

**SUMMARY OF GENERAL FUND REVENUE
AND TRANSFERS IN**

Category	FY 2016 Actual	FY 2017 Revised Budget Plan as of FY 2016 Carryover	FY 2017 Fall Estimate ¹	FY 2017 Third Quarter Budget Estimate	Change from the FY 2017 Fall Estimate	
					Increase/ (Decrease)	Percent Change
Real Estate Taxes -						
Current & Delinquent	\$2,437,226,930	\$2,600,366,481	\$2,600,366,481	\$2,600,366,481	\$0	0.00%
Personal Property Taxes -						
Current & Delinquent ²	592,270,944	594,588,125	599,332,817	599,332,817	0	0.00%
Other Local Taxes	509,362,023	510,976,755	507,645,070	507,645,070	0	0.00%
Permits, Fees and Regulatory Licenses	48,443,054	47,384,162	49,928,317	50,178,317	250,000	0.50%
Fines and Forfeitures	11,648,758	12,443,009	11,553,152	11,553,152	0	0.00%
Revenue from Use of Money/Property	21,635,558	22,582,955	25,674,277	25,674,277	0	0.00%
Charges for Services	79,208,450	76,031,208	80,282,079	80,537,966	255,887	0.32%
Revenue from the Commonwealth and Federal Government ²	132,485,639	130,791,520	130,791,520	131,153,402	361,882	0.28%
Recovered Costs/ Other Revenue	17,680,571	16,481,349	16,423,681	16,423,681	0	0.00%
Total Revenue	\$3,849,961,927	\$4,011,645,564	\$4,021,997,394	\$4,022,865,163	\$867,769	0.02%
Transfers In	9,828,217	10,165,872	10,165,872	10,165,872	0	0.00%
Total Receipts	\$3,859,790,144	\$4,021,811,436	\$4,032,163,266	\$4,033,031,035	\$867,769	0.02%

¹ FY 2017 revenue estimates were increased a net \$10.4 million as part of a fall 2016 review of revenues. Explanations of these changes can be found in the following narrative.

² The portion of the Personal Property Tax reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 is included in the Personal Property Tax category for the purpose of discussion in this section.

Total receipts, including Transfers In, are estimated at \$4,033,031,035 and reflect a net increase of \$867,769 over the FY 2017 fall estimate. This increase is primarily the result of higher Revenue from the Commonwealth associated with expenditure adjustments in public assistance programs. In addition, Permits, Fees and Regulatory Licenses are increased \$250,000 as a result of anticipated higher Elevator and Escalator Inspection revenue, and Charges for Services revenue is increased \$255,887 as a result of expected reimbursement from the Metropolitan Police Department of the District of Columbia for the costs incurred by the County's Police Department during the 2017 Presidential Inauguration. As noted in the FY 2018 Advertised Budget Plan, FY 2017 revenue estimates were increased a net \$10.4 million as part of a fall 2016 revenue review prior to the Third Quarter Review during the development of the FY 2018 budget. These adjustments were based on actual FY 2016 receipts and collections through the first several months of FY 2017. Revenue changes made during the fall revenue review are discussed throughout this Attachment. Any impact to FY 2018 revenue estimates from these FY 2017 adjustments is already included in the FY 2018 Advertised Budget Plan.

Because many revenue categories are sensitive to economic conditions, there is the potential that actual receipts may deviate from the revenue estimates included in this Attachment. It should be noted that little information is available concerning Business, Professional, and Occupational License (BPOL) Taxes, since filings and payments are not due until March 1, with additional time required to process returns. In addition, revenue from the Bank Franchise Tax is not received until late May or early June so there is no information currently available to help estimate FY 2017 receipts. All revenue categories are closely monitored with respect to collections and the effects of changes in economic activity. Any necessary FY 2018 revenue adjustments will be included in the Add-On Review.

PERSONAL PROPERTY TAX-CURRENT

FY 2016 Actual	FY 2017 Revised as of FY 2016 Carryover	FY 2017 Fall Estimate	FY 2017 Third Quarter Estimate	Increase/ (Decrease)	Percent Change
\$579,578,127	\$581,535,038	\$586,279,730	\$586,279,730	\$0	0.0%

The *FY 2017 Third Quarter Review* estimate for Current Personal Property Taxes of \$586,279,730 represents no change from the FY 2017 fall estimate. During the fall 2016 revenue review, the FY 2017 Personal Property Tax estimate was increased \$4.7 million, or 0.8 percent, as a result of higher than projected vehicle and business levy. FY 2017 Personal Property Taxes are expected to be 1.2 percent higher than FY 2016 receipts.

LOCAL SALES TAX

FY 2016 Actual	FY 2017 Revised as of FY 2016 Carryover	FY 2017 Fall Estimate	FY 2017 Third Quarter Estimate	Increase/ (Decrease)	Percent Change
\$178,839,665	\$183,495,638	\$178,839,665	\$178,839,665	\$0	0.0%

The *FY 2017 Third Quarter Review* estimate for Sales Tax of \$178,839,665 represents no change from the FY 2017 fall estimate. During the fall 2016 revenue review, the FY 2017 estimate for Sales Tax receipts was decreased \$4.7 million to the same level received in FY 2016 based on year-to-date collection. FY 2017 Sales Tax receipts through February, representing retail sales through December, are down 3.1 percent; however, this rate is considered to be artificially low. The November distribution this fiscal year was reduced by \$2.5 million due to a refund. In addition, the December distribution last fiscal year included an increase of \$2.2 million as a result of an audit. As a result, no change in the FY 2017 Sales Tax estimate is being made during the Third Quarter Review.

BUSINESS, PROFESSIONAL AND OCCUPATIONAL LICENSE TAX-CURRENT

FY 2016 Actual	FY 2017 Revised as of FY 2016 Carryover	FY 2017 Fall Estimate	FY 2017 Third Quarter Estimate	Increase/ (Decrease)	Percent Change
\$153,540,723	\$154,059,333	\$155,076,130	\$155,076,130	\$0	0.0%

The *FY 2017 Third Quarter Review* estimate for Business, Professional and Occupational License (BPOL) Taxes of \$155,076,130 represents no change from the FY 2017 fall estimate. Based on actual

FY 2016 receipts and an econometric model using calendar year Sales Tax receipts and employment as predictors, the FY 2017 BPOL estimate was increased \$1.0 million during the fall 2016 revenue review, representing an increase of 1.0 percent over FY 2016. Since County businesses file and pay their BPOL taxes simultaneously on March 1 each year based on their gross receipts during the previous calendar year, little actual data is available at this time to help estimate FY 2017 receipts. Therefore, the FY 2017 BPOL estimate has not been adjusted further during the Third Quarter review.

RECORDATION/DEED OF CONVEYANCE TAXES

FY 2016 Actual	FY 2017 Revised as of FY 2016 Carryover	FY 2017 Fall Estimate	FY 2017 Third Quarter Estimate	Increase/ (Decrease)	Percent Change
\$30,252,619	\$28,976,408	\$30,401,582	\$30,401,582	\$0	0.0%

The *FY 2017 Third Quarter Review* estimate for Deed of Conveyance and Recordation Taxes of \$30,401,582 represents no change from the FY 2017 fall estimate. Recordation and Deed of Conveyance Taxes are paid when homes are sold. Recordation taxes are also paid when homes are refinanced. Based on actual FY 2016 receipts and collection trends, the FY 2017 estimate for Recordation and Deed of Conveyance Taxes was increased \$1.4 million during the fall 2016 revenue review, reflecting an increase of 0.5 percent over the FY 2016 level.

CIGARETTE TAX

FY 2016 Actual	FY 2017 Revised as of FY 2016 Carryover	FY 2017 Fall Estimate	FY 2017 Third Quarter Estimate	Increase/ (Decrease)	Percent Change
\$7,166,598	\$7,073,909	\$7,003,682	\$7,003,682	\$0	0.0%

The *FY 2017 Third Quarter Review* estimate for Cigarette Tax of \$7,003,682 represents no change from the FY 2017 fall estimate. During the fall 2016 revenue review, the FY 2017 estimate was decreased \$0.1 million, reflecting a 2.3 percent decrease from FY 2016 based on collection trends. Cigarette Tax receipts fell for a fourth consecutive year in FY 2016, decreasing 2.9 percent after declines of 7.3 percent in FY 2013, 6.0 percent in FY 2014, and 2.9 percent in FY 2015.

COMMUNICATIONS SALES AND USE TAX

FY 2016 Actual	FY 2017 Revised as of FY 2016 Carryover	FY 2017 Fall Estimate	FY 2017 Third Quarter Estimate	Increase/ (Decrease)	Percent Change
\$17,010,456	\$16,005,070	\$14,825,739	\$14,825,739	\$0	0.0%

The *FY 2017 Third Quarter Review* estimate for the Communication Sales and Use Tax of \$14,825,739 represents no change from the FY 2017 fall estimate. Based on actual receipts during FY 2016 and collection trends, the FY 2017 estimate was reduced \$1.2 million as part of the fall 2016 revenue review.

CONSUMER UTILITY TAXES - GAS AND ELECTRIC

FY 2016 Actual	FY 2017 Revised as of FY 2016 Carryover	FY 2017 Fall Estimate	FY 2017 Third Quarter Estimate	Increase/ (Decrease)	Percent Change
\$45,152,756	\$46,274,832	\$44,926,992	\$44,926,992	\$0	0.0%

The *FY 2017 Third Quarter Review* estimate for the Consumer Utility Taxes of \$44,926,992 represents no change from the FY 2017 fall estimate. Based on actual receipts during FY 2016 and collection trends, the FY 2017 estimate was reduced \$1.3 million as part of the fall 2016 revenue review, reflecting a decrease of 0.5 percent from FY 2016.

PERMITS, FEES AND REGULATORY LICENSES

FY 2016 Actual	FY 2017 Revised as of FY 2016 Carryover	FY 2017 Fall Estimate	FY 2017 Third Quarter Estimate	Increase/ (Decrease)	Percent Change
\$48,443,054	\$47,384,162	\$49,928,317	\$50,178,317	\$250,000	0.5%

The *FY 2017 Third Quarter Review* estimate for Permits, Fees and Regulatory Licenses of \$50,178,317 represents an increase of \$250,000 or 0.5 percent over the FY 2017 fall estimate. The increase is the result of anticipated higher Elevator and Escalator Inspection revenue collected by the Land Development Services (LDS).

During the fall 2016 revenue review, the Land Development Services (LDS) revenue estimate was increased \$2.3 million to \$37.8 million based on actual FY 2016 receipts and year-to-date collections, reflecting a projected growth of 4.0 percent. In addition, various other permits and fees were reviewed and, based on actual receipts during FY 2016 and year-to-date collections in FY 2017, were increased a net \$0.2 million.

CHARGES FOR SERVICES

FY 2016 Actual	FY 2017 Revised as of FY 2016 Carryover	FY 2017 Fall Estimate	FY 2017 Third Quarter Estimate	Increase/ (Decrease)	Percent Change
\$79,208,450	\$76,031,208	\$80,282,079	\$80,537,966	\$255,887	0.3%

The *FY 2017 Third Quarter Review* estimate for Charges for Services of \$80,537,966 reflects an increase of \$255,887 or 0.3 percent over the FY 2017 fall estimate. The increase is associated with reimbursement of costs incurred by the Police Department during the 2017 Presidential Inauguration. This revenue increase is entirely offset by an expenditure increase which is discussed in the Administrative Adjustments Section of this document.

During the fall 2016 revenue review, the FY 2017 Charges for Services estimate was increased a net \$4.3 million primarily due to projected increases of \$2.2 million in School Age Child Care (SACC) revenue and \$2.1 million in Emergency Medical Services (EMS) Transport fees. The projected increase was based on prior year actual receipts and year-to-date collection trends.

FINES AND FORFEITURES

FY 2016 Actual	FY 2017 Revised as of FY 2016 Carryover	FY 2017 Fall Estimate	FY 2017 Third Quarter Estimate	Increase/ (Decrease)	Percent Change
\$11,648,758	\$12,443,009	\$11,553,152	\$11,553,152	\$0	0.0%

The *FY 2017 Third Quarter Review* estimate for Fines and Forfeitures of \$11,553,152 represents no change from the FY 2017 fall estimate. During the fall 2016 revenue review, the FY 2017 estimate was reduced a net \$0.9 million. The decrease is primarily the result of adjusting the estimate for General District Court fines, which declined 16.0 percent in FY 2016. Based on actual FY 2016 receipts and year-to-date collections, the FY 2017 estimate for General District Court fines was lowered by \$0.6 million from the adopted estimate.

INVESTMENT INTEREST

FY 2016 Actual	FY 2017 Revised as of FY 2016 Carryover	FY 2017 Fall Estimate	FY 2017 Third Quarter Estimate	Increase/ (Decrease)	Percent Change
\$16,168,492	\$19,724,724	\$23,621,772	\$23,621,772	\$0	0.0%

The *FY 2017 Third Quarter Review* estimate for Investment Interest of \$23,621,772 represents no change from the FY 2017 fall estimate. During the fall 2016 revenue review, the FY 2017 estimate was increased \$3.9 million to \$23.6 million. The Federal Reserve raised the target range for the federal funds rate by a quarter-percentage point in December 2016. The projected annual yield for FY 2017 is 1.03 percent.

REVENUE FROM THE COMMONWEALTH/FEDERAL GOVERNMENT¹

FY 2016 Actual	FY 2017 Revised as of FY 2016 Carryover	FY 2017 Fall Estimate	FY 2017 Third Quarter Estimate	Increase/ (Decrease)	Percent Change
\$132,485,639	\$130,791,520	\$130,791,520	\$131,153,402	\$361,882	0.3%

¹ Excludes Personal Property Taxes that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998. See the "Personal Property Tax - Current" heading in this section.

The *FY 2017 Third Quarter Review* estimate for Revenue from the Commonwealth and Federal Government of \$131,153,402 reflects an increase of \$361,882 or 0.3 percent over the FY 2017 fall estimate. The increase is associated with an expenditure adjustment for the Children's Services Act (CSA). More information about this adjustment can be found in the Administrative Adjustments Section of this document.