

The City of Philadelphia's Taxes

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February 10, 2017

Overview

- Questions to consider throughout the presentation
- The City's current adopted budget's tax projections
- Growth rate forecasts for the City's major taxes

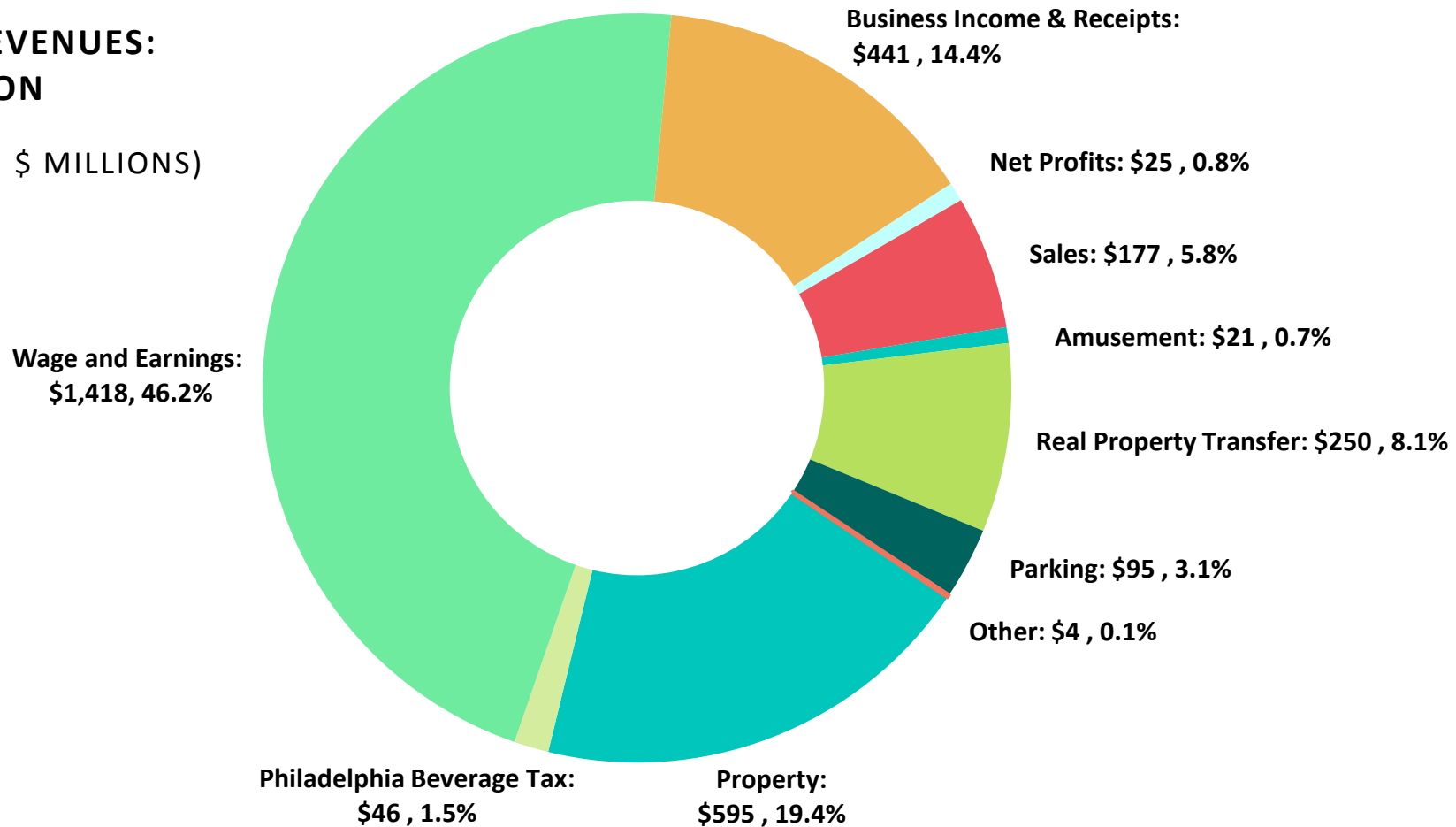
Questions to Consider

- Commercial real estate transactions: The last two fiscal years have shown high yields on the Real Estate Transfer Tax for commercial real estate. Is there any reason to assume that this will not continue?
- Impact of the BIRT reforms: FY18 will see the final year of implementation of the restructuring of the Business Income and Receipts Tax. Are businesses reacting positively to these changes in terms of expansion and retention in the city?

Tax Revenues (FY17 Adopted)

**TOTAL TAX REVENUES:
\$3,072 MILLION**

(ALL SHOWN IN \$ MILLIONS)



Wage Growth Gates

FY17-21 Adopted		FY18-22 IHS	
FY17	3.11%	FY17	3.68%
FY18	3.52%	FY18	3.41%
FY19	3.08%	FY19	3.78%
FY20	3.19%	FY20	3.62%
FY21	3.15%	FY21	3.56%
		FY22	3.59%

Business Income and Receipts

FY17-21 Adopted		FY18-22 IHS	
FY17	3.29%	FY17	1.27%
FY18	1.47%	FY18	5.88%
FY19	2.48%	FY19	3.86%
FY20	3.05%	FY20	1.81%
FY21	2.38%	FY21	1.52%
		FY22	2.44%

Real Estate Transfer

FY17-21 Adopted		FY18-22 IHS	
FY17	5.09%	FY17	-5.71%
FY18	7.82%	FY18	5.67%
FY19	2.73%	FY19	3.48%
FY20	3.43%	FY20	2.69%
FY21	2.52%	FY21	2.54%
		FY22	3.05%

Net Profits

FY17-21 Adopted		FY18-22 IHS	
FY17	8.34%	FY17	10.06%
FY18	1.17%	FY18	2.62%
FY19	0.92%	FY19	1.92%
FY20	1.02%	FY20	1.35%
FY21	1.08%	FY21	1.28%
		FY22	1.21%

Sales

FY17-21 Adopted		FY18-22 IHS	
FY17	3.46%	FY17	6.10%
FY18	3.67%	FY18	3.96%
FY19	3.57%	FY19	3.74%
FY20	3.51%	FY20	3.59%
FY21	3.39%	FY21	3.41%
		FY22	3.35%