



District of Columbia Cash Collections Report

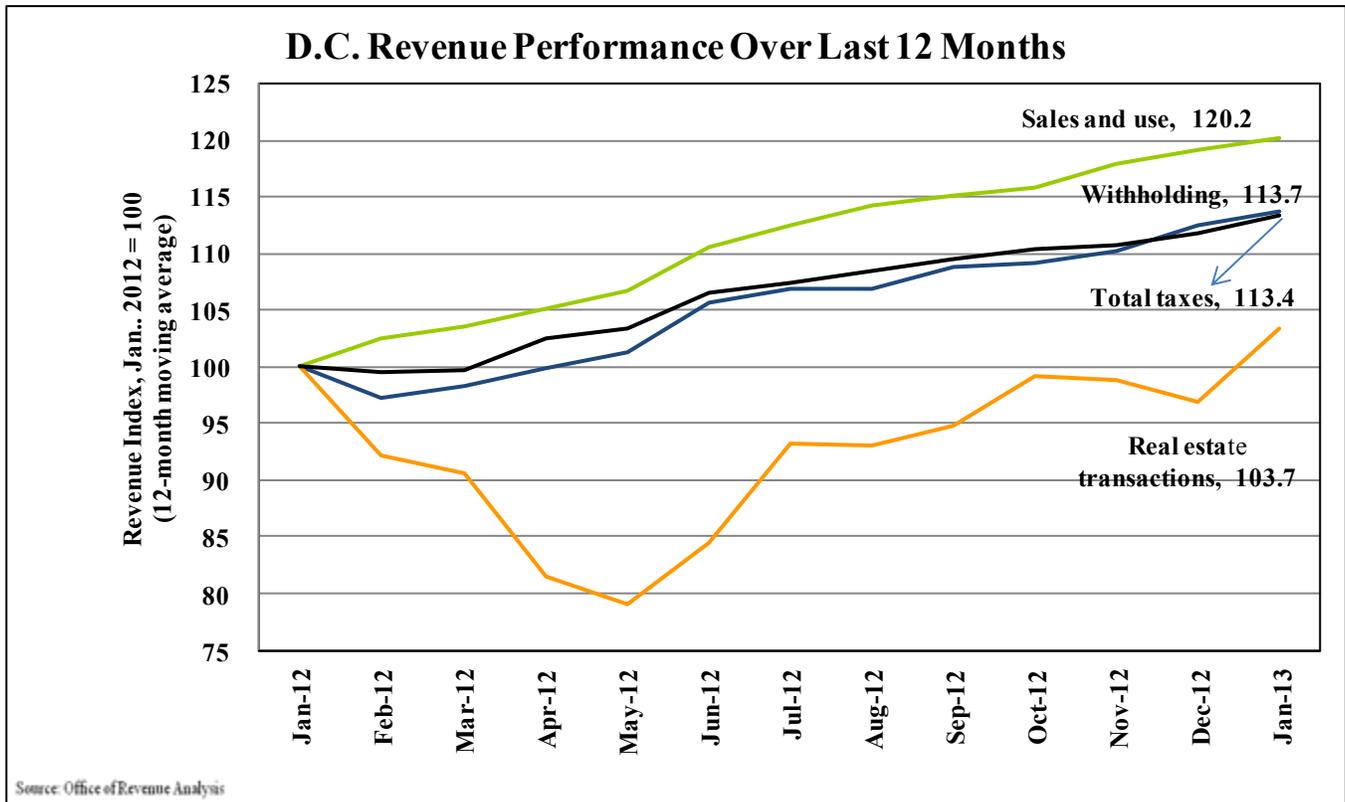
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Tax collections show growth

- The twelve-month moving average of total tax collections for January shows an increase of 13.4 percent over the same period last year. Growth in total collections through the first quarter of the 2013 fiscal year was unusually strong, driven primarily by large increases in sales and income tax collections. Events associated with the Presidential Inauguration in January may have driven the strong performance of the sales tax collections.
- Withholding tax collections during the same twelve-month period grew by almost 13.7 percent over the previous year. Strong wages and salaries growth in the District continues to be the main source of strength for withholding tax collections.
- Sales tax collections for the twelve-month-period ending in January were 20.2 percent higher relative to the same period last year. As noted above, economic activity generated by events associated with the Presidential Inauguration may have boosted growth in the sales tax collections in January 2013.
- The twelve-month period moving average of real estate transactions tax collections for January grew by about 3.7 percent compared to the same period of the previous year. This was a slightly larger growth rate compared to the previous month.

Collections by Revenue Source

January YTD Tax Collections by Source: 2013 vs. 2012 (\$ '000)			
	January 2013	January 2012	Percent change
TOTAL TAX COLLEC- TIONS	1,379,050	1,196,519	15.3
Property	33,619	23,532	42.9
Real Property Tax	27,688	19,652	40.9
Personal Property Tax and public space rental	5,931	3,880	52.9
Real Property Transac- tions	117,105	109,908	6.5
Deed Recordation Tax	64,476	49,631	29.9
Deed Transfer Tax	49,722	39,102	27.2
Economic Interest Tax	2,907	21,175	-86.3
Sales	411,093	353,396	16.3
General Sales and Use Tax	375,259	327,299	14.6
Excise Taxes	35,834	26,097	37.3
Income	730,236	599,108	21.9
Individual Income Tax	603,198	493,431	22.2
Corporate Franchise Tax	88,805	64,468	37.7
U.B. Franchise Tax	38,233	41,210	-7.2
Gross Receipts and Estate	86,996	110,576	-21.3
Gross Receipts Taxes	71,165	80,246	-11.3
Estate Tax	15,831	30,330	-47.8

Property Taxes. Real property tax collections through the first month of the new calendar year are 40.9 percent above the same period last year. There are reasons to believe that the real estate market in the District of Columbia is thriving once again. However, first half real property tax payments for the new fiscal year are due March 31, so it is too early to assess the performance of the real property tax collections.

Real Property Transactions Taxes. January fiscal year to date real property transaction taxes collections were up 6.5 percent from January 2012. Deed recordation tax collections increased by 29.9 percent year to date, while collections for the deed transfer tax increased by 27.2 percent. However, the sharp decrease in economic interest tax collections of 86.3 percent dampened the growth in overall real property transactions collections.

General Sales and Use Tax. January fiscal year to date general sales and use tax collections were up by 14.6 per-

cent compared to the same period last year. For the most part, the increase in sales tax collections is driven by the underlying strength in the DC economy—growing population, strong wages and salaries growth, etc. But economic activity generated by the Presidential Inauguration may have also boosted the growth in sales tax collections.

Excise Taxes. Fiscal year to date excise tax collections through January grew substantially—by 37.3 percent compared to the same period last year. Higher motor vehicle fuel and excise tax collections are the main sources of the strong overall excise tax growth.

Income Taxes. January fiscal year to date individual income tax collections were 22.2 percent higher than that of the same period last year. The withholding tax portion grew 13.8 percent. No component of the non-withholding tax collections is due until April so the current performance of non-withholding tax collections is not significant.

January fiscal year to date corporate franchise tax collections increased substantially, by 37.7 percent, compared to that of January of a year earlier, while unincorporated business tax collections were down 7.2 percent.

Gross Receipts Taxes. Overall, fiscal year to date gross receipts tax collections in January were down by 11.3 percent. Public utilities collections were down by 3.8 percent and insurance premiums collections were down by 82.8 percent, similarly low compared to the previous month.

Non-Tax Revenues. January fiscal year to date non-tax revenue collections were up (by 23.3 percent relative to a year earlier). Collections from automated enforcement shows a significant increase of 131.0 over the same period last year. But, this increase more of an indication of an untimely recording of collections during the first three months of the fiscal year rather than an actual increase in collections during the month of January. In the meanwhile traffic fines dropped 32.9 percent and “other” fines and forfeitures declined by 2.2 percent. But, non-tax receipts tend to be lumpy—receipts are high in some months and very low in other months—so it is too early to evaluate the performance of this revenue source.

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