



District of Columbia Economic and Revenue Trends: May 2022

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Highlights

% ch, 12 month avg
Green = Improving*

DC Jobs (p.2)	4.5 %
DC Wages (p. 6)	6.1 %
Unemployment rate (p.3)	5.7 %
Home prices (p.12)	11.6 %
Office vacancy (p.10)	14.4 %
S&P 500 (p.15)	-10.8 %

* 12-month moving avg growth better than previous year

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District of Columbia Tax Comparisons 2022

Full report available [here](#).

Executive Summary

This paper compares the District of Columbia’s tax system with other jurisdictions—with an emphasis on jurisdictions in the Washington metro region and U.S. state averages. Since D.C. collects both state and local taxes, the paper analyzes the combined state and local taxes of jurisdictions. The paper will analyze and compare the following aspects of the D.C. tax system: per capita tax revenue; revenue mix; business taxes; household taxes; family tax burdens; and tax distribution.

The highlights of D.C.’s tax system:

Per capita tax revenue is high when compared with states. D.C. collects more per capita tax revenue than any other state. This reflects D.C.’s comparatively rich tax base and high effective tax rates. But this comparison is somewhat misleading as D.C.’s profile differs from all other states. D.C. is 100% urban, and urban areas typically have richer tax bases and higher effective tax rates than rural areas. Unfortunately, combined state and local tax data are available for comparison only for states, not localities.

D.C.’s corporate income (franchise) tax rate has become more competitive in the region as D.C.’s tax rate is now the same as Maryland’s rate (though higher than Virginia’s). D.C.’s tax rate is the eleventh highest in the U.S. A national study recently found that D.C.’s effective commercial property tax rate is lower than average for a large city for a property valued at \$1 million and \$25 million; however, D.C.’s statutory commercial property tax rates are the highest in the region for buildings of any value.

Household taxes in D.C. are below average for a large city and the lowest in the Washington metro region. A hypothetical family’s tax burden in D.C.—at low, middle, and high levels of income (up to \$150,000/year)—is below the national average for families residing in large cities. Further, most D.C. families studied would have a higher tax burden if they moved to a neighboring jurisdiction in Maryland or Virginia. This is because residential property taxes in D.C. are the lowest in the region.

The overall tax distribution is relatively flat. In contrast with the regressive taxes of most state and local tax systems, D.C. has a “close-to-flat” tax system. The lowest-income residents pay a comparatively small share of their income in D.C. taxes (6.3%), while the middle-income group pays 10.1%, and the highest-income residents (top 1%) pay a slightly lower share (9.5%).

2020 Combined Tax Burdens, D.C., and Surrounding Metro Areas

	\$25,000	\$50,000	\$75,000	\$100,000	\$150,000
D.C.	1,548	3,065	5,595	8,159	12,973
Alexandria, VA	4,183	4,907	8,475	11,102	15,667
Arlington, VA	4,307	4,834	8,533	10,949	15,188
Fairfax, VA	4,390	5,046	8,837	11,316	15,533
Montgomery Co, MD	2,658	4,727	7,895	9,931	14,869
Prince George’s, MD	2,664	6,084	9,528	11,693	17,148

Source: Office of Revenue Analysis. “2020 Tax Rates and Tax Burdens - Washington Metropolitan Area.” April 2022. This table presents the combined tax burdens of income, property, sales, and auto tax burdens.

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Employment

- DC jobs grew 4.5% over last year. This is still 36,267 jobs below FY 2019.
- The DC unemployment rate is down to 5.7% from 6.6% last year.

Table 1. Wage and salary employment in DC, Washington metro area, and the US: March 2022

Jurisdiction	This month	FY 2021	FY 2020	FY 2019
District of Columbia	759,600	735,208	763,342	795,867
YoY % change	4.5	-3.7	-4.1	0.6
DC metro area	3,269,300	3,182,558	3,205,133	3,336,233
YoY % change	3.8	-0.7	-3.9	1.2
DC suburbs (%ch)	3.5	0.2	-3.9	1.4
US (%ch)	4.6	0.1	-4.0	1.4

Not seasonally adjusted. Suburban employment is the difference between the metro area and the DC portion.

Source: BLS

- Resident employment grew 3.6% over last year. The sector is still below FY 2019 levels by 12,216 jobs.

Table 2. Resident employment and unemployment: March 2022

Indicator	This month	FY 2021	FY 2020	FY 2019
DC Labor force summary				
Resident Employment	364,868	354,055	365,528	377,084
YoY % change	3.6	-3.1	-3.1	1.2
Labor Force	386,783	381,189	393,761	399,098
YoY % change	2.6	-3.2	-1.3	1
Unemployed residents	21,915	27,134	28,233	22,014
YoY % change	-11.7	-3.9	28.2	-2.5
DC Unemployment insurance (state program) mo. avg				
Initial Claims	7,002	9,450	12,886	2,299
YoY % change	-28.2	-26.7	460.6	42.7
Weeks compensated	16,203	69,464	139,780	27,473
YoY % change	-75.9	-50.3	408.8	-9.7

Source: BLS. UI data: US Dept of Labor. Not seasonally adjusted.

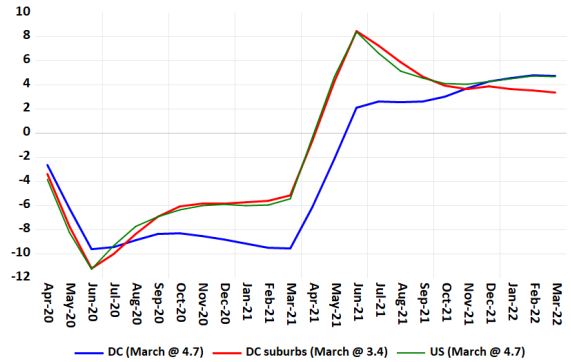
Table 3. Unemployment rates March 2022

(percent of labor force)

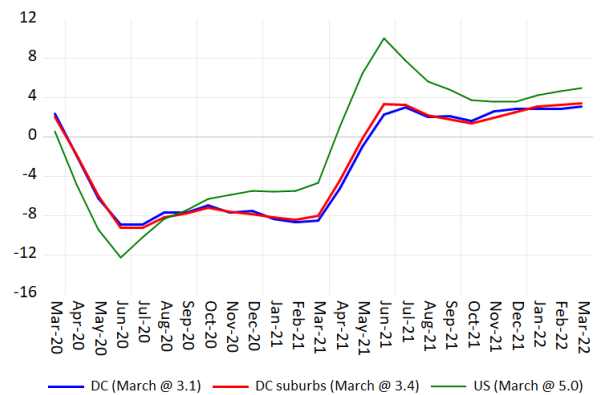
	US	DC	DC metro
This month	3.8	5.7	3.6
1 year ago	6.2	6.6	5.3

Source: BLS; Not seasonally adjusted.

Wage and salary employment April 2020 to March 2022
(% change from prior year in 3-month moving average)

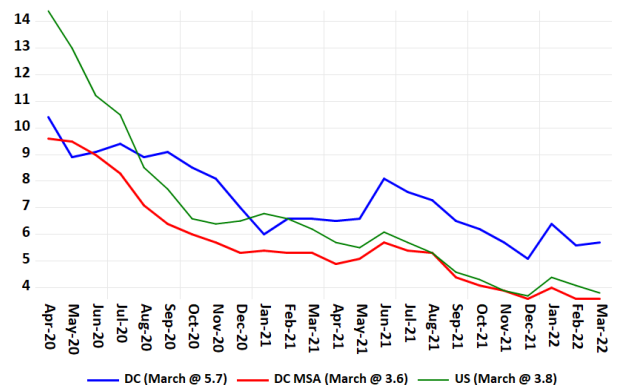


Resident employment in DC, the DC suburbs, and the US: March 2020 to March 2022 (1 year change, 3-month average)



Unemployment Rate
April 2020 to March 2022

(change from prior year in 3-month moving average)



Jobs by sectors of the economy

- Hospitality (Food Service, Accommodations, Amusement and Recreation) jobs account for 8.0% of all DC jobs in March, which is lower than pre-pandemic ~10%.
- The federal government accounted for 25.9% of all DC jobs in March. Federal jobs made up 52.8% of all DC metro area jobs and 6.9% of US jobs. DC private sector jobs are up 7.2% YoY.

Table 4. Wage and salary employment located in DC: March 2022

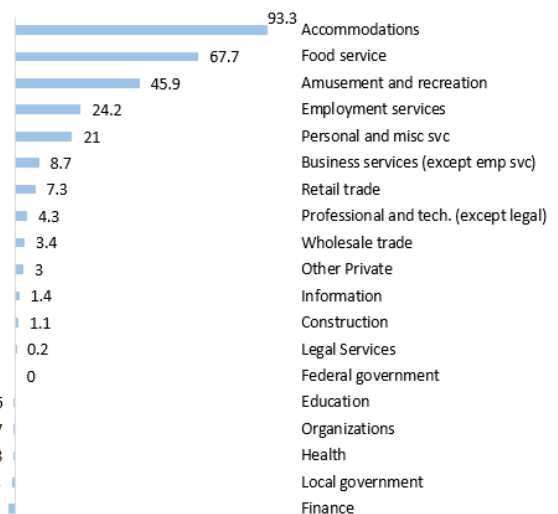
Industry sector	3-month moving average		1 year change		Sector %		
	This Month	Last Year	Amount	%	DC	Metro	US
Federal government	197,400	197,433	-33	0.0	25.9	52.8	6.9
Local government	41,500	42,067	-567	-1.3	5.5	12.1	0.2
Legal Services	27,533	27,467	67	0.2	3.6	43.9	2.4
Professional and tech. (except legal)	96,233	92,233	4,000	4.3	12.8	22.5	1.1
Employment services	14,367	11,567	2,800	24.2	1.9	27.6	0.4
Business services (except emp svc)	31,500	28,967	2,533	8.7	4.1	21.6	0.6
Information	19,567	19,300	267	1.4	2.6	25.4	0.7
Finance	27,333	28,133	-800	-2.8	3.6	17.9	0.3
Organizations	64,900	65,367	-467	-0.7	8.6	36.7	2.3
Education	54,400	54,733	-333	-0.6	7.2	51.2	1.4
Health	67,067	67,700	-632	-0.8	8.9	21.0	0.3
Food service	43,100	25,700	17,400	67.7	5.7	20.2	0.4
Accommodations	9,667	5,000	4,667	93.3	1.3	33.0	0.6
Amusement and recreation	7,100	4,867	2,233	45.9	1.0	17.9	0.4
Retail trade	20,967	19,533	1,433	7.3	2.7	8.0	0.1
Wholesale trade	5,033	4,867	167	3.4	0.7	7.8	0.1
Construction	14,967	14,800	166	1.1	2.0	9.2	0.2
Personal and misc svc	6,533	5,400	1,133	21.0	0.9	6.6	0.2
Other Private	7,967	7,733	233	3.0	1.1	4.6	0.0
Total	757,133	722,867	34,267	4.7	100.0	23.2	0.5
<i>Public Sector</i>	<i>238,900</i>	<i>239,500</i>	<i>-600</i>	<i>-0.3</i>	<i>31.4</i>	<i>33.4</i>	<i>1.1</i>
<i>Private Sector</i>	<i>518,233</i>	<i>483,367</i>	<i>34,867</i>	<i>7.2</i>	<i>68.6</i>	<i>20.4</i>	<i>0.4</i>

Source: BLS. Not seasonally adjusted. na=not available. For metro area, legal is included in other professional and technical and personal and miscellaneous service is included in organizations.

YoY change in wage and salary jobs in DC:
(March 2022 3-month moving average)



% change in wage and salary jobs in DC:
(March 2022 3-month moving average)



Wages and Income

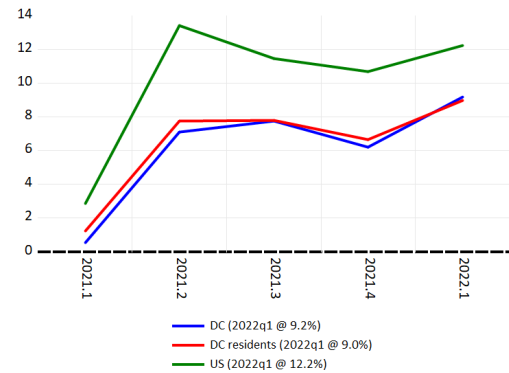
- For the year ending March, the federal government accounted for 29.5% of all wages in DC. Professional and management services accounted for 24.7% of DC wages.

Table 5. Income by sector of the DC economy: 2022q1

Sector	4 Qtr avg. Wages and Salaries Earned in DC			Percentage Distribution Wages
	(\$b,saar)	YoY	YoY	
Total	86.22	6.06	7.6	100.0
Federal government	25.71	1.46	6.0	29.5
Local government	3.83	0.01	0.3	4.6
Professional and management	21.18	1.60	8.2	24.7
Business services	2.89	0.33	13.0	3.5
Information and financial	8.46	0.53	6.7	9.8
Education and health services	8.60	0.50	6.2	10.0
Trade and hospitality	3.79	1.28	50.9	4.6
Organizations and personal	7.62	-0.08	-1.0	8.7
Other private	4.14	0.42	11.4	4.7
Private sector	56.69	4.59	8.8	65.9
Government	29.54	1.47	5.2	34.1

Source: BLS and BEA. Federal government wages and salaries includes military.

Wages earned in DC, by DC residents, and in the US: 2021q1 to 2022q1 (% ch from prior year)



- Wages and salaries earned in DC were \$89.1 billion, 14.1% up from pre-pandemic FY 2019

Table 6. DC wages and personal income: 2022q1

(\$ billion at seasonally adjusted annual rates unless otherwise noted)

Indicator	Latest qtr. 2022q1	FY 2021	FY 2020	FY 2019
Wages and salaries earned in DC	89.1	83.1	79.4	78.1
YoY % change	9.2	4.6	1.7	3.3
Supplements to wages and salaries	21.9	21.3	20.7	20.5
YoY % change	2.9	2.9	1.0	4.7
Income earned in DC*	105.4	99.6	94.9	93.4
YoY % change	7.8	4.9	1.6	2.3
Net resident adjustment**	-59.9	-56.5	-54.3	-53.7
YoY % change	8.0	4.1	1.1	2.9
Income earned by DC residents*	45.5	43.1	40.7	39.8
YoY % change	7.4	6.0	2.3	1.4
Wages and salaries of DC residents***	35.0	32.6	31.0	30.3
YoY % change	9.0	5.1	2.4	4.4
Proprietors income earned by DC residents****	6.8	6.7	6.0	5.9
YoY % change	5.7	12.7	1.7	-14.6
Property income of DC residents	10.2	10.0	10.0	10.2
YoY % change	3.2	-0.2	-2.4	1.3
Pensions and other transfers	54.5	54.3	50.7	46.9
YoY % change	-2.5	7.0	8.3	1.9
DC personal income	64.8	64.2	60.7	57.1
YoY % change	-1.7	5.8	6.4	1.8
US Personal income (% change from prior year)	-2.8	6.8	6.3	4.3
US Wages and Salaries (% change from prior year)	12.2	7.7	1.6	4.6
DC res. wages as % of wages earned in DC	39.3	39.2	39.0	38.7
DC Personal income as % of US	0.3	0.3	0.3	0.3

Source: BEA *Excludes social insurance paid by individuals. Wage and salary amounts do include social insurance paid by individuals.

Sum of (1) income earned in DC by non residents (negative) and (2) income earned by DC residents outside of DC (positive). Negative means less income earned by DC residents. * Proprietors' income is derived from federal tax data and therefore all proprietor's income is earned by DC residents

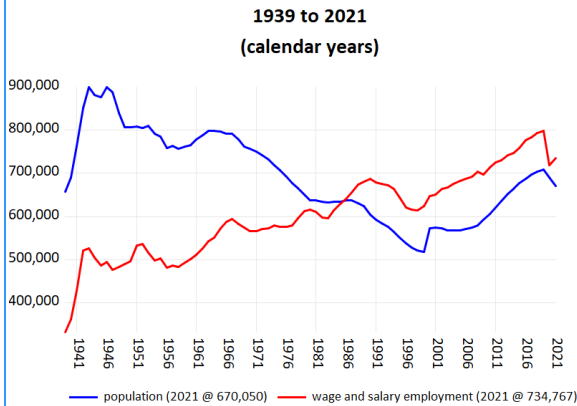
****Est. by ORA; assumes wage and salary suppl. are the same % for DC resident wages as for wages earned in DC; excludes social insurance paid by individuals.

Population, jobs, and per capita income

Revised Census numbers shows DC lost population. DC's wages grew in the March quarter.

- At mid-year 2021, population was estimated to be 16,908 (2.5%) lower than the prior year.
- In the March quarter, per capita income in DC grew faster than in the US (0.9% v -3.0%).
- In the March quarter, wages per job in DC grew slower than in the US (4.2% v 7.2%).

DC Population and Wage and Salary Employment located in DC:



DC Population and employment:

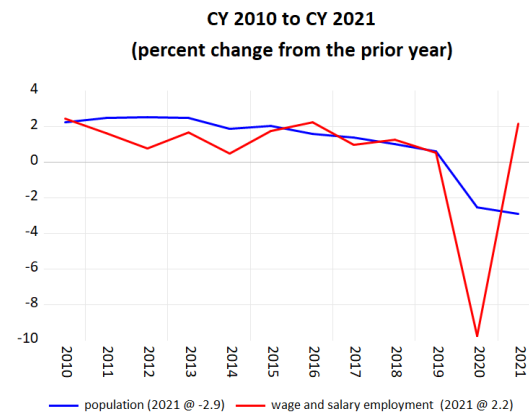


Table 7. DC population and wage and salary employment located in DC: 2021

Calendar Year	Population			Wage and salary employment		
	Number	#	YoY %	Number	#	YoY %
2021	670,210	-16,908	-2.5%	734,767	15,500	2.2
2020	687,118	-551	-0.1%	719,267	-78,100	-9.8
2019	687,669	2,478	0.4%	797,367	4,000	0.5
2018	685,191	5,153	0.8%	793,367	9,733	1.2
2017	680,038	7,242	1.1%	783,633	7,467	1.0
2016	672,796	6,051	0.9%	776,167	17,033	2.2
2015	666,745	13,411	2.1%	759,133	13,000	1.7
2014	653,334			746,133	3,500	0.5

Source: US Bureau of Economic Analysis (Population); BLS seasonally adjusted for year ending June quarter.

Table 8. Per capita income and wages per job in DC and the US: Quarter ending 2022q1

	DC					US				
	2022q1	4-qtr avg	FY 2021	FY 2020	FY 2019	2022q1	4-qtr avg	FY 2021	FY 2020	FY 2019
Per capita Income	98,317	97,065	95,265	88,141	83,078	63,887	62,995	62,416	58,521	55,323
% ch in per capita income	0.9	4.6	8.1	6.1	1.4	-3.0	2.6	6.7	5.8	3.8
% ch in population	-2.8	-2.8	-2.0	0.3	0.4	0.2	0.2	0.5	0.7	0.5
% ch in personal income	-1.7	1.7	5.8	6.4	1.8	-2.8	2.7	6.8	6.3	4.3
Wages per job	117,625	114,696	112,991	104,227	98,161	74,545	72,076	69,790	64,996	61,339
% ch in wages per job	4.2	4.0	8.4	6.2	2.7	7.2	6.1	7.4	6.0	3.1
% ch in wage and salary jobs	4.7	3.5	-3.7	-4.1	0.6	4.7	5.5	0.1	-4.0	1.4
% ch in total wages	9.2	7.6	4.6	1.7	3.3	12.2	11.9	7.7	1.6	4.6
	<i>Washington Metro</i>					<i>U.S.</i>				
Consumer price index	6.6	5.2	2.9	0.9	1.3	8	6.2	3.3	1.5	1.9

Source: BEA for per capita income, population, and personal income; BLS for CPI. % changes are YoY.

Multifamily-unit housing and housing permits

New housing permit issuance down in year-over-year.

- For the 12-month period ending March, 4,230 housing permits were issued, down 42.2% from the same period last year.
- According to CoStar, in the quarter ending March 2022, the inventory of apartments and condominiums increased by 6,020 (2.9%) from a year earlier.
- There are 16,145 apartment units under construction, up 17.5% from 2021.

Table 9. Housing unit building permits issued in DC: March 2022

	This month	12-mo total	FY 2021	FY 2020	FY 2019
Total units	777	4,230	6,127	5,618	7,168
1 year ch.	188	-3,086	509	-1,550	2,528
YoY % change	31.9	-42.2	9.1	-21.6	54.5

Source: Census Bureau (permits for privately owned units during period)

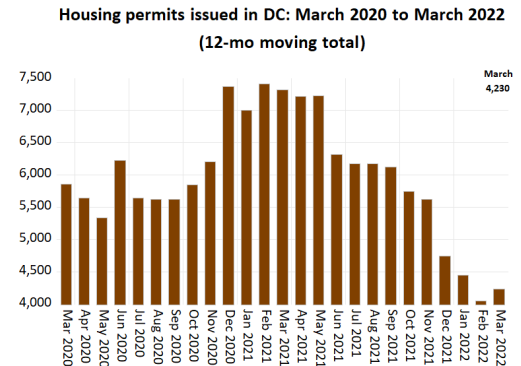


Table 10. Inventory and construction for apartments and condominiums in DC: 2022q1

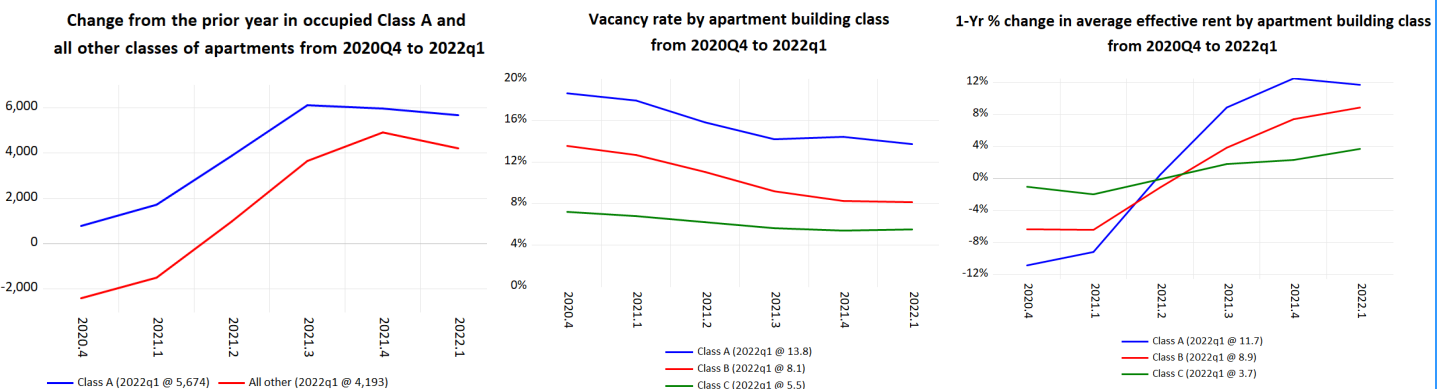
CY	All units		Inventory			Condominiums		Under Construction			
	Number	YoY %	Apartments		% Vacant	Buildings	Units	Apartments		Condominiums	
			Buildings	Units				Buildings	Units		
2022q1	214,431	2.9%	3,315	166,965	8.1%	794	38,483	88	16,145	25	858
2021	213,625	3.0%	3,308	166,265	8.3%	788	38,377	84	13,744	30	822
2020	207,318	3.7%	3,275	160,588	11.9%	773	37,747	75	12,143	34	1,158
2019	199,890	3.4%	3,245	153,956	7.0%	761	36,951	65	13,573	26	1,257
2018	193,404	2.8%	3,211	147,938	6.7%	750	36,582	69	13,430	22	1,144
2017	188,198	2.9%	3,185	143,343	7.3%	733	35,971	59	11,306	29	1,306

Source: CoStar. Includes units in privately-owned buildings with 5 or more units. CY amounts are last quarter of the year. Includes affordable units. All units include cooperative apartments, not shown separately

Table 11. Market rate apartment units in DC, Classes A, B, and C: 2022q1

Class	Inventory				Occupied		Effective monthly rent		Under construction	
	Buildings	Number	% ch	% vacant	Number	% ch	\$ per month	1 yr % ch	Buildings	Units
Class A	226	50,236	9.5%	13.8%	43,328	15.1%	2,656	11.7%	45	12,116
Class B	1,036	57,488	1.8%	8.1%	52,817	7.1%	1,940	8.9%	42	4,021
Class C	2,021	59,067	-0.1%	5.5%	55,817	1.3%	1,417	3.7%	1	8

Source: Costar; includes units in privately-owned buildings with 5 or more units, including affordable units. Vacant rate includes units not available for rental. Sum of class A, B, and C may not equal total.



Commercial office space

- According to CoStar, for the quarter ending March occupied office space declined 0.7% from last year and inventory increased by 0.3%. The vacancy rate has risen to 14.4% (including sublet).
- Space under construction in the March 2022 quarter (2.85 million square feet in 15 buildings).
- Base rent declined 0.4% to \$53.32 per sq ft, sitting below 2019 prices.

DC Office Space (millions sq ft)
(1) 12mo change in inventory and occupied units,
(2) units under construction, (3) vacancy rate
2019Q4 to 2022q1

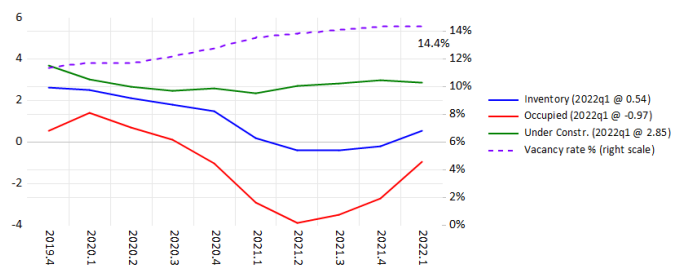
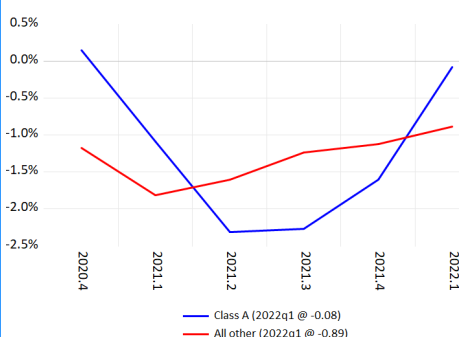


Table 12. DC commercial office space: 2022q1

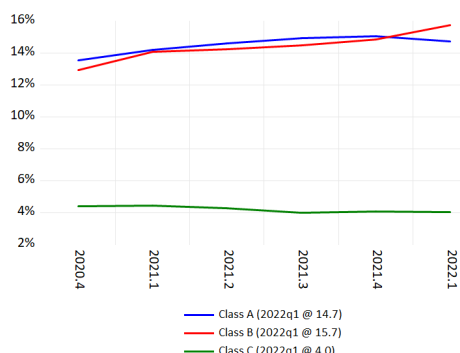
CY (year end)	Inventory			Occupied space			Vacant space		Base rent (direct)		Under constr.		
	Buildings	Level (msf)	1 yr % ch	12-mo mov total	1 yr ch (msf)	1 yr % ch	Level (msf)	Total %	\$ per sq ft	1 yr % ch	Buildings	msf	Avg, sf / bldg
2022q1	2,396	166.18	0.3%	142.23	-0.97	-0.7%	23.9	14.4%	\$53.32	-0.4%	15	2.85	190,078
2021	2,397	165.75	-0.1%	142.02	-2.73	-1.9%	23.7	14.3%	\$53.61	0.1%	16	3.00	187,788
2020	2,395	165.94	0.9%	144.75	-1.03	-0.7%	21.2	12.9%	\$53.53	0.3%	19	2.60	136,979
2019	2,392	164.44	1.6%	145.78	0.56	0.4%	18.7	11.5%	\$53.36	2.2%	24	3.71	154,464
2018	2,386	161.81	-0.5%	145.22	-0.66	-0.5%	16.6	10.2%	\$52.22	2.7%	21	5.24	249,676
2017	2,389	162.68	0.4%	145.88	1.28	0.9%	16.8	10.4%	\$50.87	2.0%	22	5.89	267,794

Source: CoStar; msf = million square feet; base rent excludes concessions. Vacant space includes space not available for lease.

Change from the prior year in occupied Class A and all other classes from 2020Q4 to 2022q1 (millions of sq ft)



Vacancy rate by office building class from 2020Q4 to 2022q1



1-Yr % change in average effective rent by office building class from 2020Q4 to 2022q1

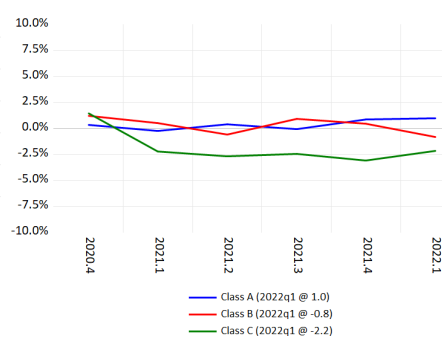


Table 13. DC Class A, B, and C commercial office space: 2022q1

Class	Inventory				Occupied space			Vacant space		Base rent (direct)		Under const.	
	Buildings	Level (msf)	1 yr ch (msf)	1 yr % ch	Level (msf)	1 yr ch (msf)	1 yr % ch	Level (msf)	Total %	\$	1 yr %ch	buildings	msf
Class A	351	98.37	0.49	0.5%	83.91	-0.08	-0.1%	14.46	14.7%	\$57.66	1.0%	11	2.44
Class B	932	57.74	0.08	0.1%	48.66	-0.90	-1.8%	9.08	15.7%	\$48.71	-0.8%	4	0.41
Class C	1,109	10.05	-0.03	-0.3%	9.65	0.01	0.1%	0.41	4.0%	\$33.72	-2.2%	0	0.00

Source: CoStar. Vacant space includes space not available for lease.

Single family and condominium housing

- 12-month moving total single family home sales were up 3.0% from a year earlier, while the average selling price was 11.6% higher.
- Condominium sales were up 10.9% from last year (12-month average) and the average selling price was 6.1% higher.
- Single family homes priced above \$1 million made up 45.3% of all sales in March 2022.

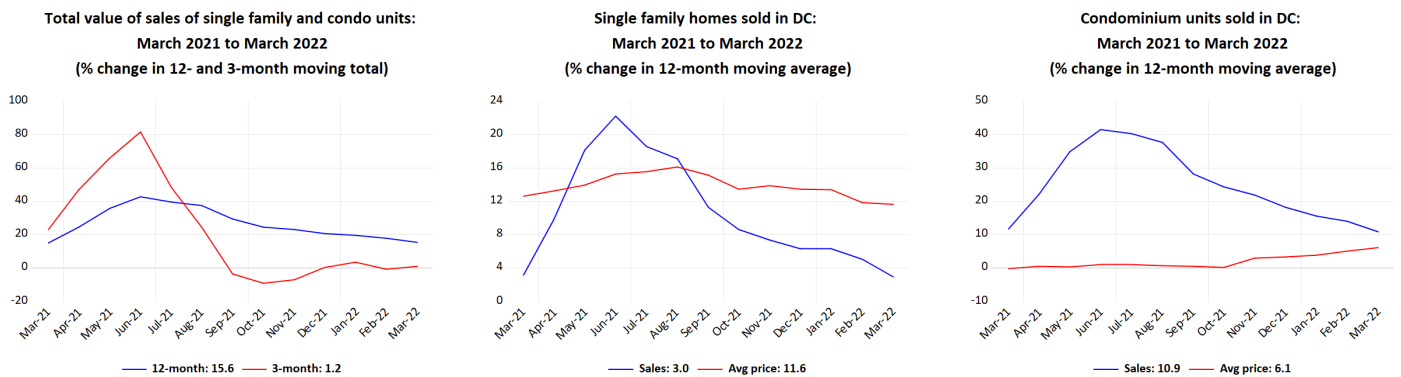


Table 14. Residential real estate indicators: March 2022

	This month	12mo moving total	FY 2021	FY 2020	FY 2019
Single family homes sales (#)	400	5,014	5,136	4,614	4,439
YoY % change	-10.3	3.0	11.3	3.9	-5.9
Condominium sales (#)	502	5,375	5,563	4,338	3,995
YoY % change	-6.2	10.9	28.2	8.6	-5.8
Total	902	10,389	10,699	8,952	8,434
YoY % change	-8.1	6.9	19.5	6.1	-5.8
Single family homes average price	\$1,196,663	\$1,096,840	\$1,057,400	\$918,292	\$861,921
YoY % change	15.2	11.6	15.1	6.5	4.0
Condominium average price	\$600,237	\$588,448	\$565,376	\$561,991	\$537,663
YoY % change	6.9	6.1	0.6	4.5	1.8
Total Value of All Sales (\$M)	\$780	\$8,695	\$8,660	\$6,692	\$5,986
YoY % change	2.2	15.6	29.4	11.8	-3.2

Note: Closed (settled) contracts. Average prices calculated by ORA based on number of sales and total value of sales.

Source: MarketStats by ShowingTime, accessed by BrightMLS. Sales are ones closed during period shown.

Table 15. DC single family and condominium home sales at prices of \$1 million or more: March 2022

	This month	12mo moving total	FY 2021	FY 2020	FY 2019
Single family homes	181	2,164	2,047	1,403	1,232
1 year change	8	503	644	171	40
YoY % change	4.6	30.3	45.9	13.9	3.4
% all single family sales	45.3	43.2	39.9	30.4	27.8
Condominium	35	373	328	252	213
1 year change	10	128	76	39	-9
YoY % change	40.0	52.2	30.2	18.3	-4.1
% all condominium sales	7.0	6.9	5.9	5.8	5.3

Source: MarketStats by ShowingTime, accessed by BrightMLS. Sales are ones closed during period shown.

Property transfers and deed taxes

- The 12-month moving total of property transfers, \$14.97 billion, was 3.7% above a year ago.
- Over the 12-month period ending March the estimated value of brokered home sales was 15.6% above last year while the value of large commercial property transfers was 83.3% above last year.

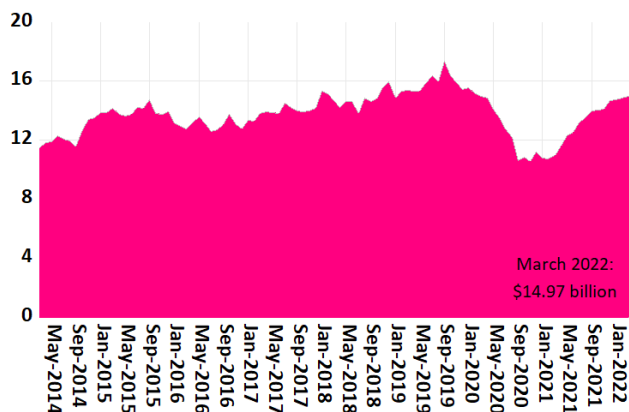
Table 16. Market value of real property transfers subject to the deed transfer or economic interest tax: March 2022

	This month	12mo moving total	FY 2021	FY 2020	FY 2019
All property transfers (\$M)	1,254	14,973	13,967	10,588	17,355
change from one year ago (\$M)	119	401	3,379	-6,767	2,709
% change from one year ago	10.4	3.7	31.9	-39	18.5

Note: represents value of property or economic interest transferred as of date deed noted by the Recorder of Deeds.

Source: OCFO/Recorder of Deeds and OCFO/ORR (calculated from tax collections and deposits adjusted for tax rate changes).

Value of all real property subject to deed transfer or economic interest taxes: March 2014 to March 2022 (billions, 12mo moving total)



Value of all real property subject to deed transfer or economic interest taxes: March 2021 to March 2022 (% change in 12-month moving total)

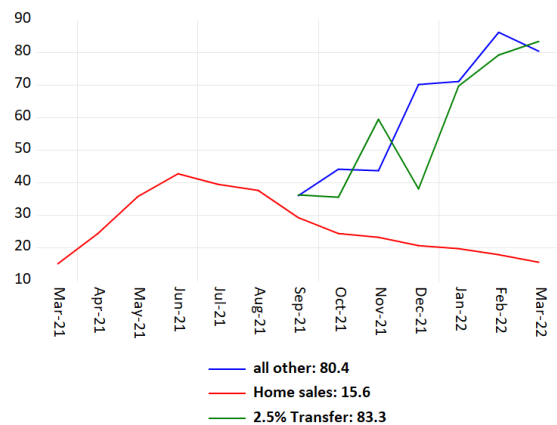


Table 17. Value of (1) brokered home sales and (2) all other real property subject to the deed transfer and economic interest taxes: March 2022

	12mo moving total	FY 2021	FY 2020	FY 2019
Brokered home sales (\$m)	8,695	8,660	6,692	5,986
Large Commercial Property 2.5% transfer (\$m)	3,817	3,262	2,393	NA
All other property (\$m)	2,461	2,046	1,503	11,370
Brokered home sales (% ch from year ago)	15.6	29.4	11.8	-3.2
Large Commercial Property 2.5% transfer (% ch from year ago)	83.3	36.3	NA	NA
All other property (% ch from year ago)	80.4	36.1	-65.7	34.4

Source: Brokered sales of single family homes and condominium units are from MarketStats by ShowingTime; Other property transfers equals the difference between the value of all real property transfers calculated from deed tax collections reported by the OCFO and the value of brokered sales. Large commercial property are properties with assessed values greater than \$2 million.

Hospitality

- There were 127.1% more hotel-room-days sold than a year ago (12-mo avg). The average room rate was up 29.8% (12-mo avg).
- Occupancy, which was 76.3% in FY 2019, was 59.8% in March.
- Air passengers through the regional airports were up 105.6% in March from last year.
- Hotel employment 12-month average was 44.7% higher in the than last year and food service employment was up 59.2%.

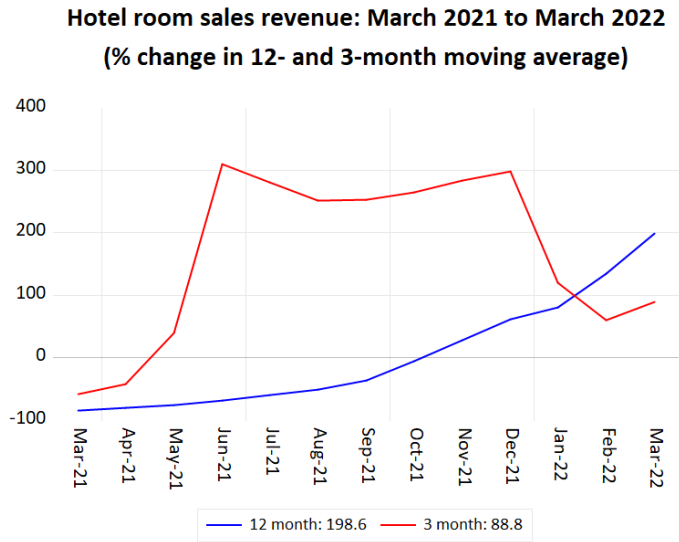
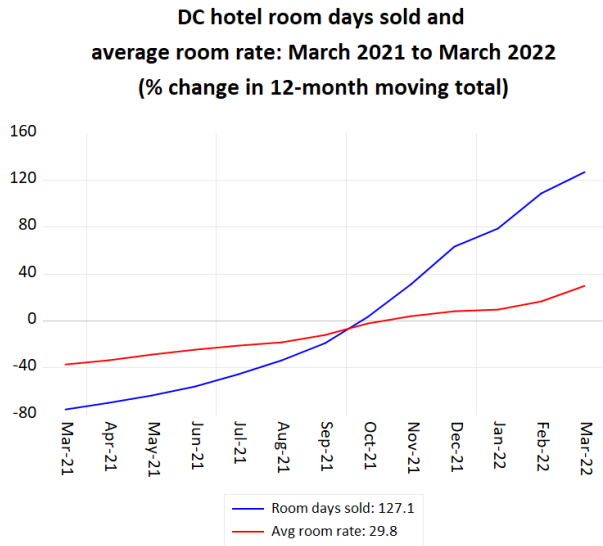


Table 18. Hospitality industry: March 2022

Indicator	Units	This Month	12-mo moving average/sum*	FY 2021	FY 2020	FY 2019
Hotel stays						
Hotel room-days sold	(M)	0.593	4.853	3.661	4.525	9.128
	1 yr % ch	110.5	127.1	-19.1	-50.4	1.2
Average room rate	\$	\$233.90	\$180.90	\$154.40	\$175.50	\$216.40
	1 yr % ch	72.3	29.8	-12.0	-18.9	-1.6
Room revenue	(\$M)	\$138.8	\$899.2	\$581.0	\$920.5	\$2,038.7
	1 yr % ch	262.8	198.6	-36.9	-54.9	0.9
Occupancy rate	%	59.8	42.2	34.2	42.0	76.3
Number of hotels in survey	#	137	135	130	125	140
Airline passengers						
DCA	1 yr %ch	241.9	296.9	-18.2	-47.9	0.7
IAD	1 yr %ch	101.0	179.4	-10.0	-45.1	4.3
BWI	1 yr %ch	45.1	122.0	4.6	-42.1	-1.4
Total	1 yr %ch	105.6	178.6	-7.0	-44.9	1.1
Employment						
Accommodations	level (000s)	9.9	8.6	6.3	11.5	16.2
	1 yr % ch	98.0	44.7	-45.0	-29.1	3.7
Food and beverage	level (000s)	43.5	40.5	32.1	39.1	55.2
	1 yr % ch	56.5	59.2	-18.0	-29.1	1.0

* Total for hotel rooms and room revenue.

Source: STR (hotel data); BLS (employment); BWI Airport (passenger data)

US economy and the federal government sector

- Federal government non-defense spending for consumption and investment which included spending on COVID relief, decreased 1.3% in the March quarter from a year earlier. Defense spending grew 1.0%.
- Compared to the same quarter a year ago, in the March quarter nominal GDP grew 10.6% and real (inflation adjusted) GDP grew 3.5%.

Table 19. US GDP, income, and inflation: 2022q1

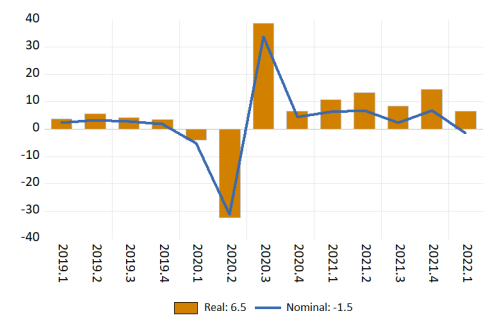
(percent change from prior year)

Indicator	2022q1	FY 2021	FY 2020	FY 2019
GDP real	3.5	3.6	-2.2	2.2
GDP nominal	10.6	6.8	-1.0	4.2
Personal Income	-2.8	6.8	6.3	4.3
Consumption	11.4	8.4	-1.4	3.9
Investment	18.3	10.0	-5.2	6.4
Corporate profits*	17.7	33.3	-5.6	2.5
SP500 stock index	15.6	29.1	10.2	3.3
US CPI	8.0	3.3	1.5	1.9

* Before tax, without IVA and CCadj.

Source: BEA; BLS (cpi); Dow Jones Indices (SP500)

Quarterly change in US real and nominal GDP: 2019Q1 to 2022q1
(% change from previous quarter at annual rate)



Standard & Poors Stock Market Index (SP500):
2021m3 to 2022m3 (Monthly average)

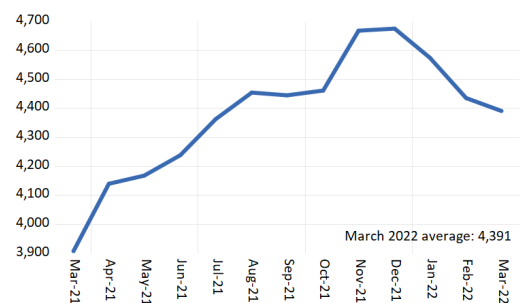
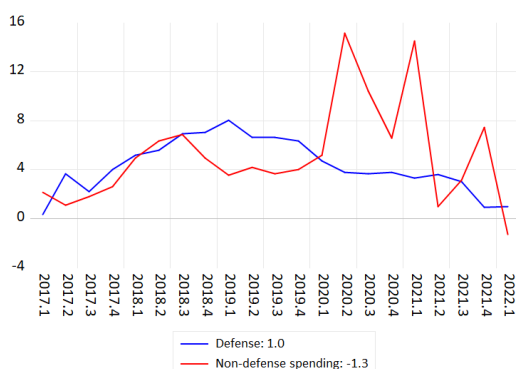


Table 20. Federal government consumption and investment, US GDP accounts: 2022q1

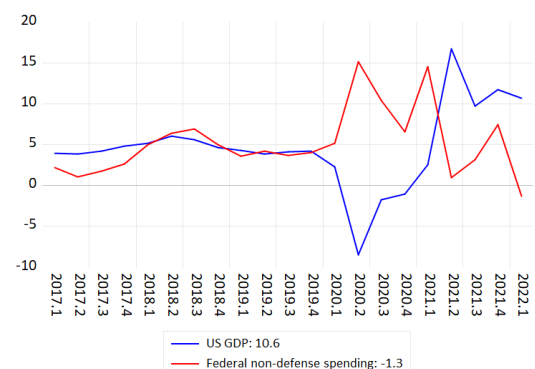
Indicator (percent change from prior year)	2022q1	4q mov avg*	FY 2021	FY 2020	FY 2019
Non-defense	-1.3	2.5	6.1	8.8	4.1
Compensation of employees	5.4	3.7	4.1	4.7	3.1
Purchases of goods and services	-4.5	1.9	7.3	9.9	3.9
Gross investment	9.1	4.3	2.7	5.5	4.8
Defense	1.0	2.1	3.4	4.6	7.1
Compensation of employees	3.3	3.8	4.3	4.3	4.3
Purchases of goods and services	0.0	0.7	2.2	3.6	6.9
Gross investment	4.5	7.5	8.4	8.8	7.8
All federal consumption and investment	0.0	2.3	4.5	6.3	5.9

Note: federal spending does not include social security, medicare, or grants. Source: BEA; nominal values.

Defense and non-defense spending: 2017Q1 to 2022q1
(1 yr % change)



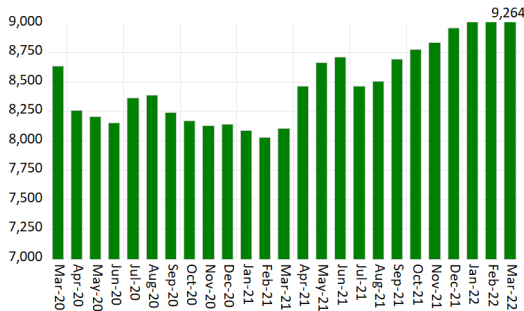
Federal non-defense spending and US GDP: 2017Q1 to 2022q1
(1 yr % change)



DC tax collections

- Sales tax collections are up 46.1% year-to-date compared to FY 2021.
- March 2022 total tax collections are up 8.1% compared to the same month last year.

DC tax collections (before earmarking): March 2020 to March 2022
(\$ million, 12-mo moving total)



DC tax collections (before earmarking): March 2021 to March 2022
(1 yr \$ change 12-mo moving total (\$M))

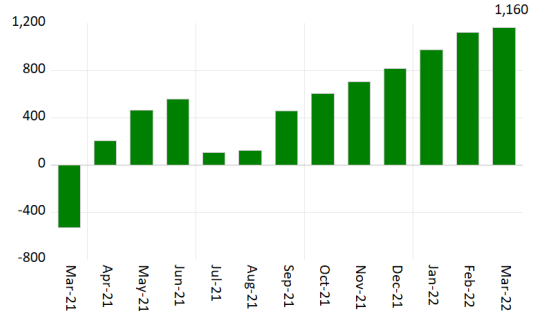


Table 21. Tax collections (before earmarks): March 2022

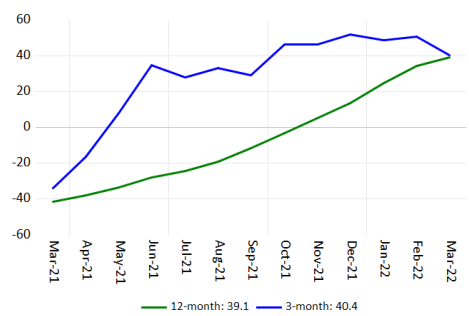
(\$ millions)	This month	FY 2022 to date	FY 2021	FY 2020	FY 2019
Total taxes	1,537.7	4,125.7	8,809.1	8,236.7	8,455.3
YoY % change	8.1	16.1	6.9	-2.6	8.8
Real Property	1,052.2	1,091.8	2,914.1	2,836.7	2,710.1
YoY % change	6.2	3.8	2.7	4.7	6.1
General sales	113.4	753.7	1,202.7	1,222.4	1,597.7
YoY % change	25.6	46.1	-1.6	-23.5	7.0
Individual income	123.5	1,287.8	2,643.2	2,377.2	2,299.3
YoY % change	3.4	9.4	11.2	3.4	11.2
withholding	209.0	1,220.2	2,200.4	2,060.6	1,942.9
YoY % change	10.4	9.7	6.8	6.1	6.9
non-withholding	-85.5	67.6	442.8	316.6	356.4
YoY % change	22.5	3.1	39.9	-11.2	43.3
Corporate franchise	78.4	273.4	670.2	575.6	507.9
YoY % change	29.5	7.9	16.4	13.3	16.4
Unincorporated bus.	18.7	112.8	192.8	152.1	134.7
YoY % change	11.1	59.9	26.8	12.8	-2.5
Deed Taxes^A	60.8	318.5	553.5	452.7	561.1
YoY % change	51.1	34.7	22.3	-19.3	18.8
Other taxes	90.7	287.8	632.5	619.9	644.4
YoY % change	-12.9	16.0	2.0	-3.8	5.5

^A Deed taxes include deed recordation, deed transfer, and tax on transfers of economic interest in real property.

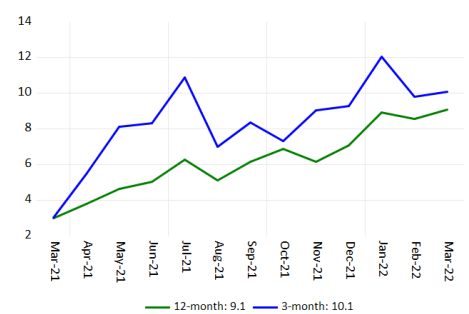
Note: (1) Revenues for fiscal years 2019 through 2021 are based on the ACFR (Annual Comprehensive Financial Report); (2) tax collections subject to accounting adjustments at year end; (3) The table and charts on this page may include adjustments to the timing and consistency of collection reporting intended to make comparisons with the prior year more meaningful. The data may differ from other published OCFO reports

Source: OCFO/ORR

General sales tax collections (before earmarking): March 2021 to March 2022
(% change 12- and 3-month totals)



Withholding for individual income tax collections: March 2021 to March 2022
(% change 12- and 3-month totals)



General sales tax collections and withholding: March 2021 to March 2022
(% change 3-month totals)

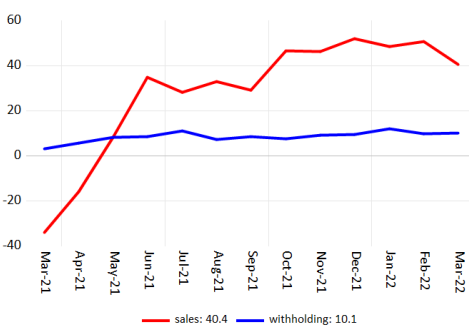


Table 22. Forecasts for US

Indicator	IHS Markit (June 2022)				Moody's Analytics (June 2022)			
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2021	FY 2022	FY 2023	FY 2024
Real GDP (% ch from prior yr)	3.6	3.5	1.8	1.7	3.6	3.6	2.5	2.7
Nominal GDP (% ch from prior yr)	6.8	10.4	6.3	4.2	6.8	10.0	6.1	5.0
Personal income (%ch from prior yr)	6.8	3.3	4.9	4.5	6.8	3.3	5.4	5.3
Unemployment (%)	6.0	3.8	3.9	4.5	6.0	3.8	3.4	3.6
CPI (% ch from prior year)	3.3	7.6	4.4	1.9	3.3	7.5	3.8	2.2
10 Year Treasury (%)	1.3	2.3	3.0	3.1	1.3	2.4	3.2	3.3
S&P 500 (level)*	4,421	4,204	4,200	4,314	4,421	4,264	4,260	4,315

* SP500 shown is average for last quarter of fiscal year

Table 23. Forecasts for select DC indicators

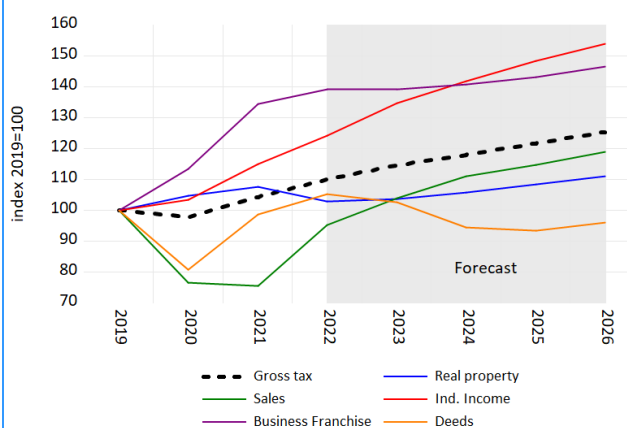
Indicator (% ch from year ago)	IHS Markit (June 2022)				Moody's Analytics (June 2022)				ORA (February 2022)			
	FY 2021	2022	2023	2024	FY 2021	2022	2023	2024	FY 2021	2022	2023	2024
Real GDP-DC	1.4	1.9	1.2	1.7	1.4	3.0	2.8	2.6	1.4	0.0	1.4	2.4
Personal income	5.9	0.8	5.0	4.9	5.9	1.8	5.5	4.6	5.9	0.0	5.4	4.8
Wages in DC	4.6	7.6	6.5	5.2	4.6	8.0	6.0	5.5	4.6	0.0	6.3	5.4
Jobs in DC	-3.7	4.3	2.0	0.7	-3.7	4.1	1.2	0.6	-3.6	0.0	1.6	0.6
Unemployment rate (%)	7.1	5.8	5.4	6.2	7.1	5.8	4.8	4.7	7.1	0.1	5.0	5.4
Population	-2.3	-2.4	-0.5	0.4	0.6	0.7	0.8	0.6	-2.2	0.0	0.6	0.7
Households	-1.5	-2.0	-0.2	0.9	0.8	1.2	1.1	1.0	-2.1	0.0	1.1	1.2

Table 24. DC tax revenue (before earmarks) for February 2022 estimate

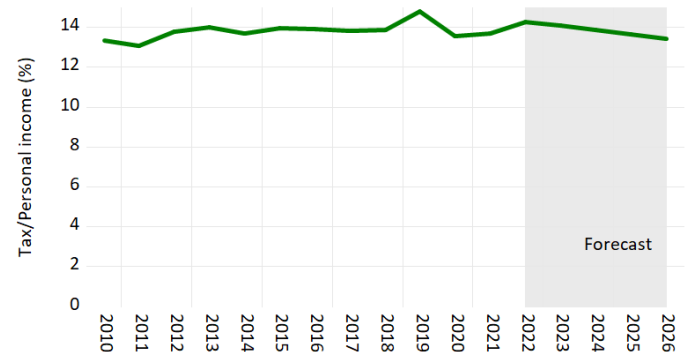
Tax	FY Level (\$m)				Change from prior FY (\$m)				%change from prior FY			
	FY 2021	2022	2023	2024	FY 2021	2022	2023	2024	FY 2021	2022	2023	2024
Real Property	2,914	2,783	2,809	2,865	77.4	-130.9	25.7	56.3	2.7%	-4.5%	0.9%	2.0%
Deed taxes	554	590	575	529	100.8	36.3	-14.6	-46.7	22.3%	6.6%	-2.5%	-8.1%
General Sales	1,203	1,521	1,660	1,771	-19.7	318.0	139.6	110.6	-1.6%	26.4%	9.2%	6.7%
Individual Income	2,643	2,852	3,097	3,256	266.0	208.5	245.8	158.3	11.2%	7.9%	8.6%	5.1%
withholding	2,200	2,385	2,577	2,717	139.7	184.4	192.1	139.6	6.8%	8.4%	8.1%	5.4%
non-withholding	443	467	521	539	126.2	24.1	53.7	18.7	39.9%	5.4%	11.5%	3.6%
Business Income	863	894	894	904	135.4	31.1	0.0	9.5	18.6%	3.6%	0.0%	1.1%
Other	1,496	1,545	1,534	1,545	148.1	49.4	-11.5	11.3	11.0%	3.3%	-0.7%	0.7%
Total	8,809	9,290	9,675	9,965	572.5	481.2	384.9	289.8	7.0%	5.5%	4.1%	3.0%

Source: ORA Revenue Estimate. Revenue before earmarked dedications. Excludes nontax revenue, lottery, and special purpose.

Select taxes: indexed to 2019



Tax revenue as share of DC personal income



ORA reports and documents. From time to time the Office of Revenue Analysis prepares revenue estimates, fiscal impact statements on pending legislation, reports, and other documents on subjects related to DC 's economy and taxes. These documents are posted on the OCFO web site (www.cfo.dc.gov) under subcategories of "Reports and Publications" and "Budget and Revenue."

District, Measured. Information on the economic and demographic trends taking shape in the city can be found on the ORA Blog, District, Measured (ora-cfo.dc.gov/blog). You can sign up at the blog page to receive updates as new articles are posted.

Recent ORA reports:

District of Columbia Tax Comparisons (Released June 2022)

DC Tax Facts Visual Guide 2022, (Released June 2022)

Review of Income Security and Social Policy Tax Expenditures, (Released August 2021)

February 2022 Revenue Estimate. (Released February 28, 2022)

DC Corporate Tax Burden Study, (Released May 2021)

Summary Report on the District's First Cycle of Tax Expenditure Reviews. (Released March 2022)

Tax Rates and Tax Burdens 2020 Nationwide. This annual publication compares DC tax rates and estimated DC tax burdens for households of different income levels with the rates and burdens of state and local taxes in the principal cities in all 50 states. (Released April 2022)

Tax Rates and Tax Burdens 2020 Washington Metropolitan Area. This annual publication compares DC tax rates and estimated DC tax burdens for households of different income levels with the rates and burdens of the surrounding jurisdictions in the DC metropolitan area. (Released April 2022)

Tax Expenditure Report. A compendium of tax expenditures for 2022. (Released March 2022)

Review of Health and Education Tax Expenditure, (Released Nov. 2021)

About this report. *District of Columbia Economic and Revenue Trends* is generally issued toward the end of every month. Employment and most other DC information reported on a monthly basis is from one to two months prior to the *Trends* date. Lags can be greater with quarterly data such as Personal Income and commercial real estate. Data in the tables are believed to be reliable, but original sources are definitive. All data are subject to revision by the information source. The *Trends* report is available at the DC Chief Financial Officer web-site: www.cfo.dc.gov (click on *Budget and Revenue/Economy/ Economic and Revenue Trends*).

Information sources

Indicator	Source	Period covered in this report	Next release
D.C. Jobs and Labor Force information	BLS	March	July 2022
D.C. Personal Income	BEA	2022.1	July 2022
D.C. Tax Collections	OTR/ORA	March	July 2022
D.C. Housing Sales	MarketStats by ShowingTime*	March	c. July 2022
D.C. Commercial Office Building data	CoStar and Delta	2022.1	c. July 2022
DC Apartment data	CoStar and Delta	2022.1	c. July 2022
D.C. Hotel stay information	STR	March	c. July 2022
U.S. Jobs and Labor Force	BLS	March	July 2022
U.S. GDP and Personal Income	BEA	2022.1	July 2022
S and P 500 Stock Index	FRED (St. Louis Fed Reserve)	2022.1	July 2022
Interest rate on 10-Year Treasury Securities	FRED (St. Louis Fed Reserve)	2022.1	July 2022
IHS Markit D.C. forecast	IHS Markit	June	c. October 2022
Moody's Analytics D.C. forecast	Moody's Analytics	June	c. October 2022

*Accessed through GCAAR.

District of Columbia Economic and Revenue Trends is prepared by the Office of Revenue Analysis, which is part of the Office of the Chief Financial Officer of the District of Columbia government.

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For further information or to comment on this report, contact: Jeffrey Wilkins (202-843-4203) Jeffrey.wilkins@dc.gov. Additional economic and revenue data at ora-cfo.dc.gov updated frequently.