

Analysis of Tax Data for Economic Information

February 18, 2021

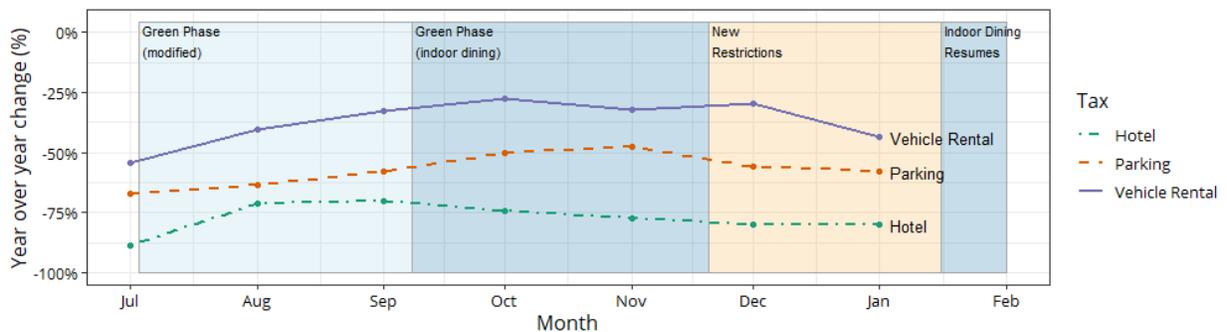
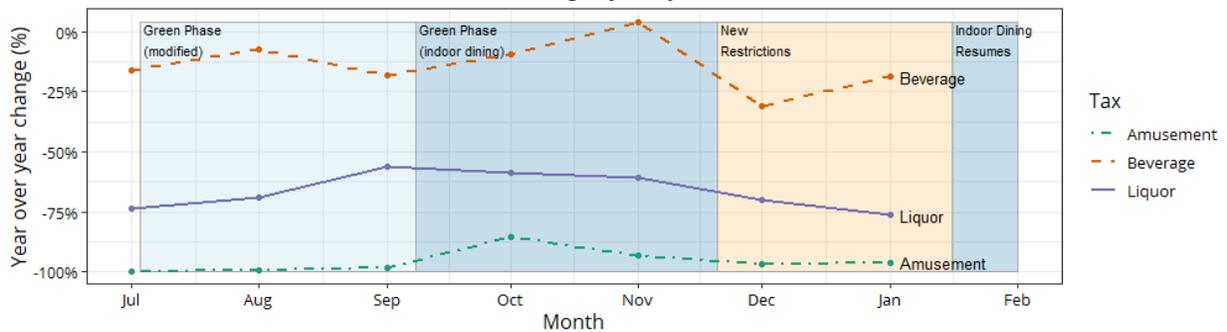
This edition of the monthly report summarizes fiscal year-to-date collections of wage tax, use and occupancy tax, realty transfer tax, and six smaller taxes. Three large taxes that are not covered are two annual taxes, real estate and the business income and receipts tax (BIRT), as well as the sales tax which is administered by the State.

The impact of the pandemic continues to weigh heavily on tax collections. Fiscal 2021 year-to-date collections, compared to fiscal 2020 are down 9.9% for wage tax and 11.9% for use and occupancy tax. Four of the six smaller taxes shown on the first page are down more than fifty percent. Transfer tax finished calendar year 2020 down 8.9%. One detail to note on the wage tax page is that the January plummet in manufacturing is related to one-time exceptionally large bonuses that occurred in January 2020 as part of a buyout of a Philadelphia business.

Other Taxes

- FYTD, Beverage Tax is down 14.4%, the least of the six smaller taxes.
- Amusement Tax continues to struggle the most, but all taxes saw a decline in January compared to last year except for Beverage Tax.
- FYTD, Hotel Tax has lost the most revenue (\$37 mil) compared to last year.

Year Over Year Change by Tax from FY2020-FY2021



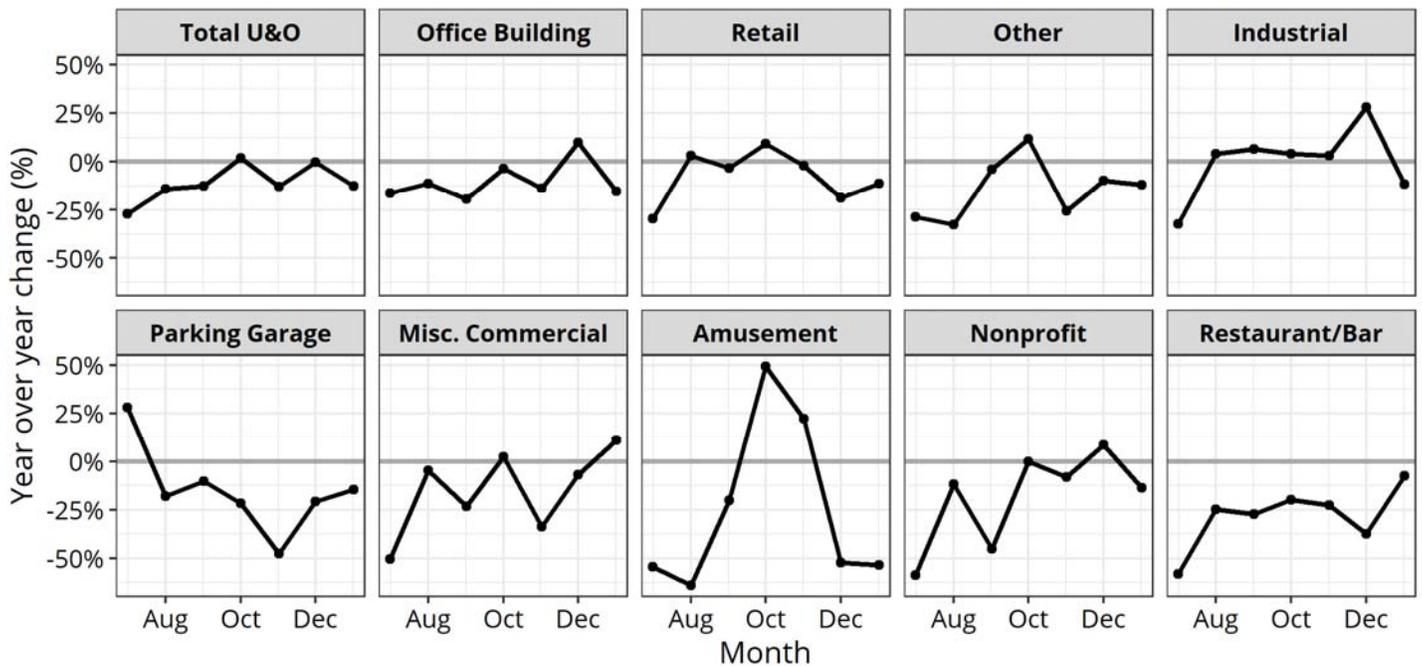
Tax Type Breakdown – Fiscal Year to Date

Tax	FY2020	FY2021	Change	Pct Change
Parking	\$ 57,809,977	\$ 24,905,987	\$ (32,903,990)	-56.9%
Liquor	\$ 50,207,273	\$ 16,637,275	\$ (33,569,999)	-66.9%
Hotel	\$ 48,120,047	\$ 10,756,887	\$ (37,363,160)	-77.6%
Beverage	\$ 46,440,211	\$ 39,752,986	\$ (6,687,225)	-14.4%
Amusement	\$ 15,903,724	\$ 539,759	\$ (15,363,965)	-96.6%
Vehicle Rental	\$ 4,217,006	\$ 2,636,018	\$ (1,580,988)	-37.5%

Use and Occupancy Tax (U&O Tax)¹

- Fiscal year to date, total U&O Tax collections are down 11.9% compared to FY 2020. Compared to last year, total collections declined from December to January; they were flat in December and down 12.8% in January.
- U&O Tax collections from retail, parking garages, miscellaneous commercial, and restaurants/bars improved in January compared to last year.

Percent Change from FY2020-FY2021 in U&O Revenue by Building Type



Building Type Breakdown – Fiscal Year to Date – U&O Revenue

Building Type	FY2020	FY2021	Change	Pct Change
Total U&O	\$ 116,384,995	\$ 102,573,388	\$ (13,811,607)	-11.9%
Office Building	\$ 45,516,381	\$ 40,781,933	\$ (4,734,448)	-10.4%
Retail	\$ 21,147,960	\$ 19,308,634	\$ (1,839,326)	-8.7%
Other	\$ 16,627,718	\$ 14,080,148	\$ (2,547,570)	-15.3%
Industrial	\$ 15,442,384	\$ 14,790,599	\$ (651,785)	-4.2%
Parking Garage	\$ 4,359,395	\$ 3,627,994	\$ (731,401)	-16.8%
Misc. Commercial	\$ 4,187,631	\$ 3,590,468	\$ (597,164)	-14.3%
Amusement	\$ 3,441,219	\$ 2,210,560	\$ (1,230,659)	-35.8%
Nonprofit	\$ 3,413,801	\$ 2,589,820	\$ (823,981)	-24.1%
Restaurant/Bar	\$ 2,248,505	\$ 1,593,232	\$ (655,273)	-29.1%

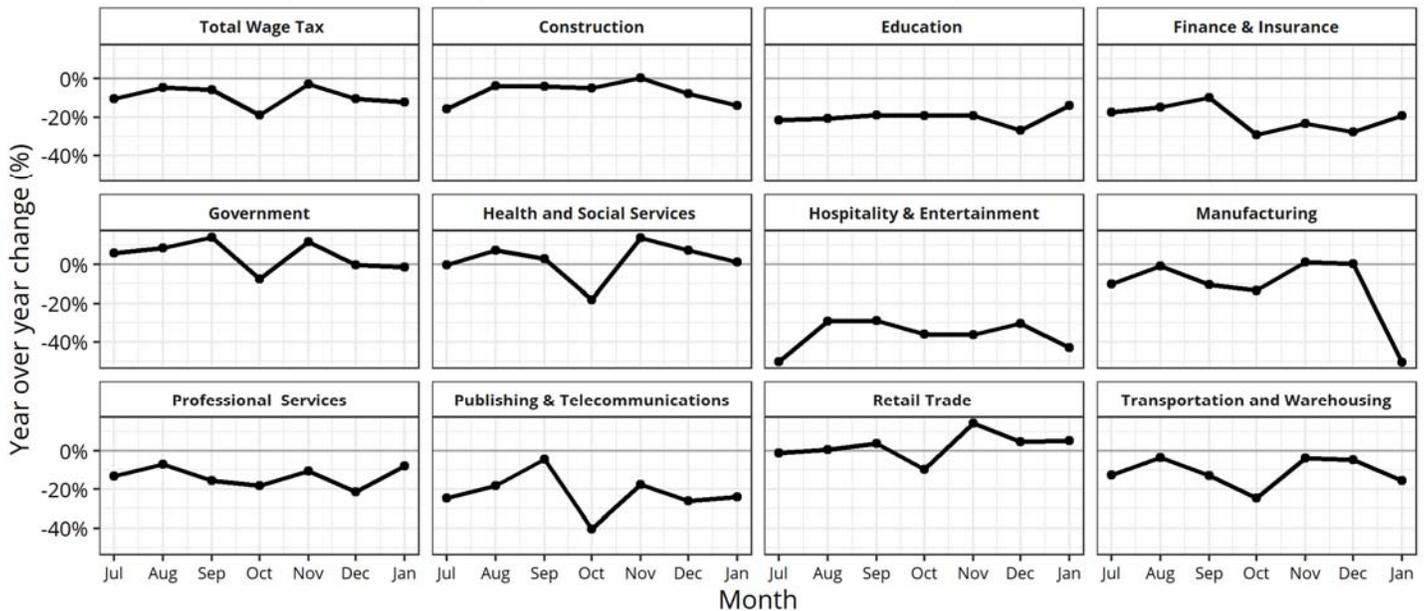
¹ July 2019 payments include annual filers who filed for the first six months of 2019 due to a change in Department of Revenue policy. There are no annual filers for July 2020. "Other" building types include large apartment, parking lot, condo, mixed usage, hotel, bank, utility, small apartment, garage, pier, and unclassified.

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Wage Tax²

- Wage Tax collections were down 12.2% in January 2021 compared to last year and are down 9.9% for the fiscal year to date, July 2020 through January 2021.
- The top four industries are down 5.4% fiscal year to date, which includes health and social services (+0.9%), government (+4.5%), professional services (-13.0%), and education (-20.2%). In January, education (-13.9%) and professional services (-7.8%) saw some uptick, while construction saw a continued downward decline (-13.8%).

Top-level Industry Breakdown - Year over Year Change - Wage Tax Revenue



Top-level Industry Breakdown - Fiscal Year to Date (July to January) - Wage Tax Revenue

Industry	FY2020	FY2021	Percent Change
Health and Social Services	\$ 276,950,928	\$ 279,535,439	0.9%
Government	\$ 149,474,901	\$ 156,231,439	4.5%
Professional Services	\$ 159,774,833	\$ 138,947,412	-13.0%
Education	\$ 119,997,875	\$ 95,781,794	-20.2%
Finance & Insurance	\$ 87,678,716	\$ 69,716,582	-20.5%
Manufacturing	\$ 78,033,898	\$ 63,244,986	-19.0%
Retail Trade	\$ 60,458,041	\$ 61,692,784	2.0%
Hospitality & Entertainment	\$ 71,241,401	\$ 44,778,003	-37.1%
Construction	\$ 45,599,147	\$ 42,081,383	-7.7%
Transportation and Warehousing	\$ 44,074,890	\$ 38,933,335	-11.7%
Publishing & Telecommunications	\$ 46,965,619	\$ 36,000,077	-23.3%
Other Sectors (not included in chart)	\$ 149,018,633	\$ 135,085,894	-9.3%
Total Wage Tax	\$ 1,289,268,882	\$ 1,162,029,128	-9.9%

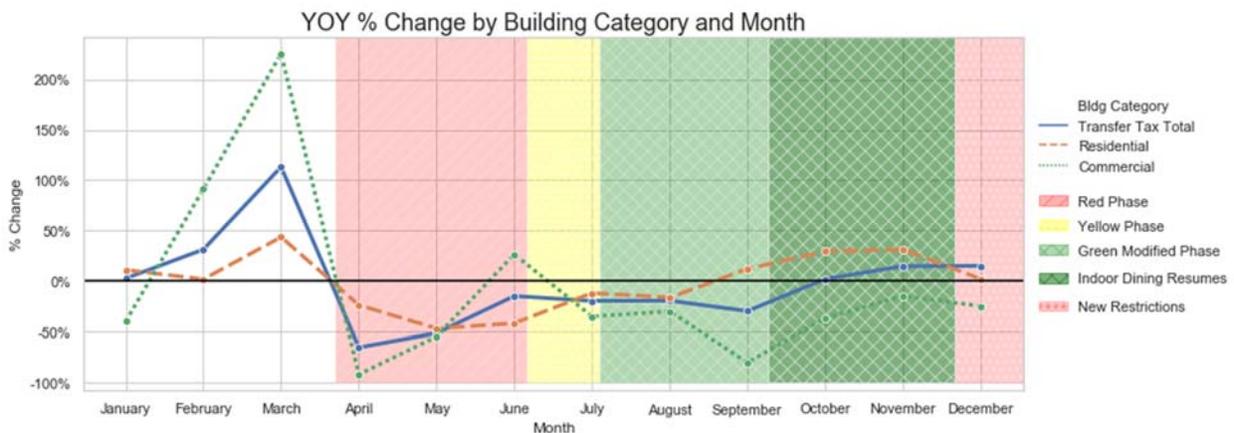
² Some industries are excluded from the chart (88% of total Wage Tax is accounted for in the industry breakdown chart). July, October, and January data includes quarterly payments processed late.

Real Estate Transfer Tax³

- Commercial collections are down 24.6% for the year after a significant drop in September collections. Residential collections are only down 3.7% for the year after seeing an increase in collections over 2019 amounts for September through December.
- South Philadelphia has seen the greatest increase in collections for 2020 (19.5%) over 2019 numbers while the Far Northeast has seen the smallest decline in # of sales (-3.6%).
- Real Estate Transfer Tax for calendar 2020 is down 8.9% percent overall when compared to calendar 2019.

Local Tax Amount by Building Category and Month			
Month	2019	2020	% Change
Commercial	\$125,934,397	\$94,969,643	-24.6%
January	\$6,855,289	\$4,095,696	-40.3%
February	\$3,748,589	\$7,159,908	91.0%
March	\$7,894,403	\$25,703,034	225.6%
April	\$25,051,575	\$1,902,781	-92.4%
May	\$7,746,680	\$3,486,662	-55.0%
June	\$12,322,263	\$15,569,172	26.3%
July	\$9,719,045	\$6,283,874	-35.3%
August	\$8,790,305	\$6,137,054	-30.2%
September	\$13,452,719	\$2,603,466	-80.6%
October	\$11,794,186	\$7,437,701	-36.9%
November	\$6,964,269	\$5,919,978	-15.0%
December	\$11,595,074	\$8,670,317	-25.2%
Residential	\$197,307,805	\$190,057,057	-3.7%
January	\$14,035,147	\$15,555,401	10.8%
February	\$10,645,283	\$10,807,717	1.5%
March	\$14,164,954	\$20,313,046	43.4%
April	\$16,030,317	\$12,177,036	-24.0%
May	\$19,798,157	\$10,452,062	-47.2%
June	\$18,201,006	\$10,546,107	-42.1%
July	\$20,426,948	\$17,941,156	-12.2%
August	\$19,783,515	\$16,496,555	-16.6%
September	\$16,242,842	\$18,168,229	11.9%
October	\$16,973,889	\$21,936,675	29.2%
November	\$13,944,288	\$18,281,465	31.1%
December	\$17,061,459	\$17,381,608	1.9%
Unknown	\$10,156,120	\$18,563,080	82.8%

2019 vs 2020 % Change in Collections and Sales by District		
District	Local Tax Amount % Change	# of Sales % Change
South	19.5%	-12.4%
Northwest	9.9%	-9.3%
West	5.2%	-27.4%
North	3.5%	-29.6%
University Southwest	-9.4%	-16.1%
West Central	-10.8%	-17.3%
River Wards	-13.4%	-30.7%
Northeast	-15.9%	-21.8%
Far Northeast	-21.1%	-3.6%
East Central	-53.3%	-22.5%
Lower Southwest	-55.2%	-25.2%
Total	-8.9%	-19.0%



³ December 2020 Data is Preliminary