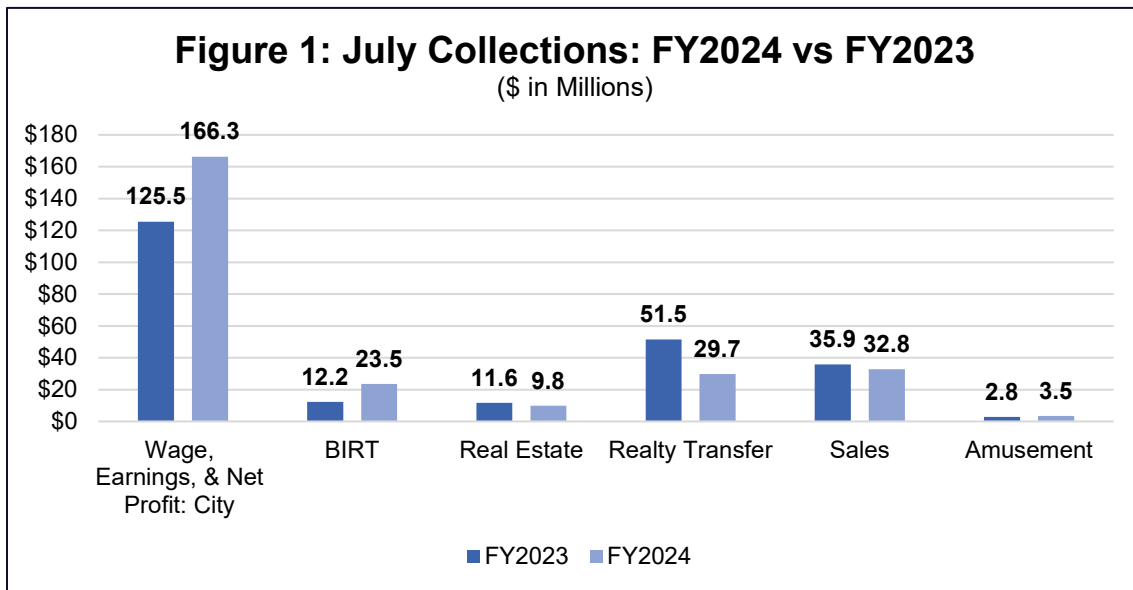


July Tax Revenue Increased by \$9.5 Million, or 3.7%, over Previous Year

July Tax Snapshot

- Total City collections ahead of both FY2022 and FY2023
- July FY2024 tax collections ahead of July FY2023 in four tax categories
- Year-to-date growth behind projections for all but wage, earnings, and net profits taxes, BIRT, & amusement tax.



Month of July Collections

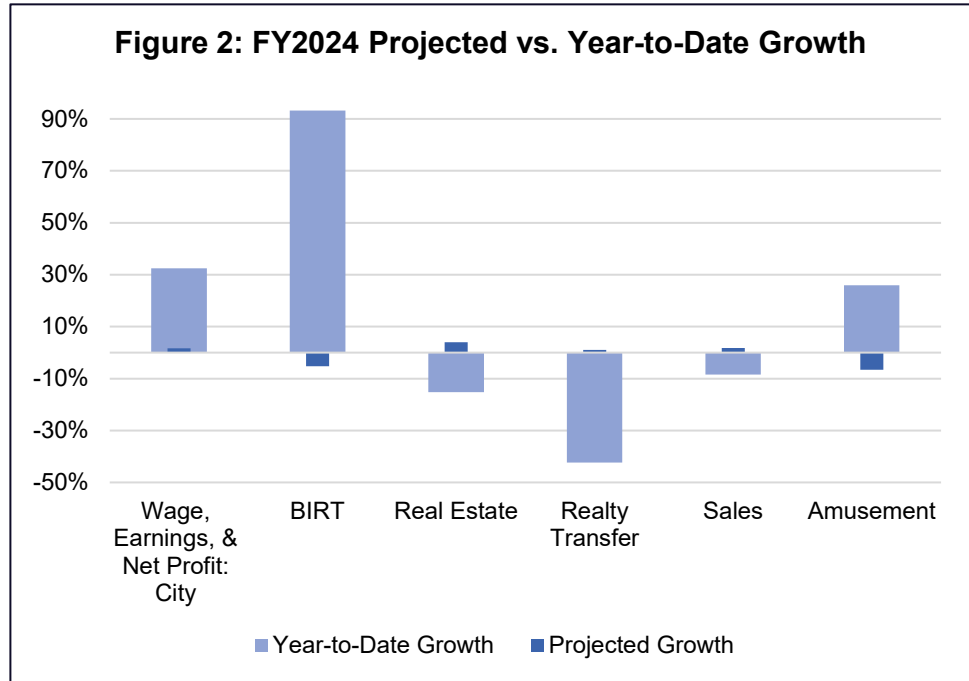
The City collected approximately \$264.6 million in General Fund tax revenue in July of FY2024, compared to \$255.1 million in July of FY2023, an increase of approximately \$9.5 million, or 3.7%, according to preliminary collections figures. This increase occurred despite the transfer of the parking and valet taxes, which totaled \$8.3 million in July FY2023, out of the General Fund. The increase in revenue receipts for July is largely due to an increase of \$40.8 million, or 32.5%, in the City portion of the wage, earnings, and net profits taxes and an increase of \$11.3 million, or 93.2%, for the Business Income and Receipts Tax (BIRT) compared to last year. These increases were partially offset by a \$21.9 million, or 42.4%, decrease in the Realty Transfer Tax and a \$7.7 million loss in other miscellaneous taxes.

Four of the eleven General Fund tax categories saw increases in July compared to last year, including the City portion of wage, earnings, and net profits (\$40.8 million; 32.5%); BIRT (\$11.3 million; 93.2%); amusement (\$723,530; 25.9%); and beverage (\$69,735; 1.1%), as shown in Table 1. The other seven categories saw decreases, including real estate (\$1.8 million; 15.2%); realty transfer (\$21.9 million; 42.4%); sales (\$3 million; 8.4%); tobacco (\$9,119; 69.6%); outdoor advertising (\$15,388; 6.3%); construction impact (\$33,782; 20.8%); and other miscellaneous taxes (\$7.1 million; 100%). These figures are preliminary and year-to-year comparisons vary, as shown in Figure 3, for a number of reasons, including timing issues.

Projections vs. Collections

July collections have exceeded the City’s full-year growth projections for three of the eleven categories: the wage, earnings, and net profits taxes, BIRT, and amusement. In all other categories, year-to-date growth is lower than the projected full-year growth, as shown in Table 2. These projections are calculated by comparing the most recent estimate of FY2023 revenue collections to the FY2024 Adopted Budget.

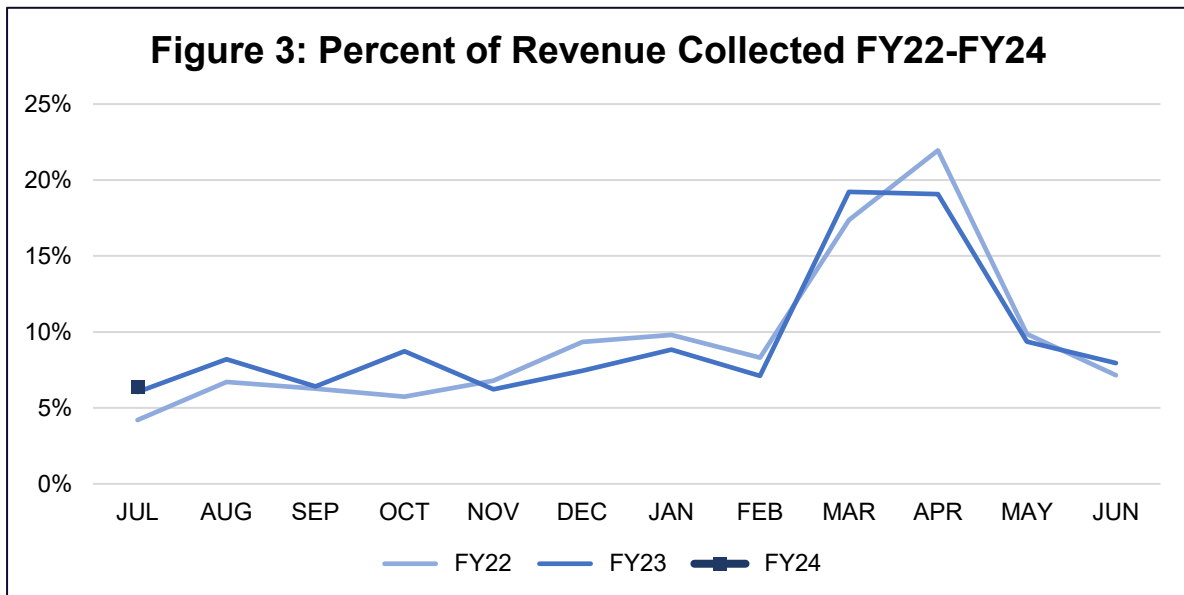
The City has projected a total of \$4.141 billion in tax revenue for FY2024, \$78.8 million less, or 1.9%, lower than the current FY2023 estimated total of \$4.220 billion. Accruals and year-end adjustments for FY2023 are in process.



FY2022-FY2024 Revenue Trends

FY2024 July tax collections increased over July FY2022 by \$93.5 million, or 54.6%. Seven of the eleven categories saw increases in FY2024 compared to FY2022, with tobacco, outdoor advertising, beverage, and other miscellaneous taxes showing decreases.

In terms of the percent of revenue collected in the month of July, FY2024 is ahead of both FY2022 and FY2023 with 6.4% of projected revenue collected this month, as shown in Figure 3. This slightly outpaces July FY2023, in which about six percent of estimated total revenue was collected, and July FY2022, in which 4.2% of total revenue was collected.



Appendix

Table 1: City of Philadelphia July Tax Collections FY2022-FY2024			
Tax Type	FY2022	FY2023	FY2024
Wage, Earnings, & Net Profit: PICA and City	\$130,753,172	\$170,534,723	\$227,094,305
Less: Wage, Earnings, & Net Profit: PICA Portion	37,191,154	45,035,286	60,767,306
Wage, Earnings, & Net Profit: City Portion	93,562,018	125,499,437	166,326,999
Business Income and Receipts Tax (BIRT)	9,730,672	12,156,195	23,486,509
Real Estate	7,198,308	11,590,587	9,828,693
Realty Transfer	14,171,981	51,540,381	29,678,392
City Sales	31,455,553	35,857,694	32,848,531
Amusement	976,200	2,788,390	3,511,920
Tobacco	5,619	13,109	3,990
Outdoor Advertising	270,980	243,563	228,175
Construction Impact	-	16,2157	128,375
Beverage	7,056,521	6,250,596	6,320,331
Other	-	639,816	(7,747,816)
Total Taxes: City Portion	\$171,142,741	\$255,084,461	\$264,614,099

Table 2: Tax Growth Projected vs. Year-to-Date		
Tax Type	Current Projected Growth	Year-to-Date Growth
Wage, Earnings & Net Profit: PICA and City	1.4%	33.2%
Wage, Earnings & Net Profit: PICA Portion	2.1%	34.9%
Wage, Earnings & Net Profit: City Portion	1.6%	32.5%
Business Income and Receipts	-5.2%	93.2%
Real Estate	4.0%	-15.2%
Realty Transfer	1.0%	-42.4%
City Sales	1.8%	-8.4%
Amusement	-6.6%	25.9%
Tobacco	81.4%	-69.6%
Outdoor Advertising	11.7%	-6.3%
Construction Impact	12.4%	-20.8%
Beverage	1.4%	1.1%
Other	-98.9%	-100%

Table 3: City of Philadelphia Year-to Date Tax Collections FY2022-FY2024			
Tax Type	FY2022	FY2023	FY2024
Wage, Earnings, & Net Profit: PICA and City	\$130,753,172	\$170,534,723	\$227,094,305
Less: Wage, Earnings, & Net Profit: PICA Portion	37,191,154	45,035,286	60,767,306
Wage, Earnings, & Net Profit: City Portion	93,562,018	125,499,437	166,326,999
Business Income and Receipts Tax (BIRT)	9,730,672	12,156,195	23,486,509
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Amusement	976,200	2,788,390	3,511,920
Tobacco	5,619	13,109	3,990
Outdoor Advertising	270,980	243,563	228,175
Construction Impact	-	162,157	128,375
Beverage	7,056,521	6,250,596	6,320,331
Other	-	639,816	(7,747,816)
Total Taxes: City Portion	\$171,142,741	\$255,084,461	\$264,614,099