

# CITY OF PHILADELPHIA DEPARTMENT OF REVENUE



## FY2016 YEAR IN REVIEW



CITY OF PHILADELPHIA  
DEPARTMENT OF REVENUE

**about.**

**The Department of Revenue** collects taxes, water charges, and other fees and fines to provide funding for the School District of Philadelphia and City of Philadelphia.





**tax.**

Taxes  
and fees

**water.**

Water, sewer,  
and stormwater  
charges

**legal enforcement.**

Delinquent  
collections with the  
Law Department

**542 full-time employees**



**\$4.9 billion collected in FY 2016**

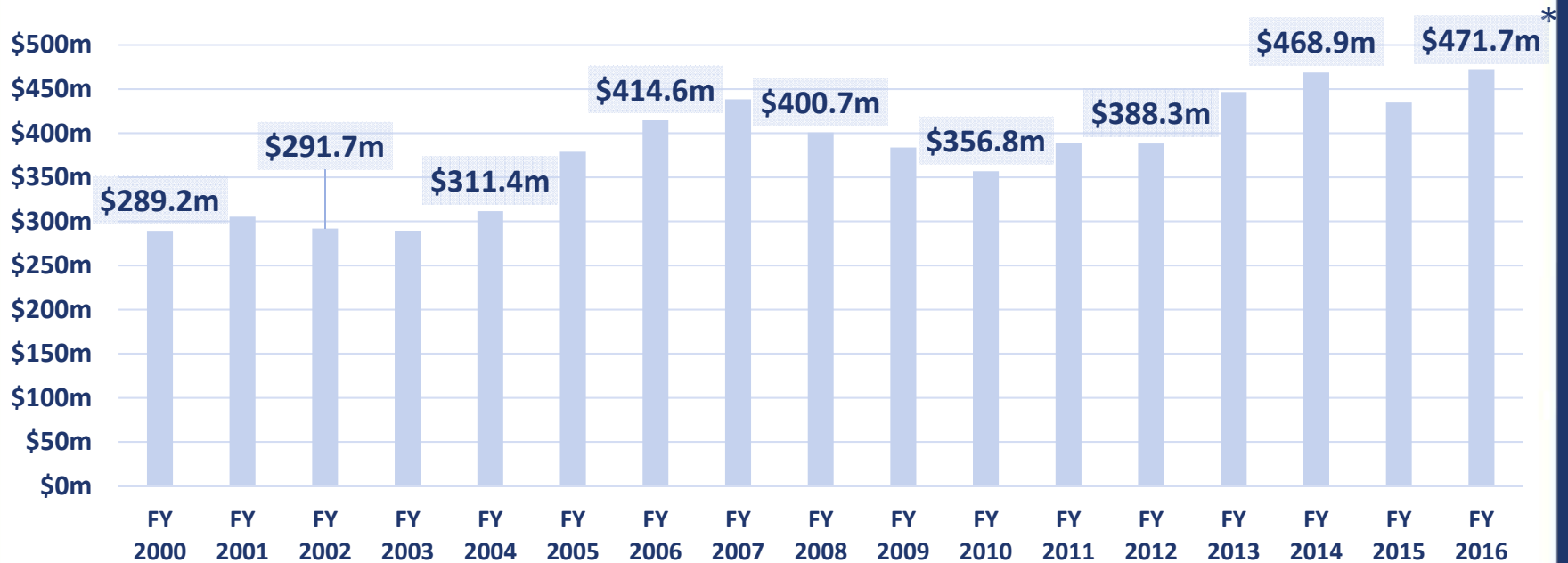
| Category           | Amount        |
|--------------------|---------------|
| General Fund Taxes | \$3 billion   |
| School Taxes       | \$961 million |
| Water              | \$605 million |
| Fees, etc.         | \$295 million |

less than one penny of every dollar

collected is spent on revenue collection



# Business Income & Receipts Tax

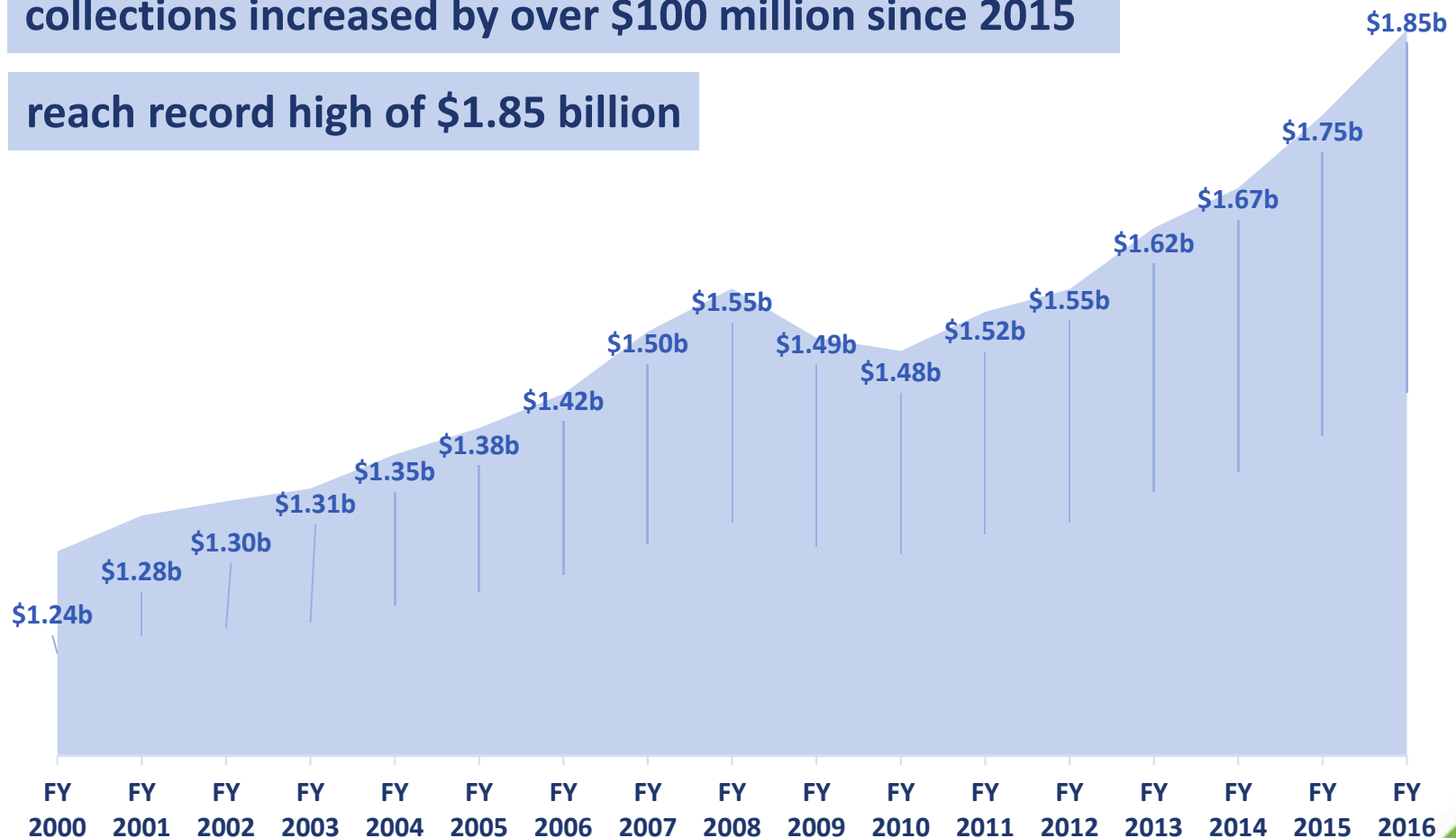


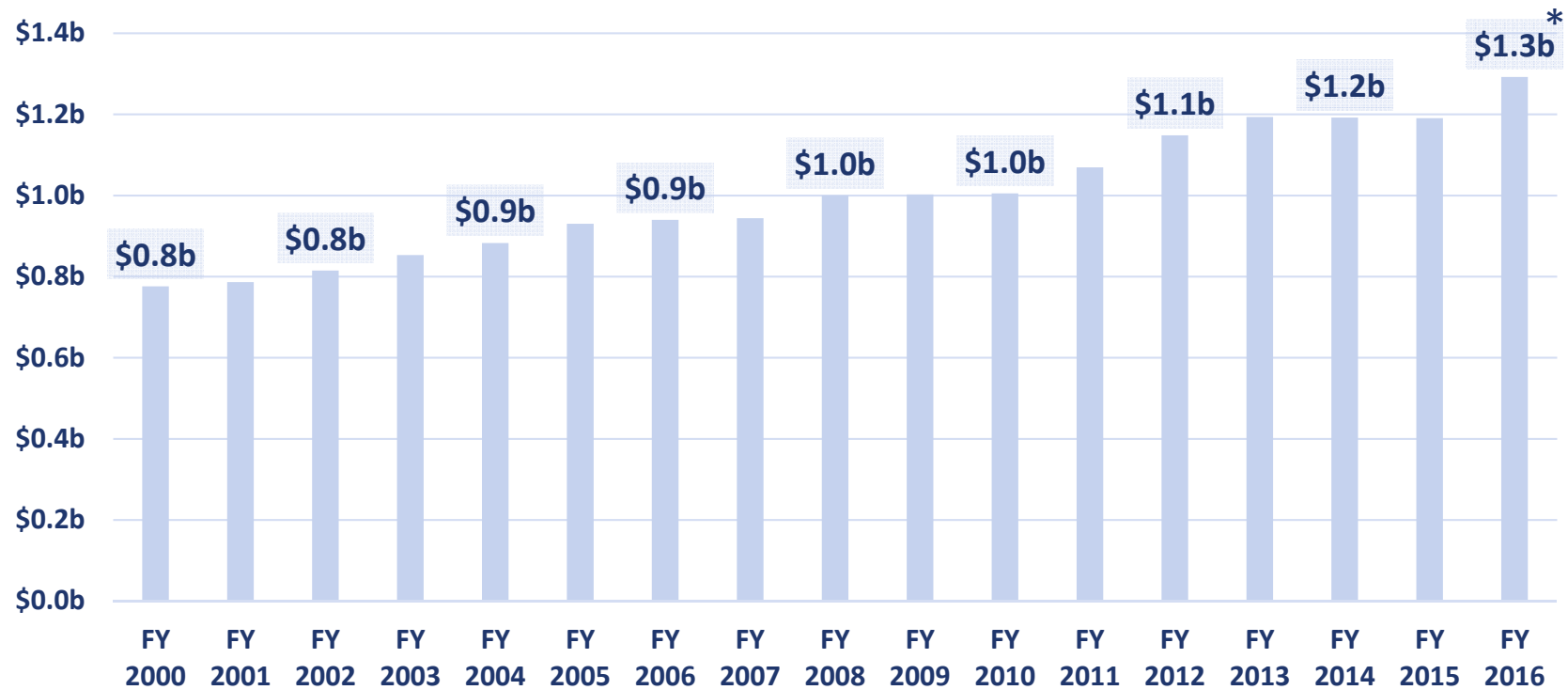
\*preliminary data, to be adjusted for credit balances

# Wage, Earnings, and Net Profit Tax

collections increased by over \$100 million since 2015

reach record high of \$1.85 billion





## Real Estate Tax Collections

increased over \$100 million since FY2015

\*preliminary data, to be adjusted for credit balances



# Realty Transfer Tax Collections

increase \$33 million

from more home sales and higher sales prices







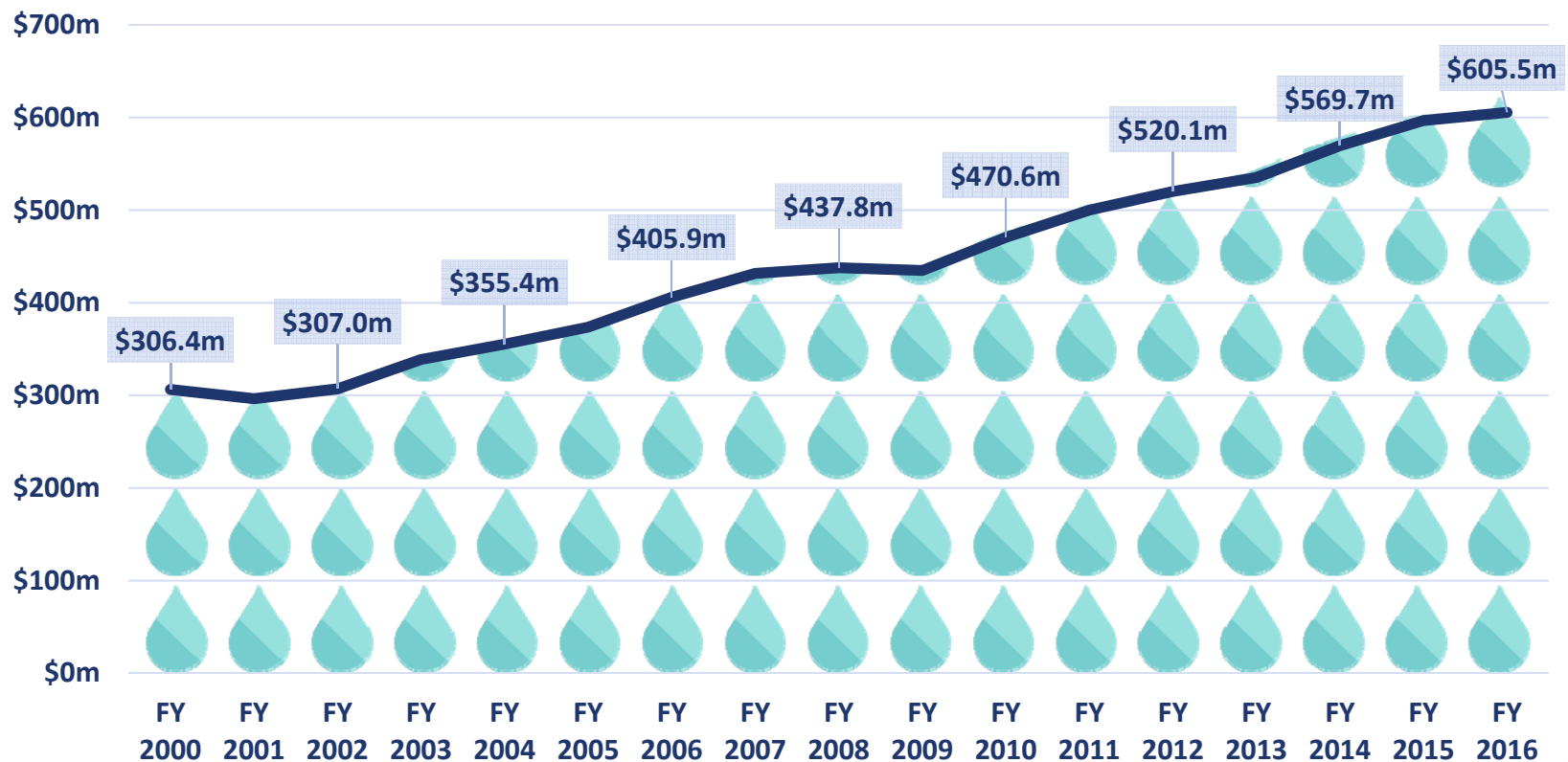
## Water Revenue Bureau

With over 530,000 billed water accounts, the Water Revenue Bureau is responsible for creating water bills, collecting all water, stormwater, and sewer rents due to the City, and administering water assistance programs.



# Water Revenue Collections

exceed \$600 million





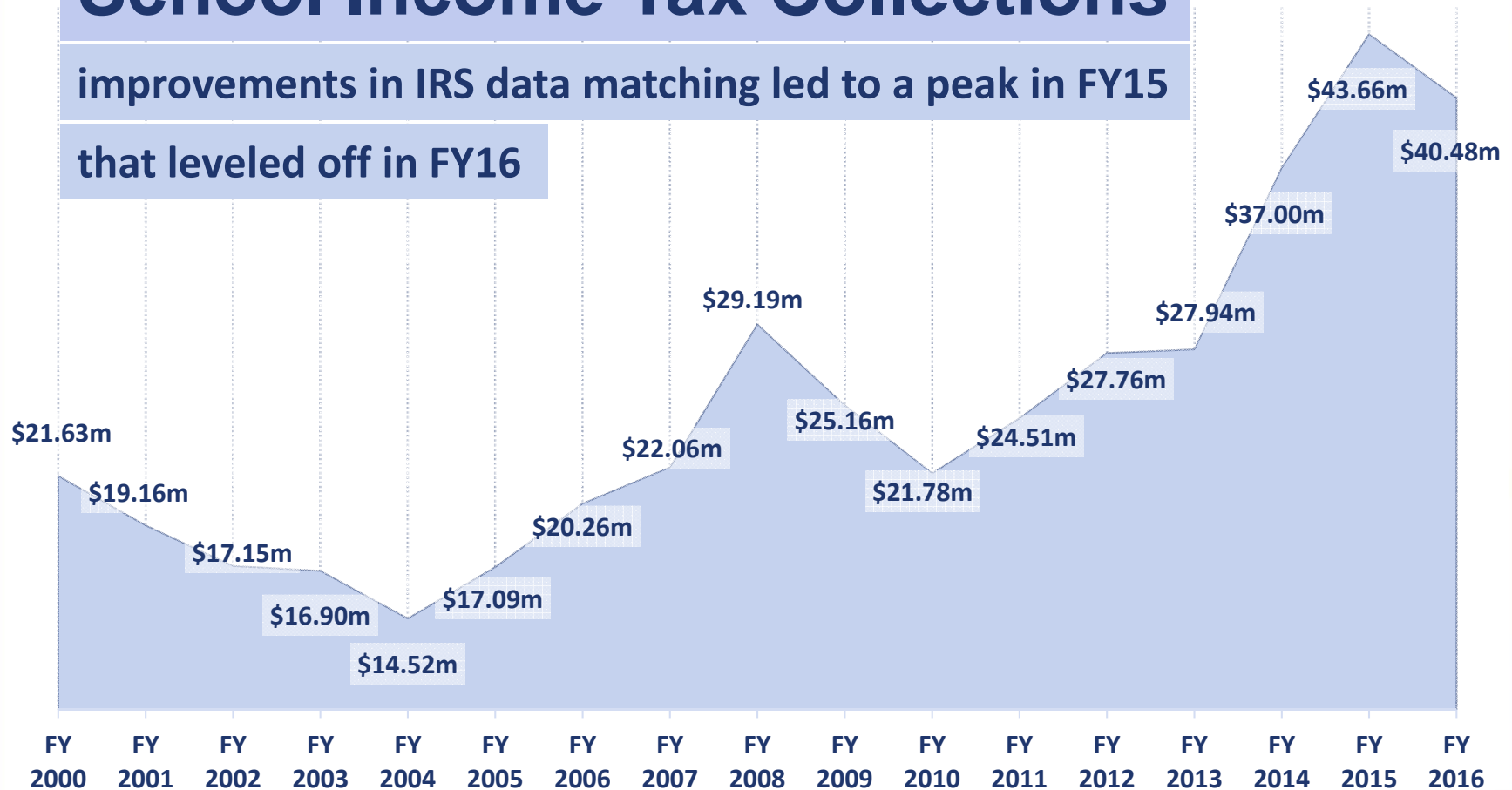
## \$961 million in School Taxes Collections

in addition to nearly \$200 million in local taxes directly collected by the State to fund the School District of Philadelphia from the Cigarette Tax and Sales & Use Tax

# School Income Tax Collections

improvements in IRS data matching led to a peak in FY15

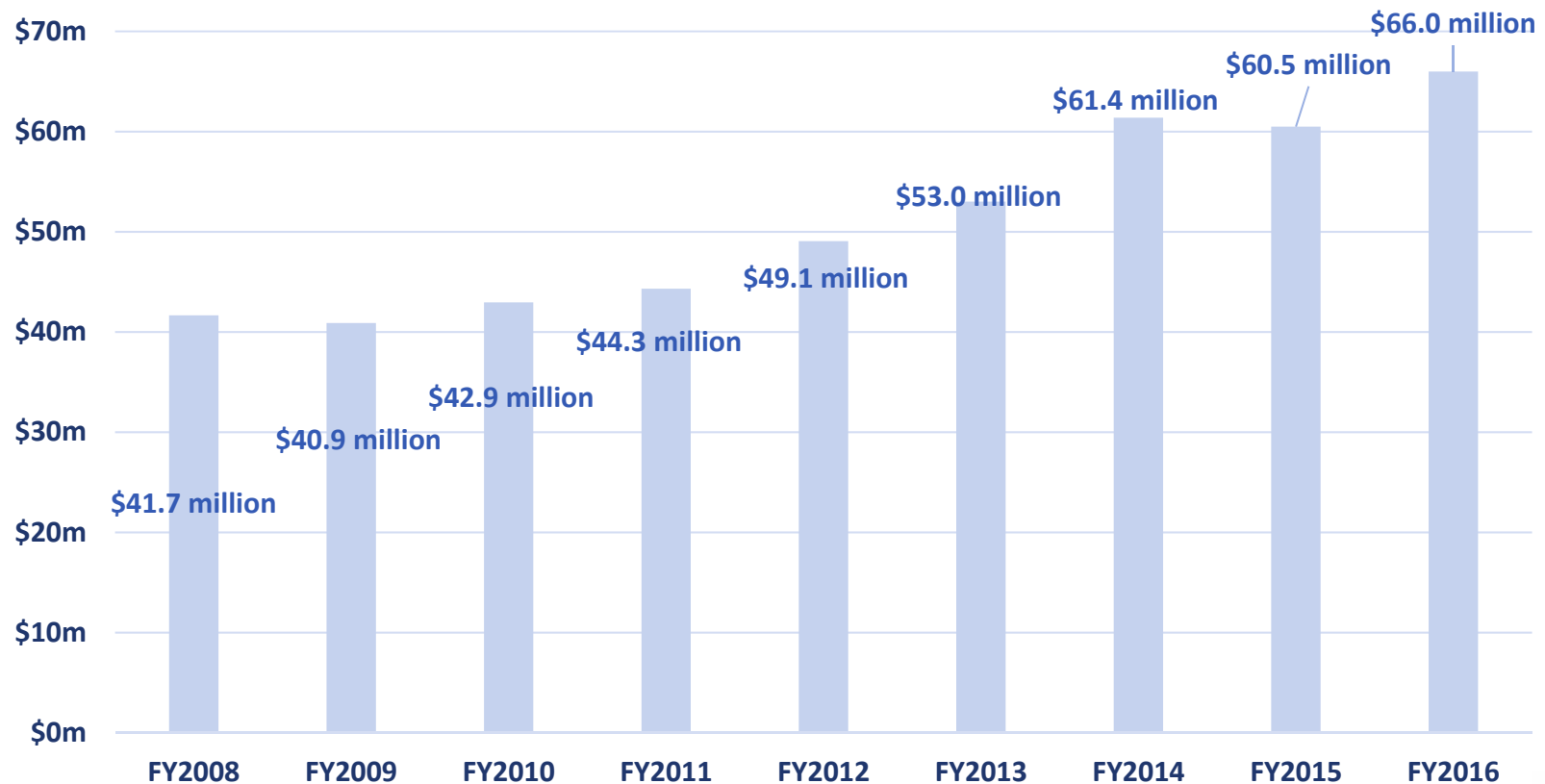
that leveled off in FY16



# Liquor Tax Collections Grew 58%

from FY08 – FY16, due to better enforcement

third year of collections greater than \$60 million



**enforcement.**

**Across all Business and Real Estate  
taxpaying accounts; about 1-in-10  
were delinquent at the close of Fiscal  
Year 2016**

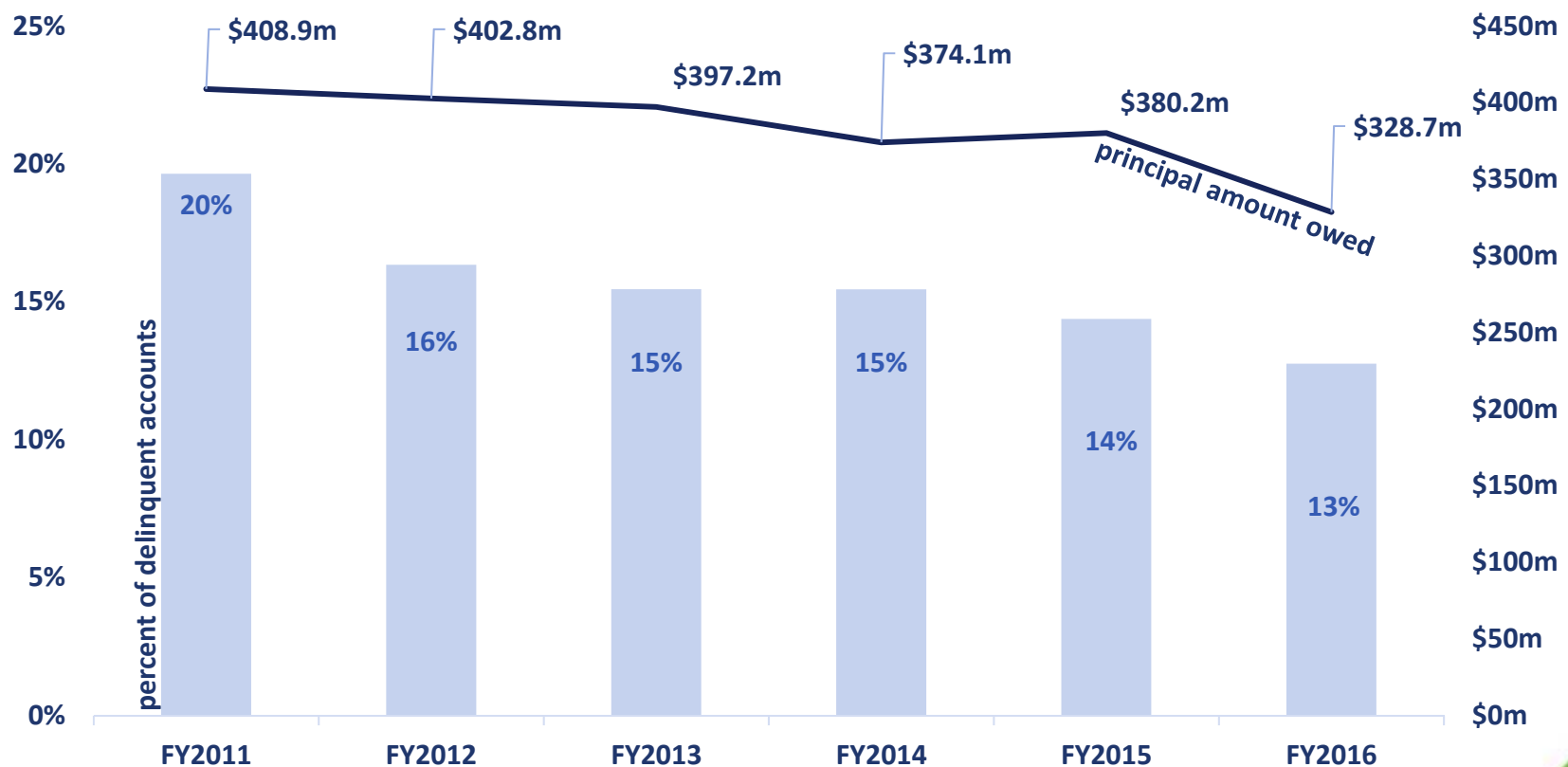
**MOST TAXPAYERS PAY, AND PAY ON TIME**



# Lowest Number of Delinquent Accounts

since FY11 the number of delinquent accounts decreased 25%

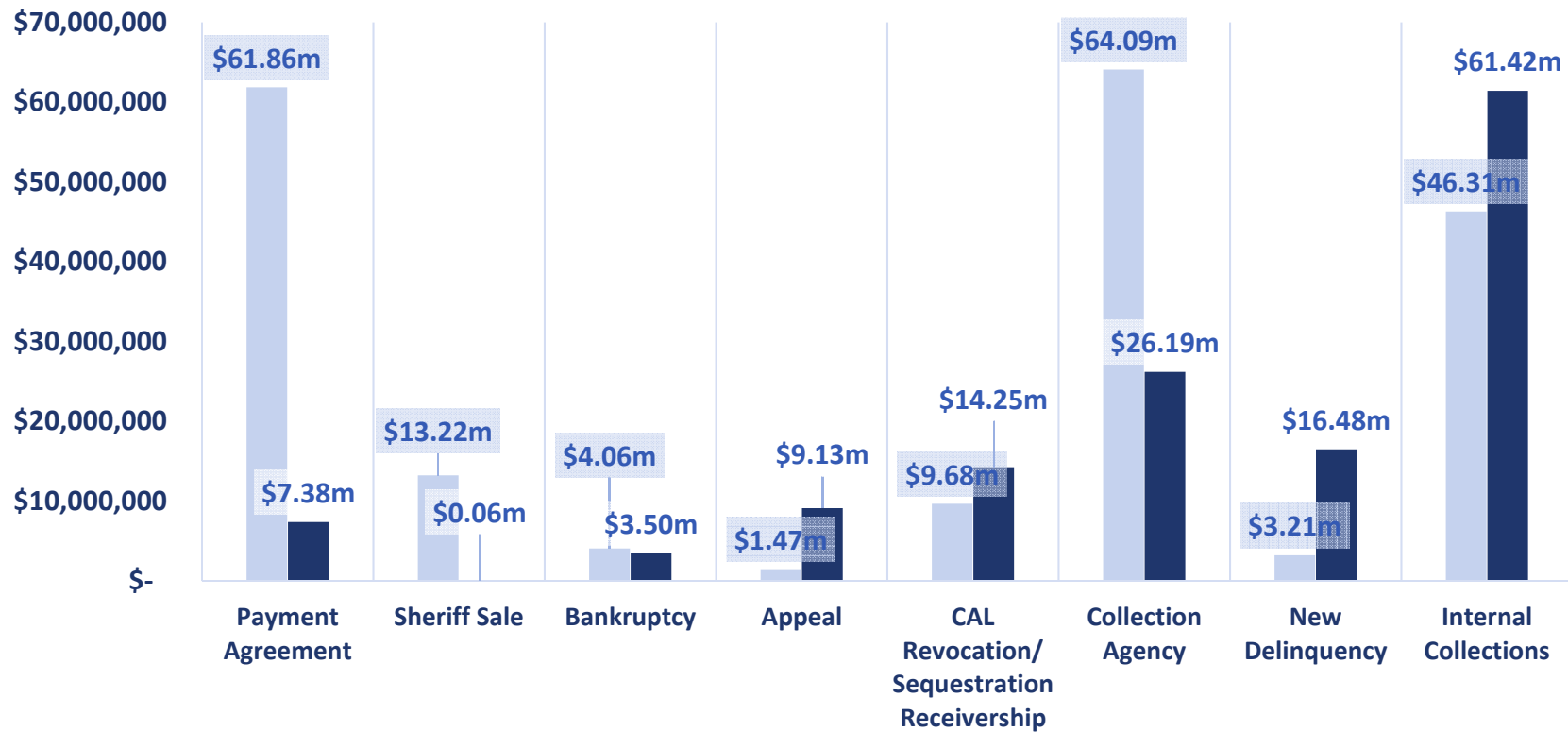
the amount those accounts owed decreased 20%



\*measured at the beginning of each Fiscal Year\*

# Selecting the Right Tool

for the right delinquency - at the right time



Active Principal Balance (\$342 million) by Enforcement Category

■ Real Estate ■ Business Taxes



# Improving the Customer Experience



+13 million  
letters sent



+900,000  
calls received



+130,000  
in-person visits



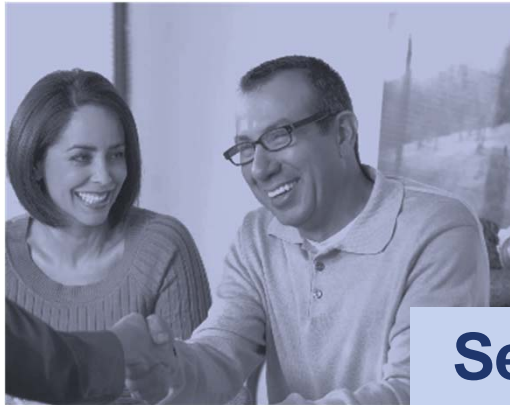
+2.6 million  
website visits



+\$309 million  
online payments

Last year we sent more letters, answered more calls, and saw more customers. By making echeck FREE, online payments increased 82%.





## Senior Tax Freeze, Homestead, LOOP

+230,000 homeowners received

a Real Estate Tax discount in 2015

**totaling \$106 million**

and lowering their average bill by

**nearly 25%.**

# Owner-Occupied Payment Agreements

**2014**

2,456 properties  
\$17.0 million under  
agreement



**2015**

5,036 properties  
\$34.5 million under  
agreement

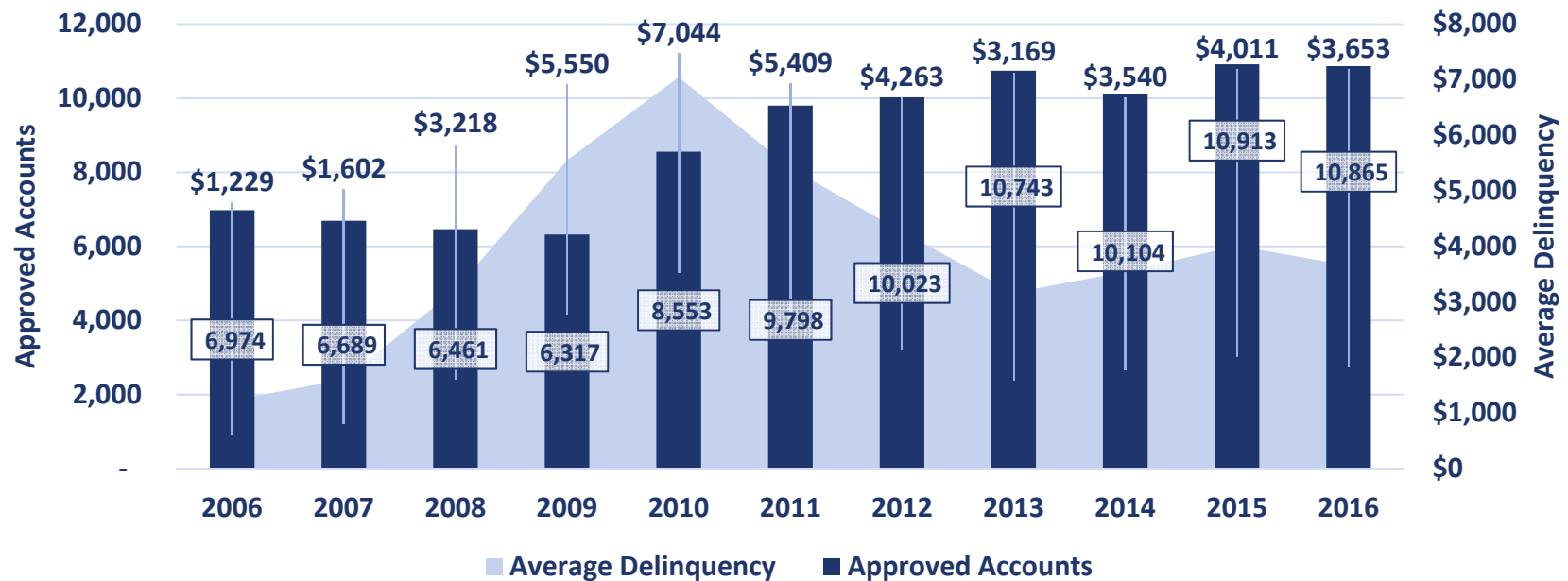
**More than doubled** the number of delinquent homeowners participating in OOPA and the amount they have under agreement



## Earned Income Tax Credit

Over 17,000 tax returns were prepared for free in FY2016 with the City's support, an **increase of 240%** from the year before; resulting in \$19.3 million in refunds (including \$7.5 million in EITC refunds).

# Water Revenue Assistance Programs



Getting help to those who need it most—WRAP enrollment increases 56% from Fiscal Year 2006.



## Senior Citizen Water Discount

over 22,000 eligible seniors received a water discount in FY2016; totaling \$3.6 million in assistance.

### Senior Citizen Discount


#### Eligibility Requirements


- Bill must be in your name
- Must be at least 65 years of age
- Total annual income (of all household members) cannot exceed \$31,500

<https://alpha.phila.gov/senior-citizen-discounts/>



# looking ahead to FY17.

 Income-based water affordability plan, iWRAP

 Automated payment withdrawals for payment plans


 Tax Lien Sales


 Data warehouse to improve collections

 eBilling for Water


 Philadelphia Beverage Tax

 Liquor License Sheriff Sales

 Improving benefit and assistance programs to make them easier to access

 Improved Employee Indebtedness Program

 Lender Payments on Delinquent Property Taxes and Fees

 Business Tax Debt Sales



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