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# Revenue

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## Introduction

This chapter presents the revenue outlook for the District of Columbia's General Fund for FY 2010 to FY 2014. After a brief summary of revenue totals, the chapter begins with a description of the economic assumptions used in the revenue estimates, and then turns to the outlook for the specific sources of revenue that flow to the General Fund, including related policy proposals. Revenue is derived from various tax and non-tax sources, as well as special purpose non-tax sources, which consist of fees, fines, assessments, and reimbursements dedicated to the District of Columbia agency that collects the revenues. The chapter also discusses special funds financed by dedicated tax revenues that are not available for general budgeting<sup>1</sup>.

D.C. Code § 47-318.01(b) requires the Chief Financial Officer to prepare, on a biennial basis, a tax expenditure budget that estimates the revenue loss to the District government from each tax expenditure for the current fiscal year and the next two fiscal years. This budget includes a summary of this year's study. The full report is available separately.

Additional information on D.C. taxes and other revenue sources is available in Tax Facts and the District of Columbia Data Book: Revenue and Economy. For current information on the District's economy, see the monthly Economic Indicators and Review of District of Columbia Economic and Revenue Trends. All of these documents are available on the OCFO web site: <http://cfo.dc.gov>.

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1. The special funds are: Convention Center, Tax Increment Financing, the Ballpark Fund, the Highway Trust Fund, the District Department of Transportation's Unified Fund, the Housing Production Trust Fund, the Neighborhood Investment Fund, the Nursing Facility Quality of Care Fund and the Healthy DC Fund.

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## Summary

The FY 2010 baseline estimate of \$5.16 billion in total local fund revenue, which excludes dedicated taxes and special purpose revenue, is \$113.8 million (2.3%) higher than FY 2009 revenue. (See Table 4-1.) The \$5.03 billion estimate for FY 2011 is a decrease of \$135.3 million (2.6%) from FY 2010. Including dedicated and special purpose revenues and policy initiatives, total FY 2010 general fund revenue in the financial plan is \$5.94 billion, \$195.5 million more than in FY 2009 and \$5.92 billion in FY 2011, \$18.5 million less than FY 2010.

Various policy initiatives increase general fund revenue in FY 2010 by \$20.4 million and in FY 2011 by \$85.8 million. The policy initiatives are summarized in Table 4-14 and are discussed in context of the specific revenue item for each proposal.

This chapter discusses only local source revenues. It should be noted, however, that in FY 2009, FY 2010, and FY 2011 the District will receive an estimated total of at least \$409 million to help balance the budget from the special stimulus activities of the federal government pursuant to the American Recovery and Reinvestment Act of 2009. In addition, the District expects to receive \$250 million in operating grants, and other funds will be available for capital projects and for D.C. entities not funded by this budget. These funds, which are in addition to the federal grants that the District has normally received each year, offset a portion of the reduction in local source revenues that are estimated to occur in FY 2009 and FY 2010.

## The Economic Outlook

This budget has been prepared at a time when the U.S. appears to have entered a sustained, although somewhat muted, period of recovery after the most severe post World War II recession. Still, at the national level,

Table 4-1

**General Fund Revenues, FY 2009 –FY 2014**

(dollars in thousands)

Type of Revenue	FY 2009 Actual	FY 2010 Revised	FY 2011 Original	FY 2012 Projected	FY 2013 Projected	FY 2014 Projected
<b>Local Fund - Baseline</b>	<b>5,050,633</b>	<b>5,164,448</b>	<b>5,029,101</b>	<b>5,120,791</b>	<b>5,257,491</b>	<b>5,398,319</b>
<i>% change annual</i>		2.3%	-2.6%	1.8%	2.7%	2.7%
Taxes	4,628,688	4,751,625	4,601,359	4,688,691	4,815,288	4,971,142
General Purpose Non-Tax Revenues	353,170	345,473	358,817	363,175	373,278	358,252
Transfer from Lottery	68,775	67,350	68,925	68,925	68,925	68,925
<b>Dedicated/Special Purpose - Baseline</b>	<b>694,192</b>	<b>755,531</b>	<b>806,970</b>	<b>805,313</b>	<b>827,090</b>	<b>880,652</b>
<i>% change annual</i>		8.8%	6.8%	-0.2%	2.7%	6.5%
Dedicated Taxes	239,428	284,328	328,193	327,408	348,816	398,836
Special Purpose (O-Type) Revenues	454,764	471,203	478,777	477,905	478,273	481,817
<b>Total Revenue - Baseline</b>	<b>5,744,825</b>	<b>5,919,979</b>	<b>5,836,071</b>	<b>5,926,103</b>	<b>6,084,581</b>	<b>6,278,971</b>
<i>% change annual</i>		3.0%	-1.4%	1.5%	2.7%	3.2%
<b>Revenue Policy Proposals</b>	<b>-</b>	<b>20,360</b>	<b>85,809</b>	<b>88,458</b>	<b>88,163</b>	<b>89,299</b>
<b>Total Revenue with Policy Proposals</b>	<b>5,744,825</b>	<b>5,940,340</b>	<b>5,921,880</b>	<b>6,014,561</b>	<b>6,172,744</b>	<b>6,368,271</b>
<i>Level Change</i>		195,515	-18,460	92,681	158,183	195,527
<i>% change annual</i>		3.4%	-0.3%	1.6%	2.6%	3.2%

there is a considerable amount of uncertainty, as unemployment remains high, and income gains are still weak. Even though the District avoided some of the worst effects of the recession, unemployment continues well above the national average. During FY 2010 and FY 2011, as the rest of the District economy recovers and most of the District's broad-based taxes along with it, lagging property values, particularly in commercial real estate, remain as a significant risk to the revenue forecast.

## The U.S. Economy

The longest and deepest U.S. recession since the 1930's seems to have ended in the 3rd quarter of 2009. However, the economy remains fragile. Real GDP has now registered three quarters of positive growth--2.2 percent in the 3rd quarter, 5.6 percent in the 4th quarter, and 3.0 percent in the 1st quarter of 2010--but this growth was strongly influenced by the national stimulus program and by inventory replenishment. Income growth is weak, wage and salary jobs continue to decline, and unemployment remains high.

- U.S. employment (seasonally adjusted) in April 2010 was 551,000 greater than in December 2009, but the number of wage and salary jobs in the U.S. in April 2010 was 7,812,000 (5.7%) lower than at the start of the recession in December 2007. The U.S. unemployment rate (seasonally adjusted) stood at 9.9 percent in April.
- Wages and salaries earned in the U.S. in the March quarter were 0.4 percent below those of a year ago, although personal income was 1.9 percent higher. The most recent quarters have, however, seen more growth in wages and incomes. Wages in the March quarter grew 3.2 percent and personal income 3.6 percent at seasonally adjusted annual rates compared to the December quarter.
- So far in CY 2010, there has been little net change in the stock market. The level of the S&P 500 index in May 2010 was virtually identical to January's level. It was 24.7 percent higher than May 2009 though still 26.9 percent below the October 2007 peak.

Table 4-2

## Forecasts of Nominal and Real U.S. GDP through FY 2014 by the Blue Chip Economic Indicators and by the Congressional Budget Office

Forecast	FY 2008 Actual	FY 2009 Actual	FY 2010 Estimate	FY 2011 Estimate	FY 2012 Estimate	FY 2013 Estimate	FY 2014 Estimate
(% change from the prior year)							
<b>Real GDP</b>							
Blue Chip	1.5	-2.9	2.5	3.1			
CBO	1.5	-2.9	1.6	1.8	3.9	4.9	4.3
<b>Nominal GDP</b>							
Blue Chip	3.9	-1.5	3.2	4.6			
CBO	3.9	-1.5	2.5	2.7	4.9	6.0	5.6

Source: Blue Chip Economic Indicators (May 2010) and Congressional Budget Office (January 2010). Blue Chip Indicators is only available through FY 2011. FY 2008 and FY 2009 are actual from the U.S. Bureau of Economic Analysis.

During 2010, forecasts for the U.S. economy have become slightly more optimistic, with growth rates for real GDP inching upward. However, as is to be expected of a recession marked by severe financial market problems, the recovery continues to be fairly slow and subject to a considerable amount of uncertainty.

- In May, the consensus of 50 economists contributing to the Blue Chip Economic Indicators continued to forecast a slow, U-shaped recovery, with the previous peak of Real GDP reached only in the 3rd quarter of 2010 (which would be the 5th consecutive quarter of growth).
- In the May Blue Chip forecast, growth in real GDP in FY 2010 is 2.5 percent, and nominal growth is 3.2 percent. For FY 2011, the real and nominal growth rates are expected to rise to 3.1 percent and 4.6 percent, respectively.

### The District of Columbia Economy

D.C. has avoided some of the worst problems of the national recession because of the presence of the federal government and, technically, may not actually have been in recession. D.C. is the central city (with about a quarter of the jobs and 10 percent of the population) of the metropolitan area with the second lowest unemployment rate (6.2%) of the 49 U.S. metropolitan areas with more than 1 million persons. During the recession, jobs located in D.C. have done relatively well compared to the rest of the nation, but employment of D.C. residents did poorly as unemployment continues to be very high.

Some of the greatest impacts of the recession on the D.C. economy have been those associated with real

property values and sales, capital gains, and business profits. Current D.C. economic indicators reflect this mixed picture.

- In the 3-month period ending April 2010, there were 6,933 (1.0%) more wage and salary jobs located in D.C. than a year earlier. The federal government gained 9,000 (4.6%) over the past year; the private sector lost 1,667 (-0.4%).
- D.C. resident employment in the 3-month period ending in April was 1,739 (-0.6%) less than a year earlier. The labor force was 5,318 (1.6%) higher.
- D.C.'s unemployment rate in April (9.8%, not seasonally adjusted) was 0.3 percentage points above that of the U.S. (9.5%).
- Due to the presence of the federal government, wages earned in the District of Columbia grew 4.1 percent in the December quarter compared to the same quarter a year ago. D.C. personal income was up 1.5 percent from a year earlier.
- In April, single family housing sales (contracts) continued the recent trend of higher sales and lower prices. Sales for the 3-month period ending in April were up 33.5 percent from a year ago, and the average selling prices were 3.0 percent lower. The average price of condominium units that sold in that 3-month period was 10.6 percent lower than a year earlier, and sales were 38.9 percent higher. The value of all home sale contracts was 27.3 percent higher than a year ago.
- In the quarter ending in March, occupied office space rose by 0.8 percent from the prior quarter and 1.8 percent from the prior year. At the same time, because of completed new construction, the com-

mercial office vacancy rate held steady at 10.5 percent (including sublet), still well below the metropolitan area average of 13.2 percent. An additional 4.1 million square feet are expected to be added to inventory over the next 2 years, outstripping the demand for D.C. office space.

- For the 3-month period ending in April, the average room-rate for hotels was 2.4 percent higher than for the same period a year earlier, while the number of hotel room-days sold was up 3.8 percent. Revenues from room sales were up 6.3 percent.
- For the 3-month period ending in April, employment in retail did not change from a year earlier. Employment in accommodations was up 0.5 percent and in restaurants it was down 1.0 percent.

IHS Global Insight and Moody's Economy.com, two national companies that prepare forecasts of both national and regional economies, have been cautiously upgrading their forecasts for the D.C. economy along with improvements in the national one. The economic assumptions for the revenue estimate (see Table 4-3), which are based substantially on their February 2010 forecasts, include:

- *D.C.'s Gross Domestic Product.* Growth rates in D.C. gross domestic product (GDP-DC), a measure of economic activity in D.C., in FY 2010 and FY 2011, respectively, are projected to be 3.1 percent and 2.6 percent, up from 1.3 percent in FY 2009. Real GDP-DC, adjusted for inflation, is expected to grow 1.6 percent in FY 2010 and 0.7 percent in FY 2011.
- *D.C.'s Personal Income.* The growth rate in personal income, which is mostly wages and salaries but also includes investment income and transfer payments, in FY 2010 is expected to be 3.7 percent, and 3.9 percent in FY 2011. This contrasts sharply with the estimated 0.8 percent decline in FY 2009. Increases in the number of households residing in D.C. will continue to contribute to the District's personal income levels.
- *Jobs located in D.C.* The number of jobs in the District in FY 2010 is expected to show a net increase of 3,700 (0.5%) in FY 2010 and by 4,800 (0.7%) in FY 2011.
- *Resident employment.* In FY 2010, the D.C. labor force is expected to rise by 0.1 percent, following

the 0.7 percent decline in FY 2009, and then rise by 0.8 percent in FY 2011. Because the average unemployment rate for FY 2010 (11.6%) is above that for FY 2009, resident employment is expected to fall by 1.9 percent in FY 2010, followed by a 2.9 percent rebound in FY 2011 when the unemployment rate falls back to 9.7 percent.

- *Home sales and prices.* The number of housing sales (the combined total of single family and condominium units) are projected to increase by 17.6 percent in FY 2010, with prices increasing by 1.8 percent. Sales and prices remain about level in FY 2011.
- *Inflation.* The Financial Plan assumes that the D.C. Consumer Price Index will rise 2.3 percent in FY 2010 and 2.0 percent in 2011. The rate in FY 2009 was 0.1 percent.
- *Households and population.* The Financial Plan assumes estimated households in FY 2010 of 257,700, up 1,800 (0.7%) from FY 2009, and 259,100 in FY 2011 (up another 1,400 or 0.5%).

In looking further ahead to FY 2012 to FY 2014, the expectation for the Budget and Financial Plan is that the period of severe recession will have passed, both nationally and in the District of Columbia. Growth in nominal GDP-DC and personal income are both expected to average about 3.7 percent per year, and close to 8,200 additional jobs will be added each year. Inflation is expected to drift upward (CPI increases to 2.4 percent by 2014), interest rates rise as well (to a 6.5 percent rate for 10-year Treasury securities in 2014), and the stock market grows at a steady pace (a gain of about 17 percent over the 3-year period).

In the years 2012 through 2014, 3,392 new housing starts are anticipated, and 3,500 households will be added. In this period housing sales and house prices will both rise, although not returning to the surging prices and sales of the FY 2003 to FY 2005 period.

Table 4-3

### Estimated Key Variables for the D.C. Economy for the Forecast Period, FY 2008 –FY 2014

	FY 2008 Actual	FY 2009 Actual	FY 2010 Est.	FY 2011 Est.	FY 2012 Est.	FY 2013 Est.	FY 2014 Est.
Gross State Product (nominal; billions of \$)	96.51	97.81	100.80	103.41	108.61	113.66	118.63
	5.9%	1.3%	3.1%	2.6%	5.0%	4.6%	4.4%
Personal Income (billions of \$)	38.79	38.49	39.92	41.46	43.05	45.31	47.69
	4.8%	-0.8%	3.7%	3.9%	3.8%	5.3%	5.2%
Wages and Salaries of DC Residents (billions of \$)	20.6	20.1	20.9	21.9	22.8	24.0	25.0
	5.2%	-2.4%	4.2%	4.7%	4.1%	5.0%	4.4%
Population (thousands)	589.0	597.2	603.7	607.7	610.9	613.6	616.0
	0.3%	1.4%	1.1%	0.7%	0.5%	0.4%	0.4%
Households (thousands)	254.2	255.9	257.7	259.1	260.3	261.5	262.6
	0.1%	0.7%	0.7%	0.5%	0.5%	0.4%	0.4%
At-place Employment (thousands)	702.5	707.4	711.1	715.9	724.3	733.2	740.5
	1.6%	0.7%	0.5%	0.7%	1.2%	1.2%	1.0%
Civilian Labor Force (thousands)	332.0	329.7	330.1	332.6	335.2	338.5	340.9
	1.9%	-0.7%	0.1%	0.8%	0.8%	1.0%	0.7%
Resident Employment (thousands)	310.7	297.5	291.8	300.4	306.7	312.8	316.1
	1.0%	-4.3%	-1.9%	2.9%	2.1%	2.0%	1.1%
Unemployment Rate (percent)	6.4	9.8	11.6	9.7	8.5	7.6	7.3
Housing Starts	542	333	718	756	895	1,127	1,370
Housing Stock (thousands)	285.1	285.5	285.9	286.6	287.6	288.7	290.0
Sale of Housing Units	7,500	7,400	8,699	8,576	10,025	10,717	10,913
	-23.5%	-1.3%	17.6%	-1.4%	16.9%	6.9%	1.8%
Average Housing Price (\$)	591,400	568,300	578,500	583,100	606,900	647,400	678,800
	-2.7%	-3.9%	1.8%	0.8%	4.1%	6.7%	4.8%
Washington Area CPI (% change from prior year)	5.1	0.1	2.3	2.0	2.3	2.2	2.4
Interest Rate on 10-year Treasury Notes (%)	3.9	3.2	3.6	4.0	5.5	5.9	6.5
Change in S&P Index of Common Stock (%)*	-39.1%	19.7%	1.1%	11.7%	6.4%	5.2%	4.3%

\*Change in S and P 500 Stock Index is the change from the 4th quarter to the 4th quarter on a calendar year (rather than fiscal year) basis. For example, the value in FY 2009 is the % change from CY 2008.4 to CY 2009.4.

Sources: Estimated by the D.C. Office of Revenue Analysis based on forecasts of the D.C. and national economies prepared by Global Insight (January 2010) and Economy.com (January 2010); on forecasts of the national economy prepared by the Congressional Budget Office (January 2010) and Blue Chip Economic Indicators (January 2010); on Bureau of Labor Statistics labor market information from December 2009; on Bureau of Economic Analysis estimates of D.C. personal income (September 2009); on Census Bureau estimates of D.C. population (December 2009); on D.C. housing sales data (December 2009) from the Metropolitan Regional Informational Systems (MRIS), accessed through the Greater Capital Area Association of Realtors (GCAAR); and on D.C. Office of Planning information on housing construction activity. The actual housing information in this table is based on Global Insight data that includes non-brokered sales. Actual data is subject to revision by the information source.

## Risks

There are many downside risks and uncertainties to this forecast, including the possibility of a slowing down or reversal of national economic growth, further financial market problems and national security concerns. The high degree of uncertainty in the national economy is reflected in the large variation that continues in the opinions among the economists surveyed by the Blue Chip Indicators, and there is uncertainty about how quickly the District's private sector will bounce back from the national recession.

Not all of the uncertainty is on the down side, however. In 2009 D.C. population grew by about 9,600 to become just a few hundred shy of 600,000. Growing interest on the part of individuals and employers in locating in D.C. could result in an economy stronger than that assumed in this revenue forecast.

One of the stabilizing factors in the District's economy is the presence of the federal government. Possible changes to the pattern of federal expenditures are, however, also a significant source of uncertainty—either

positive or negative—for the District's tax base. In FY 2008 federal spending in D.C. for wages, benefits, procurement, and grants to the District government was \$47.2 billion. Federal employment accounts for about 28 percent of all D.C. jobs and about 35 percent of all wages and salaries, and many more people are employed as a result of contracting (procurement awards in D.C. totaled \$16.5 billion in FY 2008). Security concerns arising out of 9/11 and the Iraq war have resulted in large increases in government spending that benefited the Washington D.C. area. Federal economic stimulus activities in FY 2010 and FY 2011 may prove to have a similar effect on the District's economy. The federal government has been the main source of job increases but there is uncertainty whether this will continue to be the case. Furthermore, efforts to reduce federal spending over the next few years in areas unrelated to economic stimulus could dampen growth in the District of Columbia.

Table 4-4

### Local Fund Revenue Net of Dedicated Revenue - Baseline

(dollars in thousands)

Revenue Source	FY 2009 Actual	FY 2010 Revised	FY 2011 Original	FY 2012 Projected	FY 2013 Projected	FY 2014 Projected
<b>Property Taxes</b>	<b>1,863,935</b>	<b>1,816,366</b>	<b>1,605,296</b>	<b>1,541,481</b>	<b>1,568,658</b>	<b>1,615,572</b>
% Change	8.6%	-2.6%	-11.6%	-4.0%	1.8%	3.0%
<b>Sales and Use Taxes</b>	<b>724,552</b>	<b>858,419</b>	<b>872,188</b>	<b>916,226</b>	<b>934,256</b>	<b>963,136</b>
% Change	-3.5%	18.5%	1.6%	5.0%	2.0%	3.1%
<b>Selective Sales Taxes</b>	<b>75,113</b>	<b>67,466</b>	<b>67,353</b>	<b>67,599</b>	<b>67,894</b>	<b>68,237</b>
% Change	8.5%	-10.2%	-0.2%	0.4%	0.4%	0.5%
<b>Income Taxes</b>	<b>1,478,067</b>	<b>1,572,680</b>	<b>1,625,446</b>	<b>1,721,607</b>	<b>1,794,449</b>	<b>1,867,637</b>
% Change	-15.8%	6.4%	3.4%	5.9%	4.2%	4.1%
<b>Gross Receipts Taxes</b>	<b>253,356</b>	<b>265,867</b>	<b>261,649</b>	<b>261,845</b>	<b>262,011</b>	<b>262,152</b>
% Change	-0.3%	4.9%	-1.6%	0.1%	0.1%	0.1%
<b>Other Taxes</b>	<b>233,665</b>	<b>170,827</b>	<b>169,427</b>	<b>179,932</b>	<b>188,020</b>	<b>194,408</b>
% Change	-28.4%	-26.9%	-0.8%	6.2%	4.5%	3.4%
<b>Non-Tax Revenue</b>	<b>421,945</b>	<b>412,823</b>	<b>427,742</b>	<b>432,100</b>	<b>442,203</b>	<b>427,177</b>
% Change	-7.5%	-2.2%	3.6%	1.0%	2.3%	-3.4%
<b>Net Local Fund Revenue</b>	<b>5,050,633</b>	<b>5,164,448</b>	<b>5,029,101</b>	<b>5,120,791</b>	<b>5,257,491</b>	<b>5,398,319</b>
% Change	-5.2%	2.3%	-2.6%	1.8%	2.7%	2.7%

## Revenues

### Local Fund

The chapter now turns its focus to District of Columbia revenues. Table 4-4 reports estimated local fund revenue by major revenue source for the period FY 2010

to FY 2014, along with actual FY 2009 revenues. Tables 4-15, 4-16 and 4-17, at the end of this chapter, provide information on individual revenue sources, including year-to-year percentage and absolute changes.

Figure 4-1 shows the actual FY 2009 distribution of local revenues and Table 4-4 shows the expected growth

Figure 4-1

### Shares of Baseline Local Fund Revenue, FY 2009 (Before Earmarks)

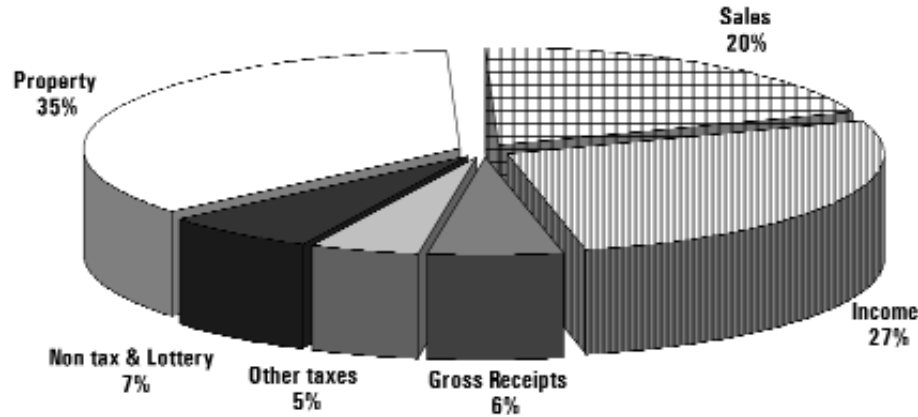


Table 4-5

### D.C. Tax Revenue (including policy initiatives and before earmarking) and D.C. Personal Income, FY 2006 to FY 2014 (estimated)

(Percent change from prior year)

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
	Actual	Actual	Actual	Actual	Est.	Est.	Est.	Est.	Est.
Tax Revenue	5.5	13.8	2.5	-5.4	0.3	-1.8	1.8	2.9	4.0
D.C. Personal Income	8.7	7.5	4.8	-0.8	3.7	3.9	3.8	5.3	5.2

Source: OCFO/OTR, U.S. Bureau of Economic Analysis, OCFO/ORR.  
Forecasts of Tax Revenue and DC Personal Income are from ORR's February 2010 Revenue Estimate

in major revenue sources before dedicated distributions for the period FY 2009 to FY 2014. Total revenues will not return to the FY 2008 level until FY 2014. Property taxes continued to grow in FY 2009 but will be a drag on revenues from FY 2010 to FY 2012. Other taxes, which includes deed taxes, will remain well below the FY 2008 level throughout the forecast. Sales and income taxes will surpass the FY 2008 level in FY 2011 as the economy recovers and will be a source of growth for total revenues.

For the years FY 2010 through FY 2014 tax revenues (before earmarking) are expected to grow at a rate somewhat below that of D.C. (see Table 4-5) Personal Income, primarily because the recovery of real property taxes occurs only with a lag and the increase in the value of real property sales will not reach levels achieved prior to the recession.

## Property Tax

### Real Property Tax

In FY 2009, \$1.8 billion was collected before dedicated distributions, an 8.9 percent increase from FY 2008. This increase in collections was driven primarily by a 9.7 percent increase in Class 2 collections, which account for approximately 68 percent of total real property tax collections. Class 1 collections, which account for approximately 29 percent of total real property tax collections, increased about 6.5 percent over FY 2008 collections. The growth in Class 1 and Class 2 tax collection stems from the robust growth in property values, as indicated by the growing number of property sales and increasing average sale prices in the few years prior to FY 2009.

As the housing bubble deflated and the recession worsened, both the number and sales prices of residential and commercial market property sales declined in late 2008 and 2009. These declines will begin to show up in the FY 2010 assessments and cause total real property tax collections (after the Tax Increment Financing and PILOT bonds transfer) to decline by 2.8 percent in FY 2010 and decline by an additional 11.8 percent in FY 2011. After increasing by 9.7 percent in FY 2009, Class 2 collections are expected to increase by only 1.6 percent in FY 2010 and decline by 9.5 percent in FY 2011. After growing by 6.5 percent in FY 2009, Class 1 collections are expected to decrease by 6.4 percent in FY 2010 and decline by an additional 4 percent in FY 2011. Total real property tax collections are expected to decline by 4.2 percent in FY 2012 but begin to grow by 1.8 percent and 3.2 percent in FYs 2013 and 2014, respectively.

In addition to providing revenue for government services, real property taxes support the District's general obligation bonds used for capital investment. For FY 2010, the percentage of real property tax collections dedicated to the repayment of principal and interest on the District's General Obligation Bonds is 28 percent.

### Transfer to Tax Increment Financing (TIF) Fund

In FY 2010, \$19.6 million of real property tax collections will be dedicated to the repayment of Tax Increment Financing and PILOT bonds. This amount will increase to \$27.6 million in FY 2011, when Great Streets is fully recognized.

Table 4-6

## Property Tax Revenue, Fiscal Years 2009-2014

(Dollars in Thousands)

Revenue Source	FY 2009 Actual	FY 2010 Revised	FY 2011 Original	FY 2012 Projected	FY 2013 Projected	FY 2014 Projected
Real Property (gross)	1,822,693	1,773,111	1,574,072	1,512,534	1,543,286	1,607,927
<i>Transfer to TIF/PILOT</i>	<i>(17,921)</i>	<i>(19,585)</i>	<i>(27,600)</i>	<i>(30,448)</i>	<i>(34,685)</i>	<i>(50,409)</i>
Real Property (net)	1,804,772	1,753,526	1,546,472	1,482,086	1,508,601	1,557,518
Personal Property (gross)	69,163	65,428	65,624	66,195	66,857	68,054
<i>Transfer to Neighborhood Investment Fund</i>	<i>(10,000)</i>	<i>(2,588)</i>	<i>(6,800)</i>	<i>(6,800)</i>	<i>(6,800)</i>	<i>(10,000)</i>
Personal Property (net)	59,163	62,840	58,824	59,395	60,057	58,054
Public Space Rental	32,612	31,797	30,779	31,047	31,357	31,671
<i>Transfer to DDOT Unified Fund/Highway Trust Fund</i>	<i>(32,612)</i>	<i>(31,797)</i>	<i>(30,779)</i>	<i>(31,047)</i>	<i>(31,357)</i>	<i>(31,671)</i>
<b>Total Property Taxes (net)</b>	<b>1,863,935</b>	<b>1,816,366</b>	<b>1,605,296</b>	<b>1,541,481</b>	<b>1,568,658</b>	<b>1,615,572</b>
<b>Policy Proposals</b>	-	<b>(5)</b>	<b>355</b>	<b>677</b>	<b>539</b>	<b>908</b>



## **Personal Property Tax**

In FY 2009, gross total personal property tax collections totaled \$69.2 million. Based on national and regional economic indicators that suggest a decrease in the level of business activity and subsequent decrease in the total level of new business investment, gross collections are expected to decline 5.4 percent to \$65.4 million in FY 2010 and remain relatively flat at \$65.6 million in FY 2011. Total gross personal property tax collections are expected to grow on the order of 1.1 percent per annum for FY 2012 to FY 2014 as the District of Columbia economy recovers.

### ***Transfer to Neighborhood Investment Fund***

In FY 2009, \$10.0 million of personal property tax revenue was diverted to the Neighborhood Investment Fund (NIF), a fund established to pay for a variety of community revitalization projects. As part of the FY 2010 budget act, the amount distributed to NIF is lowered to \$2.6 million in FY 2010 and \$6.8 million for FY 2011 through FY 2013.

## **Public Space Rental**

In FY 2009, revenue from public space rentals amounted to \$32.6 million. In conjunction with moderating assessment values for Class 2 properties, collections are expected to decline 2.5 percent to \$31.8 million in FY 2010. And in conjunction with declining assessment values for the vast majority of Class 2 properties in the following year, collections are expected to decline an additional 3.2 percent to \$30.8 million in FY 2011. Public space rental collections are expected to grow on the order of 1.0 percent per annum for FYs 2012 to 2014 as a property assessment values in the District of Columbia recover.

### ***Transfer to District Department of Transportation (DDOT)***

The “District Department of Transportation Unified Fund Amendment Act of 2007” requires that all revenue from the public space rentals be deposited annually into the DDOT Unified Fund. Therefore, the revenue will no longer be available to the General Fund. It is planned to be used for local road construction and maintenance and related debt servicing.

## **Policy Proposals:**

- Incorporate Acts passed subject to appropriation
- Tax abatements for non-profit organizations locat-

ing in Emerging Commercial Neighborhoods

- Pew Charitable Trust abatement
- First Congregational United Church of Christ abatement
- Establish new class for certain vacant property

## **Sales and Use Taxes**

In FY 2009, \$973.4 million was collected before dedicated distributions, a 4.1 percent contraction from FY 2008. One of the primary drivers of the sales tax, personal income, fell by almost 1 percent in FY 2009 for the only time in the history of the data going back to 1969. The national economy has also impacted tourism in the District, which contributed to the decline. Forty-eight percent of the sales tax revenue comes from hotels, restaurants and bars.

In FY 2010, sales tax revenue is expected to rebound though not as vigorously as in past recessions. Growth of 4.2 percent to \$1.0 billion is being driven by an increase in the general sales tax to 6 percent and a recovering economy. Growth in FY11 and FY12 will be below the long term average of 6.5 percent, averaging less than 4 percent. The increase in the general sales tax rate expires in FY13 and reverts back to 5.75 percent, slowing growth to 3 percent.

### ***Transfer to Convention Center Fund***

The formula financing the Convention Center Fund includes only sales tax revenue from hotels, restaurants, rental vehicles, and sale of prepaid phone cards. The hotel tax rate is 14.5 percent—a 4.45 percent rate dedicated to the Convention Center Fund and a 10.05 percent rate to the District’s General Fund. The 10 percent sales tax rate applies mainly to restaurants but also includes rental cars, prepaid telephone cards, tickets sold for baseball games, merchandise at the baseball stadium, tickets sold for events at the Verizon Center and merchandise at the Verizon Center. Of sales taxed at the 10 percent rate, 1 percent is dedicated to the Convention Center Fund and a 9 percent rate to the General Fund.

### ***Transfer to Tax Increment Financing***

The District utilizes an economic development tool called Tax Increment Financing (TIF) to assist in financing economic development projects. TIF allows the incremental future revenue stream from a development project to be pledged to pay back bonds issued to help finance the development. Since March 2008, in

Table 4-7

**General Sales and Use Tax Revenue, Fiscal Years 2009-2014**

(Dollars in Thousands)

<b>Revenue Source</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Revised</b>	<b>FY 2011 Original</b>	<b>FY 2012 Projected</b>	<b>FY 2013 Projected</b>	<b>FY 2014 Projected</b>
General Sales and Use Tax	973,410	1,013,959	1,053,418	1,090,552	1,123,076	1,180,657
<i>Convention Center Transfer</i>	<i>(91,538)</i>	<i>(97,865)</i>	<i>(101,696)</i>	<i>(105,303)</i>	<i>(108,455)</i>	<i>(114,047)</i>
<i>Transfer to TIF</i>	<i>(18,121)</i>	<i>(22,335)</i>	<i>(40,304)</i>	<i>(27,973)</i>	<i>(37,598)</i>	<i>(58,016)</i>
<i>Transfer to DDOT Unified Fund/Highway</i>						
<i>Trust Fund (parking tax)</i>	<i>(23,765)</i>	<i>(25,675)</i>	<i>(29,148)</i>	<i>(30,535)</i>	<i>(31,748)</i>	<i>(33,898)</i>
<i>Transfer to Ballpark Fund</i>	<i>(9,434)</i>	<i>(9,666)</i>	<i>(10,082)</i>	<i>(10,515)</i>	<i>(11,020)</i>	<i>(11,560)</i>
<i>Transfer to School Modernization Fund</i>	<i>(106,000)</i>	-	-	-	-	-
<b>Total General Sales and Use Tax (net)</b>	<b>724,552</b>	<b>858,419</b>	<b>872,188</b>	<b>916,226</b>	<b>934,256</b>	<b>963,136</b>
<b>Policy Proposals</b>	-	-	<b>7,930</b>	<b>8,260</b>	<b>8,280</b>	<b>8,640</b>

order to service a loan to renovate the Verizon Center at Gallery Place, merchandise and tickets for events at the Verizon Center have been subject to a tax of 10 percent (compared to the prior rate of 5.75 percent). The revenue collected from the increased rate (10 percent less 5.75 percent or 4.25 percent) is placed into a separate fund and used to make principal and interest payments on the loan. The amount of the Verizon Center transfer is included in the TIF transfer amount.

***Transfer to DDOT***

As part of the FY 2006 budget, the parking tax revenue stream was transferred out of the general fund to the District Department of Transportation (DDOT). In FY 2009, a portion of the parking tax was reserved in the local fund. With the exception of parking taxes that are from the sale or charge for the service of parking motor vehicles that shall reasonably relate to the performance of baseball games or professional baseball related events and exhibitions at the ball park, parking taxes up to a maximum of \$30 million per fiscal year are

transferred to DDOT's Unified Fund. Any amount above \$30 million is transferred to the Highway Trust Fund (HWTF) (See Table 4-8). In FY 2009, the parking tax generated \$36.5 million distributed as follows: \$12.7 million remained available in the local fund, \$17.3 million went to the DDOT Unified Fund, and the balance went to the HWTF. The distribution to the local fund will continue in future years as part of the FY 2011 BSA.

***Transfer to Highway Trust Fund***

The Highway Trust Fund uses both local-source and federal matching funds to construct, repair and manage eligible District roads and bridges. Approximately 400 of the 1,020 miles (or 39.2 percent) of streets and highways, as well as 229 bridges in the District, are eligible for federal aid.

***Transfer to Ballpark Fund***

Stadium related sales tax streams are dedicated to the Ballpark Fund to pay the debt service on the baseball stadium revenue bonds. These revenue streams include

Table 4-8

**Distribution of Parking Tax Revenue, Fiscal Years 2009-2014**

(Dollars in Thousands)

<b>Parking Tax Revenue</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Revised</b>	<b>FY 2011 Original</b>	<b>FY 2012 Projected</b>	<b>FY 2013 Projected</b>	<b>FY 2014 Projected</b>
<b>Distributions</b>						
Local Fund	12,700	12,200	10,200	10,200	10,200	10,200
Highway Trust Fund	6,465	7,875	9,348	10,735	11,948	14,098
DDOT Unified Fund	17,300	17,800	19,800	19,800	19,800	19,800

taxes on tickets sold, taxes on parking at the stadium, taxes on stadium concessions and taxes on food and beverages sold in the stadium.

### **Transfer to School Modernization Fund**

In FY 2006, the District enacted the “School Modernization Financing Act of 2006” which established the Public School Capital Improvement Fund for the purpose of funding capital improvements throughout the District of Columbia school system. The FY 2010 budget act suspended these transfers out of the local fund.

### **Policy Proposals:**

- Include certain beverages in general sales tax base
- Tax medical marijuana at 6%

## **Selective Sales and Use Taxes**

In addition to the multi-rate general sales and use tax, the District imposes excise taxes on alcoholic beverages, cigarettes, motor vehicles, and motor fuel.

### **Alcoholic Beverage Tax**

In FY 2009 collections from the alcoholic beverage tax was \$5.4 million, a 3.8 percent increase over collections in FY 2008. We anticipate a modest decline of 0.5 percent compared to FY 2009 for FY 2010 through FY 2012. The growth rate is projected to be a negative 0.4 percent in FY 2013 and FY 2014.

### **Cigarette Tax**

Collections in FY 2009 were \$37.6 million, a 57.4 percent increase over FY 2008. The increase in collections from FY 2008 to FY 2009 is partly due to an increase

in the tax rate of 100 percent (from \$1.00 to \$2.00 per pack) effective October 2008. Taxes on cigarettes increased twice in 2009. There was an increase in the federal tax rate from \$0.39 to \$1.01 per pack effective April 2009, and the District’s tax rate was increased in October 2009 to \$2.50 per pack. The tax rate in the District is now the highest in the region (Maryland is \$2.00 per pack and the state tax rate in Virginia is \$0.30). The response to the price increases has been stronger than it has in the past leading to a significant decline in volume of cigarettes sold. Cigarette tax collections will decline by 20.3 percent in FY 2010, despite the increase in the tax rate. The growth rate for FY 2011 through FY 2014 is estimated to be -2.4 percent. Tax collections from cigarettes are estimated to be \$30 million in FY 2010 and \$29.3 million in FY 2011.

### **Motor Vehicle Excise Tax**

Collections from motor vehicle excise taxes totaled \$32.1 million in FY 2009 compared to \$40.2 million in FY 2008. Collections are projected to remain flat in FY 2010 and to increase modestly beginning in FY 2011 (\$32.7 million). The annual growth rate is estimated to be 2.0 percent in FY 2011. The annual average growth rate between FY 2012 and FY 2014 is estimated to be 3.0 percent.

### **Motor Fuel Excise Tax**

Collections declined 3.7 percent in FY 2006, increased 7.3 percent in FY 2007, and declined 13.4 percent in FY 2008. Growth in FY 2009 was 2.7 percent. Motor vehicle fuel tax revenue is deposited directly into a special account, the Highway Trust Fund (HWTF). The tax rate is 23.5 cents per gallon.

Table 4-9

## **Selective Sales and Excise Tax Revenue, Fiscal Years 2009-2014**

(Dollars in Thousands)

<b>Revenue Source</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Revised</b>	<b>FY 2011 Original</b>	<b>FY 2012 Projected</b>	<b>FY 2013 Projected</b>	<b>FY 2014 Projected</b>
Alcoholic Beverages	5,386	5,358	5,331	5,306	5,283	5,261
Cigarettes	37,620	30,000	29,271	28,560	27,866	27,190
Motor Vehicle Excise	32,107	32,108	32,750	33,733	34,745	35,787
Motor Fuel Tax	23,830	28,119	28,330	28,614	28,900	29,189
<i>Transfer to Highway Trust Fund</i>	<i>(23,830)</i>	<i>(28,119)</i>	<i>(28,330)</i>	<i>(28,614)</i>	<i>(28,900)</i>	<i>(29,189)</i>
<b>Total Selective Sales and Excise Taxes</b>	<b>75,113</b>	<b>67,466</b>	<b>67,353</b>	<b>67,599</b>	<b>67,894</b>	<b>68,237</b>
<b>Policy Proposals</b>	-	-	-	-	-	-

Table 4-10

**Income Tax Revenue, Fiscal Years 2009-2014**

(Dollars in Thousands)

<b>Revenue Source</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Revised</b>	<b>FY 2011 Original</b>	<b>FY 2012 Projected</b>	<b>FY 2013 Projected</b>	<b>FY 2014 Projected</b>
Individual Income	1,135,938	1,219,620	1,257,192	1,314,038	1,376,495	1,437,092
Corporate Franchise	221,882	246,584	253,270	285,235	288,432	294,008
U.B. Franchise	120,247	106,476	114,984	122,334	129,522	136,537
<b>Total Income Taxes</b>	<b>1,478,067</b>	<b>1,572,680</b>	<b>1,625,446</b>	<b>1,721,607</b>	<b>1,794,449</b>	<b>1,867,637</b>
<b>Policy Proposals</b>	-	-	<b>4,257</b>	<b>2,441</b>	<b>816</b>	<b>235</b>

**Income Taxes****Individual Income Tax**

In FY 2009, individual income tax revenue was \$1,135.9 million, a decline of 15.4 percent from FY 2008. The wages and salaries earned by the District's residents declined by 2.4 percent in FY 2009. The withholding component of the individual income tax, which is tied directly to wages and salaries, grew by 2.5 percent in FY 2009. The non-withholding component of income tax revenue, which included declarations (estimated payments) declined by almost 67 percent in FY 2009; declarations declined by 29.4 percent. The behavior of the declarations component is tied to the performance of the stock market, so that the decline in FY 2009 was assisted by a weakened stock market. In FY 2009 the stock market experienced a decline of 34 percent. In FY 2010 the District anticipates \$1,219.6 million in individual income tax revenue; which is a 7.4 percent increase from FY 2009. In FY 2011 it is anticipated that individual income tax revenue would grow by 3.1 percent to \$1,257.2 million. Growth is expected to continue in FY 2013 and FY 2014 with revenue growth rates of over 4 percent, 4.8 percent and 4.4 percent respectively.

The performance of the regional and national economies impacts the revenue outlook for the District. Based on forecasts from Global Insight and Economy.com, it is expected that the stock market will rebound in FY 2010 after double digit decline in FY 2009. It is expected that in FY 2011 and FY 2012 there will be 9 percent growth followed by slower growth in FY 2013 (6.1 percent) and FY 2014 (4.7 percent). Based on employment data from the Bureau of Labor Statistics (BLS), resident employment is expected to ex-

perience a decline of 1.9 percent in FY 2010, which is an improvement over the 4.3 percent decline in FY 2009. Resident employment is expected to turn around in FY 2011 with almost 3 percent growth; however, between FY 2012 and FY 2014 it is expected that there will be slower growth of about 2 percent. In addition, there is the expectation that the wages and salaries of District residents would continue to experience steady growth between FY 2011 and FY 2014 averaging about 4.5 percent. The performance of withholding is expected to remain steady with average growth of 3.7 percent between FY 2011 and FY 2014. After an expected decline in the non-withholding in FY 2011 of 3.5 percent, it is anticipated that this component will grow at an average of 11 percent between FY 2012 and FY 2014.

**Policy Proposals:**

- Withholding tax compliance
- District job incentive

**Corporate Franchise**

The District collected approximately \$221.9 million of corporate franchise tax revenue in FY 2009, a 22.5 percent decrease over the \$286.2 million revenue amount in FY 2008. In FY 2010, revenues will increase by 11.1 percent to \$246.6 million due to the rebound in equity markets, a key driver of corporate franchise taxes. Due to the shallow recovery, the markets are expected to be relatively flat in 2010, which determines the FY2011 corporate franchise tax collections. The growth will be 2.7 percent over FY 2010. In 2009, the Budget Support Act supporting the FY 2010 – FY 2013 financial plan included the requirement of combined reporting for multi-state companies beginning in 2011.

The policy change is estimated to generate an additional \$20 million annually starting in FY 2012. At the request of the Council, the OCFO is drafting legislation implementing combined reporting, which will be submitted to the Council under separate cover.

### Unincorporated Business Franchise

The District collected \$120.2 million in unincorporated business franchise tax revenue in FY 2009, a 5.2 percent decrease over FY 2008 revenue of \$126.9 million. Continued weakness in FY 2010 due to depressed real estate activity will cause revenues to contract even further to \$106.5 million, 11.5 percent below FY 2009. As the economy and the real estate markets improve unincorporated business franchise tax collections will improve. The growth rate in FY 2011 is forecast as 8.0 percent. The average annual growth rate between FY 2012 and FY 2014 is estimated to be 5.9 percent.

### Gross Receipts

Taxes in this category include: a tax on the gross receipts of public utilities and toll telecommunications companies operating in the District (the rate is 10 percent for residential use and 11 percent for nonresidential use where 1 percent of the 11 percent is dedicated to financing the new baseball stadium), a tax of 1.7 percent on the gross receipts of insurance companies, a tax of 6 percent of net resident revenue on each nursing facility

in the District of Columbia. Table 4-11 shows actual revenue in FY 2009, estimates for FY 2010 and FY 2011 and projected revenue for fiscal years 2012 through 2014.

### Public Utility Taxes

This tax is directly related to energy use, so tax revenue collections are more closely linked to weather extremes rather than to the fuel cost. Gross revenue from public utilities taxes (before the transfer for baseball stadium funding is taken) will be \$152.1 million in FY 2010 and \$152.3 million in FY 2011 and remain at roughly this level from FY 2012 through FY 2014, assuming normal weather.

### Transfer to Ballpark Fund

There is a surcharge on nonresidential rates that finances the Washington Nationals baseball stadium. In FY 2009, \$10.1 million was collected and transferred. In FY 2011, \$9.4 million will be distributed.

### Toll Telecommunication Taxes

The gross revenue from the Toll Telecommunications tax (before the 1 percent transfer on the gross receipts of non-residential customers for baseball stadium funding) will be approximately \$67.7 million in FY 2010 and \$67.8 million FY 2011 and remain roughly flat for the period FY 2012 to FY 2014.

Table 4-11

### Gross Receipts Tax Revenue, Fiscal Years 2009-2014

(Dollars in Thousands)

Revenue Source	FY 2009 Actual	FY 2010 Revised	FY 2011 Original	FY 2012 Projected	FY 2013 Projected	FY 2014 Projected
Public Utility (gross)	151,046	152,126	152,337	152,518	152,676	152,811
<i>Transfer to Ballpark Fund</i>	<i>(10,091)</i>	<i>(9,430)</i>	<i>(9,443)</i>	<i>(9,454)</i>	<i>(9,464)</i>	<i>(9,472)</i>
Public Utility (net)	140,955	142,696	142,894	143,064	143,212	143,339
Toll Telecommunication (gross)	66,586	67,718	67,753	67,780	67,799	67,814
<i>Transfer to Ballpark Fund</i>	<i>(2,949)</i>	<i>(2,778)</i>	<i>(2,779)</i>	<i>(2,780)</i>	<i>(2,781)</i>	<i>(2,782)</i>
Toll Telecommunication (net)	63,637	64,940	64,974	65,000	65,018	65,032
Insurance Premiums (gross)	57,417	71,267	71,267	71,267	71,267	71,267
<i>Transfer to Healthy DC Fund</i>	<i>(8,653)</i>	<i>(13,636)</i>	<i>(17,486)</i>	<i>(17,486)</i>	<i>(17,486)</i>	<i>(17,486)</i>
Insurance Premiums (net)	48,764	57,631	53,781	53,781	53,781	53,781
Healthcare Provider Tax	12,088	11,000	11,000	11,000	11,000	11,000
<i>Transfer to Nursing Facility Quality of Care Fund</i>	<i>(12,088)</i>	<i>(10,400)</i>	<i>(11,000)</i>	<i>(11,000)</i>	<i>(11,000)</i>	<i>(11,000)</i>
Baseball Gross Receipts Tax	28,204	21,000	21,567	22,688	23,641	24,611
<i>Transfer to Ballpark Fund</i>	<i>(28,204)</i>	<i>(21,000)</i>	<i>(21,567)</i>	<i>(22,688)</i>	<i>(23,641)</i>	<i>(24,611)</i>
<b>Total Gross Receipts Taxes (net)</b>	<b>253,356</b>	<b>265,867</b>	<b>261,649</b>	<b>261,845</b>	<b>262,011</b>	<b>262,152</b>
<b>Policy Proposals</b>	-	<b>643</b>	<b>1,830</b>	<b>5,390</b>	<b>5,390</b>	<b>5,390</b>

### **Transfer to Ballpark Fund**

There is a surcharge on nonresidential rates that finances the Washington Nationals baseball stadium. In FY 2009, \$2.9 million was collected and transferred. In FY 2011, \$2.8 million will be distributed.

### **Insurance Premiums Tax**

In FY 2009, revenue collected from the insurance premium tax, before the transfer to the Healthy DC Fund was \$57.4 million; net revenue (after the transfer) was \$48.8 million. Collections from taxes on insurance premiums are estimated to be \$53.8 million in FY 2011 (after the transfer of insurance premium taxes to the Healthy DC Fund). The net revenue from the insurance premiums tax is expected to be flat through FY 2014.

### **Transfer to Healthy DC Fund**

Of the insurance premium taxes generated from health maintenance organizations (HMO), seventy-five percent is distributed to the Healthy DC fund for the purpose of providing affordable health insurance to eligible individuals.

### **Policy proposals:**

- Equalization of insurance premium rates
- Recognize revenue from application of 2% premium rate to all accident and health policies and rename Healthy DC fund
- Apply 2% premium tax to HMO for Medicaid receipts
- Impose per bed tax on hospitals
- Increase ICF-MR Assessment

- Hospital and medical service corporation (HMSC) community reinvestment.

### **Healthcare Provider Tax**

The healthcare provider tax imposes a 6 percent tax on the District's nursing homes. The legislation was passed during 2004. The tax is estimated to generate \$11 million in revenue annually from FY 2010 through FY 2014.

### **Transfer to Nursing Facility Quality of Care Fund**

With the exception of \$0.6 million in FY 2010 which goes to the general local fund, all of the funds raised by the Health Care Provider Tax are designated to go to the Nursing Facility Quality of Care Fund.

### **Ballpark Fee**

The Ballpark Fee is a gross receipts fee that is levied on businesses within the District with over \$5 million in gross receipts. The District expects to receive about \$21 million annually from the Ballpark Fee, all of which is transferred to the Ballpark Fund.

### **Other Taxes**

#### **Estate Tax**

Notwithstanding the current status of federal and District estate tax legislation and its interplay, there is evidence that many wealthy District residents, potentially subject to the estate tax, have significantly enhanced their wealth positions in recent years (possibly through the stock markets and/or real estate related developments). In FY 2009, \$74.5 million was collected, which

Table 4-12

## **Other Tax Revenue, Fiscal Years 2009-2014**

(Dollars in Thousands)

<b>Revenue Source</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Revised</b>	<b>FY 2011 Original</b>	<b>FY 2012 Projected</b>	<b>FY 2013 Projected</b>	<b>FY 2014 Projected</b>
Estate	74,508	35,000	35,000	35,000	35,000	35,000
Deed Recordation (gross)	100,763	80,546	83,155	90,664	96,911	102,115
<i>Transfer to HPTF</i>	<i>(15,958)</i>	<i>(12,082)</i>	<i>(12,473)</i>	<i>(13,600)</i>	<i>(14,537)</i>	<i>(15,317)</i>
Deed Recordation (net)	84,805	68,464	70,682	77,064	82,374	86,798
Deed Transfer (gross)	78,262	66,533	63,230	68,080	71,348	73,659
<i>Transfer to HPTF</i>	<i>(12,286)</i>	<i>(9,170)</i>	<i>(9,485)</i>	<i>(10,212)</i>	<i>(10,702)</i>	<i>(11,049)</i>
Deed Transfer (net)	65,976	57,363	53,746	57,868	60,646	62,610
Economic Interests	8,376	10,000	10,000	10,000	10,000	10,000
<b>Total Other Taxes (net)</b>	<b>233,665</b>	<b>170,827</b>	<b>169,427</b>	<b>179,932</b>	<b>188,020</b>	<b>194,408</b>
<b>Policy Proposals</b>	-	-	-	-	-	-

is an 11.4 percent increase over FY 2008. Given the economic recession and the uncertainty about the federal estate tax, District estate tax collections are expected to decline 53.0 percent to \$35 million in FY 2010 and remain at \$35 million per year for FY 2011 to FY 2014.

### Deed Taxes

In FY 2009, \$100.8 million was collected for the deed recordation tax, 35.4 percent less than in FY 2008. Also, \$78.3 million was collected for the deed transfer tax, 30.4 percent less than in the prior year, and \$8.4 million was collected for the economic interest tax, which is 84.7 percent less than in FY 2008. These decreases in collections were driven primarily by the dramatic decreases in the number of office building sales in FY 2009, as well as falling average sale prices of these buildings. The faltering commercial real estate market of FY 2009 was, in turn, caused by the accompanying economic recession, the debt crisis and the global financial meltdown.

The commercial real estate market is expected to remain weak due to the lingering economic recession, relatively high office vacancy rates, tepid new office leasing demand, and the surge of new office buildings due to deliver in 2010 and 2011. But, the market in 2010 is not expected to be as bad as the market of 2009. Therefore, deed recordation collections are expected to decline only 20.1 percent in FY 2010 but begin to grow 3.2 percent in FY 2011. Deed transfer collections are expected to decline only 15.0 percent in FY 2010 and decline in FY 2011 by an additional 5.0 percent. Deed transfer collections are expected to resume growing in FY 2012.

The economic interest tax is expected to total \$10 million a year beginning in FY 2010. Growth will occur

in this tax in FY 2010 because in the fall of 2009 legislation was passed that for the first time began applying the economic interest tax to the sale of co-operative housing units.

### Transfer to Housing Production Trust Fund (HPTF)

The “Housing Production Trust Fund Second Amendment Act of 2002” requires that 15 percent of the District’s deed recordation and transfer tax revenue be transferred to the Housing Production Trust Fund annually. The Housing Production Trust Fund provides funds for the acquisition, construction and rehabilitation of affordable multifamily housing projects.

### Nontax Revenue and Lottery

Local non-tax revenue includes licenses and permits, fines and forfeitures, charges for services, and miscellaneous categories such as interest income unclaimed property and other revenue sources.

In FY 2009, non-tax revenues and non-tax revenue enhancements totaled \$353.2 million, \$32.7 million less than FY 2008’s total of \$385.9 million, an 8.5 percent decline in revenue. Factors contributing to this decrease in local non-tax revenues in FY 2009 include the following:

- Collections from licenses and permits were down \$19.0 million (-22.4 %) from FY 2008 due to the economic recession’s impact on the building market.
- Collections from fines and forfeitures were up \$2.5 million (2.5%) from FY 2008 due to increased revenues from automated traffic enforcement.
- Collections from charges for services were up \$0.6 million (1.4 %) from FY 2008 due to increased rev-

Table 4-13

## General Purpose Non-Tax Revenue and Lottery Transfer, Fiscal Years 2009-2014

(Dollars in Thousands)

Revenue Source	FY 2009 Actual	FY 2010 Revised	FY 2011 Original	FY 2012 Projected	FY 2013 Projected	FY 2014 Projected
Licenses & Permits	65,924	65,707	71,080	72,582	76,834	73,835
Fines & Forfeitures	101,415	140,194	155,663	158,370	156,334	159,399
Charges for Services	44,092	37,774	41,023	39,823	43,473	42,273
Miscellaneous	141,739	101,798	91,051	92,400	96,637	82,745
<b>Total General Purpose Non-Tax Revenue</b>	<b>353,170</b>	<b>345,473</b>	<b>358,817</b>	<b>363,175</b>	<b>373,278</b>	<b>358,252</b>
<b>Lottery</b>	<b>68,775</b>	<b>67,350</b>	<b>68,925</b>	<b>68,925</b>	<b>68,925</b>	<b>68,925</b>
<b>Policy Proposals</b>	-	<b>24,009</b>	<b>87,010</b>	<b>64,535</b>	<b>66,395</b>	<b>78,074</b>

Note: Table 4-18 (at the end of this chapter) provides a detailed listing of non-tax revenue by source.

venues from emergency ambulance fees.

- Collections from miscellaneous revenues were down \$16.8 million (-10.6 %) from FY 2008 due to declines in interest income reflecting the economic recession's impact on fund surpluses and interest rates.

For FY 2010, non-tax revenues are estimated to total \$345.5 million, \$7.7 million less than FY 2009's total of \$353.2 million, a 2.2 percent decline in revenue. Factors contributing to this decrease in local non-tax revenues in FY 2010 include the following:

- Collections from fines and forfeitures were up \$38.8 million (38.2%) from FY 2009 due to increased revenues from photo radar enforcement.
- Collections from charges for services were down \$6.3 million (14.3%) from FY 2009.
- Collections from miscellaneous revenues were down \$39.9 million (28.2%) from FY 2009 due to declines in interest income reflecting the economic recession's impact on fund surpluses and interest rates and budget adjustment measures.

#### **Policy Proposals:**

- Establish graduated fees for vacant property registration to fund nuisance abatement
- Impose technology fee on building permits
- Impose relocation towing fee
- Increase traffic fines administered by MPD
- Impose technology fee on corporation documents
- Sell advertising on parking meters
- WCAS Lease revenue
- Establish fees for environmental screening and impact statements
- Align DDOT revenue with FY10 gap closing transfer to local fund
- Escheated estate account
- Transfers of revenue from Special Purpose Funds
- Transfer from excess TIF revenue

#### **Special Purpose Non-Tax Revenue**

Special purpose non-tax revenues, often times referred to as O-Type or Other revenues, are funds generated from fees, fines, assessments, or reimbursements that are dedicated to the District agency that collects the revenues to cover the cost of performing the function. The "dedication" of the revenue to the collecting agency is what distinguishes this revenue from the general-purpose non-tax revenues. The legislation that creates the fee, fine or assessment must stipulate its purpose-designation and must also state whether any unspent funds are to retain designation at the conclusion of the fiscal year or revert to general-purpose funds. Unspent revenue in certain funds cannot revert to general purpose funds. Dedicated revenues limit the use of the District's General Fund revenue by earmarking a portion of the revenue for special purposes. Prior to FY 2002 dedicated non-tax revenues were not considered local revenues and as such were reported differently in the Comprehensive Annual Financial Report (CAFR) and reported with the District's federal and private grants in the Financial Plan.

In FY 2011 the District is anticipating \$478.8 million in revenue and use of fund balance of \$79.8 million for a total of \$558.6 million to cover the cost of performing the functions associated with these resources. The use of fund balance is a one-time revenue source and as such is not projected for FY 2012 – FY 2014. Table 4-20 (at the end of this chapter) shows the current law or baseline dedicated non-tax revenue by agency and fund. Proposed policy initiatives that would change the D.C. Official Code or the D.C. Municipal Regulations may, if enacted, provide additional revenue to specific Special Purpose Revenue funds in addition to the current law projected revenues shown in this table. Table 4-14 shows proposed policy initiatives affecting Special Purpose Revenue funds and their estimated revenue impact.

In FY 2011 the District is anticipating \$478.8 million in revenue and use of fund balance of \$79.8 million for a total of \$558.6 million to cover the cost of performing the functions associated with these resources. The use of fund balance is a one-time revenue source and as such is not projected for FY 2012 – FY 2014. Table 4-20 (at the end of this chapter) shows the current law or baseline dedicated non-tax revenue by agency and fund. Proposed policy initiatives that would change the D.C. Official Code or the D.C. Municipal Regulations may, if enacted, provide additional revenue to specific Special Purpose Revenue funds in addition to the current law projected revenues shown in this table. Table 4-14 shows proposed policy initiatives affecting Special Purpose Revenue funds and their estimated revenue impact.

#### **Policy Proposals:**

- Prepaid phone cards taxed at 2% on retail sales
- Increase Department of Health fees
- Increase food handler fees (by administrative rule-making)
- Increase notary public service fees
- Increase filing fees for drug marketing
- Lobbyist fees
- School Lease Account agency transfer
- Title Insurance producers assessment
- Impose technology fee for basic business licenses (by administrative rulemaking)
- Condo fees to Housing and Community Development
- Remove cap on Unemployment Compensation
- Special events licensing fees
- DDOT fee increases: Steel plate fee, Impose car sharing space fee, Technology fee on public space permits, Establish commercial loading zone permit, Permit fee for loading and unloading intercity buses
- Transfer Special Purpose Fund revenue to local



Table 4-14

**Policy Proposals Impacting General Fund Revenues, Fiscal Years 2010-2014**

(\$ thousands)

Revenue Source	FY 2009 Actual	FY 2010 Revised	FY 2011 Original	FY 2012 Projected	FY 2013 Projected	FY 2014 Projected
<b>Local Fund Revenue</b>	<b>5,050,633</b>	<b>5,164,448</b>	<b>5,029,101</b>	<b>5,120,791</b>	<b>5,257,491</b>	<b>5,398,319</b>
<b>plus Local Fund Policy Proposals</b>		<b>24,647</b>	<b>101,382</b>	<b>81,303</b>	<b>81,421</b>	<b>93,248</b>
<b>PROPERTY TAX</b>		<b>(5)</b>	<b>355</b>	<b>677</b>	<b>539</b>	<b>908</b>
Incorporate Acts Passed Subject to Appropriation						
Heights on Georgia Avenue		-	(52)	(55)	(170)	(170)
Studio Theatre		-	(27)	(26)	(25)	(23)
Park Place at Petworth		-	(696)	(445)	(445)	(445)
Affordable Housing Inc			(112)	(33)	(34)	(33)
King Towers			(83)	(55)	(55)	(55)
IHOP			(50)	-	-	-
Jubilee Housing			(52)	(59)	(62)	(69)
Campbell Heights			(150)	(157)	(165)	(173)
Kelsey Gardens		(5)	(2)	(2)		
Tax abatements for non-profit organizations locating in Emerging Commercial Neighborhoods			(500)	(500)	(500)	(500)
Pew Charitable Trust abatement			(805)	(773)	(789)	(822)
First Congregational United Church of Christ abatement		-	(317)	(317)	(317)	-
Establish new class for certain vacant improved property.			3,200	3,100	3,100	3,200
<b>SALES AND USE TAX</b>		<b>-</b>	<b>7,930</b>	<b>8,260</b>	<b>8,280</b>	<b>8,640</b>
Include certain beverages in general sales tax base.			7,930	8,260	8,280	8,640
Tax medical marijuana at 6%			27	53	107	214
<i>Transfer to Healthy DC and Health Care Expansion Fund</i>			(27)	(53)	(107)	(214)
<b>INCOME TAX</b>	<b>-</b>		<b>4,257</b>	<b>2,441</b>	<b>816</b>	<b>235</b>
Withholding tax compliance			4,415	2,840	1,538	1,538
District job incentive			(158)	(399)	(721)	(1,303)
<b>GROSS RECEIPTS</b>		<b>643</b>	<b>1,830</b>	<b>5,390</b>	<b>5,390</b>	<b>5,390</b>
Equalization of insurance premium rates		-	1,187	4,747	4,747	4,747
Recognize revenue from application of 2% premium rate to all accident and health policies		643	643	643	643	643
Apply 2% premium tax to HMO for Medicaid receipts		3,377	8,590	11,704	12,039	12,738
<i>Transfer to Healthy DC and Health Care Expansion Fund</i>		(3,377)	(8,590)	(11,704)	(12,039)	(12,738)
Impose per bed tax on hospitals			6,293	6,293	6,293	6,293
<i>Transfer bed tax to hospital fund.</i>			(6,293)	(6,293)	(6,293)	(6,293)

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Table 4-14 (continued)

**Policy Proposals Impacting General Fund Revenues, Fiscal Years 2010-2014**

(\$ thousands)

<b>Revenue Source</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Revised</b>	<b>FY 2011 Original</b>	<b>FY 2012 Projected</b>	<b>FY 2013 Projected</b>	<b>FY 2014 Projected</b>
<b>GROSS RECEIPTS (cont)</b>						
Increase ICF-MR Assessment			4,689	4,689	4,689	4,689
<i>Transfer revenue to Stevie Sellows fund</i>			(4,689)	(4,689)	(4,689)	(4,689)
Hospital and medical service corporation (HMSC) community reinvestment		5,000	5,000	5,000	5,000	5,000
<i>Transfer to Healthy DC and Health Care Expansion Fund</i>		(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
<b>NONTAX</b>		<b>24,009</b>	<b>87,010</b>	<b>64,535</b>	<b>66,395</b>	<b>78,074</b>
Increase fee for vacant property registration to fund nuisance abatement		94	355	324	304	286
Increases by regulation:						
Impose technology fee on building permits		281	1,687	1,687	1,687	-
Impose relocation towing fee			1,000	1,000	1,000	1,000
Increase traffic fines administered by MPD		7,009	28,034	28,034	28,034	28,034
Impose technology fee on corporation documents		167	1,000	1,000	1,000	
Sell advertising on parking meters			350	700	700	700
WCAS Lease revenue		167	1,001	1,001	1,001	1,001
Establish fees for environmental screening and impact statements		-	66	66	66	66
Align DDOT revenue with FY10 gap closing transfer to local fund		3,500	3,600	3,700	3,700	3,700
Escheated estate account			1,721			
Transfers of revenue from other funds:						
Transfer from DDOT		-	4,041	3,729	3,448	3,196
Transfer BBL fees		83	750	500	750	-
Transfer food handler fee increase		-	224	224	224	224
Transfer title insurance assessment		-	750	-	750	-
Excess Transfers to TIF		2,500	6,600			
Transfer baseball fund revenue			289	636	1,797	17,934
Transfer sustainable energy trust fund revenue			13,609	-	-	-
Convert certified unbudgeted O-type Revenue to Local Fund		10,209	21,933	21,933	21,933	21,933
<b>Local Fund Revenue With Policy Proposals</b>	<b>5,050,633</b>	<b>5,189,096</b>	<b>5,130,483</b>	<b>5,202,093</b>	<b>5,338,912</b>	<b>5,491,567</b>
<b>Dedicated Revenue</b>	<b>239,428</b>	<b>284,328</b>	<b>328,193</b>	<b>327,408</b>	<b>348,816</b>	<b>398,836</b>
<b>plus Dedicated Revenue Policy Proposals</b>	<b>-</b>	<b>5,877</b>	<b>17,709</b>	<b>27,102</b>	<b>26,330</b>	<b>10,999</b>
Transfer revenue from intermediate care facilities from local to Stevie Sellows fund			4,689	4,689	4,689	4,689
Transfer Medicaid HMO receipts from local to Healthy DC		3,377	8,590	11,704	12,039	12,738
Transfer bed tax to Hospital Fund			6,293	6,293	6,293	6,293
Transfer HMSC to Healthy DC		5,000	5,000	5,000	5,000	5,000

(Continued on next page)

Table 4-14 (continued)

**Policy Proposals Impacting General Fund Revenues, Fiscal Years 2010-2014**

(\$ thousands)

<b>Revenue Source</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Revised</b>	<b>FY 2011 Original</b>	<b>FY 2012 Projected</b>	<b>FY 2013 Projected</b>	<b>FY 2014 Projected</b>
Transfer medical marijuana tax revenue			27	53	107	214
Transfer from TIF revenues		(2,500)	(6,600)	-	-	-
Transfer revenue from baseball fund to local			(289)	(636)	(1,797)	(17,934)
<b>Dedicated Revenue With Policy Proposals</b>	<b>239,428</b>	<b>290,205</b>	<b>345,902</b>	<b>354,510</b>	<b>375,147</b>	<b>409,835</b>
<b>Special Purpose (O-Type) Revenue</b>	<b>454,764</b>	<b>471,203</b>	<b>478,777</b>	<b>477,905</b>	<b>478,273</b>	<b>481,817</b>
<b>plus Special Purpose Policy Proposals</b>		<b>(10,164)</b>	<b>(33,282)</b>	<b>(19,947)</b>	<b>(19,588)</b>	<b>(14,947)</b>
Impose 2% tax on pre-paid wireless service sales			1,087	1,172	1,172	1,172
Increase Department of Health fees			512	153	512	153
Increase food handler fees (by regulation)			224	224	224	224
<i>Transfer increase to local</i>			(224)	(224)	(224)	(224)
Impose technology fee for basic business licenses (by regulation)		83	750	500	750	
<i>Transfer increase to local</i>		(83)	(750)	(500)	(750)	-
Title Insurance producers assessment			750		750	
<i>Transfer increase to local</i>			(750)	-	(750)	-
Increase notary public service fees		-	150	150	150	150
Increase filing fees for drug marketing	-	-	340	340	340	340
Lobbyist fees		45	45	45	45	45
School Lease Account: transfer out of OPEFM		-	(1,648)	(1,648)	(1,648)	(1,648)
School Lease Account: transfer to DRES		-	1,648	1,648	1,648	1,648
Condo fees to Housing and Community Development			66	66	66	66
Remove cap on Unemployment Compensation						5,000
Special events licensing fees			60	60	60	60
Transfer sustainable energy trust fund revenue to local			(13,609)			
DDOT fee increases:						
Steel plate fee		-	3,120	2,808	2,527	2,274
Impose car sharing space fee (by regulation)		-	275	275	275	275
Establish commercial loading zone permit		-	261	261	261	261
Permit fee for loading and unloading intercity buses		-	215	215	215	215
Technology fee on public space permits		-	170	170	170	170
Transfer from DDOT Unified fund to local		-	(4,041)	(3,729)	(3,448)	(3,196)
Convert certified unbudgeted O-type Revenue to Local Fund		(10,209)	(21,933)	(21,933)	(21,933)	(21,933)
<b>Special Purpose Revenue With Policy Proposals</b>	<b>454,764</b>	<b>461,039</b>	<b>445,495</b>	<b>457,957</b>	<b>458,685</b>	<b>466,869</b>
<b>All Proposals</b>	<b>-</b>	<b>20,360</b>	<b>85,809</b>	<b>88,458</b>	<b>88,163</b>	<b>89,299</b>
<b>General Fund Revenue with Policy Proposals</b>	<b>5,744,825</b>	<b>5,940,340</b>	<b>5,921,880</b>	<b>6,014,561</b>	<b>6,172,744</b>	<b>6,368,271</b>

## Policy Proposals

This section briefly describes each of the policy proposals that will be included as revenue in the financial plan. Many of the provisions are in the BSA; however, some are based on actions since the February 2010 revenue estimate that do not require legislation to be implemented.

### Property tax changes

#### ***Incorporate Acts Passed Subject to Appropriation:***

A BSA Subtitle repeals the “subject to appropriation” clauses for a number of legislative actions that have already been funded or would be funded by the proposed FY 2011 through FY 2014 budget and financial plan. The subtitle also provides various technical amendments and re-regulates certain funding requirements.

***Tax abatement for non-profit associations:*** This subtitle would provide up to \$500 thousand annually in real property tax abatements from FY 2011 to FY 2014 for non-profit organizations moving to certain neighborhoods.

***Pew Charitable Trust property tax abatement:*** The provision exempts from real property taxation 40 percent of the value of particular property owned by The Pew Charitable Trusts for 30 years.

***First Congregational United Church of Christ abatement:*** The provision abates real property and transfer taxes and refunds over three years in equal installments taxes already paid in the amount of \$951,000.

***Establish new class for certain vacant improved property:*** This provision creates a new property assessment class for certain vacant property with improvements. Properties in this class will be taxed \$5 per \$100 of assessed value.

### Sales tax changes:

***Parking tax:*** A BSA Subtitle reserves \$12.2 million in FY 2010 and \$10.2 million in subsequent years. Table 4-4 reflects this revenue and it is not included in Table 4-14.

***Include certain beverages in sales tax base:*** This provision will include soft drinks in the taxable base of the general sales tax. Soft drink is defined as a non-alcoholic beverage with natural or artificial sweeteners.

***Tax medical marijuana at 6%:*** This provision subjects medical marijuana sales to a 6 percent retail sales tax. The proceeds are distributed to the Healthy DC and Health Care Expansion fund.

### Income tax changes:

***Withholding tax compliance:*** This provision requires employers to set withholding allowances on the W-4 income tax withholding form to zero for District income tax withholding for those employees that have outstanding tax liability.

***District Job Incentive:*** Create a new credit against corporate franchise tax liability for the creation of jobs in the District. The maximum credit would be worth up to 50 percent of payroll taxes for each new employee, subject to certain criteria.

### Gross receipts tax changes:

***Equalization of insurance premium tax rates:*** A BSA Subtitle amends the Life Insurance Act of 1901 to create a uniform premium tax rate of 2 percent for all lines of insurance and to amend Title 47 of the District of Columbia Official Code to conform to the new uniform premium tax rate. Currently, life and property insurance premiums are taxed at 1.7 percent while health insurance premiums are taxed at 2 percent.

***Recognize revenue from application of 2% premium rate to all accident and health policies:*** The current law regarding the rates on insurance companies (D.C. Official Code § 47-2608(a)(1A)) was reinterpreted to equate the previous 1.7 percent tax rate on non-major medical accident and loss of health insurance premium receipts to the 2.0 percent rate that should be paid on all Accident and Health (A&H) insurance policy fees and premium receipts.

***Apply 2% premium tax to HMO for Medicaid receipts:*** A BSA Subtitle would amend the Health Maintenance Organization Act of 1996 to no longer exclude

health maintenance organizations (HMOs) from paying taxes equal to 2 percent of their policy and membership fees and net premium receipts or consideration received pursuant to the District Medicaid Program, the Healthy DC Program, or the DC HealthCare Alliance. All new revenues collected solely from the expansion of the tax would be deposited into the Healthy DC and Health Care Expansion Fund, which is the new name the proposed subtitle would give to the Healthy DC Fund.

**Impose per bed tax on hospitals:** This provision assesses hospitals \$500 per bed in the first year (FY2010) and \$1,500 in subsequent years. In FY 2010, the proceeds are distributed to the Medical Captive Liability fund and in subsequent years, the proceeds are distributed to a newly created Hospital fund.

**Increase assessment on intermediate care facilities:** Per DC Code Section 47-1270, revenue will be collected from intermediate care facilities for the mentally retarded (ICF-MR) and transferred to the Stevie Sellows Quality Improvement Fund. This provision raises the rate to 5.5 percent.

**Hospital and medical service corporation (HMSC) community reinvestment:** Law 18-0104 allowed HMSCs to enter into a public-private partnership with D.C. that includes a \$5 million contribution to the Healthy DC fund to be used for subsidies to expand health insurance coverage for low income D.C. residents. The partnership and the contribution would fulfill the HMSC's community reinvestment and open enrollment obligations. Revenue is dedicated to the Healthy DC fund.

#### **Nontax revenue changes:**

**Increase vacant property registration fee to fund nuisance abatement:** Increase vacant property registration fee which will be used to fund the Nuisance Abatement Fund to offset costs of identifying and abating nuisance conditions on real properties.

**Increased fees by administrative rulemaking:** Not included in the BSA are increases to several categories of fees including building permits, and traffic fines. Increases were effective June 1, 2010, under an emergency order.

**Impose technology surcharge and increase fees on corporate registration:** This provision increases the schedule of fees applying to registration and renewal of corporations and applies a 10 percent surcharge for technology enhancements.

**Department of Public Works (DPW) relocation towing initiative:** DPW will begin to relocate vehicles during the AM & PM rush hour time periods in certain locations throughout the city and charge \$100 per towed vehicle.

**Sell advertising on parking meters:** A BSA Subtitle allows the Rights-of-Way Management Administration at the District Department of Transportation to oversee the parking meter advertising program, including entering into agreements with companies to place advertisements on parking meters and to print advertisements on the back of receipts.

**Distribute Washington Center on Aging Lease Income to local fund:** Amends code so the lease income from the Washington Center for Aging goes to the General Fund, instead of Department of Real Estate Service's O-type account.

**Establish fees for environmental impact screening forms and preparation of environmental impact statements:** A BSA Subtitle would require the District Department of the Environment (DDOE) to issue rules to assist District agencies in the review of an environmental impact screening form (EISF) and preparation of an environmental impact statement (EIS). In addition, the subtitle would give the authority to the Mayor to increase the fee charged to an applicant for reviewing an EISF or preparing an EIS to \$55 per hour.

**Escheated estate account:** Transfer funds from escheated estate account to Local Fund.

**Align D.C. Department of Transportation (DDOT) revenue with FY 2010 gap closing transfer to local fund:** The transfers—\$3.5 million in FY 2010, \$3.6 million in FY 2011, and \$3.7 million in subsequent fiscal years from the DDOT Unified Fund to Local Fund—reflect the incremental revenue to the Highway Trust Fund from the increase in the gasoline tax in the FY 2010 BSA. Since the nontax revenue line of Table 4-4 does not reflect this, it is reported in Table 4-14.

**Convert certified unbudgeted O-type revenue to Local:** Transfer (in FY 2011) certified, but unbudgeted, O-type revenue from various funds to the Local Fund so that this revenue is recognized as FY 2011 revenue.

## Special Purpose Revenue Changes

**Impose 2% tax on the retail purchase of pre-paid wireless services:** This provision levies a tax on pre-paid wireless telecommunications services to support the E-911 program.

**Increased fees by administrative rulemaking:** Not included in the BSA are increases to several categories of special purpose fees including renewal licensure fees for food handling fees, renewal licensure fees for acupuncturists, chiropractors, nursing home administrators, pharmacists and social workers, AccessRx fees, pharmacy registration fees, nursing home licensure fees, and a technology surcharge for basic business license fees.

**Increase filing fees for drug marketing:** This provision increases the filing fees for makers and labelers of prescription drugs that employ, direct or use marketing representatives in the District.

**Lobbyist fees:** Paid lobbyists that are required to register with the District of Columbia are also required to pay an annual registration fee.

**DRES school lease account:** A BSA Subtitle would establish the District of Columbia Excess School Buildings Maintenance Fund, a non-lapsing, local fund administered by the Department of Real Estate Services (DRES) used for lease administration, repair, maintenance, and capital investment of excess school buildings or other real property formerly under the jurisdiction of the District of Columbia Public Schools (DCPS).

**Title insurance producer assessment:** Authorizes the assessment of the additional revenues associated with the regulation of title insurance producers. Increased revenue will be transferred to the Local Fund.

**Condo fees to Housing and Community Development:** Increases rental certification, registration, and new application fees - Goes to Department of Housing

and Community Development Unified Fund

**Remove cap on unemployment compensation deposits:** Amends the District of Columbia Unemployment Compensation Act to eliminate the cap on the annual amount that may be deposited in the Unemployment Compensation Administrative Assessment Account.

**Special events licensing fees:** Amends the Special Events regulations concerning activities held on public space, such as parades, community activities, and cultural programs, to require a written permit from DCRA prior to the event, to increase the hourly rate for investigators and inspectors, to decrease the percentage and radius requirement for neighborhood approval to host a Special Event, and to establish a tiered fee structure to cover the administrative costs necessary to expedite and process applications.

**Establish a fee for steel plates on roads:** A BSA Subtitle imposes a new public space permit fee on use of steel plates for construction projects.

**Increase public space permit fees to pay for technology improvements:** A BSA Subtitle levies a 10 percent fee to pay for enhanced technological capabilities. Revenue from the enhanced fee will go to the Local Fund.

**Car sharing space fee:** The D.C. Department of Transportation (DDOT) will begin charging car sharing companies per existing contracts a fee to use on-street parking spaces.

**Permit fee for loading and unloading intercity buses:** A BSA Subtitle imposes a fee for the use of public space at 15 locations to load and unload passengers of bus companies that operate between the District and other cities.

**Increase notary public fees:** A BSA Subtitle increases fees administered by the Office of Notary Commissions under the Office of the Secretary.

## Additional Information on D.C. Revenues

The following tables provide additional detail on District taxes.

Table 4-15

**Operating Revenue by Source, Fiscal Years 2009-2014**

(Dollars in Thousands)

<b>Revenue Source</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Revised</b>	<b>FY 2011 Original</b>	<b>FY 2012 Projected</b>	<b>FY 2013 Projected</b>	<b>FY 2014 Projected</b>
Real Property (gross)	1,822,693	1,773,111	1,574,072	1,512,534	1,543,286	1,607,927
<i>Transfer to TIF/PILOT</i>	<i>(17,921)</i>	<i>(19,585)</i>	<i>(27,600)</i>	<i>(30,448)</i>	<i>(34,685)</i>	<i>(50,409)</i>
Real Property (net)	1,804,772	1,753,526	1,546,472	1,482,086	1,508,601	1,557,518
Personal Property (gross)	69,163	65,428	65,624	66,195	66,857	68,054
<i>Transfer to Neighborhood Investment Fund</i>	<i>(10,000)</i>	<i>(2,588)</i>	<i>(6,800)</i>	<i>(6,800)</i>	<i>(6,800)</i>	<i>(10,000)</i>
Personal Property (net)	59,163	62,840	58,824	59,395	60,057	58,054
Public Space (gross)	32,612	31,797	30,779	31,047	31,357	31,671
<i>Transfer to DDOT</i>	<i>(32,612)</i>	<i>(31,797)</i>	<i>(30,779)</i>	<i>(31,047)</i>	<i>(31,357)</i>	<i>(31,671)</i>
<b>Total Property</b>	<b>1,863,935</b>	<b>1,816,366</b>	<b>1,605,296</b>	<b>1,541,481</b>	<b>1,568,658</b>	<b>1,615,572</b>
General Sales (gross)	973,410	1,013,959	1,053,418	1,090,552	1,123,076	1,180,657
<i>Convention Center Transfer</i>	<i>(91,538)</i>	<i>(97,865)</i>	<i>(101,696)</i>	<i>(105,303)</i>	<i>(108,455)</i>	<i>(114,047)</i>
<i>Transfer to TIF/PILOT</i>	<i>(18,121)</i>	<i>(22,335)</i>	<i>(40,304)</i>	<i>(27,973)</i>	<i>(37,598)</i>	<i>(58,016)</i>
<i>Transfer to DDOT Unified Fund (parking tax)</i>	<i>(23,765)</i>	<i>(25,675)</i>	<i>(29,148)</i>	<i>(30,535)</i>	<i>(31,748)</i>	<i>(33,898)</i>
<i>Transfer to Ballpark Fund</i>	<i>(9,434)</i>	<i>(9,666)</i>	<i>(10,082)</i>	<i>(10,515)</i>	<i>(11,020)</i>	<i>(11,560)</i>
<i>Transfer to School Modernization Fund</i>	<i>(106,000)</i>	-	-	-	-	-
General Sales (net)	724,552	858,419	872,188	916,226	934,256	963,136
Alcohol	5,386	5,358	5,331	5,306	5,283	5,261
Cigarette	37,620	30,000	29,271	28,560	27,866	27,190
Motor Vehicle	32,107	32,108	32,750	33,733	34,745	35,787
Motor Fuel Tax	23,830	28,119	28,330	28,614	28,900	29,189
<i>Transfer to Highway Trust Fund</i>	<i>(23,830)</i>	<i>(28,119)</i>	<i>(28,330)</i>	<i>(28,614)</i>	<i>(28,900)</i>	<i>(29,189)</i>
<b>Total Sales</b>	<b>799,665</b>	<b>925,885</b>	<b>939,541</b>	<b>983,825</b>	<b>1,002,150</b>	<b>1,031,373</b>
Individual Income	1,135,938	1,219,620	1,257,192	1,314,038	1,376,495	1,437,092
Corporation Franchise	221,882	246,584	253,270	285,235	288,432	294,008
U. B. Franchise	120,247	106,476	114,984	122,334	129,522	136,537
<b>Total Income</b>	<b>1,478,067</b>	<b>1,572,680</b>	<b>1,625,446</b>	<b>1,721,607</b>	<b>1,794,449</b>	<b>1,867,637</b>
Public Utility (gross)	151,046	152,126	152,337	152,518	152,676	152,811
<i>Transfer to Ballpark Fund</i>	<i>(10,091)</i>	<i>(9,430)</i>	<i>(9,443)</i>	<i>(9,454)</i>	<i>(9,464)</i>	<i>(9,472)</i>
Public Utility (net)	140,955	142,696	142,894	143,064	143,212	143,339
Toll Telecommunication (gross)	66,586	67,718	67,753	67,780	67,799	67,814
<i>Transfer to Ballpark Fund</i>	<i>(2,949)</i>	<i>(2,778)</i>	<i>(2,779)</i>	<i>(2,780)</i>	<i>(2,781)</i>	<i>(2,782)</i>
Toll Telecommunication (net)	63,637	64,940	64,974	65,000	65,018	65,032
Insurance Premiums (gross)	57,417	71,267	71,267	71,267	71,267	71,267
<i>Transfer to Healthy DC Fund</i>	<i>(8,653)</i>	<i>(13,636)</i>	<i>(17,486)</i>	<i>(17,486)</i>	<i>(17,486)</i>	<i>(17,486)</i>
Insurance Premiums (net)	48,764	57,631	53,781	53,781	53,781	53,781
Healthcare Provider Tax	12,088	11,000	11,000	11,000	11,000	11,000
<i>Transfer to Nursing Facility Quality of Care Fund</i>	<i>(12,088)</i>	<i>(10,400)</i>	<i>(11,000)</i>	<i>(11,000)</i>	<i>(11,000)</i>	<i>(11,000)</i>
Baseball Gross Receipts Tax	28,204	21,000	21,567	22,688	23,641	24,611
<i>Transfer to Ballpark Fund</i>	<i>(28,204)</i>	<i>(21,000)</i>	<i>(21,567)</i>	<i>(22,688)</i>	<i>(23,641)</i>	<i>(24,611)</i>
<b>Total Gross Receipts</b>	<b>253,356</b>	<b>265,867</b>	<b>261,649</b>	<b>261,845</b>	<b>262,011</b>	<b>262,152</b>

(Continued on next page)

Table 4-15 (cont)

**Operating Revenue by Source, Fiscal Years 2009-2014**

(Dollars in Thousands)

<b>Revenue Source</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Revised</b>	<b>FY 2011 Original</b>	<b>FY 2012 Projected</b>	<b>FY 2013 Projected</b>	<b>FY 2014 Projected</b>
Estate	74,508	35,000	35,000	35,000	35,000	35,000
Deed Recordation (gross)	100,763	80,546	83,155	90,664	96,911	102,115
<i>Transfer to HPTF</i>	<i>(15,958)</i>	<i>(12,082)</i>	<i>(12,473)</i>	<i>(13,600)</i>	<i>(14,537)</i>	<i>(15,317)</i>
Deed Recordation (net)	84,805	68,464	70,682	77,064	82,374	86,798
Deed Transfer (gross)	78,262	66,533	63,230	68,080	71,348	73,659
<i>Transfer to HPTF</i>	<i>(12,286)</i>	<i>(9,170)</i>	<i>(9,485)</i>	<i>(10,212)</i>	<i>(10,702)</i>	<i>(11,049)</i>
Deed Transfer (net)	65,976	57,363	53,746	57,868	60,646	62,610
Economic Interests	8,376	10,000	10,000	10,000	10,000	10,000
<b>Total Other Taxes</b>	<b>233,665</b>	<b>170,827</b>	<b>169,427</b>	<b>179,932</b>	<b>188,020</b>	<b>194,408</b>
<b>TOTAL TAXES</b>	<b>4,628,688</b>	<b>4,751,625</b>	<b>4,601,359</b>	<b>4,688,691</b>	<b>4,815,288</b>	<b>4,971,142</b>
Licenses & Permits	65,924	65,707	71,080	72,582	76,834	73,835
Fines & Forfeits	101,415	140,194	155,663	158,370	156,334	159,399
Charges for Services	44,092	37,774	41,023	39,823	43,473	42,273
Miscellaneous Revenue	141,739	101,798	91,051	92,400	96,637	82,745
<b>TOTAL NON-TAX</b>	<b>353,170</b>	<b>345,473</b>	<b>358,817</b>	<b>363,175</b>	<b>373,278</b>	<b>358,252</b>
Lottery	68,775	67,350	68,925	68,925	68,925	68,925
<b>TOTAL LOCAL FUND REVENUE</b>	<b>5,050,633</b>	<b>5,164,448</b>	<b>5,029,101</b>	<b>5,120,791</b>	<b>5,257,491</b>	<b>5,398,319</b>



Table 4-16

**Percentage Changes in General Fund, Local Revenue by Source**

(Dollars in Thousands)

<b>Revenue Source</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Revised</b>	<b>FY 2011 Original</b>	<b>FY 2012 Projected</b>	<b>FY 2013 Projected</b>	<b>FY 2014 Projected</b>
Real Property (gross)	8.9%	-2.7%	-11.2%	-3.9%	2.0%	4.2%
<i>Transfer to TIF/PILOT</i>	<i>169.3%</i>	<i>9.3%</i>	<i>40.9%</i>	<i>10.3%</i>	<i>13.9%</i>	<i>45.3%</i>
Real Property (net)	8.3%	-2.8%	-11.8%	-4.2%	1.8%	3.2%
Personal Property (gross)	15.9%	-5.4%	0.3%	0.9%	1.0%	1.8%
<i>Transfer to Neighborhood Investment Fund</i>	<i>0.0%</i>	<i>-74.1%</i>	<i>162.8%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>47.1%</i>
Personal Property (net)	19.1%	6.2%	-6.4%	1.0%	1.1%	-3.3%
Public Space (gross)	17.7%	-2.5%	-3.2%	0.9%	1.0%	1.0%
<i>Transfer to DDOT</i>	<i>17.7%</i>	<i>-2.5%</i>	<i>-3.2%</i>	<i>0.9%</i>	<i>1.0%</i>	<i>1.0%</i>
<b>Total Property</b>	<b>8.6%</b>	<b>-2.6%</b>	<b>-11.6%</b>	<b>-4.0%</b>	<b>1.8%</b>	<b>3.0%</b>
General Sales (gross)	-4.1%	4.2%	3.9%	3.5%	3.0%	5.1%
<i>Convention Center Transfer</i>	<i>0.0%</i>	<i>6.9%</i>	<i>3.9%</i>	<i>3.5%</i>	<i>3.0%</i>	<i>5.2%</i>
<i>Transfer to TIF/PILOT</i>	<i>-22.7%</i>	<i>23.3%</i>	<i>80.5%</i>	<i>-30.6%</i>	<i>34.4%</i>	<i>54.3%</i>
<i>Transfer to DDOT Unified Fund (parking tax)</i>	<i>-36.5%</i>	<i>8.0%</i>	<i>13.5%</i>	<i>4.8%</i>	<i>4.0%</i>	<i>6.8%</i>
<i>Transfer to Ballpark Fund</i>	<i>-23.7%</i>	<i>2.5%</i>	<i>4.3%</i>	<i>4.3%</i>	<i>4.8%</i>	<i>4.9%</i>
<i>Transfer to School Modernization Fund</i>	<i>6.0%</i>	<i>-100.0%</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>
General Sales (net)	-3.5%	18.5%	1.6%	5.0%	2.0%	3.1%
Alcohol	3.8%	-0.5%	-0.5%	-0.5%	-0.4%	-0.4%
Cigarette	57.4%	-20.3%	-2.4%	-2.4%	-2.4%	-2.4%
Motor Vehicle	-20.1%	0.0%	2.0%	3.0%	3.0%	3.0%
Motor Fuel Tax	2.7%	18.0%	0.8%	1.0%	1.0%	1.0%
<i>Transfer to Highway Trust Fund</i>	<i>2.7%</i>	<i>18.0%</i>	<i>0.8%</i>	<i>1.0%</i>	<i>1.0%</i>	<i>1.0%</i>
<b>Total Sales</b>	<b>-2.4%</b>	<b>15.8%</b>	<b>1.5%</b>	<b>4.7%</b>	<b>1.9%</b>	<b>2.9%</b>
Individual Income	-15.4%	7.4%	3.1%	4.5%	4.8%	4.4%
Corporation Franchise	-22.5%	11.1%	2.7%	12.6%	1.1%	1.9%
U. B. Franchise	-5.2%	-11.5%	8.0%	6.4%	5.9%	5.4%
<b>Total Income</b>	<b>-15.8%</b>	<b>6.4%</b>	<b>3.4%</b>	<b>5.9%</b>	<b>4.2%</b>	<b>4.1%</b>
Public Utility (gross)	-1.6%	0.7%	0.1%	0.1%	0.1%	0.1%
<i>Transfer to Ballpark Fund</i>	<i>9.4%</i>	<i>-6.6%</i>	<i>0.1%</i>	<i>0.1%</i>	<i>0.1%</i>	<i>0.1%</i>
Public Utility (net)	-2.3%	1.2%	0.1%	0.1%	0.1%	0.1%
Toll Telecommunication (gross)	1.3%	1.7%	0.1%	0.0%	0.0%	0.0%
<i>Transfer to Ballpark Fund</i>	<i>15.2%</i>	<i>-5.8%</i>	<i>0.1%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
Toll Telecommunication (net)	0.7%	2.0%	0.1%	0.0%	0.0%	0.0%
Insurance Premiums (gross)	9.1%	24.1%	0.0%	0.0%	0.0%	0.0%
<i>Transfer to Healthy DC Fund</i>	<i>45.1%</i>	<i>57.6%</i>	<i>28.2%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
Insurance Premiums (net)	4.5%	18.2%	-6.7%	0.0%	0.0%	0.0%
Healthcare Provider Tax	-12.2%	-9.0%	0.0%	0.0%	0.0%	0.0%
<i>Transfer to Nursing Facility Quality of Care Fund</i>	<i>-12.2%</i>	<i>-14.0%</i>	<i>5.8%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
Baseball Gross Receipts Tax	12.9%	-25.5%	2.7%	5.2%	4.2%	4.1%
<i>Transfer to Ballpark Fund</i>	<i>12.9%</i>	<i>-25.5%</i>	<i>2.7%</i>	<i>5.2%</i>	<i>4.2%</i>	<i>4.1%</i>
<b>Total Gross Receipts</b>	<b>-0.3%</b>	<b>4.9%</b>	<b>-1.6%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.1%</b>

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Table 4-16 (cont)

**Percentage Changes in General Fund, Local Revenue by Source**

(Dollars in Thousands)

<b>Revenue Source</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Revised</b>	<b>FY 2011 Original</b>	<b>FY 2012 Projected</b>	<b>FY 2013 Projected</b>	<b>FY 2014 Projected</b>
Estate	11.4%	-53.0%	0.0%	0.0%	0.0%	0.0%
Deed Recordation (gross)	-35.4%	-20.1%	3.2%	9.0%	6.9%	5.4%
<i>Transfer to HPTF</i>	-33.1%	-24.3%	3.2%	9.0%	6.9%	5.4%
Deed Recordation (net)	-28.3%	-19.3%	3.2%	9.0%	6.9%	5.4%
Deed Transfer (gross)	-30.4%	-15.0%	-5.0%	7.7%	4.8%	3.2%
<i>Transfer to HPTF</i>	-26.6%	-25.4%	3.4%	7.7%	4.8%	3.2%
Deed Transfer (net)	-23.5%	-13.1%	-6.3%	7.7%	4.8%	3.2%
Economic Interests	-84.7%	19.4%	0.0%	0.0%	0.0%	0.0%
<b>Total Other Taxes</b>	<b>-28.4%</b>	<b>-26.9%</b>	<b>-0.8%</b>	<b>6.2%</b>	<b>4.5%</b>	<b>3.4%</b>
<b>TOTAL TAXES</b>	<b>-5.0%</b>	<b>2.7%</b>	<b>-3.2%</b>	<b>1.9%</b>	<b>2.7%</b>	<b>3.2%</b>
Licenses & Permits	-22.4%	-0.3%	8.2%	2.1%	5.9%	-3.9%
Fines & Forfeits	2.5%	38.2%	11.0%	1.7%	-1.3%	2.0%
Charges for Services	1.4%	-14.3%	8.6%	-2.9%	9.2%	-2.8%
Miscellaneous Revenue	-10.6%	-28.2%	-10.6%	1.5%	4.6%	-14.4%
<b>TOTAL NON-TAX</b>	<b>-8.5%</b>	<b>-2.2%</b>	<b>3.9%</b>	<b>1.2%</b>	<b>2.8%</b>	<b>-4.0%</b>
Lottery	-2.2%	-2.1%	2.3%	0.0%	0.0%	0.0%
<b>TOTAL LOCAL FUND REVENUE</b>	<b>-5.2%</b>	<b>2.3%</b>	<b>-2.6%</b>	<b>1.8%</b>	<b>2.7%</b>	<b>2.7%</b>

Table 4-17

**Changes in General Fund, Local Revenue by Source**

(Dollars in Thousands)

<b>Revenue Source</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Revised</b>	<b>FY 2011 Original</b>	<b>FY 2012 Projected</b>	<b>FY 2013 Projected</b>	<b>FY 2014 Projected</b>
Real Property (gross)	149,724	(49,582)	(199,039)	(61,538)	30,752	64,641
<i>Transfer to TIF/PILOT</i>	11,267	1,664	8,015	2,848	4,237	15,724
Real Property (net)	138,457	(51,246)	(207,054)	(64,386)	26,515	48,917
Personal Property (gross)	9,473	(3,735)	196	571	662	1,197
<i>Transfer to Neighborhood Investment Fund</i>	-	(7,412)	4,212	-	-	3,200
Personal Property (net)	9,473	3,677	(4,016)	571	662	(2,003)
Public Space (gross)	4,915	(815)	(1,017)	268	310	314
<i>Transfer to DDOT</i>	4,915	(815)	(1,017)	268	310	314
<b>Total Property</b>	<b>147,930</b>	<b>(47,569)</b>	<b>(211,070)</b>	<b>(63,815)</b>	<b>27,177</b>	<b>46,914</b>
General Sales (gross)	(41,772)	40,549	39,458	37,134	32,524	57,581
<i>Convention Center Transfer</i>	45	6,327	3,832	3,607	3,152	5,592
<i>Transfer to TIF/PILOT</i>	(5,329)	4,214	17,969	(12,331)	9,625	20,418
<i>Transfer to DDOT Unified Fund (parking tax)</i>	(13,655)	1,910	3,474	1,387	1,212	2,151
<i>Transfer to Ballpark Fund</i>	(2,930)	232	416	434	505	540
<i>Transfer to School Modernization Fund</i>	6,000	(106,000)	-	-	-	-
General Sales (net)	(25,903)	133,867	13,769	44,038	18,030	28,880
Alcohol	196	(28)	(27)	(25)	(24)	(22)
Cigarette	13,720	(7,620)	(729)	(711)	(694)	(677)
Motor Vehicle	(8,053)	1	642	983	1,012	1,042
Motor Fuel Tax	631	4,289	211	283	286	289
<i>Transfer to Highway Trust Fund</i>	631	4,289	211	283	286	289
<b>Total Sales</b>	<b>(20,040)</b>	<b>126,220</b>	<b>13,655</b>	<b>44,285</b>	<b>18,324</b>	<b>29,223</b>
Individual Income	(206,861)	83,682	37,572	56,846	62,458	60,597
Corporation Franchise	(64,322)	24,702	6,686	31,964	3,198	5,576
U. B. Franchise	(6,644)	(13,771)	8,508	7,350	7,187	7,015
<b>Total Income</b>	<b>(277,827)</b>	<b>94,613</b>	<b>52,766</b>	<b>96,161</b>	<b>72,843</b>	<b>73,188</b>
Public Utility (gross)	(2,497)	1,080	211	181	158	135
<i>Transfer to Ballpark Fund</i>	863	(661)	13	11	10	8
Public Utility (net)	(3,360)	1,741	198	170	148	127
Toll Telecommunication (gross)	845	1,132	35	27	19	15
<i>Transfer to Ballpark Fund</i>	390	(171)	1	1	1	1
Toll Telecommunication (net)	455	1,303	34	26	18	14
Insurance Premiums (gross)	4,781	13,850	-	-	-	-
<i>Transfer to Healthy DC Fund</i>	2,689	4,983	3,850	-	-	-
Insurance Premiums (net)	2,092	8,867	(3,850)	-	-	-
Healthcare Provider Tax	(1,683)	(1,088)	-	-	-	-
<i>Transfer to Nursing Facility Quality of Care Fund</i>	(1,683)	(1,688)	600	-	-	-
Baseball Gross Receipts Tax	3,215	(7,204)	567	1,121	953	969
<i>Transfer to Ballpark Fund</i>	3,215	(7,204)	567	1,121	953	969
<b>Total Gross Receipts</b>	<b>(813)</b>	<b>12,511</b>	<b>(4,218)</b>	<b>196</b>	<b>166</b>	<b>141</b>

(Continued on next page)

Table 4-17 (cont)

**Changes in General Fund, Local Revenue by Source**

(Dollars in Thousands)

<b>Revenue Source</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Revised</b>	<b>FY 2011 Original</b>	<b>FY 2012 Projected</b>	<b>FY 2013 Projected</b>	<b>FY 2014 Projected</b>
Estate	7,609	(39,508)	-	-	-	-
Deed Recordation (gross)	(55,211)	(20,217)	2,609	7,509	6,247	5,204
<i>Transfer to HPTF</i>	<i>(7,895)</i>	<i>(3,876)</i>	<i>391</i>	<i>1,126</i>	<i>937</i>	<i>781</i>
Deed Recordation (net)	(33,497)	(16,341)	2,218	6,383	5,310	4,423
Deed Transfer (gross)	(34,172)	(11,729)	(3,303)	4,850	3,268	2,311
<i>Transfer to HPTF</i>	<i>(4,450)</i>	<i>(3,116)</i>	<i>315</i>	<i>728</i>	<i>490</i>	<i>347</i>
Deed Transfer (net)	(20,262)	(8,613)	(3,618)	4,123	2,778	1,964
Economic Interests	(46,439)	1,624	-	-	-	-
<b>Total Other Taxes</b>	<b>(92,589)</b>	<b>(62,838)</b>	<b>(1,400)</b>	<b>10,505</b>	<b>8,088</b>	<b>6,388</b>
<b>TOTAL TAXES</b>	<b>(243,339)</b>	<b>122,937</b>	<b>(150,266)</b>	<b>87,332</b>	<b>126,598</b>	<b>155,854</b>
Licenses & Permits	(18,997)	(217)	5,373	1,502	4,252	(2,999)
Fines & Forfeits	2,483	38,779	15,469	2,707	(2,036)	3,065
Charges for Services	599	(6,318)	3,249	(1,200)	3,650	(1,200)
Miscellaneous Revenue	(16,771)	(39,941)	(10,747)	1,349	4,237	(13,892)
<b>TOTAL NON-TAX</b>	<b>(32,686)</b>	<b>(7,697)</b>	<b>13,344</b>	<b>4,358</b>	<b>10,103</b>	<b>(15,026)</b>
Lottery	(1,525)	(1,425)	1,575	-	-	-
<b>TOTAL LOCAL FUND REVENUE</b>	<b>(277,550)</b>	<b>113,815</b>	<b>(135,347)</b>	<b>91,690</b>	<b>136,701</b>	<b>140,828</b>

Table 4-18

**General Purpose Non-Tax Revenue by Source, Fiscal Years 2009-2014**

(Dollars in Thousands)

<b>Comp.</b>			<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Obj.</b>			<b>Actual</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
<b>Code</b>	<b>Agency</b>	<b>Object Title</b>						
<b>BUSINESS LICENSES AND PERMITS</b>								
3001	SRO	INSURANCE LICENSE	11,790	8,700	12,700	9,700	12,700	9,700
3002	DHO	ELECTRICAL LICENSE	4	2	2	2	2	2
3003	DHO	NATURAL GAS LICENSE	0	2	2	2	2	2
3006	TCO	HACKERS LICENSE	392	370	370	370	370	370
3007	SRO	SECURITY REGISTRATION FEES	0	10,000	10,000	10,000	10,000	10,000
3010	TCO	OTHER BUSINESS LICENSE	447	80	80	80	80	80
3011	KAO	BUSINESS LICENSE & PERMIT	0	10	10	10	10	10
3012	CRO	BUILDING STRUCTURES & EQUIPMENT	12,077	11,208	12,404	12,404	12,404	12,404
3012	CRO	DEMOLITION PERMIT	7	3	3	3	3	3
3012	CRO	EXCAVATION PERMIT	1	1	1	1	1	1
3012	CRO	FENCE PERMIT	10	2	2	2	2	2
3012	CRO	MISCELLANEOUS PERMIT	140	40	40	40	40	40
3012	CRO	SHED PERMIT	4	1	1	1	1	1
3012	CRO	SHEETING & SHORING PERMIT	2	1	1	1	1	1
3012	CRO	SWIMMING POOL PERMIT	2	1	1	1	1	1
3012	CRO	TENANT LAYOUT PERMIT	8	1	1	1	1	1
3013	CRO	CERTIFICATE OF OCCUPANCY	324	350	350	350	350	350
3014	CRO	REFRIGERATION & PLUMBING PERMIT	1,927	1,850	2,000	2,000	2,000	2,000
3015	CRO	ELECTRICAL PERMIT	1,983	2,000	2,050	2,050	2,050	2,050
3016	CRO	PUBLIC SPACE EXCAVATION PERMIT	5	10	10	10	10	10
3021	ATO	VENDOR BONDS (NET OF REFUNDS)	784	500	500	500	500	500
3023	RMO	OTHER LICENSE FEES	7	7	6	7	6	7
3029	CRO	FOUNDATION PERMIT	5	0	0	0	0	0
3033	CRO	PROJECTION PERMIT	7	0	0	0	0	0
3034	CRO	RAZE PERMIT	338	60	60	60	60	60
3035	CRO	RETAINING WALL PERMIT	38	15	15	15	15	15
3038	CRO	SIGN PERMIT	40	10	10	10	10	10
3039	CRO	SPECIAL SIGN PERMIT	63	20	20	20	20	20
3042	CRO	POSTCARD PERMIT	170	0	0	0	0	0
3044	CRO	PUBLIC SPACE SIDEWALK CAFÉ PERMIT	62	0	0	0	0	0
3053	KVO	DEALER REGISTRATION APPLICATION FEE	0	9	9	9	9	9
<b>TOTAL BUSINESS LICENSES AND PERMITS</b>			<b>30,637</b>	<b>35,253</b>	<b>40,648</b>	<b>37,649</b>	<b>40,648</b>	<b>37,649</b>
<b>NONBUSINESS LICENSES &amp; PERMITS</b>								
3100	TCO	HACK & LIMO LICENSES TEST	118	387	387	387	387	387
3100	KVO	DRIVERS LICENSE	4,037	4,000	4,000	4,000	4,225	4,225
3105	KVO	CANCEL ROAD TEST FEE	47	35	35	35	35	35
3106	KVO	CHANGE OF ADDRESS FEE	3	3	3	4	4	4
3120	FAO	BOAT REGISTRATION	159	186	185	185	185	185
3140	KVO	RECIPROCITY PERMIT	446	400	400	400	400	400
3144	KVO	DIGIT CERTIFICATE FEE	5	5	5	5	5	5

(Continued on next page)

Table 4-18 (continued)

**General Purpose Non-Tax Revenue by Source, Fiscal Years 2009-2014**

(Dollars in Thousands)

<b>Comp.</b>			<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Obj.</b>	<b>Agency</b>	<b>Object Title</b>	<b>Actual</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
<b>Code</b>								
<b>NONBUSINESS LICENSES &amp; PERMITS (cont)</b>								
3145	KVO	PERSONALIZED TAGS	123	70	70	70	70	70
3147	KVO	DCTC ISSUANCES	334	300	279	279	304	304
3148	KVO	TEMPORARY TAGS	11	12	12	12	15	15
3149	KVO	TRANSFER OF TAGS	45	35	35	35	35	35
3150	KVO	VEHICLE REGISTRATION	29,893	25,000	25,000	29,500	30,500	30,500
3150	KVO	ASSOCIATED FEE FOR ONE YEAR	49	1	1	1	1	1
3161	KVO	ASSOCIATED FEE FOR THIRTY (30) DAYS	17	20	20	20	20	20
<b>TOTAL NONBUSINESS LICENSES &amp; PERMITS</b>			<b>35,287</b>	<b>30,454</b>	<b>30,432</b>	<b>34,933</b>	<b>36,186</b>	<b>36,186</b>
<b>TOTAL LICENSES &amp; PERMITS</b>			<b>65,924</b>	<b>65,707</b>	<b>71,080</b>	<b>72,582</b>	<b>76,834</b>	<b>73,835</b>
<b>FINES &amp; FORFEITURES</b>								
5000	TCO	HACKERS FINES	5	203	203	203	203	203
5010	FAO	TRAFFIC FINES-RED LIGHT CAMERAS	0	6,360	6,042	5,740	5,453	5,180
5010	KVO	TRAFFIC FINES RSC 1501	73,350	89,982	89,982	94,982	94,982	99,982
5011	FAO	PHOTO RADAR ENFORCEMENT	26,091	40,757	56,819	54,878	53,129	51,467
5020	KTO	SALE OF ABANDONED PROPERTY	211	300	300	300	300	300
5030	KTO	BOOTING FEES	274	175	175	175	175	175
5040	KTO	TOWING FEES-RSC 1505	234	170	170	170	170	170
5050	KTO	IMPOUNDMENT FEES-RSC 1506	360	175	175	175	175	175
5060	ATO	FINES AND FORFEITURES-OTHER	245	1,862	1,587	1,537	1,537	1,537
5060	SR0	FINES AND FORFEITURES-OTHER	126	100	110	110	110	110
5060	L00	FINES AND FORFEITURES-OTHER	519	110	100	100	100	100
<b>TOTAL FINES &amp; FORFEITURES</b>			<b>101,415</b>	<b>140,194</b>	<b>155,663</b>	<b>158,370</b>	<b>156,334</b>	<b>159,399</b>
<b>MISCELLANEOUS</b>								
5300	LA0	WASA - P.I.L.O.T.	12,414	15,346	17,265	18,646	20,138	21,245
5600	ATO	INTEREST INCOME	34,005	14,500	12,000	20,000	20,000	20,000
5600	BK0	INTEREST INCOME	2	2	2	2	2	2
5600	EB0	INTEREST INCOME	1	1	1	1	1	1
5600	FA0	INTEREST INCOME	1	1	1	1	1	1
5700	ATO	UNCLAIMED PROPERTY	21,064	31,000	30,000	29,000	29,000	29,000
6103	DLO	REIMBURSEMENTS	0	1	1	1	1	1
6106	AA0	OTHER REVENUES	5	1	1	1	1	1
6106	ATO	OTHER REVENUES	1,917	0	0	0	0	0
6106	BJ0	OTHER REVENUE (OFF OF ZONING APPL FEES)	550	500	500	500	500	500
6106	BDO	OTHER REVENUES	1	1	1	1	1	1
6106	CBO	OTHER REVENUE	149	100	100	100	100	100
6106	CRO	OTHER REVENUE	-252	100	100	100	100	100
6106	FA0	OTHER REVENUE	248	25	25	25	25	25

(Continued on next page)

Table 4-18 (continued)

**General Purpose Non-Tax Revenue by Source, Fiscal Years 2009-2014**

(Dollars in Thousands)

<b>Comp.</b>			<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Obj.</b>			<b>Actual</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
<b>Code</b>	<b>Agency</b>	<b>Object Title</b>						
<b>MISCELLANEOUS (cont)</b>								
6106	FBO	OTHER REVENUES	439	150	150	150	150	150
6106	FLO	OTHER REVENUES	88	32	32	32	32	32
6106	FSO	OTHER REVENUES	7	3	3	3	3	3
6106	KAO	OTHER REVENUES	0	200	200	200	200	200
6106	KTO	OTHER REVENUE	4	483	483	483	483	483
6106	RMO	OTHER REVENUE	0	3	3	3	3	3
6106	TXO	OTHER REVENUE	8,844	0	0	0	0	0
6107	CRO	CIVIL INFRACTIONS	229	250	200	200	200	200
6107	KTO	OTHER REVENUE-FLEET AUTO AUCTION	0	25	25	25	25	25
6108	DHO	COCOT REGISTRATION	10	3	3	3	3	3
6109	KTO	OTHER REVENUE-CONTRACT BIDS	55	30	30	30	30	30
6111	AMO	OTHER REVENUE	19	20	20	20	20	20
6111	ASO	OTHER REVENUE	27	0	0	0	0	0
6111	ATO	OTHER REVENUE	9,852	0	0	0	0	0
6111	BE0	OTHER REVENUE	14	0	0	0	0	0
6111	CFO	OTHER REVENUE	2	0	0	0	0	0
6111	DBO	APPR CHARGES-OTHER SERVICES	239	0	0	0	0	0
6111	FAO	OTHER REVENUE	0	25	25	25	25	25
6111	FBO	OTHER REVENUE	238	6	6	6	6	6
6111	GAO	OTHER REVENUE	1,143	0	0	0	0	0
6111	GMO	OTHER REVENUE	296	0	0	0	0	0
6111	HCO	OTHER REVENUE	1,072	0	0	0	0	0
6111	JAO	OTHER REVENUE	18	0	0	0	0	0
6111	POO	OTHER REVENUE	110	0	0	0	0	0
6111	RKO	OTHER REVENUE	108	0	0	0	0	0
6111	TCO	OTHER REVENUE	4	0	0	0	0	0
6111	TOO	OTHER REVENUE	39	0	0	0	0	0
6118	JAO	PRIOR YEAR COST RECOVERY	873	0	0	0	0	0
6121	EBO	INVENTORY RECOVERY	61	0	0	0	0	0
9006	ATO	OTHER REVENUE-MISCELLANEOUS	47,818	38,982	29,866	22,834	25,579	10,579
9007	ATO	OTHER REVENUE-MISCELLANEOUS	22	0	0	0	0	0
9010	ATO	OTHER REVENUE-BANK FEES	2	0	0	0	0	0
9200	RMO	MISCELLANEOUS-OTHER REVENUE	0	5	5	5	5	5
9206	ATO	OTHER REVENUE-ROD COPY & SUBSCRIPTION	1	0	0	0	0	0
9205	RMO	SODA COMMISSIONS	0	3	3	3	3	4
<b>TOTAL MISCELLANEOUS</b>			<b>141,739</b>	<b>101,798</b>	<b>91,051</b>	<b>92,400</b>	<b>96,637</b>	<b>82,745</b>

(Continued on next page)

Table 4-18 (continued)

**General Purpose Non-Tax Revenue by Source, Fiscal Years 2009-2014**

(Dollars in Thousands)

<b>Comp. Obj. Code</b>	<b>Agency</b>	<b>Object Title</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Projected</b>	<b>FY 2011 Projected</b>	<b>FY 2012 Projected</b>	<b>FY 2013 Projected</b>	<b>FY 2014 Projected</b>
<b>CHARGES FOR SERVICES</b>								
3200	DHO	TELECO REGISTRATION	8	10	10	10	10	10
3201	CRO	HOME OCCUPATION LICENSE	53	30	30	30	30	30
3202	CRO	BOILER INSPECTION PERMITS	137	50	100	100	100	100
3204	CRO	ELEVATOR INSPECTION	284	100	100	100	100	100
3206	FAO	FINGERPRINTS, PHOTOS	412	375	375	375	375	375
3207	DHO	OTHER SERVICE CHARGES	0	10	10	10	10	10
3207	FLO	OTHER SERVICE CHARGES - OTHER	33	45	45	45	45	45
3255	KVO	REINSTATEMENT FEE/INSURANCE LAPSE FEES	3,000	3,000	3,000	3,000	4,250	4,250
3208	CRO	REPRODUCTION OF REPORTS	18	20	20	20	20	20
3208	FAO	REPRODUCTION OF REPORTS	37	25	25	25	25	25
3208	KVO	REPRODUCTION OF REPORTS	3,027	1,725	1,725	1,725	2,000	2,000
3208	RMO	MEDICAL RECORDS FEES	5	4	3	3	3	3
3208	TCO	MEDICAL RECORDS FEES	5	48	48	48	48	48
3209	FBO	EMERGENCY AMBULANCE FEES	15,984	14,500	14,500	14,500	14,500	14,500
3210	FAO	TRANSCRIPT OF RECORDS	301	260	260	260	260	260
3251	ATO	TAX CERTIFICATES	117	100	100	100	100	100
3211	ATO	FIREARM USER FEE	1	1	1	1	1	1
3211	FAO	FIREARM USER FEE	342	110	110	110	110	110
3215	KVO	VEHICLE TITLES RSC 1259	1,818	1,600	1,600	1,600	2,000	2,000
3219	CRO	WHARVES AND MARKETS	480	600	300	600	300	600
3220	CRO	SURVEYOR FEES	305	-174	-174	-174	-174	-174
3221	ATO	DEED RECORDATION FEES	5,910	5,900	5,900	5,900	5,900	5,900
3221	KVO	RECORDATION FEE (RSC 1275)	433	325	325	325	400	400
3222	CRO	CORP RECORDATION	7,012	7,000	10,500	9,000	10,500	9,000
3223	KVO	PARKING FEES/PERMITS RSC 1314	1,998	1,550	1,550	1,550	2,000	2,000
3227	CRO	COND/COOP CERTIFICATE	2	10	10	10	10	10
3228	CRO	CONDO REGISTRATION	3	25	25	25	25	25
3237	KVO	BUSINESS-INSURANCE LAPSE FEES	34	30	30	30	30	30
3234	CRO	OTHER SERVICE CHARGES-OTHER	31	11	11	11	11	11
3234	KAO	OTHER SERVICE CHARGES-OTHER	65	2	2	2	2	2
3320	RMO	OTHER REVENUE-RENTALS	32	32	32	32	32	32
4601	ICO	INDIRECT COST RECOVERY	1,755	0	0	0	0	0
3310	SRO	INVESTMENT ADVISORS ACT	450	450	450	450	450	450
<b>TOTAL CHARGES FOR SERVICES</b>			<b>44,092</b>	<b>37,774</b>	<b>41,023</b>	<b>39,823</b>	<b>43,473</b>	<b>42,273</b>
<b>TOTAL NON TAX REVENUE</b>			<b>353,170</b>	<b>345,473</b>	<b>358,817</b>	<b>363,175</b>	<b>373,278</b>	<b>358,252</b>



Table 4-19

**Dedicated Tax Revenue Funds, by Source of Revenue: February 2010 Certifications**

	FY 2009	FY 2010	FY 2010	FY 2010	FY 2010	FY 2011	FY 2011	FY 2011	FY 2011	FY 2012	FY 2013	FY 2014
	End of Year Fund Balance	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Resources 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Resources 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Revenues 2/10 Cert.
<b>TOTAL DEDICATED TAX REVENUE</b>		<b>284,329,000</b>	<b>21,640,000</b>	<b>305,969,000</b>	<b>328,193,000</b>	<b>0</b>	<b>0</b>	<b>328,193,000</b>	<b>327,408,000</b>	<b>348,817,000</b>	<b>398,835,000</b>	
<b>Ballpark Fund (B00 0110)</b>	<b>0</b>	<b>42,874,000</b>	<b>0</b>	<b>42,874,000</b>	<b>43,871,000</b>	<b>0</b>	<b>0</b>	<b>43,871,000</b>	<b>45,437,000</b>	<b>46,906,000</b>	<b>48,425,000</b>	
Sales Tax		9,666,000			10,082,000				10,515,000	11,020,000	11,560,000	
Public Utility Tax		9,430,000			9,443,000				9,454,000	9,464,000	9,472,000	
Toll Telecommunications Tax		2,778,000			2,779,000				2,780,000	2,781,000	2,782,000	
Ballpark Fee		21,000,000			21,567,000				22,688,000	23,641,000	24,611,000	
<b>Neighborhood Investment Fund (EBO 0011)</b>	<b>19,989,728</b>	<b>2,588,000</b>	<b>18,576,000</b>	<b>21,164,000</b>	<b>6,800,000</b>	<b>0</b>	<b>0</b>	<b>6,800,000</b>	<b>6,800,000</b>	<b>6,800,000</b>	<b>10,000,000</b>	
Personal Property Tax		2,588,000			6,800,000				6,800,000	6,800,000	10,000,000	
<b>Convention Center Fund (EZO 0110)</b>	<b>0</b>	<b>97,865,000</b>	<b>0</b>	<b>97,865,000</b>	<b>101,696,000</b>	<b>0</b>	<b>0</b>	<b>101,696,000</b>	<b>105,303,000</b>	<b>108,455,000</b>	<b>114,047,000</b>	
Sales Tax		97,865,000			101,696,000				105,303,000	108,455,000	114,047,000	
<b>DDOT Unified Fund (KAO 0110)</b>	<b>0</b>	<b>13,000,000</b>	<b>0</b>	<b>13,000,000</b>	<b>15,000,000</b>	<b>0</b>	<b>0</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	
Sales Tax (parking)		13,000,000			15,000,000				15,000,000	15,000,000	15,000,000	
<b>Highway Trust Fund (KZO 0110)</b>	<b>0</b>	<b>35,994,000</b>	<b>0</b>	<b>35,994,000</b>	<b>37,678,000</b>	<b>0</b>	<b>0</b>	<b>37,678,000</b>	<b>39,349,000</b>	<b>40,848,000</b>	<b>43,287,000</b>	
Sales Tax (parking)		7,875,000			9,348,000				10,735,000	11,948,000	14,098,000	
Motor Fuel Tax		28,119,000			28,330,000				28,614,000	28,900,000	29,189,000	
<b>Housing Production Trust Fund (HP0 0110)</b>	<b>0</b>	<b>21,252,000</b>	<b>0</b>	<b>21,252,000</b>	<b>21,958,000</b>	<b>0</b>	<b>0</b>	<b>21,958,000</b>	<b>23,812,000</b>	<b>25,239,000</b>	<b>26,366,000</b>	
Deed Recordation Tax		12,082,000			12,473,000				13,600,000	14,537,000	15,317,000	
Deed Transfer Tax		9,170,000			9,485,000				10,212,000	10,702,000	11,049,000	
<b>Nursing Facility Quality of Care Fund (HTO 0110)</b>	<b>11,219,445</b>	<b>10,400,000</b>	<b>3,064,000</b>	<b>13,464,000</b>	<b>11,000,000</b>	<b>0</b>	<b>0</b>	<b>11,000,000</b>	<b>11,000,000</b>	<b>11,000,000</b>	<b>11,000,000</b>	
Healthcare Provider Tax		10,400,000			11,000,000				11,000,000	11,000,000	11,000,000	
<b>Healthy DC Fund (HTO 0111)</b>	<b>2,389,049</b>	<b>13,636,000</b>	<b>0</b>	<b>13,636,000</b>	<b>17,486,000</b>	<b>0</b>	<b>0</b>	<b>17,486,000</b>	<b>17,486,000</b>	<b>17,486,000</b>	<b>17,486,000</b>	
Insurance Premiums Tax		13,636,000			17,486,000				17,486,000	17,486,000	17,486,000	
<b>Tax Increment Financing (TZO 0110)</b>	<b>0</b>	<b>41,920,000</b>	<b>0</b>	<b>41,920,000</b>	<b>67,904,000</b>	<b>0</b>	<b>0</b>	<b>67,904,000</b>	<b>58,421,000</b>	<b>72,283,000</b>	<b>108,425,000</b>	
Real Property Tax		19,585,000			27,600,000				30,448,000	34,685,000	50,409,000	
Sales Tax		22,335,000			40,304,000				27,973,000	37,598,000	58,016,000	
<b>Debt Service (DS0)</b>	<b>0</b>	<b>4,800,000</b>	<b>0</b>	<b>4,800,000</b>	<b>4,800,000</b>	<b>0</b>	<b>0</b>	<b>4,800,000</b>	<b>4,800,000</b>	<b>4,800,000</b>	<b>4,800,000</b>	
Sales Tax (parking)		4,800,000			4,800,000				4,800,000	4,800,000	4,800,000	
<b>Pay As You Go Dedicated Taxes (PAO 0110)</b>	<b>186,899</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	



Table 4-20 (continued)

## Special Purpose (O-Type) Revenue Funds, by Source: February 2010 Certifications

	FY 2009	FY 2010	FY 2010	FY 2010	FY 2010	FY 2010	FY 2011	FY 2011	FY 2011	FY 2011	FY 2011	FY 2012	FY 2012	FY 2013	FY 2013	FY 2014
	End of Year Fund Balance	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Resources 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Resources 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Revenues 2/10 Cert.
<b>A. Governmental Direction and Support (cont.)</b>																
<b>Office of Contracting and Procurement (POO)</b>	<b>1,026,690</b>	<b>934,680</b>	<b>390,123</b>	<b>1,324,803</b>	<b>800,000</b>	<b>500,000</b>	<b>1,300,000</b>	<b>800,000</b>	<b>875,000</b>	<b>900,000</b>	<b>800,000</b>	<b>875,000</b>	<b>900,000</b>	<b>875,000</b>	<b>875,000</b>	<b>900,000</b>
4010 DC Surplus Personal Property Sales Oper.	875,615	534,680	375,000	909,680	500,000	500,000	1,000,000	500,000	575,000	600,000	500,000	575,000	600,000	575,000	600,000	600,000
6102 DC Supply Schedule Sales Discount/Operat.	151,076	400,000	15,123	415,123	300,000	0	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
<b>Medical Liability Captive INS Agency (RJO)</b>	<b>0</b>	<b>505,913</b>	<b>494,088</b>	<b>1,000,001</b>	<b>308,000</b>	<b>457,000</b>	<b>765,000</b>	<b>773,000</b>	<b>796,190</b>	<b>820,076</b>	<b>773,000</b>	<b>796,190</b>	<b>820,076</b>	<b>796,190</b>	<b>820,076</b>	<b>820,076</b>
1240 Captive Insurance Fund	0	505,913	494,088	1,000,001	308,000	457,000	765,000	773,000	796,190	820,076	773,000	796,190	820,076	796,190	820,076	820,076
<b>Office of the Chief Technology Officer (TOO)</b>	<b>1,446,998</b>	<b>2,652,395</b>	<b>1,473,006</b>	<b>4,125,401</b>	<b>3,314,932</b>	<b>0</b>	<b>3,314,932</b>	<b>3,578,118</b>	<b>3,578,118</b>	<b>3,578,118</b>	<b>3,578,118</b>	<b>3,578,118</b>	<b>3,578,118</b>	<b>3,578,118</b>	<b>3,578,118</b>	<b>3,578,118</b>
0602 DC NET Services Support	0	2,652,395	1,473,006	4,125,401	2,864,632	0	2,864,632	3,078,118	3,078,118	3,078,118	3,078,118	3,078,118	3,078,118	3,078,118	3,078,118	3,078,118
1200 SERVUS Program	1,446,998	0	0	0	450,300	0	450,300	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
<b>Fixed Costs - DRES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>565,217</b>	<b>0</b>	<b>565,217</b>	<b>565,217</b>	<b>565,217</b>	<b>565,217</b>	<b>565,217</b>	<b>565,217</b>	<b>565,217</b>	<b>565,217</b>	<b>565,217</b>	<b>565,217</b>
1150 Fixed Cost Payments for Non-DC Agencies	0	0	0	0	565,217	0	565,217	565,217	565,217	565,217	565,217	565,217	565,217	565,217	565,217	565,217
<b>Sub-total: Governmental Direction and Support</b>	<b>33,168,213</b>	<b>56,258,058</b>	<b>9,977,473</b>	<b>66,235,531</b>	<b>57,400,434</b>	<b>7,445,386</b>	<b>64,845,820</b>	<b>58,414,235</b>	<b>58,529,687</b>	<b>58,596,186</b>	<b>58,414,235</b>	<b>58,529,687</b>	<b>58,596,186</b>	<b>58,529,687</b>	<b>58,596,186</b>	<b>58,596,186</b>
<b>B. Economic Development and Regulation</b>																
<b>Office of Planning (BDO)</b>	<b>28,207</b>	<b>20,000</b>	<b>10,000</b>	<b>30,000</b>	<b>20,000</b>	<b>18,207</b>	<b>38,207</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>
2001 Historic Landmark & Historic District Filing Fees	28,207	20,000	10,000	30,000	20,000	18,207	38,207	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
<b>Commission on Arts and Humanities (BX0)</b>	<b>115,627</b>	<b>120,250</b>	<b>0</b>	<b>120,250</b>	<b>120,250</b>	<b>50,000</b>	<b>170,250</b>	<b>120,250</b>	<b>120,250</b>	<b>120,250</b>	<b>120,250</b>	<b>120,250</b>	<b>120,250</b>	<b>120,250</b>	<b>120,250</b>	<b>120,250</b>
0600 Special Purpose Revenue	115,627	120,250	0	120,250	120,250	50,000	170,250	120,250	120,250	120,250	120,250	120,250	120,250	120,250	120,250	120,250
<b>Department of Employment Services (CFO)</b>	<b>37,824,579</b>	<b>37,141,623</b>	<b>100,000</b>	<b>37,241,623</b>	<b>36,603,000</b>	<b>3,827,000</b>	<b>40,430,000</b>	<b>36,547,000</b>	<b>36,547,000</b>	<b>36,547,000</b>	<b>36,547,000</b>	<b>36,547,000</b>	<b>36,547,000</b>	<b>36,547,000</b>	<b>36,547,000</b>	<b>36,547,000</b>
0610 Workers' Compensation Special Fund	11,001,732	7,000,000	0	7,000,000	2,000,000	3,347,000	5,347,000	5,347,000	5,347,000	5,347,000	5,347,000	5,347,000	5,347,000	5,347,000	5,347,000	5,347,000
0611 Workers' Compensation Administration Fund	16,835,615	20,272,831	0	20,272,831	25,103,000	0	25,103,000	21,300,000	21,300,000	21,300,000	21,300,000	21,300,000	21,300,000	21,300,000	21,300,000	21,300,000
0612 UI Interest/Penalties	507,719	868,792	0	868,792	500,000	400,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000
0623 Proceeds - 500 C Street, NE	180,000	0	100,000	100,000	0	80,000	80,000	0	0	0	0	0	0	0	0	0
0624 UI Administrative Assessment	9,299,514	9,000,000	0	9,000,000	9,000,000	0	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
<b>Office of the Tenant Advocate (COO)</b>	<b>2,533,500</b>	<b>2,943,375</b>	<b>1,506,719</b>	<b>4,450,094</b>	<b>2,250,000</b>	<b>706,578</b>	<b>2,956,578</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>2,500,000</b>
6005 Condo Conversion	2,533,500	1,500,000	1,506,719	3,006,719	1,500,000	0	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
6015 Rental Accommodation Fees	0	1,443,375	0	1,443,375	750,000	706,578	1,456,578	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
<b>Dept. of Consumer and Regulatory Affairs (CRO)</b>	<b>6,095,418</b>	<b>15,454,905</b>	<b>3,036,828</b>	<b>18,491,733</b>	<b>17,679,727</b>	<b>0</b>	<b>17,679,727</b>	<b>15,637,000</b>	<b>15,582,000</b>	<b>15,637,000</b>	<b>15,637,000</b>	<b>15,637,000</b>	<b>15,637,000</b>	<b>15,582,000</b>	<b>15,637,000</b>	<b>15,637,000</b>
6006 Nuisance Abatement	2,102,782	4,000,000	1,976,077	5,976,077	4,253,501	0	4,253,501	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
6008 Real Estate Guarantee and Education Fund	1,509,843	590,427	0	590,427	1,307,966	0	1,307,966	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
6009 Real Estate Appraisal Fee	0	142,001	0	142,001	60,000	0	60,000	140,000	60,000	140,000	140,000	60,000	140,000	60,000	140,000	140,000
6010 OPLA - Special Account	306,886	2,509,659	0	2,509,659	2,340,695	0	2,340,695	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000

(Continued on next page)

Table 4-20 (continued)

**Special Purpose (O-Type) Revenue Funds, by Source: February 2010 Certifications**

	FY 2009		FY 2010		FY 2010		FY 2010		FY 2011		FY 2011		FY 2012		FY 2013		FY 2014	
	End of Year Fund Balance	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Resources 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Resources 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Resources 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Resources 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Resources 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.
<b>B. Economic Development and Regulation (cont)</b>																		
<b>Dept. of Consumer and Regulatory Affairs (CRO)(cont)</b>																		
6011	0	5,000	0	5,000	5,000	0	5,000	5,000	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
6012	0	92,792	0	92,792	92,000	0	92,000	92,000	0	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000
6013	549,529	6,000,000	551,069	6,551,069	7,513,021	0	7,513,021	7,500,000	0	7,513,021	5,000,000	5,000,000	7,500,000	5,000,000	7,500,000	5,000,000	5,000,000	5,000,000
6014	0	50,000	0	50,000	50,000	0	50,000	50,000	0	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
6020	72,290	572,256	0	572,256	173,000	0	173,000	173,000	0	173,000	550,000	550,000	175,000	550,000	175,000	550,000	550,000	550,000
6025	444,340	942,770	0	942,770	834,544	0	834,544	834,544	0	834,544	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
6030	1,109,748	550,000	509,682	1,059,682	650,000	0	650,000	650,000	0	650,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000
6035	0	0	0	0	400,000	0	400,000	400,000	0	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
<b>Office of Cable Television (CTO)</b>	<b>7,409,426</b>	<b>8,346,556</b>	<b>2,653,444</b>	<b>11,000,000</b>	<b>9,506,347</b>	<b>1,200,000</b>	<b>10,706,347</b>	<b>9,506,347</b>	<b>1,200,000</b>	<b>10,706,347</b>	<b>8,689,032</b>	<b>8,689,032</b>	<b>8,689,032</b>	<b>8,689,032</b>	<b>8,689,032</b>	<b>8,689,032</b>	<b>8,689,032</b>	<b>8,689,032</b>
0600	7,409,426	8,346,556	2,653,444	11,000,000	9,506,347	1,200,000	10,706,347	9,506,347	1,200,000	10,706,347	8,689,032	8,689,032	8,689,032	8,689,032	8,689,032	8,689,032	8,689,032	8,689,032
<b>Dept. of Housing and Community Development (DBO)</b>	<b>17,929,569</b>	<b>5,135,153</b>	<b>4,335,546</b>	<b>9,470,699</b>	<b>4,066,000</b>	<b>4,335,546</b>	<b>8,401,546</b>	<b>4,066,000</b>	<b>4,335,546</b>	<b>8,401,546</b>	<b>4,066,000</b>	<b>4,066,000</b>	<b>4,066,000</b>	<b>4,066,000</b>	<b>4,066,000</b>	<b>4,066,000</b>	<b>4,066,000</b>	<b>4,066,000</b>
0602	3,945,053	1,685,350	1,335,546	3,020,896	960,000	1,335,546	2,295,546	960,000	1,335,546	2,295,546	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000
0603	3,806,186	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0604	77,258	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0605	3,947,715	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0607	(46,480)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0608	(90,820)	343,803	0	343,803	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0610	5,340,850	3,106,000	3,000,000	6,106,000	3,106,000	3,000,000	6,106,000	3,106,000	3,000,000	6,106,000	3,106,000	3,106,000	3,106,000	3,106,000	3,106,000	3,106,000	3,106,000	3,106,000
0623	949,807	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Public Service Commission (DHO)</b>	<b>228,377</b>	<b>10,111,382</b>	<b>49,582</b>	<b>10,160,964</b>	<b>10,110,862</b>	<b>49,582</b>	<b>10,160,444</b>	<b>10,110,862</b>	<b>49,582</b>	<b>10,160,444</b>	<b>10,160,444</b>	<b>10,160,444</b>	<b>10,160,444</b>	<b>10,160,444</b>	<b>10,160,444</b>	<b>10,160,444</b>	<b>10,160,444</b>	<b>10,160,444</b>
0631	228,377	10,111,382	49,582	10,160,964	10,110,862	49,582	10,160,444	10,110,862	49,582	10,160,444	10,160,444	10,160,444	10,160,444	10,160,444	10,160,444	10,160,444	10,160,444	10,160,444
<b>Office of the People's Counsel (DJO)</b>	<b>164,882</b>	<b>5,136,060</b>	<b>0</b>	<b>5,136,060</b>	<b>5,279,296</b>	<b>0</b>	<b>5,279,296</b>	<b>5,279,296</b>	<b>0</b>	<b>5,279,296</b>	<b>5,279,296</b>	<b>5,279,296</b>	<b>5,279,296</b>	<b>5,279,296</b>	<b>5,279,296</b>	<b>5,279,296</b>	<b>5,279,296</b>	<b>5,279,296</b>
0631	164,882	5,136,060	0	5,136,060	5,279,296	0	5,279,296	5,279,296	0	5,279,296	5,279,296	5,279,296	5,279,296	5,279,296	5,279,296	5,279,296	5,279,296	5,279,296
<b>Office of the Deputy Mayor for Econ. Develop. (EBO)</b>	<b>62,964,070</b>	<b>3,758,380</b>	<b>4,500,000</b>	<b>8,258,380</b>	<b>4,300,000</b>	<b>4,185,210</b>	<b>8,485,210</b>	<b>4,300,000</b>	<b>4,185,210</b>	<b>8,485,210</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>
0609	5,668,275	2,100,000	2,000,000	4,100,000	2,000,000	2,000,000	4,000,000	2,000,000	2,000,000	4,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
0630	2,685,210	1,658,380	2,500,000	4,158,380	0	185,210	185,210	0	185,210	185,210	0	0	0	0	0	0	0	0
0632	54,610,585	0	0	0	2,300,000	2,000,000	4,300,000	2,300,000	2,000,000	4,300,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
<b>Dept. of Small and Local Business Development (ENO)</b>	<b>98,230</b>	<b>0</b>	<b>98,230</b>	<b>98,230</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0622	98,230	0	98,230	98,230	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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Table 4-20 (continued)

**Special Purpose (0-Type) Revenue Funds, by Source: February 2010 Certifications**

	FY 2009 End of Year Fund Balance	FY 2010		FY 2011		FY 2012		FY 2013		FY 2014	
		Certified Revenues 2/10 Cert.	Certified Fund Balance Use 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Fund Balance Use 2/10 Cert.	Certified Resources 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Resources 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Revenues 2/10 Cert.	
<b>B. Economic Development and Regulation (cont)</b>											
<b>Business Improvements Districts Transfer (IDO)</b>	<b>0</b>	<b>23,000,000</b>	<b>0</b>	<b>23,000,000</b>	<b>0</b>	<b>23,000,000</b>	<b>23,000,000</b>	<b>23,000,000</b>	<b>23,000,000</b>	<b>23,000,000</b>	<b>23,000,000</b>
0600 Business Improvement Districts (BIDS)	0	23,000,000	0	23,000,000	0	23,000,000	23,000,000	23,000,000	23,000,000	23,000,000	23,000,000
<b>Alcoholic Beverage Regulation Administration (LOB)</b>	<b>3,351,169</b>	<b>3,700,000</b>	<b>1,682,663</b>	<b>3,700,000</b>	<b>1,705,548</b>	<b>5,405,548</b>	<b>3,800,000</b>	<b>3,900,000</b>	<b>3,800,000</b>	<b>3,800,000</b>	<b>3,800,000</b>
6017 ABC - Import and Class License Fees	3,308,877	3,700,000	1,682,663	3,700,000	1,705,548	5,405,548	3,800,000	3,900,000	3,800,000	3,800,000	3,800,000
6018 ABC - Keg Registration Fees	42,312	0	0	0	0	0	0	0	0	0	0
<b>Dept. of Insurance, Securities, and Banking (SR0)</b>	<b>1,105,160</b>	<b>28,210,656</b>	<b>1,070,312</b>	<b>29,067,099</b>	<b>0</b>	<b>29,067,099</b>	<b>30,095,769</b>	<b>30,337,654</b>	<b>31,022,826</b>	<b>31,022,826</b>	<b>31,022,826</b>
0615 Junior Supersavers Club	9,000	0	0	0	0	0	0	0	0	0	0
2100 HMO Assessment	181,902	650,000	156,053	983,300	0	983,300	1,166,990	1,166,990	1,166,990	1,166,990	1,202,000
2200 Insurance Assessment	914,259	7,600,000	914,259	7,600,000	0	7,600,000	8,062,840	8,304,725	8,553,867	8,553,867	8,553,867
2300 Securities Broker/Dealer Licenses	0	4,635,000	4,635,000	4,635,000	0	4,635,000	4,774,050	4,774,050	4,917,272	4,917,272	4,917,272
2500 Investment Advisors Licenses	0	450,000	450,000	450,200	0	450,200	460,706	460,706	471,527	471,527	471,527
2600 Securities Registration Fees	0	10,000,000	10,000,000	10,000,000	0	10,000,000	10,232,584	10,232,584	10,479,562	10,479,562	10,479,562
2800 Captive Insurance	0	1,857,116	1,857,116	2,098,599	0	2,098,599	2,098,599	2,098,599	2,098,599	2,098,599	2,098,599
2900 Banking Trust Fund	0	3,018,540	3,018,540	3,300,000	0	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000
<b>Office of Motion Picture and Television Develop. (TK0)</b>	<b>0</b>	<b>51,510</b>	<b>51,510</b>	<b>51,510</b>	<b>0</b>	<b>51,510</b>	<b>51,510</b>	<b>51,510</b>	<b>51,510</b>	<b>51,510</b>	<b>51,510</b>
0610 Production Support	0	51,510	51,510	51,510	0	51,510	51,510	51,510	51,510	51,510	51,510
<b>Sub-total: Economic Development and Regulation</b>	<b>139,848,234</b>	<b>143,129,850</b>	<b>19,043,324</b>	<b>162,173,174</b>	<b>16,077,671</b>	<b>161,831,762</b>	<b>144,966,301</b>	<b>145,179,852</b>	<b>146,254,898</b>	<b>146,254,898</b>	<b>146,254,898</b>
<b>C. Public Safety and Justice</b>											
<b>Metropolitan Police Department (FA0)</b>	<b>855,761</b>	<b>32,650,000</b>	<b>400,000</b>	<b>37,361,972</b>	<b>200,000</b>	<b>37,561,972</b>	<b>37,416,972</b>	<b>37,421,972</b>	<b>37,426,972</b>	<b>37,426,972</b>	<b>37,426,972</b>
1431 Data Processing	0	50,000	0	55,000	0	55,000	60,000	65,000	70,000	70,000	70,000
1555 Reimbursable from Other Governments	0	500,000	0	1,513,830	0	1,513,830	1,513,830	1,513,830	1,513,830	1,513,830	1,513,830
1607 Sale of Unclaimed Property	956,297	575,000	400,000	600,000	200,000	800,000	600,000	600,000	600,000	600,000	600,000
1614 Miscellaneous	0	3,000,000	0	3,000,000	0	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
1660 Automated Traffic Enforcement	0	27,600,000	0	31,363,142	0	31,363,142	31,363,142	31,363,142	31,363,142	31,363,142	31,363,142
2531 Narcotics Proceeds	(293,280)	175,000	0	200,000	0	200,000	250,000	250,000	250,000	250,000	250,000
2532 Gambling Proceeds	0	100,000	0	130,000	0	130,000	130,000	130,000	130,000	130,000	130,000
7278 Asset Forfeiture	192,744	650,000	0	500,000	0	500,000	500,000	500,000	500,000	500,000	500,000
<b>Fire and Emergency Medical Services Dept. (FB0)</b>	<b>93,232</b>	<b>1,520,000</b>	<b>0</b>	<b>1,520,000</b>	<b>0</b>	<b>1,520,000</b>	<b>1,641,400</b>	<b>1,723,070</b>	<b>1,809,225</b>	<b>1,809,225</b>	<b>1,809,225</b>
1613 Other Revenue	0	20,000	0	20,000	0	20,000	21,400	22,070	23,175	23,175	23,175
6100 Special Events	93,232	1,500,000	0	1,500,000	0	1,500,000	1,620,000	1,701,000	1,786,050	1,786,050	1,786,050
<b>Office of Victim Services (FE0)</b>	<b>5,946,242</b>	<b>874,053</b>	<b>6,659,000</b>	<b>7,533,053</b>	<b>0</b>	<b>7,136,717</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0620 Crime Victims Assistance Fund	5,916,038	874,053	3,012,000	3,868,053	0	3,489,717	0	0	0	0	0
0621 Dom. Violence Shelter & Transition Housing Fund	30,204	0	3,647,000	3,647,000	0	3,647,000	0	0	0	0	0

(Continued on next page)

**Special Purpose (O-Type) Revenue Funds, by Source: February 2010 Certifications**

	FY 2009	FY 2010	FY 2010	FY 2010	FY 2011	FY 2011	FY 2011	FY 2011	FY 2011	FY 2011	FY 2012	FY 2013	FY 2014
	End of Year Fund Balance	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Resources 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Revenues 2/10 Cert.
<b>C. Public Safety and Justice (cont)</b>													
<b>Department of Corrections (FLO)</b>	<b>0</b>	<b>24,041,667</b>	<b>0</b>	<b>24,041,667</b>	<b>25,560,000</b>	<b>0</b>	<b>25,560,000</b>	<b>0</b>	<b>25,560,000</b>	<b>26,824,500</b>	<b>26,841,495</b>	<b>28,169,400</b>	
0600 Corrections Trustee Reimbursement	0	23,375,000	0	23,375,000	24,960,000	0	24,960,000	0	24,960,000	26,208,000	26,208,000	27,518,400	
0601 Concession Income	0	616,667	0	616,667	550,000	0	550,000	0	550,000	566,500	583,495	601,000	
0602 Welfare Account	0	50,000	0	50,000	50,000	0	50,000	0	50,000	50,000	50,000	50,000	
<b>Office of Administrative Hearings (FS0)</b>	<b>0</b>	<b>7,500</b>	<b>0</b>	<b>7,500</b>	<b>8,367</b>	<b>0</b>	<b>8,367</b>	<b>0</b>	<b>8,367</b>	<b>8,500</b>	<b>8,200</b>	<b>9,000</b>	
0614 Adjudication Fines	0	7,500	0	7,500	8,367	0	8,367	0	8,367	8,500	8,200	9,000	
<b>Motor Vehicle Theft Prevention Commission (FM0)</b>	<b>159,960</b>	<b>250,000</b>	<b>0</b>	<b>250,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
0601 Insurance Violation Fines	159,960	250,000	0	250,000	0	0	0	0	0	0	0	0	
<b>Office of the Chief Medical Examiner (FX0)</b>	<b>155,121</b>	<b>200,000</b>	<b>69,000</b>	<b>269,000</b>	<b>200,000</b>	<b>69,000</b>	<b>269,000</b>	<b>269,000</b>	<b>269,000</b>	<b>215,000</b>	<b>220,000</b>	<b>220,000</b>	
0601 Medical Examiner Fees	155,121	200,000	69,000	269,000	200,000	69,000	269,000	269,000	269,000	215,000	220,000	220,000	
<b>Office of Unified Communications (UC0)</b>	<b>20,082,565</b>	<b>12,500,000</b>	<b>2,560,970</b>	<b>15,060,970</b>	<b>12,500,000</b>	<b>10,210,595</b>	<b>22,710,595</b>	<b>10,210,595</b>	<b>22,710,595</b>	<b>12,500,000</b>	<b>12,500,000</b>	<b>12,500,000</b>	
1630 911 & 311 Assessments	20,082,565	12,500,000	2,560,970	15,060,970	12,500,000	10,210,595	22,710,595	10,210,595	22,710,595	12,500,000	12,500,000	12,500,000	
<b>Sub-total: Public Safety and Justice</b>	<b>27,292,882</b>	<b>72,043,220</b>	<b>9,689,970</b>	<b>81,732,190</b>	<b>77,150,339</b>	<b>17,616,312</b>	<b>94,766,651</b>	<b>17,616,312</b>	<b>94,766,651</b>	<b>78,606,372</b>	<b>78,714,737</b>	<b>80,134,587</b>	
<b>D. Public Education System</b>													
<b>District of Columbia Public Library (CE0)</b>	<b>589,745</b>	<b>754,450</b>	<b>130,360</b>	<b>884,810</b>	<b>885,000</b>	<b>108,000</b>	<b>993,000</b>	<b>108,000</b>	<b>993,000</b>	<b>907,000</b>	<b>907,000</b>	<b>907,000</b>	
0104 Gifts-Donations	5,863	0	0	0	0	0	0	0	0	0	0	0	
0140 Restricted Gifts & Donations	7,318	0	0	0	0	0	0	0	0	0	0	0	
6102 Bookstore - DCPL	128,490	65,000	27,810	92,810	75,000	20,000	95,000	20,000	95,000	75,000	75,000	75,000	
6103 Restricted Fines	347,860	169,000	91,000	260,000	175,000	80,000	255,000	80,000	255,000	175,000	175,000	175,000	
6108 Copies and Printing	35,396	72,000	0	72,000	75,000	8,000	83,000	8,000	83,000	85,000	85,000	85,000	
6109 Miscellaneous Customer Service	9,630	0	0	0	0	0	0	0	0	0	0	0	
6110 Miscellaneous	49,149	48,450	11,550	60,000	60,000	0	60,000	0	60,000	72,000	72,000	72,000	
6150 SLD E-Rate Reimbursement	6,039	400,000	0	400,000	500,000	0	500,000	0	500,000	500,000	500,000	500,000	
<b>District of Columbia Public Schools (GA0)</b>	<b>2,683,175</b>	<b>4,004,872</b>	<b>0</b>	<b>4,004,872</b>	<b>3,700,170</b>	<b>1,000,000</b>	<b>4,700,170</b>	<b>1,000,000</b>	<b>4,700,170</b>	<b>3,779,116</b>	<b>3,862,257</b>	<b>3,948,886</b>	
0602 ROTC	2,158,912	1,032,959	0	1,032,959	1,102,581	1,000,000	2,102,581	1,000,000	2,102,581	1,126,838	1,151,629	1,176,964	
0603 Lease Income	200,081	0	0	0	0	0	0	0	0	0	0	0	
0604 Pepco	22,851	253,483	0	253,483	171,427	0	171,427	0	171,427	175,199	179,053	182,992	
0607 Custodial	3,940	366,012	0	366,012	351,921	0	351,921	0	351,921	359,664	367,576	375,663	
0608 Nonresident	112,877	506,803	0	506,803	624,431	0	624,431	0	624,431	638,169	662,208	666,557	
0609 Security	80,852	431,446	0	431,446	434,923	0	434,923	0	434,923	444,491	454,270	464,264	
0611 Cafeteria	101,081	936,055	0	936,055	903,183	0	903,183	0	903,183	923,053	943,361	964,115	
0613 Vending Machine Sales	(190,882)	290,402	0	290,402	39,496	0	39,496	0	39,496	39,496	40,365	41,253	

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## Special Purpose (O-Type) Revenue Funds, by Source: February 2010 Certifications

	FY 2009		FY 2010		FY 2010		FY 2010		FY 2011		FY 2011		FY 2011		FY 2012		FY 2013		FY 2014	
	Year End of	Balance	Certified Revenues	Certified Balance Use	Certified Revenues	Certified Balance Use	Certified Revenues	Certified Balance Use	Certified Revenues	Certified Balance Use	Certified Resources	Certified Balance Use	Certified Revenues	Certified Balance Use	Certified Resources	Certified Balance Use	Certified Revenues	Certified Balance Use	Certified Resources	Certified Balance Use
<b>D. Public Education System (cont)</b>																				
<b>District of Columbia Public Schools (GAO) (cont)</b>																				
0621	Parking Fees	0	70,000	0	70,000	0	72,207	0	72,207	0	72,207	72,207	73,795	77,078						
0623	Hoop Dreams Scholarship Fund	178,910	67,712	0	67,712	0	0	0	0	0	0	0	0	0						
0626	TDL Career Cluster Project at Cardozo	14,543	0	0	0	0	0	0	0	0	0	0	0	0						
0630	Teacher Certification Fees	0	50,000	0	50,000	0	0	0	0	0	0	0	0	0						
<b>Public Charter School Board (GB0)</b>		<b>0</b>	<b>1,976,293</b>	<b>0</b>	<b>1,976,293</b>	<b>0</b>	<b>2,190,302</b>	<b>0</b>	<b>2,190,302</b>	<b>0</b>	<b>2,190,302</b>	<b>2,256,011</b>	<b>2,323,691</b>	<b>2,393,402</b>						
6632	Administrative Fees	0	1,976,293	0	1,976,293	0	2,190,302	0	2,190,302	0	2,190,302	2,256,011	2,323,691	2,393,402						
<b>Office of the State Superintendent of Education (G00)</b>																				
0603	State Superintendent of Education Fees	119,073	140,000	119,073	10,429,772	10,953,207	606,900	10,282,479	10,889,379	140,000	140,000	613,400	606,900	613,400						
0604	GED Testing Fees	52,870	58,000	58,000	0	58,000	80,310	58,000	138,310	58,000	58,000	58,000	58,000	58,000						
0610	Charter School Credit Enhancement Fund	10,202,169	150,000	10,202,169	10,202,169	10,352,169	10,202,169	10,202,169	10,352,169	16,250	16,250	22,750	16,250	22,750						
6007	Site Evaluation	0	22,750	0	22,750	22,750	0	0	16,250	152,650	152,650	90,000	90,000	90,000						
6010	OPLA - Special Account	108,530	62,885	108,530	0	171,215	0	0	152,650	152,650	152,650	90,000	90,000	152,650						
6011	Pre-K Program Assistance Fund	0	90,000	0	0	90,000	0	0	90,000	0	0	0	0	0						
<b>Office of Public Educ. Facilities Modernization (G1M0)</b>																				
0603	Lease Income	286,883	3,286,000	0	0	3,286,000	0	0	3,400,000	3,400,000	3,400,000	3,400,000	3,400,000	3,400,000						
0627	BOE - Real Property Improvement Fund	135,501	0	0	0	0	0	0	0	0	0	0	0	0						
<b>Sub-total: Public Education System</b>		<b>14,177,947</b>	<b>10,545,050</b>	<b>10,560,132</b>	<b>10,560,132</b>	<b>21,105,182</b>	<b>10,782,372</b>	<b>11,390,479</b>	<b>22,172,851</b>	<b>10,955,527</b>	<b>11,099,848</b>	<b>11,262,688</b>	<b>11,262,688</b>	<b>11,262,688</b>						
<b>E. Human Support Services</b>																				
<b>Department of Parks and Recreation (HA0)</b>																				
0602	Enterprise Fund Account	1,406,051	1,400,000	0	0	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,425,000	1,425,000	1,500,000						
<b>Department of Health (HC0)</b>																				
0605	SHPDA Fees	74,763	515,465	0	0	515,465	368,320	0	368,320	375,686	375,686	375,686	383,200	390,884						
0606	Vital Records Revenue	915,386	2,888,819	536,400	3,425,219	3,085,434	3,085,434	0	3,085,434	3,147,142	3,147,142	3,147,142	3,210,085	3,274,287						
0608	Drug Interdiction Fund	0	300,000	0	0	300,000	306,000	0	306,000	312,120	312,120	312,120	318,362	324,730						
0610	Methadone Fees	(10,237)	0	0	0	0	0	0	0	0	0	0	0	0						
0611	Radioactive Waste Fees	11,605	0	0	0	0	0	0	0	0	0	0	0	0						
0612	Food Handlers Certification	6,124	1,400,000	0	0	1,400,000	1,428,000	0	1,428,000	1,456,560	1,456,560	1,456,560	1,485,691	1,515,405						
0617	Office of Professional Licensing	0	40,072	0	0	40,072	40,873	0	40,873	41,690	41,690	41,690	42,524	43,375						
0632	Pharmacy Protection	1,257,415	700,000	408,984	1,108,984	1,108,984	514,000	688,049	1,202,049	524,280	524,280	524,280	534,766	545,461						
0633	Radiation Protection	473,269	155,000	0	0	155,000	250,000	0	250,000	255,000	255,000	255,000	260,100	265,302						
0638	Animal Control Dog License Fees	75,323	100,000	0	0	100,000	150,000	0	150,000	153,000	153,000	153,000	156,060	159,181						
0641	Other Medical Licenses and Fees	0	1,141	0	0	1,141	1,141	0	1,141	1,141	1,141	1,141	1,141	1,141						

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Table 4-20 (continued)

**Special Purpose (O-Type) Revenue Funds, by Source: February 2010 Certifications**

	FY 2009	FY 2010	FY 2010	FY 2010	FY 2011	FY 2011	FY 2011	FY 2011	FY 2012	FY 2013	FY 2014
	End of Year Fund Balance	Certified Revenues 2/10 Cert.	Certified Fund Balance Use 2/10 Cert.	Certified Resources 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Fund Balance Use 2/10 Cert.	Certified Resources 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Revenues 2/10 Cert.
<b>E. Human Support Services (cont)</b>											
<b>Department of Health (HC0) (cont)</b>											
0643	4,906,613	7,000,000	3,701,599	10,701,599	6,081,000	1,205,605	7,286,605	5,657,940	5,771,099	5,886,521	
0649	20,268	42,649	1,500	44,149	43,502	0	43,502	44,372	45,259	46,165	
0650	121,404	0	0	0	0	0	0	0	0	0	
0653	71,141	0	0	0	0	0	0	0	0	0	
0655	879,854	523,885	0	523,885	507,363	0	507,363	517,510	527,860	538,418	
0656	2,760	58,773	0	58,773	47,943	0	47,943	48,902	49,880	50,877	
0658	21,136	35,000	0	35,000	35,700	0	35,700	36,414	37,142	37,885	
0661	81,449	50,000	0	50,000	60,000	0	60,000	61,200	62,424	63,672	
0662	72,889	0	0	0	0	72,889	72,889	0	0	0	
0673	(137,304)	125,000	0	125,000	156,941	0	156,941	160,080	163,281	166,547	
<b>Department of Health Care Finance (HTO)</b>											
0631	1,509,249	2,000,000	75,000	2,075,000	2,024,000	0	2,024,000	2,024,000	2,024,000	2,024,000	
0632	255,713	1,500,000	0	1,500,000	1,500,000	0	1,500,000	1,500,000	1,500,000	1,500,000	
0670	197,964	500,000	75,000	575,000	524,000	0	524,000	524,000	524,000	524,000	
	1,055,572	0	0	0	0	0	0	0	0	0	
<b>Department of Human Services (JAO)</b>											
0603	250,700	2,725,000	0	2,725,000	2,775,000	0	2,775,000	2,780,000	2,785,100	2,790,302	
0613	250,700	2,525,000	0	2,525,000	2,525,000	0	2,525,000	2,525,000	2,525,000	2,525,000	
	0	200,000	0	200,000	250,000	0	250,000	255,000	260,100	265,302	
<b>Department on Disabilities Services (JMO)</b>											
0610	1,329,382	7,750,000	0	7,750,000	7,750,000	0	7,750,000	7,750,000	7,750,000	7,750,000	
0611	0	250,000	0	250,000	250,000	0	250,000	250,000	250,000	250,000	
0616	0	2,500,000	0	2,500,000	2,500,000	0	2,500,000	2,500,000	2,500,000	2,500,000	
	1,329,382	5,000,000	0	5,000,000	5,000,000	0	5,000,000	5,000,000	5,000,000	5,000,000	
<b>Child and Family Services Agency (RLO)</b>											
0601	0	750,000	0	750,000	750,000	0	750,000	750,000	750,000	750,000	
	0	750,000	0	750,000	750,000	0	750,000	750,000	750,000	750,000	
<b>Department of Mental Health (RMO)</b>											
0610	0	4,708,120	0	4,708,120	4,681,000	0	4,681,000	4,681,000	4,681,000	4,681,000	
0640	0	2,668,000	0	2,668,000	3,118,000	0	3,118,000	3,118,000	3,118,000	3,118,000	
	0	2,040,120	0	2,040,120	1,563,000	0	1,563,000	1,563,000	1,563,000	1,563,000	
<b>Sub-total: Human Support Services</b>	<b>13,341,240</b>	<b>33,268,924</b>	<b>4,723,483</b>	<b>37,992,407</b>	<b>32,456,217</b>	<b>1,966,543</b>	<b>34,422,760</b>	<b>32,203,037</b>	<b>32,463,974</b>	<b>32,805,133</b>	

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Table 4-20 (continued)

### Special Purpose (O-Type) Revenue Funds, by Source: February 2010 Certifications

	FY 2009		FY 2010		FY 2010		FY 2011		FY 2011		FY 2012		FY 2013		FY 2014	
	End of Year Fund Balance	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Revenues 2/10 Cert.	Certified Balance Use 2/10 Cert.	Certified Revenues 2/10 Cert.
<b>F. Public Works</b>																
<b>Department of Transportation (KAO)</b>	<b>6,525,162</b>	<b>80,171,389</b>	<b>0</b>	<b>80,171,389</b>	<b>83,935,282</b>	<b>0</b>	<b>83,935,282</b>	<b>0</b>	<b>83,935,282</b>	<b>83,906,444</b>	<b>0</b>	<b>83,906,444</b>	<b>84,008,087</b>	<b>84,107,299</b>		
6000 General "O" Type Revenue Sources	0	20,000	0	20,000	20,000	0	20,000	0	20,000	20,000	0	20,000	20,000	20,000		
6030 DC Circulator Bus System	0	1,200,000	0	1,200,000	2,400,000	0	2,400,000	0	2,400,000	2,400,000	0	2,400,000	2,400,000	2,400,000		
6140 Tree Fund (est. DC Act 14-614)	539,467	300,000	0	300,000	300,000	0	300,000	0	300,000	300,000	0	300,000	300,000	300,000		
6425 Federal Transit Authority Grant Match	0	72,000	0	72,000	72,000	0	72,000	0	72,000	72,000	0	72,000	72,000	72,000		
6452 Child Safety Seat Program	0	10,000	0	10,000	10,000	0	10,000	0	10,000	10,000	0	10,000	10,000	10,000		
6462 Restoration of Public Space Projects	0	150,000	0	150,000	150,000	0	150,000	0	150,000	150,000	0	150,000	150,000	150,000		
6555 Mall Tunnel Lighting	0	282,552	0	282,552	282,552	0	282,552	0	282,552	282,552	0	282,552	282,552	282,552		
6634 Citizen Street Light & Traffic Control Project	0	42,000	0	42,000	20,000	0	20,000	0	20,000	20,000	0	20,000	20,000	20,000		
6900 DDOT Unified Fund	5,985,696	78,094,837	0	78,094,837	80,680,730	0	80,680,730	0	80,680,730	80,651,892	0	80,651,892	80,753,535	80,852,747		
<b>Washington Metropolitan Area Transit Authority (KEO)</b>	<b>0</b>	<b>12,000,000</b>	<b>0</b>	<b>12,000,000</b>	<b>12,000,000</b>	<b>0</b>	<b>12,000,000</b>	<b>0</b>	<b>12,000,000</b>	<b>12,000,000</b>	<b>0</b>	<b>12,000,000</b>	<b>12,000,000</b>	<b>12,000,000</b>		
6900 DDOT Unified Fund	0	12,000,000	0	12,000,000	12,000,000	0	12,000,000	0	12,000,000	12,000,000	0	12,000,000	12,000,000	12,000,000		
<b>District Department of the Environment (KGO)</b>	<b>35,964,961</b>	<b>41,973,997</b>	<b>9,041,015</b>	<b>51,015,012</b>	<b>31,366,412</b>	<b>21,580,812</b>	<b>52,967,224</b>	<b>41,045,203</b>	<b>40,469,633</b>							
0600 General Enforcement Fines and Fees	56,834	62,676	40,000	102,676	81,310	16,831	98,141	81,310	83,749							
0602 Air Quality Construction Permits	129,719	210,220	12,956	223,176	75,239	113,624	188,863	70,611	72,729							
0603 Fishing License	338,728	67,781	30,000	97,781	80,000	79,985	159,985	84,454	86,988							
0604 Oil Spill Fee	19,200	0	0	0	0	0	0	0	0							
0607 Underground Storage Tank Fines and Fees	139,179	381,000	100,000	481,000	410,179	14,858	425,037	410,179	422,484							
0609 LUST Trust Fund	41,150	0	40,000	40,000	0	40,000	40,000	0	0							
0634 Soil Erosion/Sediment Control	4,019,546	800,000	1,889,206	2,689,206	800,000	1,279,853	2,079,853	800,000	800,000							
0645 Pesticide Product Registration	3,205,805	878,861	767,401	1,646,262	878,861	2,512,980	3,391,841	878,861	878,861							
0646 Storm Water Fees	150,238	40,535	76,380	116,915	40,535	4,350	44,885	40,535	41,751							
0648 Asbestos Certification and Abatement Fee	206,158	247,313	9,348	256,661	160,756	208,446	369,202	160,756	165,579							
0654 Storm Water Permit Review	6,769,375	10,345,800	0	10,345,800	2,354,145	6,769,375	9,123,520	13,000,000	13,390,000							
0662 Renewable Energy Development Fund	378,376	213,818	0	213,818	200,000	370,961	570,961	207,590	213,818							
0663 Brownfield Revitalization	130,311	56,964	130,311	187,275	0	0	0	0	0							
0664 Adjudication Hearings (Air Quality)	0	53,209	0	53,209	27,730	0	27,730	27,730	28,562							
0665 Adjudication Hearings (Water Quality)	58,820	65,213	41,888	107,101	15,640	0	15,640	55,000	56,650							
0666 Wells Fund	10,562	59,000	0	59,000	52,840	10,000	62,840	59,000	60,770							
0667 Wetlands Fund	0	0	0	0	2,500	0	2,500	2,500	2,500							
0668 Lead Poisoning Prevention Fund	0	10,000	0	10,000	40,000	0	40,000	40,000	40,000							
0669 Lead Based Certification Fees	525,079	207,775	382,923	590,698	144,508	140,438	284,946	144,508	148,843							
0670 Anacostia River Clean Up Fund	0	3,600,000	0	3,600,000	3,100,000	1,900,000	5,000,000	2,052,000	1,026,000							
0674 Hazardous Generator Fees	302,820	94,910	78,416	173,326	90,000	208,095	298,095	90,000	101,103							
6101 Stripperwell	99,631	14,759	67,241	82,000	0	33,792	33,792	0	0							
6201 Economy II	181,210	48,561	13,439	62,000	50,000	105,734	155,734	51,500	53,045							
6202 Residential Aid Discount (RAD)	143,836	47,695	0	47,695	40,000	62,282	102,282	45,000	46,350							

(Continued on next page)

Table 4-20 (continued)

**Special Purpose (O-Type) Revenue Funds, by Source: February 2010 Certifications**

	FY 2009		FY 2010		FY 2010		FY 2011		FY 2011		FY 2012		FY 2013		FY 2014	
	End of	Certified	Certified	Balance Use	Certified	Balance Use	Certified	Balance Use	Certified	Resources	Certified	Resources	Certified	Resources	Certified	Resources
	Year Fund	Revenues	Revenues	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.
	Balance	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.	2/10 Cert.
<b>F. Public Works (cont)</b>																
<b>District Department of the Environment (K(G)) (cont)</b>																
6203	Residential Essential Services (RES)	115,746	50,000	0	50,000	50,000	50,000	97,154	147,154	51,500	51,500	53,045	54,636			
6204	WASA Utility Discount Program	157,817	65,300	3,391	68,691	65,300	65,300	145,264	210,564	65,300	65,300	67,259	69,277			
6400	DC Municipal Aggregation Program	78,951	89,253	66,245	155,498	89,253	89,253	37,252	126,505	89,253	89,253	91,931	94,889			
6700	Sustainable Energy Trust Fund	12,527,809	16,487,000	3,600,000	20,087,000	20,000,000	20,000,000	6,000,000	26,000,000	20,000,000	20,000,000	20,000,000	20,000,000			
6800	Energy Assistance Trust Fund	6,179,060	7,776,354	1,691,870	9,468,224	2,537,616	2,537,616	1,429,538	3,967,154	2,537,616	2,537,616	2,537,616	2,537,616			
<b>Department of Public Works (KT0)</b>																
6000	General "O" Type Revenue Sources	92,650	5,516,000	0	5,516,000	5,897,159	5,897,159	0	5,897,159	5,897,159	5,897,159	5,897,159	5,897,159			
6010	Super Can Program	0	500,000	0	500,000	600,000	600,000	0	600,000	600,000	600,000	600,000	600,000			
6072	District Recycle Program	0	36,000	0	36,000	37,000	37,000	0	37,000	37,000	37,000	37,000	37,000			
6082	Solid Waste Disposal Fee Fund	90,610	300,000	0	300,000	330,000	330,000	0	330,000	330,000	330,000	330,000	330,000			
6591	Clean City Fund	2,040	3,300,000	0	3,300,000	3,800,000	3,800,000	0	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000			
6597	Abandoned Vehicle Program	0	1,005,000	0	1,005,000	755,159	755,159	0	755,159	755,159	755,159	755,159	755,159			
<b>Department of Motor Vehicles (KV0)</b>																
6000	General "O" Type Revenue Sources	4,926,448	9,411,065	2,549,377	11,960,442	9,371,065	9,371,065	3,712,677	13,083,742	9,371,065	9,371,065	9,371,065	9,371,065			
6100	Fee - Out-of-State Vehicle Registration	0	2,600,000	0	2,600,000	2,560,000	2,560,000	1,611,539	4,171,539	2,560,000	2,560,000	2,560,000	2,560,000			
6221	Drivers Education Program	109,900	400,000	0	400,000	400,000	400,000	0	400,000	400,000	400,000	400,000	400,000			
6258	Motor Vehicle Inspection Station	1,239,715	495,000	1,059,354	1,554,354	495,000	495,000	180,871	675,871	495,000	495,000	495,000	495,000			
6785	Commercial Drivers License Program	3,576,833	5,716,065	1,490,023	7,206,088	5,716,065	5,716,065	1,920,267	7,636,332	5,716,065	5,716,065	5,716,065	5,716,065			
<b>D.C. Taxicab Commission (TC0)</b>																
2100	Justice Department Fingerprints	83,932	436,365	77,031	513,396	539,309	539,309	0	539,309	539,309	539,309	539,309	539,309			
2200	Taxicab Assessment Act	6,901	44,714	0	44,714	44,714	44,714	0	44,714	44,714	44,714	44,714	44,714			
<b>Sub-total: Public Works</b>																
		47,593,153	149,508,816	11,667,423	161,176,239	143,129,227	143,129,227	25,293,489	168,422,716	152,759,180	152,759,180	152,759,180	152,759,180			
<b>G. Debt Service and Paygo</b>																
<b>Debt Service and Paygo</b>																
Debt Service (DSO): Debt Serv. Owed from Unified Fund		0	6,449,000	0	6,449,000	12,104,000	12,104,000	0	12,104,000	0	0	0	0			
Paygo (PA0): Storm Water Permit Review Fund 0654		0	3,465,000	0	3,465,000	4,204,000	4,204,000	0	4,204,000	0	0	0	0			
		0	2,984,000	0	2,984,000	7,900,000	7,900,000	0	7,900,000	0	0	0	0			
<b>Sub-total: Other</b>																
		0	6,449,000	0	6,449,000	12,104,000	12,104,000	0	12,104,000	0	0	0	0			
<b>District-Wide Total</b>		275,421,669	471,202,918	65,660,805	536,863,723	478,776,681	478,776,681	79,789,880	558,566,561	477,904,652	477,904,652	478,273,351	481,816,525			

## Summary of Major Taxes in the District of Columbia, Fiscal Year 2010

### PART A — GENERAL FUND TAXES

TAX	DESCRIPTION	RATE	FY 2009 REVENUE (\$ in thousands)
REAL PROPERTY TAX	<p>All real property, unless expressly exempted, is subject to the real property tax and is assessed at 100% of market value.</p> <p>The District of Columbia has three property classes:</p> <p>Class 1 – improved residential real property that is occupied and is used exclusively for non-transient residential dwelling purposes Class 2 – commercial property Class 3 – unimproved or abandoned property</p> <p>DC Code Citation: Title 47, Chapters 7-10, 13, 13A.</p>	<p>Class 1 = \$0.85 per \$100 of assessed value</p> <p>Note: For Class 1 owner-occupied residential real property, the first \$67,500 of assessed value is exempt from tax.</p> <p>Class 2 = \$1.65 per \$100 for the first \$3 million of assessed value; \$1.85 per \$100 for assessed value more than \$3 million</p> <p>Class 3 = \$10.00 per \$100 of assessed value</p>	<p>\$1,804,772</p> <p>Amount is net of \$17,921 Tax Increment Financing (TIF) transfer.</p>
PERSONAL PROPERTY TAX	<p>Tax on all tangible property, except inventories, used or available for use in a trade or business. Such property includes machinery, equipment, furniture, and fixtures.</p> <p>DC Code Citation: Title 47, Chapter 15.</p>	<p>\$3.40 per \$100 of assessed value</p> <p>Notes: The first \$225,000 of taxable value is excluded from tax.</p> <p>17.4 percent of the tax, not to exceed \$10 million, is dedicated to the Neighborhood Investment Fund (NIF).</p>	<p>\$59,163</p> <p>Amount is net of \$10,000 NIF transfer.</p>
SALES AND USE TAX	<p>Tax on all tangible personal property and certain selected services sold or rented to businesses or individuals at retail in the District.</p> <p>Groceries, prescription and non-prescription drugs, and residential utility services are among those items exempt from the sales tax.</p> <p>The use tax is imposed at the same rate as the sales tax on purchases made outside the District and then brought into the District to be used, stored or consumed, providing that the purchaser has not paid the sales tax on the purchases to another jurisdiction.</p> <p>DC Code Citation: Title 47, Chapters 20 and 22.</p> <p>Note: Tobacco products other than cigarettes means: (a) Any cigar or roll for smoking, other than a cigarette or premium cigar, made in whole or in part of tobacco; or (b) Any other tobacco or product made primarily from tobacco, other than a cigarette, premium cigar, or pipe tobacco that is intended for consumption by smoking, by chewing, or as snuff.</p>	<p>A five-tier rate structure is presently in effect:</p> <p>6.0% – General rate for tangible personal property and selected services</p> <p>9% – Alcoholic beverages sold for off-the-premises consumption</p> <p>10% – Food or drink prepared for immediate consumption, alcoholic beverages sold for consumption on the premises, rental vehicles, prepaid telephone calling cards, merchandise sold at the baseball stadium, tickets sold for events at the Verizon Center, and merchandise sold at the Verizon Center.</p> <p>12% – Parking motor vehicles in commercial lots and tobacco products other than cigarettes</p> <p>14.5% – Hotels (transient accommodations)</p> <p>Notes: The following portions of the sales tax go to the Convention Center Fund: 1% from restaurant meals and 4.45% from transient accommodations.</p> <p>The 12% parking in commercial lots tax is dedicated to the DC Department of Transportation (DDOT).</p> <p>Stadium-related sales tax revenue is dedicated to the Ballpark Revenue Fund.</p> <p>The amount of sales tax revenue dedicated to the School Modernization Fund is prescribed by DC Code Section 47-2033.</p>	<p>\$724,552</p> <p>Amount is net of transfers to: the Convention Center (\$91,538), the Tax Increment Financing (TIF) Fund (\$18,121), DDOT (\$23,765), the Ballpark Revenue Fund (\$9,434), and the School Modernization Fund (\$106,000).</p>

**PART A — GENERAL FUND TAXES**

<b>TAX</b>	<b>DESCRIPTION</b>	<b>RATE</b>	<b>FY 2009 REVENUE (\$ in thousands)</b>
ALCOHOLIC BEVERAGE TAX	Tax on alcoholic beverages manufactured by a holder of a manufacturer's license and beverages brought into DC by the holder of a wholesaler's license.  DC Code Citation: Title 25, Chapter 9	Beer = \$2.79 per 31-gallon barrel	\$5,386
		Champagne/sparkling wine = \$0.45 per gallon	
		Distilled Spirits = \$1.50 per gallon	
		Light wine (alcohol content 14% or less) = \$0.30 per gallon	
		Heavy wine (alcohol content above 14%) = \$0.40 per gallon	
CIGARETTE TAX	Tax on the sale or possession of cigarettes in the District. Cigarettes sold to the military and to the federal government are exempt.  DC Code Citation: Title 47, Chapter 24.	\$0.125 per cigarette (\$2.50 per pack of 20 cigarettes and little cigars that weigh no more than 4.5 pounds per thousand).  \$0.30 per ounce on moist snuff (finely cut, ground, or powdered tobacco that is not intended to be smoked).	\$37,620
MOTOR VEHICLE EXCISE TAX	Tax on the Issuance of every original and subsequent certificate of title on motor vehicles and trailers.  DC Code Citation: Title 50, Chapter 22.	Based on manufacturer's shipping weight:	\$32,107
		6% of fair market value – 3,499 lbs or less	
		7% of fair market value – 3,500 to 4,999 lbs	
		8% of fair market value – more than 5,000 lbs.	
INDIVIDUAL INCOME TAX	Tax on the taxable income of an individual who is domiciled in the District at any time during the tax year, or who maintains an abode in the District for 183 or more days during the year.  DC Code Citation: Title 47, Chapter 18.	First \$10,000 = 4.0%	\$1,135,938
		\$10,000 < \$40,000 = \$400 + 6.0% of excess above \$10,000	
		More than \$40,000 = \$2,200 + 8.5% of excess above \$40,000 Note: Excludes Social Security income and maximum \$3,000 exclusion on military retired pay, pension income, or annuity income from DC or federal government.	
CORPORATE FRANCHISE TAX	Tax on the net income of corporations having nexus in the District. All corporations engaging in a trade, business or profession in the District of Columbia must register.  DC Code Citation: Title 47, Chapter 18.	9.975% of taxable income (9.5% base rate plus a 5% surtax on the base rate)	\$221,882
		\$100 minimum tax	
UNINCORPORATED BUSINESS FRANCHISE TAX	Tax on the net income of unincorporated businesses with gross receipts more than \$12,000. A 30% salary allowance for owners and a \$5,000 exemption are deductible from net income to arrive at taxable income.  A business is exempt if more than 80% of gross income is derived from personal services rendered by the members of the entity and capital is not a material income-producing factor. A trade, business or professional organization that by law, customs or ethics cannot be incorporated is exempt.  DC Code Citation: Title 47, Chapter 18.	(9.5% base rate plus a 5% surtax on the base rate)	\$120,247
		\$100 minimum tax	
		9.975% of taxable income	

**PART A — GENERAL FUND TAXES**

<b>TAX</b>	<b>DESCRIPTION</b>	<b>RATE</b>	<b>FY 2009 REVENUE</b> (\$ in thousands)
PUBLIC UTILITY TAX	<p>Tax on local television, radio and telephone companies; heating oil utilities; natural gas utilities; and electric distribution utilities.</p> <p><i>D.C. Code Citation: Title 47, Chapter 25.</i></p>	<p>Television, radio and telephone companies: 10% of gross charges – residential 11% of gross charges – nonresidential</p> <p>Heating oil utilities: \$0.17 per gallon – residential \$0.187 per gallon – nonresidential</p> <p>Natural gas utilities: \$0.0707 per therm – residential \$0.07777 per therm – nonresidential</p> <p>Electric distribution utilities: \$0.0070 per kilowatt hour – residential \$0.0077 per kilowatt hour – nonresidential</p> <p>Note: The additional surcharges on nonresidential customers are dedicated to the Ballpark Revenue Fund.</p>	<p>\$140,955</p> <p>Amount is net of \$10,091 Ballpark Revenue Fund transfer.</p>
TOLL TELECOMMUNICATIONS TAX	<p>Tax on gross receipts of companies providing toll telecommunication service in the District, including wireless telecommunication providers.</p> <p><i>D.C. Code Citation: Title 47, Chapter 39.</i></p>	<p>10% of gross charges – residential 11% of gross charges – nonresidential</p> <p>Note: 1% of nonresidential telecommunications tax revenue is dedicated to the Ballpark Revenue Fund.</p>	<p>\$63,637</p> <p>Amount is net of \$2,949 Ballpark Revenue Fund transfer.</p>
INSURANCE PREMIUMS TAX	<p>Tax on gross insurance premiums received on risks in the District, less premiums received for reinsurance assumed, returned premiums and dividends paid to policy-holders. The tax is in lieu of all other taxes except real estate taxes and fees provided for by the District's insurance law.</p> <p><i>D.C. Code Citation: Title 47, Chapter 26.</i></p>	<p>1.7% on policy and membership fees and net premium receipts; except 2.0% on companies that issue accident and loss of health insurance (as of 10/1/08) and on HMOs (as of 1/1/09).</p> <p>Note: Currently dedicated to the Healthy DC Fund is the 2.0% premium tax on health insurers and 75% of the 2.0% premium tax from HMOs.</p>	<p>\$48,764</p> <p>Amount is net of \$8,653 Healthy DC Fund Transfer.</p>
ESTATE TAX	<p>Tax levied on the estate of every decedent dying while a resident of the District, and on the estate of every nonresident decedent owning property having a taxable status in the District at the time of his or her death.</p> <p><i>DC Code Citation: Title 47, Chapter 37.</i></p>	<p>Tax due is determined by using the DC estate tax computation worksheet after computing the exempted amounts.</p>	<p>\$74,508</p>
DEED RECORDATION TAX	<p>Tax on the recording of all deeds to real estate in the District. The basis of the tax is the value of consideration given for the property. Where there is no consideration or where the consideration is nominal, the tax is imposed on the basis of the fair market value of the property.</p> <p><i>D.C. Code Citation: Title 42, Chapter 11.</i></p>	<p>1.45% of consideration or fair market value</p> <p>Notes: For residential properties under \$400,000, the rate is 1.1% of consideration or fair market value.</p> <p>15% of the deed recordation tax is dedicated to the Housing Production Trust Fund.</p>	<p>\$84,805</p> <p>Amount is net of transfers to: the Housing Production Trust Fund (\$15,958).</p>

**PART A — GENERAL FUND TAXES**

**FY 2009  
REVENUE**  
(\$ in thousands)

TAX	DESCRIPTION	RATE	FY 2009 REVENUE (\$ in thousands)
DEED TRANSFER TAX	<p>Tax on each transfer of real property at the time the deed is submitted for recordation. The tax is based upon the consideration paid for the transfer. Where there is no consideration or where the amount is nominal, the basis of the transfer tax is the fair market value of the property conveyed.</p> <p>D.C. Code Citation: Title 47, Chapter 9.</p>	<p>1.45% of consideration or fair market value</p> <p>Notes: For residential properties under \$400,000, the rate is 1.1% of consideration or fair market value.</p> <p>15% of the deed transfer tax is dedicated to the Housing Production Trust Fund.</p>	<p>\$65,976</p> <p>Amount is net of transfers to: the Housing Production Trust Fund (\$12,286).</p>
ECONOMIC INTEREST TAX	<p>This tax is triggered by either one of the following two elements:</p> <p>(1) 80% of the assets of a corporation consist of real property located in the District of Columbia; or</p> <p>(2) More than 50% of the controlling interest of the corporation is being transferred.</p> <p>The consideration is not always equal to the assessed value of the property. The consideration is what is paid for the interest being transferred. If there is no tangible consideration, then the tax basis will be the assessed value of the property owned by the corporation.</p> <p>DC Code Citation: Title 42, Chapter 11.</p>	2.9% of consideration or fair market value	\$8,376

## PART B—OTHER SELECTED REVENUE SOURCES

PUBLIC SPACE RENTAL	<p>Tax on the commercial use of publicly owned property between the property line and the street.</p> <p>D.C. Code Citation: Title 10, Chapter 11.</p>	<p>Various rates exist for the following: Vault, Sidewalk (enclosed and unenclosed), Sidewalk Surface, and Fuel Oil Tank</p> <p>Note: All revenue from this tax is dedicated to the DC Department of Transportation (DDOT).</p>	<p>\$32,612</p> <p>Amount is net of \$32,612 DDOT transfer.</p>
HEALTHCARE PROVIDER ASSESSMENT	<p>Assessment on the net resident revenue of each nursing facility in the District.</p> <p>D.C. Code Citation: Title 47, Chapter 12C.</p>	<p>A uniform amount per licensed bed (as specified by rules issued by the Mayor) is assessed up to 6% of a nursing facility's net resident revenue.</p> <p>Note: All revenue from this assessment is dedicated to the Nursing Facility Quality of Care Fund.</p>	<p>\$0</p> <p>Amount is net of \$12,088 Nursing Facility Quality of Care Fund transfer.</p>
BALLPARK FEE	<p>A fee on annual District gross receipts. It is levied on District businesses with over \$5 million in gross receipts.</p> <p>D.C. Code Citation: Title 47, Chapter 27B.</p>	<p>Ballpark Fee Schedule:  District gross receipts \$5 million - \$8 million = \$5,500  District gross receipts \$8 million - \$12 million = \$10,800  District gross receipts \$12 million - \$16 million = \$14,000  District gross receipts over \$16 million = \$16,500</p> <p>Note: All revenue from this fee is dedicated to the Ballpark Revenue Fund.</p>	<p>\$0</p> <p>Amount is net of \$28,204 Ballpark Revenue Fund transfer.</p>
MOTOR VEHICLE FUEL TAX	<p>The tax is imposed on every importer of motor fuels, including gasoline, diesel fuel, benzol, benzene, naphtha, kerosene, heating oils, all liquefied petroleum gases, and all combustible gases and liquids suitable for the generation of power for motor vehicles.</p> <p>DC Code Citation: Title 47, Chapter 23</p>	<p>\$0.235 per gallon</p> <p>Note: All revenue from this tax is dedicated to the Highway Trust Fund.</p>	<p>\$0</p> <p>Amount is net of \$23,830 Highway Trust Fund transfer.</p>

Source of General Fund Revenue Amounts: Government of the District of Columbia Comprehensive Annual Financial Report, Year Ended September 30, 2008.

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# Tax Expenditure Budget FY 2010 - FY 2013

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## Introduction: Scope and Purpose

### Scope as Mandated by the D.C. Code

D.C. Law 13-161, the “Tax Expenditure Budget Review Act of 2000,”<sup>1</sup> requires the Chief Financial Officer to prepare a biennial tax expenditure budget that estimates the revenue loss to the District government resulting from tax expenditures during the current fiscal year and the next two fiscal years. The law defines “tax expenditures” as “the revenue losses attributable to provisions of federal law and the laws of the District of Columbia that allow, in whole or in part, a special exclusion, exemption, or deduction from taxes ... or which provide a special credit, a preferential rate of tax, or a deferral of tax liability.”<sup>2</sup>

This report, which estimates the revenue forgone due to tax expenditures in fiscal years 2010 through 2013,<sup>3</sup> is the fifth tax expenditure budget presented to the Mayor and Council. This version of the tax expenditure budget includes more than 200 provisions, many of which are included for the first time.

### The Importance of Tax Expenditures

Tax expenditures are often described as “spending by another name,” or “disguised spending.” Policymakers use tax deductions, exclusions, exemptions, deferrals, and credits to promote a wide range of policy goals in education, human services, public safety, economic development, environmental protection, and other areas. Instead of pursuing these objectives through direct spending, policymakers reduce the tax liability associated with certain actions (such as hiring new employees) or conditions (such as being blind or elderly) so

that individuals or businesses can keep and spend the money, often for particular purposes.

For example, a program to expand access to higher education could offer tax deductions for college savings instead of increasing student loans or grants. Regardless of which approach the government uses, there is a real resource cost in terms of forgone revenue or direct expenditures.

Tax expenditures are frequently used as a policy tool in the District of Columbia. There are more than 100 tax exemptions, exclusions, credits, abatements, and deferrals authorized by the D.C. Code that apply to targeted groups of taxpayers. One local exemption dates back to 1902 and 21 local tax expenditures originated in the 1940s. In addition, more than 100 tax expenditures are triggered by federal tax provisions that are incorporated into the D.C. income tax. These tax expenditures warrant regular scrutiny to make sure they are effective, efficient, and equitable, and to highlight the tradeoffs between tax expenditures and other programs and policies.

Tax expenditures differ from direct expenditures in several respects. Direct spending programs in the District receive an annual appropriation and the proposed funding levels are reviewed during the annual budget cycle. By contrast, tax expenditures remain in place unless policymakers act to modify or repeal them; in this respect, they are similar to entitlement programs. Direct spending programs are itemized on the expenditure side of the budget, whereas revenues are shown in the budget as aggregate figures without an itemization of tax expenditures.

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<sup>1</sup> D.C. Law 13-161 took effect on October 4, 2000, and is codified in § 47-318 and § 47-318.01 of the D.C. Official Code.

<sup>2</sup> See D.C. Official Code § 47-318(6).

<sup>3</sup> Although the law requires that the tax expenditure budget provide estimates of the revenue loss for the current fiscal year and the subsequent two fiscal years, this report covers the current year and the subsequent *three* fiscal years to be consistent with the District's four-year financial plan and budget. The four-year time frame for the District's financial plan and budget is mandated by Public Law 104-8, the “District of Columbia Financial Responsibility and Management Assistance Act of 1995,” and is codified at D.C. Official Code § 47-392.01(b).

The tax expenditure budget aims to subject tax preferences to the same scrutiny as direct appropriations. The itemization of tax expenditures provides policymakers with a more complete picture of how the government uses its resources and should help officials consider ways to reallocate resources more effectively. For example, if ineffective or outmoded tax expenditures were eliminated, policymakers could free up resources to expand high-priority direct spending programs or cut tax rates. This exercise is designed to provide policymakers with the information they need about tax expenditures to make sound fiscal policy decisions.

### Structure of the Tax Expenditure Budget

The tax expenditure budget for FY 2010 – FY 2013 is presented in tabular form at the end of this section. The table classifies the tax expenditure according to the type of tax and provides the statutory authority, year of enactment, policy area, and estimated revenue loss for fiscal years 2010 through 2013. In addition, an expanded version of the tax expenditure budget which describes the purpose, structure, and eligibility criteria for each provision is available from the Office of Revenue Analysis (ORA) and will be posted on the CFO’s Internet site at [www.cfo.dc.gov](http://www.cfo.dc.gov).

The vast majority of the income tax provisions included in the tax expenditure budget are designated as “federal” because they result from the District’s use of federal income tax rules and definitions. By conforming to the federal definition of adjusted gross income (with several exceptions), the District thereby adopts most of the exclusions and deductions from income that are part of the federal personal and corporate income tax systems. Most other states with an income tax use federal adjusted gross income as the basis for their income tax.

The provisions in the tax expenditure budget are classified by one of the following types:

- exclusions, which are items that are not considered part of a taxpayer’s gross income. Exclusions do not appear on the tax form but still cause adjusted gross income to be lower than it otherwise would be.

- adjustments, which are reductions in gross income that are available to all filers, regardless of whether or not they claim itemized deductions. Adjustments are also known as “above-the-line deductions” and are included on the tax form.
- exemptions, which are reductions in gross income offered to taxpayers because of their status or circumstances (such as the personal exemption and the dependent exemption).
- subtractions, which are reductions from federal adjusted gross income that are used to derive District of Columbia adjusted gross income. Subtractions reflect income that is taxed by the federal government but not by the D.C. government.
- deductions, which are subtractions from gross income for different types of income or expenses (as contrasted with exclusions, which are not part of gross income in the first place).
- credits, which reduce tax liability directly instead of reducing the amount of income subject to taxation. Credits can be refundable (if the amount of the credit exceeds tax liability, the taxpayer gets the difference as a direct refund) or non-refundable (the amount of the credit cannot exceed tax liability).
- abatements, which are reductions in tax liability (typically real property) that are often applied on a percentage basis or through a negotiated process.
- deferrals, which delay the recognition of income to a future year or years, or accelerate deductions that would apply in a future year or years. Because they shift the timing of tax payments, deferrals function like interest-free loans to the taxpayer.
- rebates, which are refunds provided to qualifying taxpayers as a separate payment (as contrasted with tax credits that are first applied as a reduction of tax liability).

Each tax expenditure was also classified by one of 17 policy or program areas, such as education, health, social policy, and transportation. The policy areas largely mirror the categories used by the Joint Committee on Taxation of the U.S. Congress, in order to

facilitate comparisons. Nevertheless, the categories were modified and expanded in several cases to make them more relevant to the District of Columbia. For example, the “business and commerce” category used by the Joint Committee on Taxation was changed to “economic development” to reflect a policy focus of particular importance in the District, and a “public safety” category was added (there are no public safety tax expenditures at the federal level).

Among the federal income tax expenditures that are mirrored in the District’s income tax system, the two most common policy areas were economic development (26 tax expenditures) and income security (19 tax expenditures). Many federal provisions that are classified under economic development concern the treatment of different types of business income, expenses, reserves, and depreciation.

Among the local tax expenditures that are authorized by D.C. law, the most common policy areas were housing (23 tax expenditures), economic development (22 tax expenditures), and social policy (14 tax expenditures).

### Important Caveats

A particular caution about the interpretation of the revenue loss estimates in the tax expenditure budget deserves emphasis. The forgone revenue estimate is intended to measure what is being “spent” through the tax system, or the amount of relief or subsidy provided through that provision. Nevertheless, the forgone revenue is *not* identical to the amount of revenue that could be gained by repealing the tax expenditure. There are three main reasons for this distinction:

- First, the estimates of revenue loss are “static” and therefore do not reflect behavioral changes that might occur if a tax expenditure were repealed. For example, if the District eliminated the local supplement to the federal earned income tax credit, people might reduce their hours of work and their income tax payments could also drop.

- Second, the revenue loss for each tax expenditure is estimated independently, which does not account for interaction effects among different tax provisions. For example, D.C. law establishes that taxpayers may not claim both the local supplement to the earned income tax credit and the D.C. low-income credit. If the local earned income credit were abolished, more taxpayers might then claim the low-income credit.
- Third, the D.C. government might not be able to collect the full amount owed for administrative reasons. For example, if the District disallowed for local income tax purposes an exemption or exclusion that is allowed on the federal income tax (a process known as “decoupling”), the District would probably not recoup all of the forgone revenue. That is because taxpayers would have to make a separate calculation on their District income taxes to add back the dollars that had been excluded, and compliance with this requirement would not be universal.

Because of the factors described above, the total forgone revenue from tax expenditures is *not* equivalent to the sum of the individual estimates of forgone revenue. As the U.S. Government Accountability Office has stated:

While sufficiently reliable as a gauge of general magnitude, the sum of the individual revenue loss estimates has important limitations in that any interactions between tax expenditures will not be reflected in the sum . . . Thus, the revenue loss from all or several tax expenditures together might be greater or less than the sum of the estimated revenue losses from the individual tax expenditures, and no measure of the size or the magnitude of these potential interactions or behavioral responses to all or several tax expenditures is available.<sup>4</sup>

<sup>4</sup> U.S. Government Accountability Office, Government Performance and Accountability: Tax Expenditures Represent a Substantial Federal Commitment and Need to Be Reexamined (GAO-05-960, September 2005), p. 3.

<sup>5</sup> U.S. Internal Revenue Service, Publication 1075, “Tax Information Security Guidelines for Federal, State, and Local Agencies and Entities” (October 2007), p. 39.

## Methodology

Summary statistics from the Office of Tax and Revenue (OTR) from D.C. tax returns were an important source of data for the tax expenditure budget and were particularly useful for the income tax estimates. Unfortunately, in many instances tax expenditures cannot be estimated from available tax data because tax expenditures reflect income, property, or economic activity that is not taxed, and the relevant information is never known to the tax office. Therefore, ORA often used data from federal sources (such as the U.S. Census Bureau) and D.C. government agencies to estimate the number of beneficiaries and the revenue lost from certain tax expenditures.

OTR generally lacks information on federal income tax expenditures because the amounts excluded and deducted are simply transferred to the local tax forms instead of being reported directly. In those cases, ORA generally estimated a District of Columbia portion of the nationwide tax expenditures estimated by the Joint Committee on Taxation.

Because of these methodological challenges and problems, it is important to view the revenue estimates as indicating orders of magnitude rather than providing precise point estimates. In some cases where empirical data were lacking but the number of eligible beneficiaries appeared small, the revenue loss has been estimated as “minimal,” or less than \$50,000 per year. In other cases, revenue estimates of less than \$50,000 per year *are* specified, because there was more precise data on the number of beneficiaries and the value of the benefit per person.

In addition, U.S. Internal Revenue Service rules provide that, “No statistical tabulation may be released with cells containing data from fewer than three returns,” in order to protect the confidentiality of individual tax records.<sup>5</sup> Tax expenditures with fewer than three claimants are therefore listed in this report as “no estimate.”

The following is a summary of key terms that are used in the summary table:

- decoupled: means that the District of Columbia has decided not to adopt a provision included in the federal tax code.
- minimal: refers to a local tax expenditure for which precise data are lacking, but the forgone revenue is estimated to be less than \$50,000 per year.
- no estimate: refers to a local tax expenditure for which precise data are lacking, but for which the revenue loss might not be minimal. In addition, “no estimate” refers to cases in which calculations cannot be made because there are fewer than three claimants.
- sunset: means that the provision has a statutory expiration date.
- too small: refers to a federal tax expenditure with forgone revenue that was too small to calculate, according to the Congressional Joint Committee on Taxation or the U.S. Treasury.

**District of Columbia Tax Expenditure Estimates for FY2010-2013**

#	Name	Program Area	Year Enacted	Section of Internal Revenue Code	Revenue Forgone (\$ in thousands)			
					FY 2010	FY 2011	FY 2012	FY 2013
<b>INCOME TAX</b>								
<b>Federal Exclusions</b>								
1	Exclusion of interest on state and local "private-activity" bonds issued to support airport, dock and similar facilities	Economic development	1968	103, 141, 142, and 146	\$1,711	\$1,711	\$1,711	\$1,906
2	Credit union income	Economic development	1951	501(C)(14)	\$817	\$868	\$919	\$919
3	Magazine, paperback, and record returns	Economic development	1978	458	too small	too small	too small	too small
4	Cash accounting, other than agriculture	Economic development	1916	446 and 448	\$986	\$986	\$1,085	\$1,085
5	Structured settlement accounts	Economic development	1982	104(A)(2) and 130	too small	too small	too small	too small
6	Exclusion of step-up basis of capital gains at death	Economic development	1921	1001, 1002, 1014, 1015, 1023, 1040, 1221, 1222	\$20,616	\$25,466	\$30,641	\$32,985
7	Earnings of certain environmental settlement funds	Economic development	2005	469B	too small	too small	too small	too small
8	Imputed interest rules	Economic development	1964	163(e), 483, 1274, and 1274A	\$395	\$493	\$493	\$592
9	Exclusion of interest on state and local "private-activity" bonds issued to support education	Education	1986	144, 150, 145, 501(C)(3)	\$4,938	\$5,133	\$5,378	\$5,378
10	Exclusion of interest on savings bonds redeemed to finance educational expenditures**	Education	1988	135	\$23	\$23	\$23	\$23
11	Exclusion of scholarship and fellowship income	Education	1954	117	\$1,170	\$1,232	\$1,294	\$1,355
12	Employer-provided educational assistance	Education	1978	127	\$554	\$554	sunset	sunset
13	Coverdell education savings accounts	Education	1998	530	\$115	\$115	\$230	\$230
14	Qualified tuition programs	Education	1997	529	\$576	\$691	\$922	\$1,268
15	Discharge of certain student loan debt	Education	1984	108(f), 20 U.S.C. 1087ee(a)(5) and 42 U.S.C. 2541-1(g)(3)	\$115	\$115	\$115	\$115
16	Spread on acquisition of stock	Employment	1981	422 and 423	-\$218	-\$218	-\$317	-\$407
17	Cafeteria plan benefits	Employment	1974	125	\$25,547	\$28,215	\$30,479	\$32,823
18	Employer-paid meals and lodging (other than military)	Employment	1918	119 and 132(e)(2)	\$808	\$889	\$889	\$933
19	Employee stock ownership plan	Employment	1974	133, 401(a)(28), 404(a)(9), 404(k), 415(c)(6), 1042, 4975(e)(7), 4978, and 4979A	\$966	\$1,017	\$1,017	\$1,068
20	Employee awards	Employment	1986	74(c) and 274(j)	\$162	\$162	\$162	\$162
21	Voluntary employees' beneficiary associations	Employment	1928	419, 419A, 501(a), 501(c)(9), 4976	\$1,536	\$1,698	\$1,859	\$1,859

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Table 4-22 (continued)

**District of Columbia Tax Expenditure Estimates for FY2010-2013**

#	Name	Program Area	Year Enacted	Section of Internal Revenue Code	Revenue Forgone (\$ in thousands)		
					FY 2010	FY 2011	FY 2012
<b>INCOME TAX</b>							
<b>Federal Exclusions (cont)</b>							
22	Rental allowances for minister's home	Employment	1921	107	\$431	\$431	\$493
23	Miscellaneous fringe benefits	Employment	1984	132 and 117(d)	\$5,336	\$6,063	\$6,629
24	Exclusion of interest on state and local "private-activity" bonds issued to support water, sewer, and hazardous-waste facilities	Energy	1968	103, 141, 142, and 146.	\$881	\$1,076	\$1,076
25	Gain on like-kind exchanges	Energy	1921	1031	\$1,142	\$1,356	\$1,845
26	Exclusion of interest on public-purpose state and local bonds	General fiscal assistance	1913	103, 141, 142, 143, 144, 145, 146, and 501(c)(3)	\$22,400	\$23,067	\$24,400
27	Exclusion of interest on state and local "private-activity" bonds issued to support non-profit hospital construction	Health	1913	103, 141, 145(b), 145(c), 146, and 501(c)(3)	\$3,667	\$3,862	\$4,057
28	Exclusion of employer contributions for medical insurance premiums and medical care	Health	1918	105, 106, 125	\$86,182	\$93,134	\$98,632
29	Medicare hospital insurance (Part A)	Health	1970	Rev. Rul. 70-341, 1970-2 C.B. 31.	\$23,122	\$27,568	\$29,913
30	Supplementary medical insurance (Part B)	Health	1970	Rev. Rul. 70-341, 1970-2 C.B. 31.	\$16,573	\$19,646	\$20,939
31	Prescription drug insurance (Part D)	Health	2003	Rev. Rul. 70-341, 1970-2 C.B. 31.	\$4,204	\$4,932	\$4,951
32	Income from discharge of indebtedness	Housing	1954, 1986, 2007	108 and 117	\$592	\$296	\$99
33	Exclusion of interest on state and local "private-activity" bonds issued to support housing	Housing	1980	103, 141, 143, and 146	\$3,473	\$3,862	\$3,862
34	Exclusion of capital gains on sale of principal residence	Housing	1997	121	\$8,386	\$9,537	\$10,304
35	Certain disaster mitigation payments	Income security	2005	139(g)	too small	too small	too small
36	Gain on involuntary conversions in disaster areas***	Income security	1996	1033(h)	too small	too small	too small
37	Social security benefits (Federal)	Income security	1938	86	\$21,994	\$22,332	\$22,813
38	Survivor annuities	Income security	1997	101(h)	too small	too small	too small
39	Compensatory damages	Income security	1918	104(a)(2)-104(a)(5)	\$1,213	\$1,294	\$1,294
40	Income on life insurance savings	Income security	1913	72, 101, 7702, 7702A	\$24,176	\$24,793	\$25,491
41	Workers' compensation benefits	Income security	1918	104(a)(1)	\$4,608	\$5,012	\$5,336
42	Public assistance benefits	Income security	Note A	Note A	\$1,910	\$2,094	\$2,710
43	Income of trusts to finance supplemental unemployment benefits*	Income security	1960	501(17)(A)	\$32	\$40	\$40

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Table 4-22 (continued)

**District of Columbia Tax Expenditure Estimates for FY2010-2013**

#	Name	Program Area	Year Enacted	Section of Internal Revenue Code	Revenue Forgone (\$ in thousands)			
					FY 2010	FY 2011	FY 2012	FY 2013
	<b>INCOME TAX</b>							
	<b>Federal Exclusions (cont)</b>							
44	Employer contributions for premiums on group-term life insurance	Income security	1920	Section 79 and L.O. 1014, 2 C.B. 8 (1920).	\$1,940	\$2,021	\$2,021	\$2,102
45	Employer contributions for premiums on accident and disability insurance	Income security	1954	105 and 106	\$2,506	\$2,749	\$2,910	\$3,072
46	Employer contributions to employee pension plans	Income security	1921	401-407, 410-418e, and 457	\$54,247	\$67,991	\$85,777	\$106,474
47	Roth IRA distributions	Income security	1997	219 and 408	\$182	\$344	\$407	\$375
48	Inventory source rule exception	International affairs	1921	861, 862, 863, and 865	\$3,675	\$3,777	\$3,879	\$3,981
49	Deferral of tax on income from controlled foreign corporations	International affairs	1909	11, 882, and 951-964	\$5,767	\$6,175	\$6,584	\$6,890
50	Exclusion of income earned abroad by U.S. citizens	International affairs	1926	911	\$4,447	\$4,608	\$4,851	\$5,012
51	Exclusion of certain allowances for federal employees abroad	International affairs	1943	912	\$32,913	\$35,445	\$37,976	\$37,976
52	Exclusion of benefits, allowances, and certain pay to armed forces personnel	National defense	1925	112 and 134	\$3,234	\$3,476	\$3,638	\$3,719
53	Exclusion of interest on state and local "private-activity" bonds issued to support energy facilities**	Natural resources and environment	1980	103, 141, 142(f), and 146.	\$19	\$44	\$44	\$44
54	Contributions in aid of construction for utilities	Natural resources and environment	1996	118(c),(d)	too small	too small	too small	too small
55	Exclusion of conservation subsidies provided by public utilities**	Natural resources and environment	1992	136	\$258	\$253	\$234	\$234
56	Restitution payments for Holocaust survivors	Social policy	2001	P.L. 107-16, Sec 803	too small	too small	too small	too small
57	Certain foster care payments	Social policy	1982	131	\$493	\$493	\$554	\$554
58	Employer-provided dependent care**	Social policy	1981	129	\$745	\$844	\$869	\$912
59	Employer-provided adoption assistance***	Social policy	1996	137	\$37	\$37	\$37	\$37
60	Reimbursed employee parking expenses*	Transportation	1984	132(f)	\$2,442	\$2,506	\$2,579	\$2,684
61	Employer-provided transit passes*	Transportation	1992	132(f)	\$515	\$438	\$453	\$485
62	Veterans' benefits	Veterans' benefits	1917	Note B	\$2,239	\$2,293	\$2,239	\$2,239
63	G.I. Bill education benefits*	Veterans' benefits	1917	Note B	\$251	\$411	\$539	\$677
64	Military disability pensions	Veterans' benefits	1942	104(a),(4) or (5) and 104(b)	\$107	\$107	\$107	\$107

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## District of Columbia Tax Expenditure Estimates for FY2010-2013

#	Name	Program Area	Year Enacted	Section of Internal Revenue Code	Revenue Forgone (\$ in thousands)			
					FY 2010	FY 2011	FY 2012	FY 2013
<b>INCOME TAX</b>								
<b>Federal Adjustments</b>								
65	Interest on student loans <sup>^</sup>	Education	1997	221	\$1,997	\$1,082	\$866	\$866
66	Educator expenses <sup>^</sup>	Education	2002	62(a)(2)(D) and Section 62(d)(1)	\$104	\$107	\$109	\$111
67	Moving expenses <sup>^</sup>	Employment	1964	217	\$754	\$815	\$815	\$882
68	Deduction for medical insurance premiums of self-employed <sup>^</sup>	Health	1986	162(l)	\$3,785	\$4,197	\$4,444	\$4,699
69	Deduction for contributions to medical savings accounts <sup>^</sup>	Health	2003	223	\$341	\$455	\$607	\$796
70	One-half of self-employment tax <sup>^</sup>	Income security	1983	164(f)	\$5,278	\$5,446	\$5,755	\$6,001
71	Alimony paid <sup>^</sup>	Income security	1954	215	\$2,183	\$2,231	\$2,280	\$2,331
72	Penalty on early withdrawal of savings <sup>^</sup>	Income security	1974	62(a)(9)	\$62	\$61	\$59	\$58
73	Contributions to self-employment retirement plans <sup>^</sup>	Income security	1962	401-407, 410-418E, and 457	\$10,120	\$10,441	\$11,035	\$11,506
74	Employee contributions to traditional Individual Retirement Accounts <sup>^</sup>	Income security	1974	219 and 408	\$1,089	\$1,124	\$1,187	\$1,238
75	Overnight travel expenses of National Guard and Reserve members	National defense	2003	162	\$81	\$81	\$81	\$81
<b>Federal Deductions</b>								
76	Accelerated depreciation of buildings other than rental housing	Economic development	1954	167 and 168	\$201	\$299	\$299	\$299
77	Accelerated depreciation of machinery and equipment	Economic development	1954	167 and 168	\$12,145	\$14,884	\$16,303	\$17,859
78	Deduction of qualified business income	Economic development	2005	199	decoupled	decoupled	decoupled	decoupled
79	Deduction of loss from sale of small business corporation stock*	Economic development	1958	1244	\$59	\$59	\$59	\$59
80	Exception from passive loss rules for \$25,000 of rental real estate loss*	Economic development	1986	469(i)	\$5,829	\$7,230	\$8,394	\$9,538
81	Excess bad debt reserves of financial institutions	Economic development	1969	585 and 593	too small	too small	too small	too small
82	Incentives for businesses in empowerment zones, enterprise communities, and renewal communities <sup>c</sup>	Economic development	1993, 2000	38(b), 39(d), 45A, 168(j), 280C(a), 1391-1397D, 1400-1400B.	no estimate	sunset	sunset	sunset
83	Research and development expenditures	Economic development	1954	174	\$2,140	\$2,548	\$3,059	\$3,365
84	Life insurance company reserves	Economic development	1984	803(a)(2), 805(a)(2), 807, 846, 847	\$1,123	\$1,174	\$1,225	\$1,327
85	Deferral of certain financing income of foreign corporations <sup>d</sup>	Economic development	1962	11(d), 882, and 951-964	\$510	sunset	sunset	sunset
86	Section 179 expensing allowance	Economic development	1958	179	\$797	\$807	\$856	\$896

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Table 4-22 (continued)

**District of Columbia Tax Expenditure Estimates for FY2010-2013**

#	Name	Program Area	Year Enacted	Section of Internal Revenue Code/ D.C. Code Section	Revenue Forgone (\$ in thousands)			
					FY 2010	FY 2011	FY 2012	FY 2013
<b>INCOME TAX</b>								
<b>Federal Deductions(cont)</b>								
87	Amortization of business start-up costs	Economic development	1980	195	\$888	\$986	\$986	\$1,040
88	Property and casualty insurance company reserves	Economic development	1986	832(b)	\$153	\$204	\$204	\$204
89	Creation or acquisition of musical compositions	Economic development	2005	167(g)(8)	too small	too small	sunset	sunset
90	Deferral of income from post-1987 installment sales	Economic development	1986	453 and 453A(b)	-\$3,618	-\$559	\$2,580	\$3,712
91	Magazine circulation expenditures	Economic development	1950	173	too small	too small	too small	too small
92	Net operating loss limitation***	Economic development	1954	382	\$861	\$861	\$861	\$861
93	Completed contract rules	Economic development	1986	460	\$306	\$306	\$357	\$357
94	Energy efficient commercial property**	Energy	2005	179D	\$60	\$85	\$85	\$90
95	Itemized deduction for medical and dental expenses^A	Health	1942	213	\$20,604	\$25,755	\$29,743	\$32,069
96	Accelerated depreciation on rental housing	Housing	1954	167 and 168	\$4,694	\$4,595	\$4,398	\$4,051
97	Home mortgage interest deduction^A	Housing	1913	163(h)	\$153,349	\$177,305	\$189,579	\$199,191
98	Itemized deduction for state and local property tax on owner-occupied dwellings^A	Housing	1913	164	\$24,543	\$22,586	\$21,760	\$21,945
99	Casualty and theft losses^A	Income security	1913	165(c)(3), 165(e), 165(h) - 165(k)	\$377	\$386	\$394	\$403
100	Mining reclamation reserves	Natural resources and environment	1984	468	too small	too small	too small	too small
101	Charitable contributions^A	Social policy	1917, 1935	170 and 642(c)	\$61,938	\$68,052	\$70,528	\$73,408
102	Removal of architectural barriers	Social policy	1976	190	\$62	\$62	\$62	\$62
<b>D.C. Exemptions</b>								
103	Additional personal exemption for the blind	Income security	1987	§ 47-1806.02(d)	\$93	\$93	\$94	\$94
104	Additional personal exemption for the elderly	Income security	1987	§ 47-1806.02(e)	\$4,511	\$4,534	\$4,556	\$4,579
<b>D.C. Subtractions from Federal Adjusted Gross Income</b>								
105	Capital gains exclusion for high-technology companies	Economic development	2001	§ 47-1803.2(a)(2)(Q)	\$0	\$0	\$0	\$0
106	Certain depreciable business assets for high-technology companies	Economic development	2001	§ 47-1803.3(a)(18)	\$0	\$0	\$0	\$0
107	College Savings Program	Education	2001	§ 47-4501 - § 47-4512	\$611	\$614	\$617	\$621
108	Public school teacher expenses	Education	2007	§ 47-1803.03(b-2)	\$117	\$119	\$122	\$124
109	Health insurance premiums paid for a non-employee domestic partner	Health	2006	§ 47-1803.02(a)(2)(W)	\$43	\$45	\$47	\$49

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Table 4-22 (continued)

**District of Columbia Tax Expenditure Estimates for FY2010-2013**

#	Name	Program Area	Year Enacted	D.C. Code Section	Revenue Forgone (\$ in thousands)			
					FY 2010	FY 2011	FY 2012	FY 2013
<b>INCOME TAX</b>								
<b>D.C. Subtractions from Federal Adjusted Gross Income (cont)</b>								
110	Deduction of health insurance premiums paid for a non-employee domestic partner	Health	1992	§47-1803.03(a)(15)	\$861	\$864	\$974	\$984
111	Long-term care insurance	Health	2005	§ 47-1803.03(b-1)	\$151	\$154	\$158	\$161
112	Health professional recruitment	Health	2006	§ 7-751.01 - § 7-751.16	\$34	\$35	\$36	\$36
113	Housing relocation services	Housing	2002	§ 42-2851.05	\$0	\$0	\$0	\$0
114	Social Security benefits for retired workers	Income security	1985	§ 47-1803.02(a)(2)(L)	\$15,508	\$15,747	\$16,086	\$16,414
115	Social Security benefits for the disabled	Income security	1985	§ 47-1803.02(a)(2)(L)	included in #114	included in #114	included in #114	included in #114
116	Social Security benefits for dependents and survivors	Income security	1985	§ 47-1803.02(a)(2)(L)	included in #114	included in #114	included in #114	included in #114
117	Railroad retirement system benefits	Income security	1985	§ 47-1803.02(a)(2)(L)	included in #114	included in #114	included in #114	included in #114
118	D.C. and federal government pension income	Income security	1987	§ 47-1803.02(a)(2)(N)	\$4,221	\$4,286	\$4,378	\$4,468
119	D.C. and federal government survivor benefits	Income security	1987	§ 47-1803.02(a)(2)(N)	\$3,153	\$3,222	\$3,293	\$3,366
120	Income for people with a permanent and total disability	Income security	2005	§ 47-1803.02(a)(2)(V)	\$420	\$426	\$435	\$444
121	Disability income exclusion	Income security	1985	§ 47-1803.02(a)(2)(M)	\$255	\$259	\$265	\$270
122	Environmental Savings Accounts	Natural resources and environment	2001	§ 8-637.03	minimal	minimal	minimal	minimal
123	Rental assistance to police officers	Public safety	1993	§ 42-2902	minimal	minimal	minimal	minimal
124	Compensatory damages awarded in a discrimination case	Social policy	2002	§ 47-1803.02(a)(2)(U) and § 47-1806.10	\$42	\$43	\$46	\$48
125	Loans forgiven by the Poverty Lawyer Loan Assistance Repayment Program	Social policy	2007	§ 47-1803.02(a)(2)(X)	\$6	\$6	\$6	\$6
<b>D.C. Credits</b>								
126	Lower corporate income tax rate credit for high technology companies	Economic development	2001	§ 47-1817.06	\$5,600	\$5,750	\$6,470	\$6,550
127	Employment relocation credit for high-technology companies	Economic development	2001	§ 47-1817.02	included in #126	included in #126	included in #126	included in #126
128	Incentives for high-technology companies to employ qualified workers	Economic development	2001	§ 47-1817.03	included in #126	included in #126	included in #126	included in #126
129	Incentives for high-technology companies to retrain disadvantaged workers	Economic development	2001	§ 47-1817.04	included in #126	included in #126	included in #126	included in #126

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Table 4-22 (continued)

## District of Columbia Tax Expenditure Estimates for FY2010-2013

#	Name	Program Area	Year Enacted	D.C. Code Section	Revenue Forgone (\$ in thousands)			
					FY 2010	FY 2011	FY 2012	FY 2013
<b>INCOME TAX</b>								
<b>D.C. Credits (cont)</b>								
130	Incentives for high-technology companies to employ disadvantaged workers	Economic development	2001	\$ 47-1817.05	included in #126	included in #126	included in #126	included in #126
131	Economic development zone incentives for businesses	Economic development	1988	\$ 6-1501, \$ 6-1502, \$ 6-1504, and \$ 47-1807.06	\$0	\$0	\$0	\$0
132	First-time homebuyer credit for D.C. government employees	Employment	2000	\$ 42-2506	\$250	\$250	\$250	\$250
133	Paid leave for organ or bone marrow donors	Health	2006	\$ 47-1807.08	\$0	\$0	\$0	\$0
134	Employer-assisted home purchases	Housing	2002	\$ 47-1807.07	minimal	minimal	minimal	minimal
135	Lower-income, long-term homeowner credit	Housing	2002	\$ 47-1806.09 - \$ 47-1806.09f	\$6	\$6	\$6	\$6
136	Low-income credit	Income security	1987	\$ 47-1806.04(e)	\$2,330	\$2,381	\$2,433	\$2,487
137	Homeowner and renter property tax credit (circuit breaker)	Income security	1977	\$ 47-1806.06	\$3,635	\$3,715	\$3,797	\$3,880
138	Earned income tax credit	Income security	2000	\$ 47-1806.04(f)	\$43,769	\$44,732	\$43,851	\$44,816
139	Brownfield revitalization cleanup	Natural resources and environment	2001	\$ 8-637.01	\$0	\$0	\$0	\$0
140	Child and dependent care credit	Social policy	1977	\$ 47-1806.04(c)	\$3,524	\$3,602	\$3,681	\$3,762
<b>PROPERTY TAX</b>								
<b>Abatements</b>								
141	New or improved buildings used by high-technology companies	Economic development	2001	\$ 47-811.03	no estimate	no estimate	no estimate	no estimate
142	New residential developments	Housing	2002	\$ 47-857.01 - \$ 47-857.10	\$8 million maximum	\$8 million maximum	\$8 million maximum	\$8 million maximum
143	Preservation of section 8 housing in qualified areas	Housing	2002	\$ 47-865	\$388	\$388	\$389	\$389
144	Improvements to section 8 and other affordable housing	Housing	2002	\$ 47-866	\$1 million maximum	\$1 million maximum	\$1 million maximum	\$1 million maximum
145	Incentives for the development of single-room-occupancy housing	Housing	1994	\$ 42-3508.06	\$0	\$0	\$0	\$0
<b>Exemptions</b>								
146	Development of a qualified supermarket	Economic development	1988	\$ 47-1002(23)	\$1,167	\$1,407	\$1,667	\$1,798
147	Libraries	Education	1942	\$ 47-1002(7)	\$8,654	\$8,654	\$8,663	\$8,671
148	Property of educational institutions	Education	1942	\$ 47-1002(10)	\$100,249	\$100,249	\$100,349	\$100,450
149	Miscellaneous exemptions	General law	multiple years	multiple code sections	\$80,656	\$80,656	\$81,462	\$82,277

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**District of Columbia Tax Expenditure Estimates for FY2010-2013**

#	Name	Program Area	Year Enacted	D.C. Code Section	Revenue Forgone (\$ in thousands)			
					FY 2010	FY 2011	FY 2012	FY 2013
<b>PROPERTY TAX</b>								
<b>Exemptions (cont)</b>								
150	Federal government property	General law	1942	§ 47-1002(1)	\$629,330	\$629,330	\$629,959	\$630,589
151	Hospital buildings	Health	1942	§ 47-1002(9)	\$14,434	\$14,434	\$14,448	\$14,463
152	Homestead exemption	Housing	1978	§ 47-850	\$40,833	\$41,241	\$41,654	\$42,070
153	Historic property	Housing	1974	§ 47-842 - § 47-844	\$338	\$311	\$299	\$302
154	Multi-family and single-family rental and cooperative housing for low- and moderate-income persons	Housing	1978	§ 47-1002(20)	\$15,539	\$15,694	\$15,851	\$16,010
155	Qualifying lower-income homeownership households and cooperative housing associations	Housing	1983	§ 47-3503	\$1,295	\$1,308	\$1,321	\$1,334
156	Nonprofit housing associations	Housing	1983	§ 47-3505	\$9,064	\$9,155	\$9,246	\$9,339
157	Resident management corporations	Housing	1992	§ 47-1002(24)	\$0	\$0	\$0	\$0
158	Embassies, chanceries, and associated properties of foreign governments	International affairs	1942	§ 47-1002(3)	\$34,032	\$34,032	\$34,066	\$34,100
159	Correctional Treatment Facility	Public safety	1997	§ 47-1002(25)	\$784	\$784	\$784	\$784
160	Art galleries	Social policy	1942	§ 47-1002(6)	\$2,362	\$2,362	\$2,385	\$2,409
161	Churches, synagogues, and mosques	Social policy	1942	§ 47-1002(12)	\$56,324	\$56,324	\$56,380	\$56,437
162	Cemeteries	Social policy	1942	§ 47-1002(12)	\$4,573	\$4,573	\$4,578	\$4,582
163	Properties of charitable organizations	Social policy	1942	§ 47-1002(8)	\$13,531	\$13,531	\$13,545	\$13,558
164	Headquarters buildings of tax-exempt organizations	Tax administration and equity	1942	§ 47-1002(17)	included in #163	included in #163	included in #163	included in #163
165	Grounds belonging to tax-exempt organizations	Tax administration and equity	1942	§ 47-1002(18)	included in #163	included in #163	included in #163	included in #163
166	Properties owned by the Washington Metropolitan Area Transit Authority	Transportation	1966	§ 9-1107.01	\$6,626	\$6,626	\$6,633	\$6,639
<b>Credits</b>								
167	First-time homebuyer credit for D.C. government employees	Employment	2000	§ 42-2506	\$351	\$383	\$419	\$413
168	Credit for senior citizens and persons with disabilities	Housing	1986	§ 47-863	\$5,781	\$5,784	\$5,842	\$5,900
169	Assessment increase cap	Housing	2001	§ 47-864	\$151,059	\$151,135	\$152,646	\$154,173
170	Condominium and cooperative trash collection	Natural resources and environment	1990	§ 47-872 (condominiums) and § 47-873 (cooperatives)	\$4,882	\$4,931	\$5,029	\$5,130
171	Brownfield revitalization cleanup	Natural resources and environment	2001	§ 8-637.01	\$0	\$0	\$0	\$0

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Table 4-22 (continued)

**District of Columbia Tax Expenditure Estimates for FY2010-2013**

#	Name	Program Area	Year Enacted	D.C. Code Section	Revenue Forgone (\$ in thousands)			
					FY 2010	FY 2011	FY 2012	FY 2013
<b>PROPERTY TAX</b>								
<b>Deferrals, Rebates, Multiple Provisions</b>								
172	Economic development zone incentives for real property owners	Economic development	1988	§ 6-1501 - § 6-1503	\$0	\$0	\$0	\$0
173	Public charter school tax rebate	Education	2005	§ 47-867	\$725	\$784	\$843	\$902
174	Tax deferral for low-income homeowners	Housing	2005	§ 47-845.02	\$3,342	\$3,342	\$3,346	\$3,349
175	Tax deferral for low-income, senior-citizen homeowners	Housing	2005	§ 47-845.03	\$1,003	\$1,003	\$1,004	\$1,005
176	Tax abatements for homeowners in enterprise zones	Housing	2002	§ 47-858.01 - § 47-858.05	\$0	\$0	\$0	\$0
<b>DEED RECORDATION AND TRANSFER TAX</b>								
<b>Exemptions</b>								
177	Exemption for property purchased by educational institutions	Education	1962 (recording tax) and 1980 (transfer tax)	§ 42-1102(3) and § 47-902(3)	\$1,173	\$1,056	\$950	\$969
178	Deed recordation and transfer tax exemption of properties purchased by the federal government	General law	1962 (recording tax) and 1980 (transfer tax)	§ 42-1102(2) for the deed recordation tax; § 47-902 (2) for the transfer tax	\$880	\$792	\$713	\$727
179	Exemption for other properties exempted from real property taxation	General law	1962 (recording tax) and 1980 (transfer tax)	§ 42-1102(3) for the deed recordation tax; § 47-902 (3) for the transfer tax	\$1,056	\$950	\$855	\$872
180	Properties exempt by act of Congress (Recording tax only)	General law	1962	§ 42-1102(4)	\$367	\$330	\$297	\$303
181	Qualifying lower-income homeownership households	Housing	1983	§ 42-1102(12), § 47-3503(a)(1), and § 47-3503(a)(3) for deed recordation tax; § 47-902(9) and § 47-3503(b)(1) for transfer tax	\$663	\$531	\$531	\$531

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Table 4-22 (continued)

**District of Columbia Tax Expenditure Estimates for FY2010-2013**

#	Name	Program Area	Year Enacted	D.C. Code Section	Revenue Forgone (\$ in thousands)			
					FY 2010	FY 2011	FY 2012	FY 2013
<b>DEED RECORDATION AND TRANSFER TAX</b>								
<b>Exemptions (cont)</b>								
182	Cooperative housing associations	Housing	1983	§ 42-1102(14), § 47-3503(a)(2), and § 47-3503(a)(3) for deed recordation tax; § 47-902(11) and § 47-3503(b)(2) for transfer tax	no estimate	no estimate	no estimate	no estimate
183	Nonprofit housing associations	Housing	1983	§ 42-1102(13) and § 47-3505(c) for deed recordation tax; § 47-902(10) and § 47-3505(b) for transfer tax	no estimate	no estimate	no estimate	no estimate
184	Resident management corporations	Housing	1992	§ 42-1102(20) and § 47-3506.01(b)(1) for recordation tax; § 47-902(15) and § 47-3506.01(b)(2) for transfer tax	\$0	\$0	\$0	\$0
185	Transfers of property pursuant to the Inclusionary Zoning program (Transfer tax only)	Housing	2007	§ 47-902(23)	\$0	\$22	\$88	\$143
186	Exemption of properties purchased by foreign governments for embassies and related uses	International affairs	1962 (recordation tax) and 1980 (transfer tax)	§ 42-1102(3) and § 47-902(3)	\$586	\$528	\$475	\$485
187	Exemption for property purchased by churches, synagogues, and mosques	Social policy	1962 (recordation tax) and 1980 (transfer tax)	§ 42-1102(3) and § 47-902(3)	\$293	\$264	\$238	\$243
188	Exemption for property purchased by charitable entities	Social policy	1962 (recordation tax) and 1980 (transfer tax)	§ 42-1102(3) for the deed recordation tax; § 47-902 (3) for the transfer tax	\$1,759	\$1,584	\$1,425	\$1,454

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Table 4-22 (continued)

**District of Columbia Tax Expenditure Estimates for FY2010-2013**

#	Name	Program Area	Year Enacted	D.C. Code Section	Revenue Forgone (\$ in thousands)			
					FY 2010	FY 2011	FY 2012	FY 2013
<b>DEED RECORDATION AND TRANSFER TAX</b>								
<b>Exemptions (cont)</b>								
189	Tax-exempt entities subject to a long-term lease	Tax administration and equity	2003	§ 42-1102(27) for the deed recordation tax; § 47-902(21) for the transfer tax	no estimate	no estimate	no estimate	no estimate
<b>SALES TAX</b>								
<b>Exemptions</b>								
190	Exclusion of energy products used in manufacturing	Economic development	1949	§ 47-2005(11)	\$633	\$647	\$661	\$648
191	Exclusion of materials used in supermarkets	Economic development	2000	§ 47-2005(28)	\$118	\$121	\$123	\$121
192	Exemption for technology purchases made by high-technology companies	Economic development	2001	§ 47-2005(31)	\$30	\$31	\$31	\$31
193	Exemption for certain sales made by high-technology companies	Economic development	2001	§ 47-2001(n)(2)(G)	\$98	\$100	\$102	\$100
194	Exemption for transportation and communication services	Economic development	1949	§ 47-2001(n)(2)(A)	\$41,390	\$42,301	\$43,231	\$42,341
195	Exemption for professional and personal services	Economic development	1949	§ 47-2001(n)(2)(B)	\$277,000	\$283,094	\$289,322	\$283,367
196	Exemption for internet access service	Economic development	1999	§ 47-2001(n)(2)(F)	\$2,646	\$2,704	\$2,764	\$2,707
197	Exemption for the federal and D.C. governments	General law	1949	§ 47-2005(1)	\$167,000	\$170,674	\$174,429	\$170,839
198	Exclusion of materials used in war memorials	Social policy	1957	§ 47-2005(16)	\$0	\$0	\$0	\$0
199	Exemption for semi-public institutions	Social policy	1949	§ 47-2005(3)	\$44,670	\$45,652	\$46,657	\$45,696
200	Exemption for groceries	Social policy	1949	§ 47-2001(n)(2)(E)	\$53,961	\$55,148	\$56,361	\$55,201
201	Exemption for state and local governments	Tax administration and equity	1949	§ 47-2005(2)	minimal	minimal	minimal	minimal
202	Exemption for public utility companies	Tax administration and equity	1949	§ 47-2005(5)	\$91,140	\$93,145	\$95,194	\$93,235
203	Miscellaneous exemptions	Tax administration and equity	1949	§ 47-2005	no estimate	no estimate	no estimate	no estimate
204	Exemption for valet parking services	Tax administration and equity	2002	§ 47-2001(n)(2)(H)	\$182	\$186	\$190	\$186
205	Exemption of medicine, drugs, and medical devices	Health	1949	§ 47-2005(14) and (15)	\$9,313	\$9,518	\$9,727	\$9,527
206	Exemption of sales by 501(c)(4) organizations	Social policy	1987	§ 47-2005(22)	\$25,920	\$26,490	\$27,073	\$26,516
207	Exemption of sales of motor fuels that are subject to the motor fuels tax	Tax administration and equity	1981	§ 47-2005(20)	\$15,130	\$15,463	\$15,803	\$15,478

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## District of Columbia Tax Expenditure Estimates for FY2010-2013

#	Name	Program Area	Year Enacted	D.C. Code Section	Revenue Forgone (\$ in thousands)			
					FY 2010	FY 2011	FY 2012	FY 2013
<b>INSURANCE PREMIUMS TAX</b>								
<b>Credit</b>								
208	Tax credit for certified capital investment by insurance companies	Economic development	2004	\$ 31-5233	\$12,500	\$12,500	\$12,500	\$9,600
<b>PERSONAL PROPERTY TAX</b>								
<b>Exemptions</b>								
209	Exemption for digital audio radio satellite	Economic development	2000	\$ 47-1508(a)(8)	no estimate	no estimate	no estimate	no estimate
210	Exemption for qualified supermarkets	Economic development	2000	\$ 47-1508(a)(9)	\$488	\$490	\$494	\$499
211	Exemption for qualified high-technology companies	Economic development	2001	\$ 47-1508(a)(10)	\$181	\$183	\$186	\$188
212	Nonprofit exemption	Social policy	1902	\$ 47-1508(a)(1)	\$3	\$3	\$3	\$3
213	Exemption for works of art lent to the National Gallery by non-residents	Tax administration and equity	1950	\$ 47-1508(a)(2)	\$0	\$0	\$0	\$0
214	Exemption for organizations subject to the public utility or toll telecommunications tax	Tax administration and equity	2001	\$ 47-1508(a)(3A)	\$9	\$9	\$9	\$9
215	Exemption for wireless telecommunication companies	Tax administration and equity	1998	\$ 47-1508(a)(7)	minimal	minimal	minimal	minimal
216	Exemption of motor vehicles and trailers	Transportation	1954	\$ 47-1508(a)(3)	\$1,929	\$1,972	\$2,015	\$2,060

**Definitions:**

- too small: too small to calculate according to the Joint Committee on Taxation (JCT) or the U.S. Department of Treasury
- minimal: empirical data lacking and the number of eligible beneficiaries is small, the revenue loss has been estimated as "minimal," or less than \$50,000 per year.
- no estimate: insufficient data for a direct estimate and insufficient information to development assumptions for an indirect estimate.
- sunset: the provision has a statutory expiration date.
- decoupled: the District of Columbia has decided not to adopt a provision included in the federal tax code.

**Notes:**

- <sup>a</sup> This exclusion was established through a series of Internal Revenue Service rulings dating back to the 1930s.
- <sup>b</sup> Veteran's benefits are authorized by U.S. Code title 38, Section 3101.
- <sup>c</sup> DC is only an enterprise zone. However, JCT only reports data for empowerment zones and renewal communities. Thus, no data are available.
- <sup>d</sup> JCT only provides an estimate for FY 2010 because Subpart F, which is the relevant tax code provision, was set to expire at the end of 2009.

**Methodology notes for federal uniformity provisions:**

- JCT estimates were used as the base as they provided estimates for a greater number of tax expenditures. In cases where JCT had no estimates/tax expenditures were combined (\*) or the estimates were noted as too small (\*\*), Treasury estimates were used. The latter was possible since Treasury's estimates are in millions, not billions. In cases where neither had an estimate (\*\*\*), estimates were made using Oregon's tax expenditure estimates. Lastly, in cases where the tax expenditures appear on the DC Federal Personal Income Tax file, projections based on the actual numbers (adjusted by the DC average marginal tax rate) were used (\*).
- DC estimates were calculated by multiplying the federal estimates by DC's share of taxable corporate income (constant) or personal income data (changing based on tax expenditure) and by a constant corporate or personal rate adjustment.