

Analysis of Tax Data for Economic Information

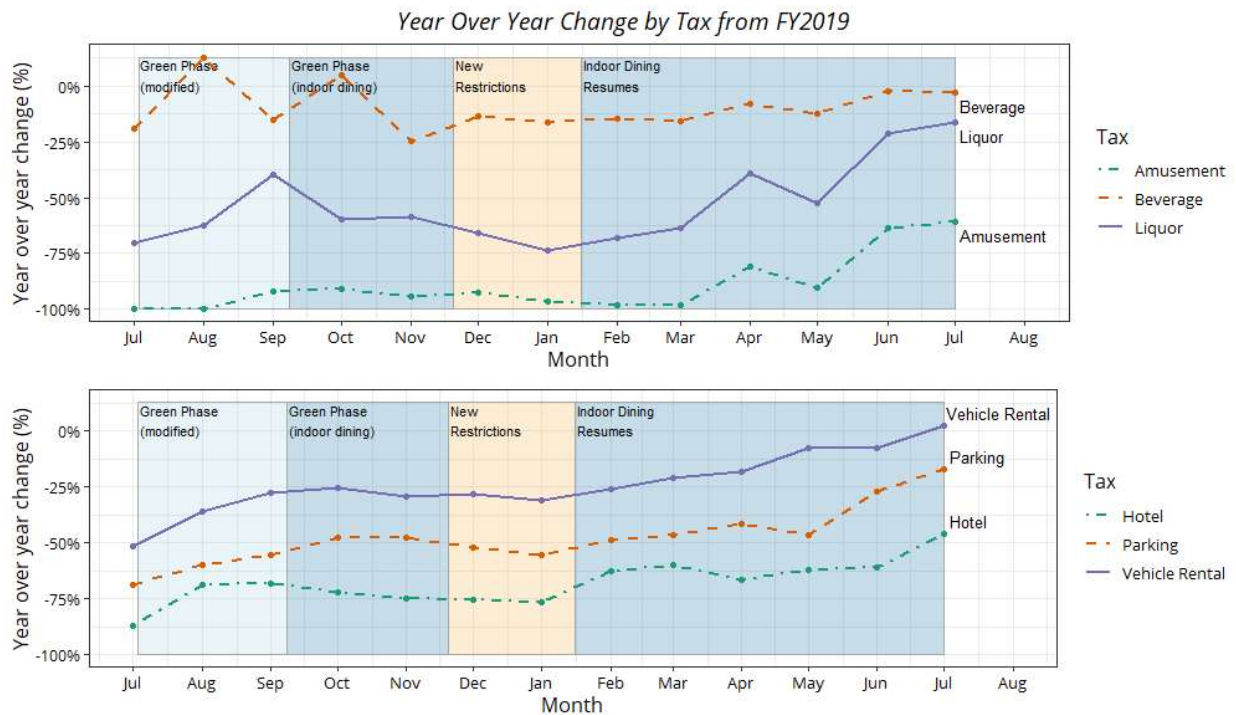
August 12, 2021

For the first three pages of the report, the tables have been switched over from fiscal year to calendar year (CY). For the last page (Transfer Tax), the tables remain on fiscal year until June data is available. For the graphs, the data points start with July 2020. All comparisons in the graphs are in relation to the same month in Fiscal 2019.

In the Wage Tax page, we see decline in nearly all sectors for CY21 compared to CY19. The underlying reason can be different; for example, the decline in the hospitality sector is driven by economic factors while the decline in the finance/insurance sector is driven in large part by the increase in remote work and the tax implications thereof.

Other Taxes

- Compared to FY2019, all taxes below except the Beverage Tax improved from June-July. But the Liquor, Amusement, and Parking taxes saw less improvement from June-July than from May-June.
- For the calendar year to date, collections from all six taxes are below CY2019 levels. However, compared to CY2020, the Parking, Beverage, and Vehicle Rental taxes have improved.



Tax Type Breakdown –Calendar Year to Date (Jan – July)

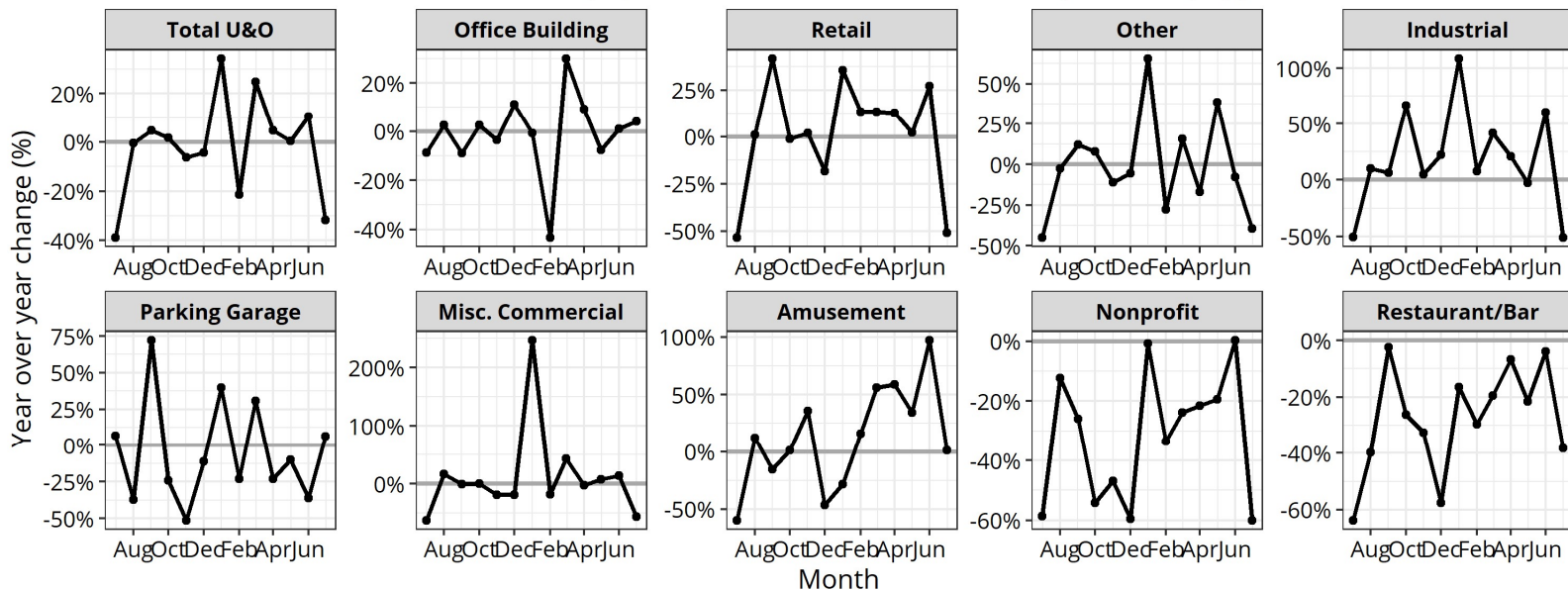
Tax	CY2019	CY2020	CY2021	Pct Change from CY2020	Pct Change from CY2019
Parking	\$58,056,802	\$34,102,207	\$34,845,029	2.2%	-40.0%
Beverage	\$44,445,814	\$39,031,226	\$40,190,625	3.0%	-9.6%
Liquor	\$47,929,281	\$26,381,612	\$24,719,063	-6.3%	-48.4%
Hotel	\$41,624,061	\$17,573,173	\$15,823,806	-10.0%	-62.0%
Amusement	\$13,757,656	\$6,173,379	\$2,514,351	-59.3%	-81.7%
Vehicle Rental	\$3,343,418	\$2,327,164	\$2,844,900	22.2%	-14.9%

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Use and Occupancy Tax (U&O Tax)¹

- Compared to the most recent non-pandemic fiscal year (FY2019), total U&O collections decreased June to July. However, this is at least partially because July 2019 collections included annual filers, while July 2020 and 2021 did not.
- Collections from office buildings continued to improve in July compared to FY2019.
- For the calendar year to date, total U&O collections increased compared to both CY2020 (+15.6%) and CY2019 (+4.1%). All building types increased compared to CY2020, and all also increased compared to CY2019 except for office buildings, parking garages, nonprofits, and restaurants/bars.

Percent Change from FY2019 in U&O Revenue by Building Type



Building Type Breakdown – Calendar Year to Date (Jan-July) – U&O Revenue

Building Type	CY2019	CY2020	CY2021	Pct Change from CY2020	Pct Change from CY2019
Total U&O	\$106,304,144	\$95,774,016	\$110,691,180	15.6%	4.1%
Office Building	\$43,689,165	\$36,682,766	\$42,726,303	16.5%	-2.2%
Retail	\$18,828,006	\$17,738,571	\$20,565,798	15.9%	9.2%
Other	\$14,264,503	\$12,855,680	\$14,723,039	14.5%	3.2%
Industrial	\$13,113,098	\$14,505,262	\$16,191,103	11.6%	23.5%
Parking Garage	\$4,243,191	\$3,901,523	\$4,100,612	5.1%	-3.4%
Misc. Commercial	\$3,637,809	\$3,636,168	\$4,407,094	21.2%	21.1%
Amusement	\$2,536,007	\$2,192,960	\$3,364,160	53.4%	32.7%
Nonprofit	\$3,730,776	\$2,531,692	\$2,777,741	9.7%	-25.5%
Restaurant/Bar	\$2,261,591	\$1,729,393	\$1,835,330	6.1%	-18.8%

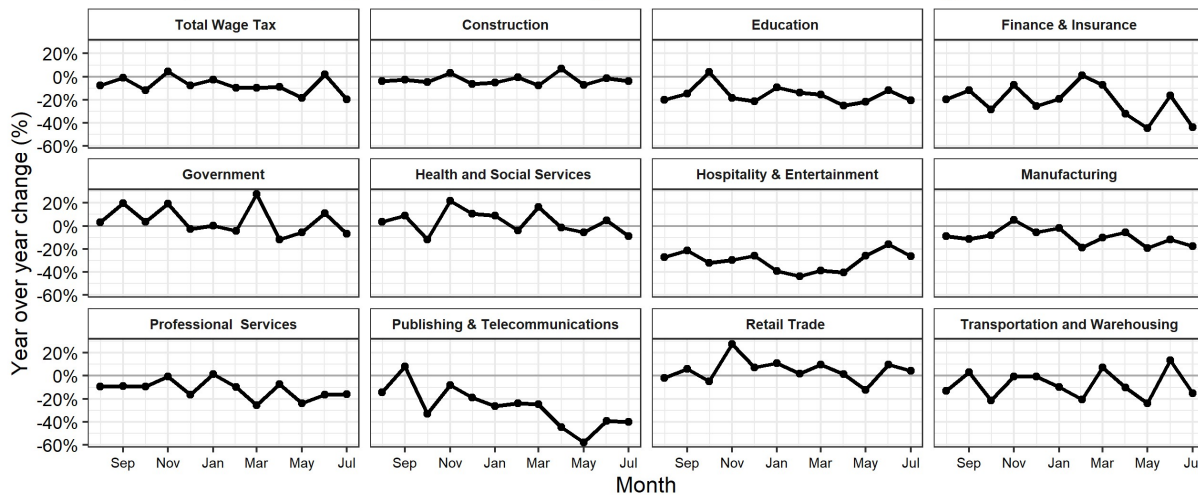
¹ July 2019 payments include annual filers who filed for the first six months of 2019 due to a change in Department of Revenue policy. There are no annual filers for July 2020 or 2021. "Other" building types include large apartment, parking lot, condo, mixed usage, hotel, bank, utility, small apartment, garage, pier, and unclassified.

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Wage Tax²

- Wage Tax collections were down in July (-19.6%) from June (+1.9%), in comparison to the most recent non-pandemic calendar year (CY2019). For CY2021, Wage Tax collections were down compared to both CY2019 (-9.6%) and CY2020 (-8.5%).
- The top four industries (Health and Social Services, Government, Professional Services, and Education) were down 5.2% for the calendar year compared to CY2019 and 6.2% compared to CY2020. Health and Social Services was up compared to CY2019 (+1.0%). Outside the top four industries, Retail Trade was also up compared to CY2019 (+3.6%).
- Across all industries, collections were down in July from June relative to CY2019. Only Retail Trade (+4.4%) was up in July 2021 compared to July 2019, while Construction (+17.1%), Education (+1.6%), Hospitality & Entertainment (+50.9%), and Retail Trade (+8.1%) were all up in July 2021 compared to July 2020.

Top-level Industry Breakdown - Change from FY2019-FY2021 - Wage Tax Revenue



Note: For July, this chart shows changes between July 2019 and July 2021.

Top-level Industry Breakdown - Calendar Year to Date - Wage Tax Revenue

Industry	CY2019	CY2020	CY2021	Pct Change from CY2019	Pct Change from CY2020
Health and Social Services	\$263,202,141	\$268,878,129	\$265,775,825	1.0%	-1.2%
Government	\$142,478,123	\$147,105,751	\$142,095,675	-0.3%	-3.4%
Professional Services	\$151,963,640	\$153,978,629	\$133,724,282	-12.0%	-13.2%
Education	\$110,961,720	\$105,544,714	\$92,149,386	-17.0%	-12.7%
Finance & Insurance	\$107,149,016	\$108,039,183	\$83,423,857	-22.1%	-22.8%
Manufacturing	\$74,988,397	\$82,284,876	\$66,181,136	-11.7%	-19.6%
Retail Trade	\$62,063,495	\$59,716,349	\$64,286,879	3.6%	7.7%
Hospitality & Entertainment	\$67,033,094	\$50,974,293	\$44,752,611	-33.2%	-12.2%
Construction	\$43,456,113	\$38,867,512	\$42,336,632	-2.6%	8.9%
Transportation and Warehousing	\$42,292,908	\$39,985,073	\$38,447,142	-9.1%	-3.8%
Publishing & Telecommunications	\$56,083,566	\$55,103,013	\$35,615,834	-36.5%	-35.4%
Other Sectors	\$150,224,462	\$145,880,971	\$140,615,871	-6.4%	-3.6%
Total Wage Tax	\$1,271,896,675	\$1,256,358,494	\$1,149,405,129	-9.6%	-8.5%

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 include quarterly payments processed late.

Real Estate Transfer Tax

- House and Condos showed an overall increase in collections compared to FY2019, improving 13.4% in FY2021. Quarters 1 and 2 showed an increase in collections, while the improvement declined from Quarter 2 (+35.1%) to Quarter 3 (+7.6%). In April, collections begin to recover slightly, but decreased significantly in May (2.7%).
- For commercial buildings, collections from Office Buildings (-83.0%) and Large Apartments (-43.8%) decreased the most fiscal year to date compared to FY2019, followed by Industrial (-5.9%). However, Retail has seen an overall increase of 22.8% fiscal year to date compared to FY2019 followed by Other Commercial (0.1%).

(Revenue in millions, percent change from FY2019)

Residential Transfer Tax Collections by Month for Houses/Condos								
	Local Tax Amount				# of Sales			
	FY 19	FY 20	FY 21	% Change	FY 19	FY 20	FY 21	% Change
Quarter 1	\$45.01	\$48.15	\$45.24	0.5%	8,841	8,996	7,386	-16.5%
Quarter 2	\$39.36	\$40.43	\$53.17	35.1%	8,449	8,193	8,646	2.3%
Quarter 3	\$32.64	\$38.33	\$35.13	7.6%	7,178	7,602	6,055	-15.6%
April	\$13.37	\$10.46	\$16.06	20.1%	2,681	1,421	2,601	-3.0%
May	\$16.89	\$8.92	\$17.35	2.7%	3,215	1,418	2,481	-22.8%
FYTD Total	\$147.27	\$146.29	\$166.94	13.4%	30,364	27,630	27,169	-10.5%

Commercial Transfer Tax Collections by Month for Industrial Buildings and all other Commercial Building Types								
	Industrial				Other Commercial			
	FY 19	FY 20	FY 21	% Change	FY 19	FY 20	FY 21	% Change
Quarter 1	\$3.7	\$11.8	\$3.3	-12.9%	\$6.6	\$12.2	\$4.5	-31.2%
Quarter 2	\$5.4	\$5.8	\$4.0	-24.8%	\$10.3	\$7.4	\$8.8	-14.0%
Quarter 3	\$4.4	\$7.8	\$4.6	4.2%	\$7.1	\$8.8	\$5.7	-19.2%
April	\$1.4	\$0.2	\$1.5	9.2%	\$2.5	\$0.8	\$3.2	28.8%
May	\$0.8	\$1.1	\$1.4	69.0%	\$1.2	\$0.7	\$5.4	335.3%
FYTD Total	\$15.8	\$26.8	\$14.9	-5.9%	\$27.7	\$29.9	\$27.7	0.1%

Commercial Transfer Tax Collections by Month for Office Buildings, Large Apartments, and Retail												
	Large Apartments				Office Buildings				Retail			
	FY 19	FY 20	FY 21	% Change	FY 19	FY 20	FY 21	% Change	FY 19	FY 20	FY 21	% Change
Quarter 1	\$13.8	\$3.9	\$4.0	-71.0%	\$5.2	\$1.0	\$0.8	-83.7%	\$2.9	\$3.0	\$2.4	-18.0%
Quarter 2	\$10.6	\$6.6	\$9.1	-14.1%	\$0.4	\$7.5	\$2.6	533.1%	\$1.6	\$3.0	\$2.1	27.6%
Quarter 3	\$5.0	\$5.8	\$7.0	39.5%	\$0.8	\$13.0	\$0.3	-61.3%	\$1.1	\$1.6	\$1.0	-11.0%
April	\$3.3	\$0.6	\$0.2	-92.9%	\$17.4	\$0.1	\$0.2	-98.6%	\$0.4	\$0.2	\$2.2	479.7%
May	\$4.8	\$0.7	\$0.7	-84.6%	\$0.4	\$0.6	\$0.1	-82.4%	\$0.4	\$0.4	\$0.3	-32.6%
FYTD Total	\$37.6	\$17.6	\$21.1	-43.8%	\$24.3	\$22.3	\$4.1	-83.0%	\$6.4	\$8.1	\$7.9	22.8%