

Pennsylvania Intergovernmental Cooperation Authority

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Monthly City of Philadelphia Tax Revenue Update

July 2012

City General Fund tax collections in July were \$153.1 million, an increase of \$14.6 million (10.6 percent) compared to July 2011. Receipts from most major taxes were higher than July of last year, including increases of \$17.9 million (15.5 percent) for wage and earnings, \$2.6 million (25.0 percent) for real estate transfer, and \$1.6 million (8.3 percent) for sales. These increases were offset by declines in business income and receipts (\$2.5 million) and parking (\$1.0 million). The current estimate for total General Fund taxes for FY13 is \$2,614.4 million, an increase of \$77.3 million (3.0 percent) over the current FY12 estimate. Including the PICA portions of the wage, earnings and net profits taxes, the current FY13 estimate is \$2,982.2 million, an increase of \$89.1 million (3.1 percent) compared to FY12.

- Wage and earnings tax revenue (including both the City and PICA portions of the tax) was \$133.2 million in June, an increase of 15.5 percent over July 2011. The current FY13 estimate is \$1,567.8 million, an increase of 3.4 percent from the FY12 current estimate.
- Real estate tax collections were \$7.5 million in July, an increase of 2.1 percent compared to July 2011. The current estimate for FY13 is \$514.9 million, an increase of 3.3 percent over the FY12 current estimate.
- Business income and receipts tax (BIRT) collections were \$1.1 million in July, a decline of 68.5 percent compared to July 2011. The current FY13 projection is \$394.9 million, an increase of 0.9 percent from the current estimate for FY12.
- Net profits tax collections were \$0.7 million in July, a decrease of 15.3 percent compared to July 2011. The current projection for FY13 is \$20.1 million, an increase of 2.1 percent from the FY12 estimate.
- July sales tax collections were \$21.0 million, an increase of 8.3 percent over July 2011. The current FY13 estimate is \$259.3 million, an increase of 3.7 percent from the FY12 estimate.
- Real estate transfer tax (RETT) collections were \$12.8 million in July, an increase of 25.0 percent from July 2011. The July increase continues the pattern of relatively strong RETT

collections over the past year. Compared to the prior year, monthly collections have increased in nine of the last twelve months. The current FY13 projection is \$124.5 million, an increase of 5.2 percent from the current FY12 estimate.

- Parking tax collections in July were \$6.1 million, 14.6 percent below July of last year. The current estimate for FY13 is \$75.1 million, an increase of 2.5 percent from the FY12 current estimate.
- Amusement tax collections in July were \$0.9 million, a 2.1 percent increase over July 2011. The current FY13 estimate is \$22.1 million, a 2.0 percent increase from the current FY12 estimate.

City of Philadelphia Tax Revenues through July 2012 (\$ in Millions)

Tax	Monthly Total through July			Fiscal Year Total (Budget Basis)	
	FY12	FY13 (Preliminary)	Percent Change	FY12 Current Estimate	FY13 Current Estimate
Wage and Earnings¹	\$115.3	\$133.2	15.5%	\$1,516.7	\$1,567.8
<i>Wage</i>	114.4	132.2	15.5%		
<i>Earnings</i>	0.9	1.0	12.5%		
Net Profits¹	0.8	0.7	-15.3%	19.7	20.1
Real Estate	7.3	7.5	2.1%	498.5	514.9
Business Income and Receipts	3.6	1.1	-68.5%	391.4	394.9
Sales	19.4	21.0	8.3%	250.2	259.3
Real Estate Transfer	10.2	12.8	25.0%	118.4	124.5
Parking	7.2	6.1	-14.6%	73.3	75.1
Amusement	0.9	0.9	2.1%	21.6	22.1
Other	0.6	0.2	-60.5%	3.4	3.4
Total	165.3	183.5	11.0%	2,893.1	2,982.2
<i>PICA Taxes</i>	26.8	30.4	13.5%	355.9	367.8
<i>City General Fund Taxes</i>	138.5	153.1	10.6%	2,537.1	2,614.4

Source: Monthly collections from *Comparative Statement of Net Revenue Collections*, City Department of Revenue, available at <http://www.phila.gov/revenue/citymonthlyrevcollections.html>, and preliminary revenue report for July 2012. FY12 and FY13 current estimate from *FY13-FY17 Five-Year Financial Plan* submitted to PICA on August 9, 2012 and *Mayor's Operating Budget in Brief for Fiscal Year 2013*.

Notes:

¹ Includes portion dedicated to PICA.