



Monthly Tax Revenue Update April 2018

CITY OF PHILADELPHIA



April Tax Collections \$34 Million More Than Last Year *Double-Digit Increase in Year-to-Date Collections Continues*

The City collected \$529.4 million in General Fund tax revenue in April of FY2018, compared to \$495.1 million last year, an increase of \$34.2 million, according to preliminary figures. As a result, City tax collections have increased in every month this fiscal year except March, as compared to the same months in FY2017. As shown in Table 2, increases in every major tax category except the business income and receipts tax (“BIRT”) drove the increase in overall collections for the month of April. Considerable increases in the City portion of the wage, earnings, and net profits, real estate, and realty transfer taxes ultimately led to a 6.9 percent increase in collections over April of last year, and ensured the continued double-digit increase in year-to-date collections over FY2017.

Tax Collections Snapshots For April

Real Estate



45.9 %

Realty Transfer

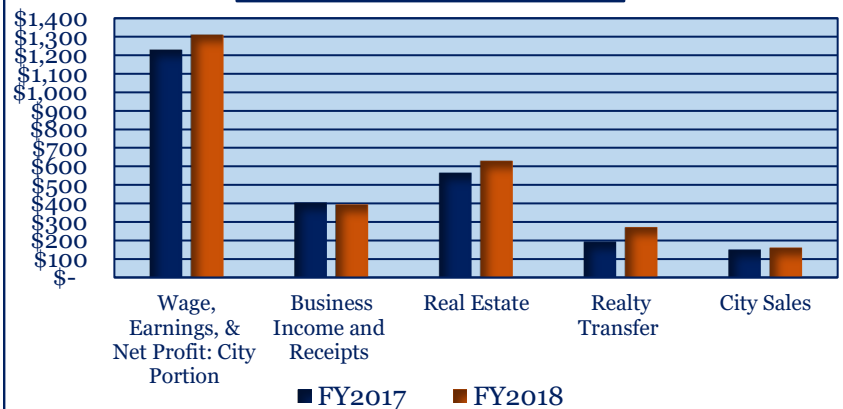


39.7 %

MONTH OF APRIL COLLECTIONS

April real estate and realty transfer tax collections increased by 45.9 percent and 39.7 percent in FY2018, as compared to the same month last year, totaling \$34.2 million and \$24.8 million, respectively. Conversely, BIRT collections fell by 2.3 percent in April, to \$275.1 million, as did beverage tax collections, which decreased by 7.4 percent, or approximately \$500,000. Finally, the City portion of wage, earnings, and net profits taxes increased by 16.7 percent, or \$23.7 million over April of last year, which could be due to the timing of collections. Parking, amusement, and other miscellaneous tax collections all experienced slight decreases.

**Major Taxes Through April
FY2017 vs. FY2018**
(\$ in Millions)



APRIL YEAR-TO-DATE COLLECTIONS

FY2018 year-to-date collections maintained double-digit growth over FY2017 as a result of the strong April tax collections. As shown in Table 2, year-to-date collections for all taxes except BIRT experienced growth over last year, with the real estate and realty transfer taxes increasing by 11.2 percent and 39.9 percent, respectively. The BIRT has decreased by 2.4 percent thus far in FY2018 as compared to last year, with City sales and parking tax collections also failing to meet the City’s most recent projections—as shown in Table 1. It should be noted that, while also not meeting projections, the beverage tax has contributed an additional \$64.1 million to the General Fund this fiscal year. However, point-in-time tax collections throughout the fiscal year are not necessarily indicative of full year performance.

The City’s FY2018 revenue estimates are found in the City’s *Quarterly City Managers Report for the Period Ending December 31, 2017*. The projected General Fund tax revenue in FY2018 is \$3.333 billion, an increase of 8.5 percent over FY2017. Combined City and PICA tax revenue is projected at \$3.774 billion, an increase of 8.4 percent over last fiscal year.

Tax Type	Projected Growth	Growth Through April
Wage, Earnings, & Net Profits: PICA & City	6.3%	6.8%
Wage, Earnings, & Net Profits: PICA Portion	6.0	7.3
Wage, Earnings, & Net Profits: City Portion	6.4	6.7
Business Income and Receipts	-1.0	-2.4
Real Estate	10.1	11.2
Real Estate Transfer	16.1	39.9
City Sales	8.5	6.9
Parking ³	2.0	0.6
Amusement	3.5	6.8
Other Miscellaneous ⁴	0.0	7.4

Tax Type	Month of April			April Year-to-Date		
	FY2018	FY2017	Change	FY2018	FY2017	Change
Wage, Earnings, & Net Profit: PICA and City	\$227,116,946	\$196,139,170	15.8%	\$1,729,529,767	\$1,619,343,277	6.8%
Less: Wage, Earnings, & Net Profit: PICA Portion	61,146,791	53,889,585	13.5	418,555,719	390,177,565	7.3
Wage, Earnings, & Net Profit: City Portion	165,970,155	142,249,585	16.7	1,310,974,048	1,229,165,712	6.7
Business Income and Receipts	275,146,943	281,576,132	-2.3	394,934,003	404,506,640	-2.4
Real Estate	34,183,608	23,427,310	45.9	629,800,664	566,420,509	11.2
Realty Transfer	24,792,196	17,752,917	39.7	271,916,857	194,332,271	39.9
City Sales	11,415,479	11,093,674	2.9	160,793,481	150,419,383	6.9
Parking ³	7,814,608	8,202,255	-4.7	79,735,470	79,256,761	0.6
Amusement	3,307,297	3,554,474	-7.0	20,262,056	18,968,515	6.8
Other Miscellaneous ⁴	221,025	227,684	-2.9	3,451,830	3,214,102	7.4
Philadelphia Beverage	6,523,428	7,042,953	-7.4	64,115,124	19,155,062	234.7
Total Taxes⁵	\$529,374,739	\$495,126,984	6.9%	\$2,935,983,533	\$2,665,438,955	10.2%

¹ As projected in the City’s [Quarterly City Managers Report for the Period Ending December 31, 2017](#); for analysis of the City’s FY2018 tax projections, see PICA’s [Staff Report on the City’s Second Quarter City Managers Report](#)

² Source: Preliminary and comparative revenue reports provided by Department of Revenue; General Fund only

³ Includes parking lot and valet taxes

⁴ Includes outdoor advertising, smokeless tobacco, and miscellaneous taxes

⁵ Does not include PICA portion