |
| Corporate Franchise Tax | 135,573 | 138,888 | -2.4 |
| U.B. Franchise Tax | 85,983 | 82,048 | 4.8 |
| Gross Receipts and Estate | 263,142 | 214,557 | 22.6 |
| Gross Receipts Taxes | 215,289 | 194,396 | 10.7 |
| Estate Tax | 47,853 | 20,160 | 137.4 |

Property Taxes. YTD real property tax collections are down by 5.4 percent. However, the collections have been better than the forecasted decline of 12 percent. The first of two property tax payments was due in March and it is expected that the second payment (in September) will be in line with the March payment for fiscal year 2011.

Real Property Transactions Taxes. May YTD real property transaction taxes collections were up 85.1 percent from the previous year. Deed recordation tax collections increased by almost 82.8 percent, while those for deed transfer taxes increased by a strong 121.5 percent.

General Sales and Use Tax. YTD general sales and use tax collections grew 6.4 percent over last year, a strong indicator of the recovery in the District economy.

Excise Taxes. YTD excise tax collections grew by a

mere 0.4 percent compared to the same period last year. This almost flat change is attributed to a significant decline in motor vehicle fuel tax collections and a lesser decline alcoholic beverage tax collections, along with a large increase in cigarette tax collections.

Income Taxes. Collections of individual income taxes through May were up 17.1 percent, the withholding tax portion alone growing 11.7 percent.

YTD corporate franchise taxes declined 2.4 percent relative to May of a year earlier, and unincorporated business tax collections, however, were up 4.8 percent.

Gross Receipts Taxes. Overall, YTD gross receipts tax collections were up by 10.7 percent. Public utilities collections were up by 4.3 percent, and toll telecommunications collections were up by 6.4 percent. Insurance premiums collections, which are generally due in March, were also up by 5.5 percent.

Non-Tax Revenues. YTD through May, non-tax revenue collections were up by 18.3 percent relative to a year earlier. Collections for most non-tax revenue sources tend to be lumpy—that is, there are large collections for some months and almost no collections in other months. Also, non-tax collections are generally not tied to economic activity in the District.

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