



# District of Columbia Cash Collections Report

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

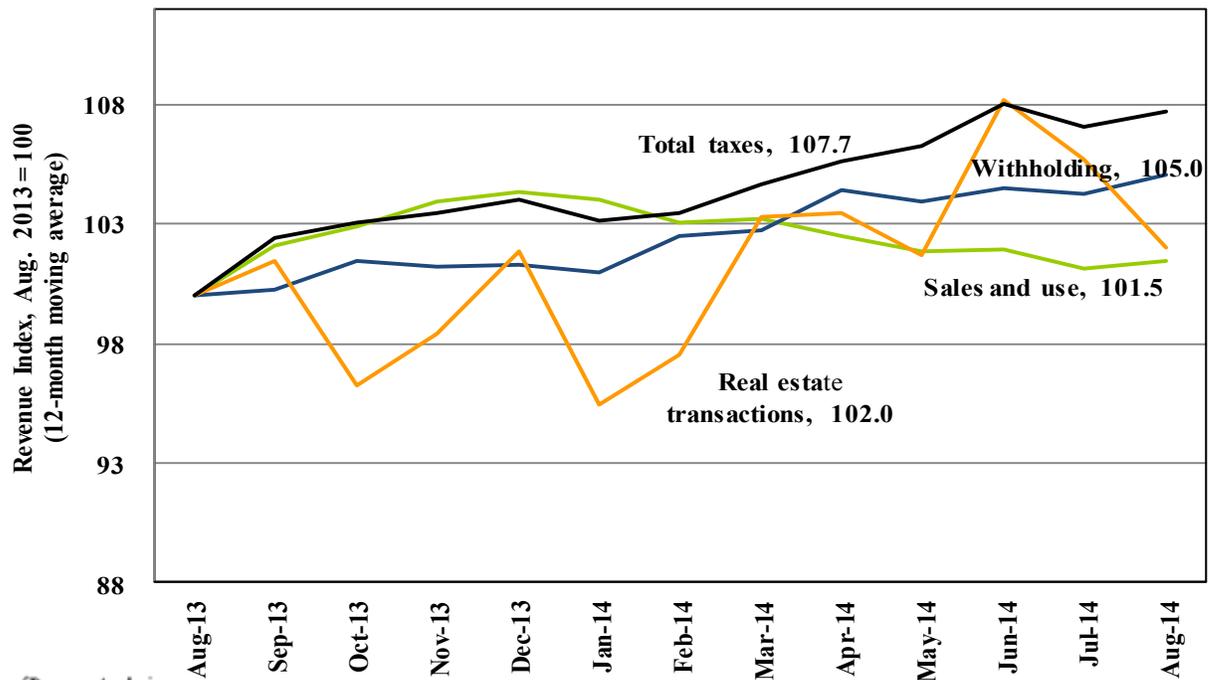
Vincent C. Gray, Mayor  
Jeffrey S. DeWitt, Chief Financial Officer

Fitzroy Lee, Deputy CFO & Chief Economist  
Farhad Niemi, Director of Economic Affairs

Volume V, Issue XI

August 2014

## D.C. Revenue Performance Over Last 12 Months



Source: Office of Revenue Analysis

### Highlights

- The twelve-month moving average of total tax collections in August 2014 increased 7.7 percent over that of a year ago. Growth in withholdings generally drove growth in the total tax collections for August.
- Withholding tax collections for August grew by 5.0 percent over the previous year. The influx of more affluent residents continues to drive the growth in the withholding tax collections.
- Sales tax collections for the month of August were 1.5 percent below that for the same time period last year. Slower growth this year is partly due to unusually higher collections last year because of the Presidential Inauguration and partly due to a reduction in the sales rate.
- Real estate transactions tax collections for August grew by 2.0 percent compared to the same period last year. As the graph shows, collections for this revenue source are highly volatile.

## Collections by Revenue Source

### Aug. YTD Tax Collections by Source: FY2014 vs. FY2013 (\$ '000)

	August 2014	August 2013	Percent change
<b>TOTAL TAX COLLEC- TIONS</b>	<b>4,938,671</b>	<b>4,867,729</b>	<b>1.5</b>
<b>Property Related Taxes</b>	<b>1,204,894</b>	<b>1,169,902</b>	<b>3.0</b>
Real Property Tax	1,115,232	1,087,027	2.6
Personal Property Tax and Public Space Rental	89,663	82,875	8.2
<b>Real Property Transac- tions</b>	<b>359,804</b>	<b>334,745</b>	<b>7.5</b>
Deed Recordation Tax	195,260	193,338	1.0
Deed Transfer Tax	138,749	137,137	1.2
Economic Interest Tax	25,795	4,269	504.2
<b>Sales</b>	<b>1,162,453</b>	<b>1,135,904</b>	<b>2.3</b>
General Sales and Use Tax	1,063,750	1,041,132	2.2
Excise Taxes	98,703	94,772	4.1
<b>Income</b>	<b>1,843,160</b>	<b>1,874,036</b>	<b>-1.6</b>
Individual Income Tax	1,499,792	1,491,031	0.6
Corporate Franchise Tax	230,770	247,698	-6.8
U.B. Franchise Tax	112,598	135,307	-16.8
<b>Gross Receipts and Es- tate</b>	<b>368,359</b>	<b>353,141</b>	<b>4.3</b>
Gross Receipts Taxes	338,865	317,595	6.7
Estate Tax	29,494	35,546	-17.0

**Property Taxes.** Real property tax collections, fiscal year to date, are only 2.6 percent above the same period last year. This growth is weaker than expected, but may have more to do with the timing of the processing of payments rather than a real decline in collections.

**Real Property Transactions Taxes.** August fiscal year to date real property transaction taxes collections were up 7.5 percent over August 2013. Deed recordation tax collections increased by a mere 1.0 percent year to date and collections for the deed transfer tax increased by 1.2 percent. At the same time, economic interest tax collections grew five-fold over last year.

**General Sales and Use Tax.** August fiscal year to date general sales and use tax collections were up slightly (by 2.2 percent) compared to the same period last year. The pace of sales tax collections growth is

slower than last year because the tax rate was reduced and last year's collections were boosted by the Presidential Inauguration.

**Excise Taxes.** Excise tax collections for fiscal year to date through August increased by 4.1 percent compared to the same period last year, due mostly to higher motor fuel and motor vehicle tax collections.

**Income Taxes.** August fiscal year to date individual income tax collections grew only slightly (by 0.6 percent) from the same period last year. The withholding tax portion grew 5.0 percent, while non-withholding decreased by 27.5 percent. The decline in non-withholding is driven largely by lower capital gains in 2014 as taxpayers shifted capital gains income from calendar year 2013 to 2012 in anticipation of higher tax rates as the Bush era tax cuts were set to expire.

August fiscal year to date corporate franchise tax collections decreased by 6.8 percent, compared to that of August of a year earlier, while unincorporated business tax collections decreased by 16.8 percent.

**Gross Receipts Taxes.** Overall, fiscal year to date gross receipts tax collections in August were up by 6.7 percent. Insurance premiums were up by 29.7 percent. Public utilities collections were up by 3.6 percent and toll telecommunications were down by 7.3 percent.

**Non-Tax Revenues.** August fiscal year to date non-tax revenue collections were down slightly, by 4.0 percent relative to a year earlier. Collections from automated traffic enforcement (ATE) show a decrease of 62.4 percent over the same period last year while traffic fines increased 15.9 percent. The sharp decrease in collections appears to be due in part to fewer ATE ticket issuance.

For further information or to comment on this report, contact: Farhad Niami (202) 727-3897, or [farhad.niami@dc.gov](mailto:farhad.niami@dc.gov).