

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



**Natwar M. Gandhi**  
Chief Financial Officer

December 20, 2013

The Honorable Vincent C. Gray  
Mayor of the District of Columbia  
1350 Pennsylvania Avenue, NW – 6<sup>th</sup> Floor  
Washington, DC 20004

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

Dear Mayor Gray and Chairman Mendelson:

This letter certifies, as of December 2013, revenue estimates for the FY 2013 - 2017 District of Columbia Budget and Financial Plan. Revenue for FY 2014 is revised upward by \$19.8 million from the previous estimate to \$6.31 billion. For FY 2015, the estimate is increased by \$42.7 million to \$6.55 billion. The table below compares the current December 2013 estimate to the previous estimate.

**December 2013 Revenue Estimate Compared to Previous Estimate**

	Preliminary		Projected		
	Actual	Estimate		Projected	
Local Source, General Fund Revenue Estimate (\$M)	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
September 2013 Estimate		6,311.6	6,508.8	6,697.6	6,880.1
December revision to estimate		19.8	42.7	66.0	94.6
<b>December 2013 Revenue Estimate</b>	<b>6,167.3</b>	<b>6,331.4</b>	<b>6,551.5</b>	<b>6,763.6</b>	<b>6,974.7</b>
<i>Percent change from previous year</i>	<i>3.4%</i>	<i>2.7%</i>	<i>3.5%</i>	<i>3.2%</i>	<i>3.1%</i>

## **Overview**

In FY 2013, Local Source General Fund revenue increased \$204 million over FY 2012, a gain of 3.4 percent. The current revenue estimate projects robust revenue growth for the four years of the fiscal plan. From FY 2013 to FY 2014, the revenue is now expected to increase by \$164 million, a 2.7 percent increase. From FY 2014 to FY 2015, the growth is forecast to be \$220 million, a 3.5 percent increase.

This estimate assumes that the District economy continues to grow, but uncertainty remains as to how strong this growth will be in the next several years. The rate of increase in employment located in D.C. has slowed significantly over the past year, with gains in the private sector barely able to offset public sector declines. Resident employment has also slowed recently.

As this estimate was being prepared, Congress was completing its work on legislation to set limits for FY 2014 and FY 2015 for defense and non-defense discretionary federal spending. Sufficient detail is not yet available concerning all the ramifications of this legislation for the District of Columbia, but it is likely to be of benefit in two ways—first, relaxation of some of the most stringent federal spending restrictions, and second, reduction in fiscal policy uncertainty that may have contributed to the economic slowdown in the District. Still, federal austerity remains a continuing factor affecting the District's economy.

Population growth continues to be a major factor in increasing the District's income, property, and sales tax bases. It is also a driving force behind rising home values. In the last four years (2008 to 2012) the District's population has grown by 52,000 (9.0%), an increase that has averaged more than 1,000 per month over this time. In addition, developments in the national economy—continued economic growth, strong stock market gains, and low interest rates—have contributed to the District's growing tax base.

## **Impact of Federal Sequestration and Other Austerity Measures**

Approximately 25 percent of employed D.C. residents work for the federal government. Federal civilian employment accounts for 28 percent of all wage and salary jobs located in the District of Columbia and 32 percent of the wages and salaries that are generated in the city. Furthermore, federal contracting accounts for additional jobs and income, and also contributes to the District's tax base. Because the federal government has such a dominant presence in the District's economy, significant changes in federal spending can have a major impact on the District of Columbia's economy and revenues.

As already noted, Congress has just crafted a budget that increases some federal spending. This budget will temper some of the uncertainty about fiscal policy through FY 2015. However, the agreement leaves in place the basic structure of sequestration constraints on spending through FY 2023. As yet, no certain long term resolution has been reached about how to bring about the reduction in federal debt, as well as by how much and when to reduce it.

## **Impact of Federal Shutdown**

It is still too early to discern the fiscal impact that the federal government shutdown had on the local economy. The effect of the shutdown was not evident in November's collections data. The November tax receipts, which reflect economic activity in October, show an increase in collections for most revenue sources. Collections from income and sales taxes, the two largest categories after property taxes, were actually higher than in October 2012. Data from a single month is complicated to interpret, especially since late filings and lags between the collection and posting of the cash may inflate the October numbers. Nonetheless, data on the tourism and hospitality sector, which we would expect to be lower because of cancellations from businesses and leisure travelers, show that overall hotel room demand in October in the District did not decline significantly compared to the previous year.

It is also important note that the impact of the shutdown on the District's economy was partially neutralized by the budget deal that ended the shutdown, since this deal included retroactive pay to federal workers.

## **Revenue Highlights**

As noted above, General Fund revenue is forecasted to grow by 2.7 percent in FY 2014 and 3.5 percent in FY 2015. This is similar to the growth experienced in FY 2013 and is consistent with recent economic indicators, which show that slowing local employment growth is offset by strong gains in the housing and the stock markets.

### *Real Property*

The real property tax revenue estimate has been revised upward by \$40.0 million for FY 2014 and \$26.8 million for FY 2015. This is attributable to updated real property assessments which are higher than the September revenue estimates. The revision reflects the continued rebound in property values, particularly in the residential market. This is expected to result in strong growth in real property tax revenue of 5.3 percent in FY 2014, before tapering off to 1.9 percent in FY 2015.

### *Sales*

Sales tax revenue is revised downward by \$26.2 million and \$17.4 million respectively in FY 2014 and FY 2015 compared to the September estimate. But sales tax revenue is still forecast to grow by 2.2 percent in FY 2014 over the previous year and by 2.8 percent in FY 2015.

### *Individual Income*

Individual income tax revenue is revised upward by \$14.2 million in FY 2014 and by \$9.4 million in FY 2015. The revision reflects a stronger forecast for non-withholding income attributable to capital gains realizations particularly in FY 2014. This is a result of the continued strength in the stock market through year-end 2013. The increase in capital gains realizations will help to offset some of drag from lower growth in wages and salaries due to moderate employment growth. Overall, individual income tax revenue is forecast to grow by 4.5 percent in FY 2014 and then moderate to 2.5 percent in FY 2015 as capital gains realizations begin to level off from a three-year high.

### *Business Income*

Business income tax revenue is revised downward \$12.9 million in FY 2014 and \$6.9 million in FY 2015. The decline reflects lower tax collections in 2013. Part of this decline is due to businesses adapting to the new combined reporting rules. Following the implementation of the combined reporting rules in FY 2012 for businesses, there was a large upswing in business income tax receipts. Although business income tax receipts are still higher than they were prior to the implementation of the combined reporting rules, lower revenue for FY 2013 may mean that businesses are tax planning around the new rules. The forecast for overall business income tax, off of a lower base in FY 2013, is for 5.8 percent growth in FY 2014 and 5.1 percent growth in FY 2015.

### *Deed Taxes*

Deed taxes revenue is revised upward \$5.7 million in FY 2014, while the forecast for 2015 is unchanged. The revision in 2014 reflects a strong rebound in sales transactions, particularly in the residential market, which resulted in growth of 24.5 percent in 2013. The growth rate in deed tax revenue is expected to decline by 12.3 percent from the lofty level experienced in 2013, and then resume growth by 10.6 percent in FY 2015.

### *Non-tax Revenue and Lottery*

Non-tax revenue is revised downward by \$8.1 million in FY 2014 and then upward by \$23.9 million in FY 2015. The revisions are primarily due to the timing of the implementation of automated traffic enforcement devices. These are expected to be fully operational only in mid-year 2014 so FY 2015 will be the first year where the entire impact will be fully captured on the revenue side. The forecast for lottery revenue remains unchanged.

## **National and Regional Economies**

The fundamentals underlying the national economy continue to improve at a steady pace. The Commerce Department announced today that the U.S. GDP grew 4.1 percent, revised upward from the previous estimate of 3.6 percent. National forecasts expect significant growth to continue through the duration of this Financial Plan.

- Following a period of moderate growth over 16 of the past 17 quarters, the preliminary estimate for real GDP growth in the 3rd quarter of 2013 was continued growth of 4.1 percent, a gain that reflected a particularly large increase in inventories.
- U.S. employment added 2.3 million jobs (1.7%) from November 2012 to November 2013, but was still 1.3 million (0.9%) below the start of the recession that began in December 2007. Currently, all growth in national employment is in the private sector.
- The U.S. unemployment rate (seasonally adjusted) fell slightly to 7.0 percent in November 2013. One year earlier the rate was 7.8 percent. This is the lowest rate in five years.
- U.S. Personal Income in the September 2013 quarter was 3.9 percent above a year ago.
- The S & P 500 stock market index in November 2013 was 6.7 percent above its level three months ago, and 28 percent more than a year ago.
- In the three-month period ending October 2013, wage and salary jobs in the Washington metropolitan area grew by 27,467 (0.9%) compared to a year earlier. All of the net increase was in the private sector. The rate of growth of metropolitan area employment has been below the U.S. average for about two years.
- The metropolitan area unemployment rate was 5.9 percent in October (not seasonally adjusted), down from 5.3 percent a year earlier.
- In November 2013, the consensus of fifty economists contributing to the Blue Chip Economic Indicators continued to forecast slow, steady growth in real GDP. Growth in real GDP in FY 2013 is expected to be 1.6 percent (down from 2.8 percent in FY 2012), and nominal growth is 3.2 percent. For FY 2014, the real and nominal growth rates are expected to rise to 2.4 percent and 4.0 percent, respectively. IHS Global Insight and Moody's Economy.com, two economic forecasting services, both anticipate that the annual growth rate in real GDP will rise further in FY 2015 and FY 2016 to 3.0 percent or more.

## **The District's Economy**

Highlights of recent trends in the D.C. economy include slowing job growth, increases in population, and a strong housing market.

- Job growth has been slowing. In the three months ending October 2013, there were just 867 (0.1 %) more wage and salary jobs located in the District than a year earlier. Of particular note, there were 6,033 fewer federal government jobs in October than there were a year earlier. The private sector growth continues—it was up 6,967 (1.4%) in October over a year ago—but it has recently been barely able to offset the public sector decline. Seasonally adjusted employment in October was 2,600 (0.4%) more than six months earlier in April.
- District resident employment in the three months ending October 2013 was 3,700 (1.1%) less than a year earlier. This downturn in reported resident employment is a recent and distressing development and seems somewhat at odds with continued population growth.
- The November unemployment rate rose slightly to 8.9 percent (seasonally adjusted rate), an increase from 8.6 percent a year ago. Seasonally adjusted resident employment decreased 10,743 (0.3%) from April 2013 to October 2013.
- Wages earned in the District of Columbia grew 1.8 percent in the June 2013 quarter compared to the same quarter a year ago. D.C. personal income was 2.3 percent higher.

- Home sales and prices continue to show significant gains. Single family sales for the three-month period ending October 2013 were up 17.5 percent from a year ago, and there was a 9.7 percent increase in the average selling price. Condominium sales were up 24.2 percent and the average price was 7.2 percent higher. The value of all home sale settled contracts for the three-month period ending October was 30.4 percent more than a year ago.
- Commercial office effective rents continued to edge downward over the past year. Leased space in September was up 1.6 percent from a year ago, and the vacancy rate fell slightly over the past year from 9.3 percent to 9.2 percent.
- Hotel room-days sold for the three months ending September 2013 were 2.4 percent above the prior year, and hotel room revenues were up by 1.7 percent.

### **Outlook and Risks**

As discussed before, the federal government's fiscal policy situation remains a primary concern. Federal government expansion cushioned the District and the metro area economies from the worst effects of the recession over the past five years and will no doubt continue to anchor the District's economy. Even with the current budget agreement, however, the federal government can no longer be counted as a source of significant growth over the next several years.

Many economic development initiatives are underway in the District of Columbia, including City Center and the St. Elizabeth's Hospital site. These developments will contribute to increasing the District's tax base, but it is not yet clear when they will bring about substantial net employment and income gains. Nor is it clear what impact, if any, the recent slowdown in employment located in the District of Columbia and in resident employment may have on population dynamics.

- Although the current revenue estimate includes the impact of the recent federal budget agreement and federal sequestration on the District, the estimate is of necessity based on limited information about the specific effects this has on the city's employment and income. If federal austerity is more severe than this estimate assumes, the impact on the District's fiscal outlook could be much higher.
- Federal cutbacks are not the only risk that the District faces. Other downside risks include the possibility of a slowing down or reversal of national economic growth, declines in the stock market, increases in interest rates, and additional financial market problems as the Federal Reserve phases out some of its monetary stimulus activities. Possible disruptions to oil supplies or other developments arising from uncertainties in the Middle East and national security events also add to uncertainty.

If you have any questions regarding this matter, please contact me on (202) 727-2476.

Sincerely,



Natwar M. Gandhi

*Enclosures*

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### Estimated Key Variables for the D.C. Economy for the Forecast Period FY 2008 through FY 2017

Fiscal Years	2008 act	2009 act	2010 act	2011 act	2012 act	2013 est	2014 est	2015 est	2016 est	2017 est
Gross State Product (\$ billion)	96.20	97.41	102.49	106.48	109.28	111.02	112.99	118.54	123.85	129.66
	6.5%	1.3%	5.2%	3.9%	2.6%	1.6%	1.8%	4.9%	4.5%	4.7%
Real Gross State Product (billions \$2005)	87.72	86.79	89.39	91.09	92.05	92.16	92.26	94.90	97.21	99.73
	3.7%	-1.1%	3.0%	1.9%	1.1%	0.1%	0.1%	2.9%	2.4%	2.6%
Personal Income (\$ billion)	39.92	40.40	41.50	45.27	46.87	48.05	49.79	51.71	53.91	56.14
	9.4%	1.2%	2.7%	9.1%	3.5%	2.5%	3.6%	3.9%	4.3%	4.1%
Real Personal Income (billions \$2005)	36.93	37.39	37.78	40.38	40.96	41.45	42.47	43.44	44.51	45.54
	5.7%	1.2%	1.1%	6.9%	1.4%	1.2%	2.5%	2.3%	2.5%	2.3%
Per Capita Income (\$)	68,832	68,397	68,766	73,339	74,332	74,802	76,378	78,272	80,499	82,743
	8.3%	-0.6%	0.5%	6.7%	1.4%	0.6%	2.1%	2.5%	2.8%	2.8%
Real Per Capita Income (\$2005)	63,686	63,294	62,610	65,415	64,960	64,528	65,144	65,749	66,459	67,119
	4.6%	-0.6%	-1.1%	4.5%	-0.7%	-0.7%	1.0%	0.9%	1.1%	1.0%
Wages earned in D.C. (\$ billion)	53.68	54.92	57.24	59.56	60.62	61.95	63.24	65.79	68.42	71.21
	4.6%	2.3%	4.2%	4.0%	1.8%	2.2%	2.1%	4.0%	4.0%	4.1%
Wages earned by D.C. residents (\$ billion)	19.8	20.8	22.0	23.5	24.3	25.0	25.7	26.5	27.5	28.5
	6.5%	4.7%	6.1%	6.6%	3.6%	2.8%	2.8%	3.0%	3.8%	3.8%
Population ('000)	579.9	590.8	603.4	617.2	630.6	642.3	651.9	660.6	669.7	678.4
	1.0%	1.9%	2.1%	2.3%	2.2%	1.9%	1.5%	1.3%	1.4%	1.3%
Households ('000)	257.3	261.2	265.1	273.2	277.7	282.2	286.8	290.0	293.6	297.4
	0.7%	1.5%	1.5%	3.1%	1.6%	1.6%	1.6%	1.1%	1.3%	1.3%
Civilian Labor Force ('000)	332.6	334.3	343.5	347.2	356.6	370.0	372.8	375.5	380.2	385.2
	2.4%	0.5%	2.8%	1.1%	2.7%	3.8%	0.7%	0.7%	1.3%	1.3%
At-Place Employment ('000)	702.6	701.6	709.0	723.4	730.0	734.8	736.7	745.1	752.9	760.0
	1.6%	-0.1%	1.1%	2.0%	0.9%	0.7%	0.3%	1.1%	1.0%	0.9%
Resident Employment ('000)	312.5	304.3	308.5	312.1	323.5	338.3	341.7	344.8	351.3	358.0
	1.8%	-2.6%	1.4%	1.2%	3.7%	4.6%	1.0%	0.9%	1.9%	1.9%
Unemployment Rate	6.1	9.0	10.2	10.1	9.3	8.6	8.4	7.7	7.7	7.2
Housing Starts	720	369	1,329	1,942	3,471	3,563	2,479	2,741	2,746	2,687
Housing Stock ('000)	293.7	295.1	297.2	299.4	302.2	307.2	312.0	316.2	320.3	323.9
	0.7%	0.5%	0.7%	0.7%	0.9%	1.7%	1.6%	1.4%	1.3%	1.1%
Home sales	6,373	6,237	7,972	7,525	8,131	9,262	9,994	10,522	10,179	9,623
	-28.8%	-2.1%	27.8%	-5.6%	8.0%	13.9%	7.9%	5.3%	-3.3%	-5.5%
Average home sale price ('000)	671.3	661.5	711.1	721.8	771.9	831.0	880.9	919.6	965.4	1019.4
	-0.7%	-1.5%	7.5%	1.5%	6.9%	7.6%	6.0%	4.4%	5.0%	5.6%
Change in S & P 500 Index of Common Stock*	-39.1%	19.7%	10.6%	1.8%	15.7%	22.6%	2.6%	2.4%	3.4%	2.2%
Interest rate on 10-year Treasury notes (%)	3.9	3.2	3.4	3.0	1.9	2.1	2.8	3.1	3.7	4.3
Washington Area Consumer Prices: % change from prior	5.1	0.3	2.4	2.5	1.9	1.4	1.7	2.2	2.3	2.2

\* Change in S and P 500 Index of Common Stock is the change from the 4th quarter to the 4th quarter on a calendar year (rather than fiscal year) basis. (For example, the value in FY 2013 is the % change from CY 2012.4 to CY 2013.4)

Note: Estimated by the D.C. Office of Revenue Analysis based on forecasts of the D.C. and national economies prepared by IHS Global Insight (November 2013) and Moody's Economy.com (September 2013); forecasts of the national economy prepared by the Congressional Budget Office (February 2013) and Blue Chip Economic Indicators (November 2013); BLS labor market information from October 2013, the Census Bureau estimates of the D.C. population (2012); Bureau of Economic Analysis estimates of D.C. Personal Income (September 2013); Metropolitan Regional Information System (MRIS) D.C. home sales data (November 2013), accessed in part through the Greater Capital Area Association of Realtors (GCAAR); Delta Associates information on commercial office buildings and residential property in D.C. (September 2013); and Reis information on apartment buildings in D.C. (June 2013).

**FY 2012 - FY 2017 Revenue Actuals, Estimates and Projections: December 2013**  
(thousands of dollars)

Revenue Source	Actual	Preliminary	Estimate	Out year projections		
	FY12	FY13	FY14	FY15	FY16	FY17
1 Real Property	1,822,014	1,912,860	2,014,176	2,052,501	2,121,056	2,190,568
2 <i>Transfer to TIF/Pilot</i>	(32,245)	(26,006)	(43,209)	(38,219)	(44,523)	(48,916)
3 Real Property (net)	1,789,769	1,886,854	1,970,967	2,014,282	2,076,533	2,141,652
4 Personal Property	55,734	54,820	56,410	56,974	57,544	58,119
5 <i>Transfer to Neighborhood Investment Fund</i>	-	-	-	-	-	-
6 Personal Property (net)	55,734	54,820	56,410	56,974	57,544	58,119
7 Public Space Rental	32,506	37,873	34,512	34,339	34,339	34,339
8 <i>Transfer to DDOT Enterprise</i>	-	-	(500)	(500)	(500)	(500)
10 Public Space Rental (net)	32,506	37,873	34,012	33,839	33,839	33,839
<b>11 Total Property (net)</b>	<b>1,878,009</b>	<b>1,979,547</b>	<b>2,061,389</b>	<b>2,105,095</b>	<b>2,167,916</b>	<b>2,233,610</b>
12 General Sales	1,111,044	1,139,868	1,182,816	1,223,184	1,268,896	1,318,726
13 <i>Transfer to convention center</i>	(101,093)	(104,041)	(107,579)	(111,344)	(115,575)	(120,198)
14 <i>Transfer to TIF</i>	(22,249)	(37,506)	(34,950)	(42,842)	(40,352)	(41,643)
15 <i>Transfer to DDOT (parking tax)</i>	-	-	-	-	-	-
16 <i>Transfer to Ballpark Fund</i>	(12,592)	(15,408)	(13,000)	(13,398)	(13,844)	(14,330)
17 <i>Transfer to Healthy DC Fund</i>	-	-	(106)	(214)	(427)	(854)
18 <i>Transfer to WMATA</i>	(56,395)	(62,268)	(62,268)	(62,686)	(62,888)	(63,000)
19 <i>Transfer to Healthy Schools</i>	(4,266)	(4,266)	(4,266)	(4,266)	(4,266)	(4,266)
20 <i>Transfer to ABRA</i>	(460)	(460)	(1,170)	(1,170)	(1,170)	(1,170)
21 General Sales (net)	913,989	915,919	959,477	987,264	1,030,374	1,073,265
22 Alcohol	5,166	5,945	6,094	6,215	6,340	6,467
23 Cigarette	35,603	33,991	33,413	32,837	32,270	31,713
24 Motor Vehicle	43,986	46,541	47,705	49,136	50,855	52,635
25 Motor Fuel Tax	22,778	23,828	-	-	-	-
26 <i>Transfer to Highway Trust Fund</i>	(22,778)	(23,828)	(21,780)	(21,562)	(21,562)	(21,562)
<b>28 Total Sales (net)</b>	<b>998,744</b>	<b>1,002,396</b>	<b>1,024,909</b>	<b>1,053,890</b>	<b>1,098,277</b>	<b>1,142,518</b>
29 Individual Income	1,490,694	1,639,832	1,714,044	1,757,415	1,819,796	1,887,752
30 Corp. Franchise	302,924	297,940	315,862	329,799	342,331	356,709
31 U. B. Franchise	162,972	153,732	161,834	172,183	182,767	191,393
<b>32 Total Income</b>	<b>1,956,590</b>	<b>2,091,504</b>	<b>2,191,740</b>	<b>2,259,397</b>	<b>2,344,894</b>	<b>2,435,854</b>
33 Public Utility	139,768	142,452	144,677	145,772	148,132	147,846
34 <i>Transfer to Ballpark Fund</i>	(8,509)	(8,653)	(9,034)	(9,102)	(9,250)	(9,232)
35 Public Utility (net)	131,259	133,799	135,643	136,670	138,882	138,614
36 Toll Telecommunications	58,604	56,761	57,895	59,632	61,719	63,879
37 <i>Transfer to Ballpark Fund</i>	(2,220)	(2,233)	(2,278)	(2,259)	(2,338)	(2,420)
38 Toll Telecommunications (net)	56,384	54,528	55,617	57,373	59,381	61,459
39 Insurance Premiums	86,994	79,431	84,119	85,802	85,509	80,892
40 <i>Transfer to Healthy DC Fund</i>	(34,062)	(25,629)	(31,464)	(32,093)	(32,735)	(33,389)
41 Insurance Premiums (net)	52,932	53,802	52,655	53,709	52,774	47,503
42 Healthcare Provider Tax	13,322	14,114	26,949	15,117	15,117	15,117
43 <i>Transfer to Nursing Facility Quality of Care Fund</i>	(13,322)	(14,114)	(26,949)	(15,117)	(15,117)	(15,117)
45 Ballpark fee	31,910	29,234	25,251	26,059	26,125	27,248
46 <i>Transfer to Ballpark Fund</i>	(31,910)	(29,234)	(25,251)	(26,059)	(26,125)	(27,248)
48 Hospital Bed Tax	15,758	15,562	27,765	-	-	-
49 <i>Transfer to Hospital Fund</i>	(15,758)	(15,562)	(27,765)	-	-	-
51 ICF-MR Assessment	1,010	4,114	5,202	5,519	5,519	5,519
52 <i>Transfer to Stevie Sellows</i>	(1,010)	(4,114)	(5,202)	(5,519)	(5,519)	(5,519)
54 HSC Contribution	5,000	5,000	5,000	5,000	5,000	5,000
55 <i>Transfer to Healthy DC Fund</i>	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
<b>57 Total Gross Receipts (net)</b>	<b>240,575</b>	<b>242,129</b>	<b>243,915</b>	<b>247,752</b>	<b>251,037</b>	<b>247,579</b>
58 Estate	102,996	39,700	38,000	38,000	38,000	38,000
59 Deed Recordation	163,393	204,105	185,019	208,167	232,731	248,440
60 <i>Transfer to HPTF</i>	(24,509)	(30,616)	(27,756)	(31,225)	(34,910)	(37,266)
61 Deed Recordation (net)	138,884	173,489	157,263	176,942	197,821	211,174
62 Deed Transfer	121,515	150,687	126,094	136,076	143,016	149,022
63 <i>Transfer to HPTF</i>	(18,227)	(22,603)	(18,917)	(20,411)	(21,452)	(22,353)
64 Deed Transfer (net)	103,288	128,084	107,177	115,665	121,564	126,669
65 Co-op Recordation	5,873	5,553	5,496	5,551	5,607	5,663
66 Economic Interests	21,735	5,815	10,000	4,355	4,377	4,398
<b>67 Total Other Taxes (net)</b>	<b>372,776</b>	<b>352,641</b>	<b>317,936</b>	<b>340,513</b>	<b>367,369</b>	<b>385,904</b>
<b>68 TOTAL TAXES NET OF DEDICATED TAXES</b>	<b>5,446,694</b>	<b>5,668,217</b>	<b>5,839,889</b>	<b>6,006,647</b>	<b>6,229,493</b>	<b>6,445,465</b>
69 Licenses & Permits	77,717	78,788	72,827	73,549	74,305	75,100
70 Fines & Forfeits	181,603	146,405	208,060	253,505	241,543	230,204
71 Charges for Services	73,795	84,784	76,212	80,264	78,325	81,996
72 Miscellaneous	117,124	121,109	70,944	70,880	71,918	72,894
<b>73 TOTAL NON-TAX</b>	<b>450,239</b>	<b>431,086</b>	<b>428,043</b>	<b>478,198</b>	<b>466,091</b>	<b>460,194</b>
74 Lottery	66,404	68,000	63,455	66,700	68,000	69,000
<b>75 TOTAL REVENUE NET OF DEDICATED TAXES</b>	<b>5,963,337</b>	<b>6,167,303</b>	<b>6,331,387</b>	<b>6,551,545</b>	<b>6,763,584</b>	<b>6,974,659</b>

FY 2012 - FY 2017 Revenue Actuals, Estimates and Projections: December 2013

(percent change from prior year)

Revenue Source	Actual	Preliminary	Estimate		Out year projections		
	FY12	FY13	FY14	FY15	FY16	FY17	
1 Real Property	6.2%	5.0%	5.3%	1.9%	3.3%	3.3%	1
2 <i>Transfer to TIF/Pilot</i>	5.5%	-19.3%	66.2%	-11.5%	16.5%	9.9%	2
3 Real Property (net)	6.2%	5.4%	4.5%	2.2%	3.1%	3.1%	3
4 Personal Property	5.8%	-1.6%	2.9%	1.0%	1.0%	1.0%	4
5 <i>Transfer to Neighborhood Investment Fund</i>	-100.0%						5
6 Personal Property (net)	12.4%	-1.6%	2.9%	1.0%	1.0%	1.0%	6
7 Public Space Rental	-1.4%	16.5%	-8.9%	-0.5%	0.0%	0.0%	7
8 <i>Transfer to DDOT Unified</i>	-100.0%						8
10 Public Space Rental (net)		16.5%	-10.2%	-0.5%	0.0%	0.0%	10
11 <b>Total Property (net)</b>	<b>8.3%</b>	<b>5.4%</b>	<b>4.1%</b>	<b>2.1%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>11</b>
12 General Sales	9.5%	2.6%	3.8%	3.4%	3.7%	3.9%	12
13 <i>Transfer to convention center</i>	3.2%	2.9%	3.4%	3.5%	3.8%	4.0%	13
14 <i>Transfer to TIF</i>	-51.0%	68.6%	-6.8%	22.6%	-5.8%	3.2%	14
15 <i>Transfer to DDOT (parking tax)</i>	-100.0%						15
16 <i>Transfer to Ballpark Fund</i>	32.4%	22.4%	-15.6%	3.1%	3.3%	3.5%	16
17 <i>Transfer to Healthy DC Fund</i>				101.9%	99.5%	100.0%	17
18 <i>Transfer to WMATA</i>		10.4%	0.0%	0.7%	0.3%	0.2%	18
19 <i>Transfer to Healthy Schools</i>		0.0%	0.0%	0.0%	0.0%	0.0%	19
20 <i>Transfer to ABRA</i>		0.0%	154.3%	0.0%	0.0%	0.0%	20
21 General Sales (net)	10.0%	0.2%	4.8%	2.9%	4.4%	4.2%	21
22 Alcohol	-8.2%	15.1%	2.5%	2.0%	2.0%	2.0%	22
23 Cigarette	3.5%	-4.5%	-1.7%	-1.7%	-1.7%	-1.7%	23
24 Motor Vehicle	3.3%	5.8%	2.5%	3.0%	3.5%	3.5%	24
25 Motor Fuel Tax	-24.1%	4.6%	-100.0%				25
26 <i>Transfer to Highway Trust Fund</i>	-24.1%	4.6%	-8.6%	-1.0%	0.0%	0.0%	26
28 <b>Total Sales (net)</b>	<b>9.3%</b>	<b>0.4%</b>	<b>2.2%</b>	<b>2.8%</b>	<b>4.2%</b>	<b>4.0%</b>	<b>28</b>
29 Individual Income	15.0%	10.0%	4.5%	2.5%	3.5%	3.7%	29
30 Corp. Franchise	40.1%	-1.6%	6.0%	4.4%	3.8%	4.2%	30
31 U. B. Franchise	13.6%	-5.7%	5.3%	6.4%	6.1%	4.7%	31
32 <b>Total Income</b>	<b>18.1%</b>	<b>6.9%</b>	<b>4.8%</b>	<b>3.1%</b>	<b>3.8%</b>	<b>3.9%</b>	<b>32</b>
33 Public Utility	-6.7%	1.9%	1.6%	0.8%	1.6%	-0.2%	33
34 <i>Transfer to Ballpark Fund</i>	-4.4%	1.7%	4.4%	0.8%	1.6%	-0.2%	34
35 Public Utility (net)	-6.8%	1.9%	1.4%	0.8%	1.6%	-0.2%	35
36 Toll Telecommunications	-3.6%	-3.1%	2.0%	3.0%	3.5%	3.5%	36
37 <i>Transfer to Ballpark Fund</i>	-6.4%	0.6%	2.0%	-0.8%	3.5%	3.5%	37
38 Toll Telecommunications (net)	-3.5%	-3.3%	2.0%	3.2%	3.5%	3.5%	38
39 Insurance Premiums	24.7%	-8.7%	5.9%	2.0%	-0.3%	-5.4%	39
40 <i>Transfer to Healthy DC Fund</i>	35.7%	-24.8%	22.8%	2.0%	2.0%	2.0%	40
41 Insurance Premiums (net)	18.6%	1.6%	-2.1%	2.0%	-1.7%	-10.0%	41
42 Healthcare Provider Tax	-0.9%	5.9%	90.9%	-43.9%	0.0%	0.0%	42
43 <i>Transfer to Nursing Facility Quality of Care Fund</i>	-0.9%	5.9%	90.9%	-43.9%	0.0%	0.0%	43
45 Ballpark fee	-4.2%	-8.4%	-13.6%	3.2%	0.3%	4.3%	45
46 <i>Transfer to Ballpark Fund</i>	-4.2%	-8.4%	-13.6%	3.2%	0.3%	4.3%	46
48 Hospital Bed Tax	74.9%	-1.2%	78.4%	-100.0%			48
49 <i>Transfer to Hospital Fund</i>	74.9%	-1.2%	78.4%	-100.0%			49
51 ICF-MR Assessment	-19.5%	307.3%	26.4%	6.1%	0.0%	0.0%	51
52 <i>Transfer to Stevie Sellows</i>	-19.5%	307.3%	26.4%	6.1%	0.0%	0.0%	52
54 HSC Contribution	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	54
55 <i>Transfer to Healthy DC Fund</i>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	55
57 <b>Total Gross Receipts (net)</b>	<b>-1.4%</b>	<b>0.6%</b>	<b>0.7%</b>	<b>1.6%</b>	<b>1.3%</b>	<b>-1.4%</b>	<b>57</b>
58 Estate	18.1%	-61.5%	-4.3%	0.0%	0.0%	0.0%	58
59 Deed Recordation	-0.7%	24.9%	-9.4%	12.5%	11.8%	6.7%	59
60 <i>Transfer to HPTF</i>	-0.7%	24.9%	-9.3%	12.5%	11.8%	6.7%	60
61 Deed Recordation (net)	-0.7%	24.9%	-9.4%	12.5%	11.8%	6.8%	61
62 Deed Transfer	-7.7%	24.0%	-16.3%	7.9%	5.1%	4.2%	62
63 <i>Transfer to HPTF</i>	16.2%	24.0%	-16.3%	7.9%	5.1%	4.2%	63
64 Deed Transfer (net)	-11.0%	24.0%	-16.3%	7.9%	5.1%	4.2%	64
65 Co-op Recordation		-5.4%	-1.0%	1.0%	1.0%	1.0%	
66 Economic Interests	45.8%	-73.2%	72.0%	-56.5%	0.5%	0.5%	65
67 <b>Total Other Taxes (net)</b>	<b>4.1%</b>	<b>-5.4%</b>	<b>-9.8%</b>	<b>7.1%</b>	<b>7.9%</b>	<b>5.0%</b>	<b>66</b>
68 <b>TOTAL TAXES NET OF DEDICATED TAXES</b>	<b>11.0%</b>	<b>4.1%</b>	<b>3.0%</b>	<b>2.9%</b>	<b>3.7%</b>	<b>3.5%</b>	<b>67</b>
69 Licenses & Permits	2.2%	1.4%	-7.6%	1.0%	1.0%	1.1%	68
70 Fines & Forfeits	43.8%	-19.4%	42.1%	21.8%	-4.7%	-4.7%	69
71 Charges for Services	-2.4%	14.9%	-10.1%	5.3%	-2.4%	4.7%	70
72 Miscellaneous	-19.2%	3.4%	-41.4%	-0.1%	1.5%	1.4%	71
73 <b>TOTAL NON-TAX</b>	<b>6.5%</b>	<b>-4.3%</b>	<b>-0.7%</b>	<b>11.7%</b>	<b>-2.5%</b>	<b>-1.3%</b>	<b>73</b>
74 Lottery	6.8%	2.4%	-6.7%	5.1%	1.9%	1.5%	74
75 <b>TOTAL REVENUE NET OF DEDICATED TAXES</b>	<b>10.6%</b>	<b>3.4%</b>	<b>2.7%</b>	<b>3.5%</b>	<b>3.2%</b>	<b>3.1%</b>	<b>75</b>