



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

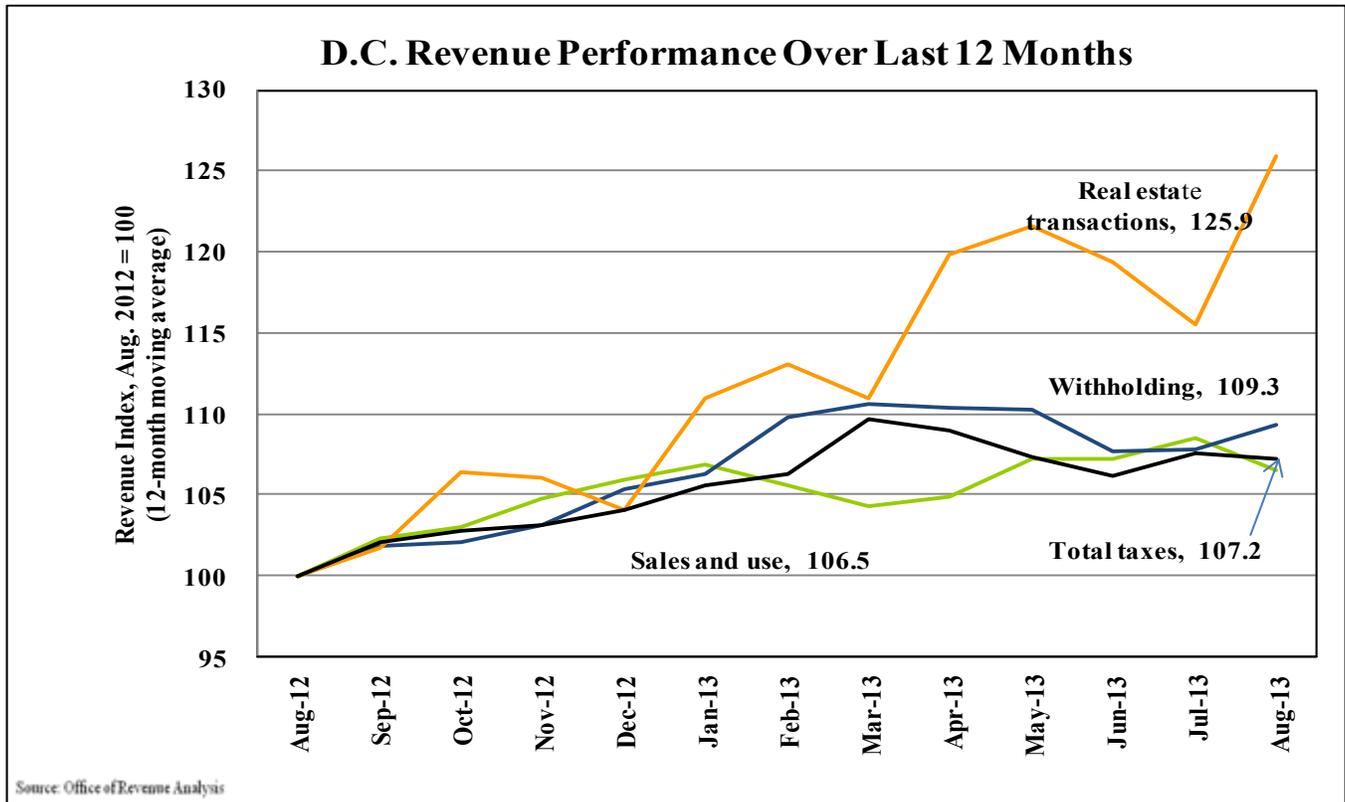
# District of Columbia Cash Collections Report

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## Tax collections show growth

- The twelve-month moving average of total tax collections for August increased 7.2 percent over the same period last year. August total collections appear to tapered much of the earlier growth which has been slowed since March 2013, mostly due to lower collections in real estate transactions, income and gross receipt taxes of earlier months.
- Withholding tax collections during the twelve-month period ending August 2013 grew by 9.3 percent over the previous year, slightly lower than a month before. In general, strong wages and salaries growth in the District has been the main driver of higher growth for withholding tax collections, but wages and salaries growth have slowed in recent months, perhaps from the effects of the federal sequestration.
- Sales tax collections for the twelve-month period ending in August were 6.5 percent higher relative to the same period last year, although much of this increase was due to changes in the timing of processing.
- The twelve-month period moving average of real estate transactions tax collections for August grew by about 25.9 percent compared to the same period last year, reversing the downturn trend of the last three months.

# Collections by Revenue Source

## August YTD Tax Collections by Source: 2013 vs. 2012 (\$ '000)

	August 2013	August 2012	Percent change
<b>TOTAL TAX COLLEC- TIONS</b>	<b>4,867,695</b>	<b>4,597,554</b>	<b>5.9</b>
<b>Property</b>	<b>1,169,902</b>	<b>1,104,039</b>	<b>6.0</b>
Real Property Tax	1,087,027	1,038,161	4.7
Personal Property Tax and Public Space Rental	82,875	65,878	25.8
<b>Real Property Transac- tions</b>	<b>334,744</b>	<b>285,317</b>	<b>17.3</b>
Deed Recordation Tax	193,338	153,391	26.0
Deed Transfer Tax	137,137	110,194	24.4
Economic Interest Tax	4,269	21,732	-80.4
<b>Sales</b>	<b>1,135,982</b>	<b>1,113,367</b>	<b>2.0</b>
General Sales and Use Tax	1,041,105	1,019,592	2.1
Excise Taxes	94,877	93,775	1.2
<b>Income</b>	<b>1,873,990</b>	<b>1,669,327</b>	<b>12.3</b>
Individual Income Tax	1,491,058	1,296,552	15.0
Corporate Franchise Tax	247,625	239,426	3.4
U.B. Franchise Tax	135,307	133,350	1.5
<b>Gross Receipts and Estate</b>	<b>353,077</b>	<b>425,502</b>	<b>-17.0</b>
Gross Receipts Taxes	317,531	327,414	-3.0
Estate Tax	35,546	98,088	-63.7

**Property Taxes.** Real property tax collections, fiscal year to date, are 4.7 percent above the same period last year. Although the second half payment is not due until September 15th collections are in line with the estimate.

**Real Property Transactions Taxes.** August fiscal year to date real property transaction taxes collections were up 17.3 percent over August 2012. August collections reverses the downward trend observed since May 2013. Deed recordation tax collections increased by 26.0 percent year to date, while collections for the deed transfer tax increased by 24.4 percent. The strong growth in the real estate transactions taxes in recent months reflects strong real estate market activity in the District of Columbia. However, there was a considerable drop in economic interest taxes of 80.4 percent. This is mainly due to the lump nature of this tax.

**General Sales and Use Tax.** August fiscal year to date general sales and use tax collections were up by 2.1 percent compared to the same period last year. After strong growth at the start of the fiscal year, growth in the general

sales and use tax has slowed sharply over the summer months. Some of this may be due to changes in the timing of processing of transactions, but it appears that the implementation of sequestration might be having an impact.

**Excise Taxes.** Fiscal year to date excise tax collections through August grew by 1.2 percent compared to the same period last year, due mostly to higher motor vehicle excise tax collections.

**Income Taxes.** August fiscal year to date individual income tax collections grew 15.0 percent over the same period last year. The withholding tax portion grew 8.0 percent, while non-withholding grew by almost 94.8 percent. Final payments were due in April, so the current performance of non-withholding tax collections is mainly a result of the strong performance of the stock market in the previous year.

August fiscal year to date corporate franchise tax collections increased by 3.4 percent, compared to that of August of a year earlier, while unincorporated business tax collections increased by 1.2 percent.

**Gross Receipts Taxes.** Overall, fiscal year to date gross receipts tax collections in August were down by 3.0 percent. Public utilities collections were up by 1.7 percent. Toll telecommunications were up by 0.4 percent and insurance premiums collections were down by 13.7 percent. The sharp decline of insurance premiums collections since April is most likely due to changes in the timing of processing the collections.

**Non-Tax Revenues.** August fiscal year to date non-tax revenue collections (including lottery and special purpose funds) were up by 7.2 percent relative to a year earlier. Collections from automated enforcement show a decrease of 1.5 percent over the same period last year. Meanwhile, traffic fines dropped 30.5 percent. Collections in "other" fines and forfeitures were down by 34.8 percent relative to the year before. Increased in compliance due to increase in speed limits in certain areas of the city is perceived to be the main reason for the decrease in this collection over the course of the last few months.

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