

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



Glen Lee
Chief Financial Officer

June 30, 2023

The Honorable Muriel Bowser
Mayor of the District of Columbia
1350 Pennsylvania Avenue, NW, Suite 306
Washington, DC 20004

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue, NW, Suite 504
Washington, DC 20004

Re: June 2023 Revenue Estimates

Dear Mayor Bowser and Chairman Mendelson:

This letter certifies that the revenue estimate for the FY 2023 – FY 2027 District of Columbia Budget and Financial Plan is unchanged from February 2023.

Revenue collections through May show that FY 2023 revenue is on track to meet the February forecast. Lower than expected estimated and final payments from individual income and unincorporated business taxes were largely offset by stronger than expected receipts from restaurant and hotel sales taxes and revenue from interest income.

The revenue forecast for the outyears is also unchanged as the economic outlook remains unchanged since February.

At the national level, risks to the forecast include a US recession triggered by further monetary tightening by the Federal Reserve and a federal government shutdown if no spending bill is reached, which could disrupt the local economy and reduce sales tax revenue related to tourism. District-specific risks include further expansion of remote work, an accelerated decline in federal employment, and a stalled population recovery.

We will continue to monitor international, national, and local economic activity for any developments that would change the forecast. If you have any questions regarding these matters, please contact me at (202) 727-2476.

Sincerely,

Glen Lee

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Kevin Donahue, City Administrator

Lindsey Parker, Chief of Staff, Executive Office of the Mayor

Jennifer Reed, Director, Mayor's Office of Budget and Performance Management

Jennifer Budoff, Budget Director, Council of the District of Columbia

Kathy Patterson, District of Columbia Auditor