

**GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER
OFFICE OF REVENUE ANALYSIS**



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Review of District of Columbia Economic and Revenue Trends: February 2010

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DC and the US recession:

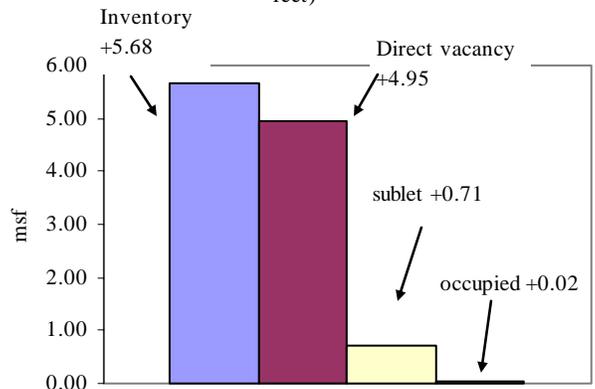
Occupied commercial office space in DC is virtually unchanged since the US recession began

Vacancy rates have risen due to new construction, but the location of occupied space has shifted somewhat

The amount of occupied commercial office space in DC is virtually unchanged from two years ago, according to calculations made from Delta Associates information. At the end of December 2007, the official beginning of the US recession, there were about 115.59 million square feet (msf) of occupied office space in DC. In December 2009, the estimated amount was virtually the same—115.61 msf.

DC's office vacancy rate has, however, risen during the recession. The vacancy rate (including sublet space) increased from 6.4% in Dec. 2007 to 10.5% in December 2009. The vacancy rate rose because the amount of vacant spaced increased by the equivalent of virtually all of the 5.68 million square feet added to inventory due to new construction. *(cont'd on p. 15)*

Change in DC office space inventory and occupancy: Dec. 2007 to Dec 2009 (in million sq feet)



Study says tourism generates 10% of DC revenues

Global Insight, an economic analysis and forecasting firm, estimates that spending by tourists coming to DC in 2008 directly and indirectly generated \$621 million in DC tax and non-tax revenues.* These revenues were equivalent to 10% of all revenues collected by DC in 2008.

Global Insight's estimate of revenues from tourism attempts to capture three sources of revenue: (1) those directly collected from tourist spending (such as sales taxes on lodging and meals), (2) those collected from businesses and individuals serving tourists (such as property and income taxes), and (3) those generated from re-spending in DC by businesses and individuals of money earned from tourism activities. Sales taxes, most of which are levied directly on tourist spending, accounted for almost 60% of the \$621 million in tourist-generated revenue and for 36% of all sales tax revenues. *Continued on p. 15*

**For references, see table on p. 15.*

Wage and salary employment

Table 1. Wage and salary employment in DC, Washington Metro area, and the US: December 2009

Jurisdiction	FY 2007	FY 2008	FY 2009	12-mo moving average	3-mo moving average	This month
District of Columbia	691,708	702,558	707,442	708,317	713,567	713,800
1 year change	5,483	10,850	4,883	3,483	3,500	6,100
% change	0.8	1.6	0.7	0.5	0.5	0.9
Washington metro area	2,984,117	3,006,542	2,986,100	2,981,050	2,998,500	2,999,500
1 year change	27,200	22,425	-20,442	-25,783	-20,200	-15,700
% change	0.9	0.8	-0.7	-0.9	-0.7	-0.5
Washington suburbs (% ch)	1.0	0.5	-1.1	-1.3	-1.0	-0.9
US (% ch)	1.3	0.2	-3.2	-3.7	-3.4	-3.0

Not seasonally adjusted. Suburban employment is the difference between the metro area total and the DC portion.
Source: BLS. December data is preliminary

• In the 3-month period ending December 2009, there were 3,500 (0.5%) more wage and salary jobs located in D.C. than a year earlier. Federal employment gained 7,867 (4.0%), while the private sector as a whole lost 4,500 (-0.9%) jobs.

• DC's job totals for the 3 month period ending in December contrast with both the Washington metropolitan area and the US. The metro area was down 20,200 (-0.7%) from a year earlier, and the US was down 3.4%.

• Employment in the Washington DC suburbs for the 3 month period ending in December was down 1.0% from a year earlier. Although federal jobs increased, federal employment represents a smaller proportion of all jobs in the suburbs than in DC itself.

Change in wage and salary employment located in DC, the DC suburbs, and the US: December 2007 to December 2009

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

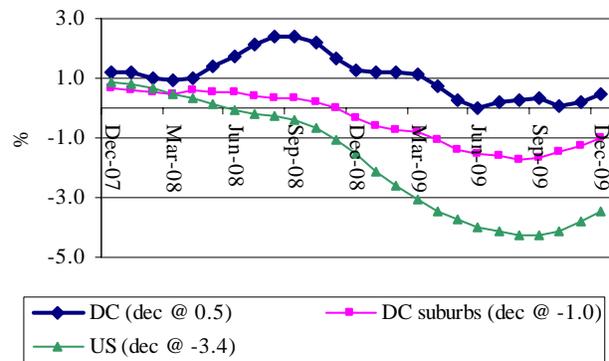


Table 2. Federal government and private sector wage and salary employment in DC: December 2009

Sector	FY 2007	FY 2008	FY 2009	12-month moving average	3-month moving average	This month
Federal government	190,942	192,650	196,400	198,367	202,200	202,700
1 year change	-2,458	1,708	3,750	5,000	7,867	7,900
% change	-1.3	0.9	1.9	2.6	4.0	4.1
Private sector	460,983	468,292	468,975	467,850	471,800	471,500
1 year change	8,133	7,308	683	-2,367	-4,500	-2,400
% change	1.8	1.6	0.1	-0.5	-0.9	-0.5

Source: BLS. Not seasonally adjusted. December is preliminary.

Table 3. Seasonally adjusted D.C. Employment: July 2009 to December 2009

Indicator	Jul 09	Aug 09	Sep 09	Oct 09	Nov 09	Dec 09
D.C. Wage and Salary employment	717,500	712,600	706,300	711,500	709,400	710,900
change from prior month	14,500	-4,900	-6,300	5,200	-2,100	1,500
% change from prior month	2.1	-0.7	-0.9	0.7	-0.3	0.2

Source: BLS seasonally adjusted. December is preliminary

Sectors of the economy

●For the 3-month period ending in December, many parts of DC's private sector experienced job losses over the same period of last year.

●Industry sectors losing jobs included information and finance (-2,833), legal services (-1,400), other professional and technical services (-1,033), organizations (-1,333), construction (-667), retail (-667), and accommodations (-167).

●Industry sectors that have gained jobs over the past year are health (1,533), business services (1,333), food service (967), and education (367).

Public and private sector wage and salary employment in DC: Dec. 2007 to Dec. 2009
(% change from prior year in 3-month moving average)

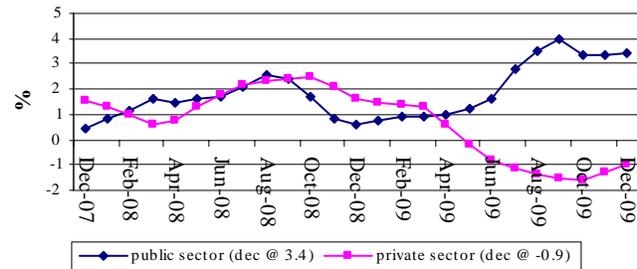


Table 4. Wage and salary employment located in DC: December 2009

Industry sector	3-month moving average				12-month moving avg: % change	Sector % of all DC jobs, Dec 09	DC % in Dec 09 of all sector jobs in	
	Dec 2008	Dec 2009	1 year change				metro area	US
			Amount	%				
Federal government	194,333	202,200	7,867	4.0	2.6	28.3	55.4	7.13
Local government	39,433	39,567	133	0.3	2.1	5.5	12.3	0.20
Legal services	36,167	34,767	-1,400	-3.9	-2.4	4.9	na	3.11
Other Professional and technical	67,500	66,467	-1,033	-1.5	-3.3	9.3	22.1	1.02
Employment services	12,600	12,600	0	0.0	-1.5	1.8	31.9	0.47
Other Business services	36,567	37,900	1,333	3.6	3.5	5.3	19.7	0.58
Information and finance	48,433	45,600	-2,833	-5.8	-5.3	6.4	19.7	0.43
Organizations	59,500	58,167	-1,333	-2.2	-0.5	8.2	35.4	1.98
Education	50,033	50,400	367	0.7	2.1	7.1	51.0	1.55
Health	57,067	58,600	1,533	2.7	5.1	8.2	23.5	0.36
Food service	36,933	37,900	967	2.6	4.1	5.3	20.3	0.40
Accommodations	14,833	14,667	-167	-1.1	-3.1	2.1	36.7	0.88
Amusement and recreation	7,400	7,233	-167	-2.3	2.7	1.0	21.9	0.40
Retail trade	18,700	18,033	-667	-3.6	-4.9	2.5	7.0	0.12
Wholesale trade	4,733	4,633	-100	-2.1	-2.3	0.6	6.9	0.08
Construction	12,733	12,067	-667	-5.2	-5.4	1.7	7.8	0.24
Other private	13,100	12,767	-333	-2.5	-5.2	1.8	12.0	0.07
Total	710,067	713,567	3,500	0.5	0.5	100.0	23.8	0.54
<i>Public sector</i>	<i>233,767</i>	<i>241,767</i>	<i>8,000</i>	<i>3.4</i>	<i>2.5</i>	<i>33.9</i>	<i>35.2</i>	<i>1.06</i>
<i>Private sector</i>	<i>476,300</i>	<i>471,800</i>	<i>-4,500</i>	<i>-0.9</i>	<i>-0.5</i>	<i>66.1</i>	<i>20.4</i>	<i>0.43</i>
<i>Professional and business</i>	<i>152,833</i>	<i>151,733</i>	<i>-1,100</i>	<i>-0.7</i>	<i>-1.3</i>	<i>21.3</i>	<i>22.0</i>	<i>0.90</i>
<i>Education and health</i>	<i>107,100</i>	<i>109,000</i>	<i>1,900</i>	<i>1.8</i>	<i>3.7</i>	<i>15.3</i>	<i>31.3</i>	<i>0.56</i>
<i>Leisure and hospitality</i>	<i>59,167</i>	<i>59,800</i>	<i>633</i>	<i>1.1</i>	<i>2.0</i>	<i>8.4</i>	<i>23.0</i>	<i>0.46</i>

Source: BLS. not seasonally adjusted. na=not available; for the metro area, legal is included in other professional and technical.

Resident employment

Table 5. Resident employment and unemployment: December 2009

Indicator	FY 2007	FY 2008	FY 2009	12-month moving average	3-month moving average	This month
DC Labor force						
Resident employment	307,917	311,484	296,849	293,732	290,214	289,894
1 year change	7,025	3,566	-14,635	-15,796	-12,466	-9,714
% change	2.3	1.2	-4.7	-5.1	-4.1	-3.2
Labor Force	325,923	332,319	329,339	329,194	329,497	329,193
1 year change	6,162	6,396	-2,980	-3,510	-580	437
% change	1.9	2.0	-0.9	-1.1	-0.2	0.1
Unemployed	18,006	20,835	32,491	35,462	39,283	39,299
1 year change	-863	2,829	11,655	12,287	11,886	10,151
% change	-4.6	15.7	55.9	53.0	43.4	34.8
Unemployment rate	5.5	6.3	9.9	10.8	11.9	11.9
DC Unemployment insurance (state program)						
Initial claims	1,302	1,515	2,203	2,153	2,001	2,039
1 year change	-22	213	688	428	-201	-558
% change	-1.7	16.4	45.4	24.8	-9.1	-21.5
Weeks compensated	26,568	34,738	54,474	58,106	59,733	66,912
1 year change	414	8,170	19,736	19,123	14,530	19,606
% change	1.6	30.8	56.8	49.1	32.1	41.4

Source: Labor force (BLS, preliminary for Dec.). Unemployment Insurance (US Dept of Labor). Not seasonally adj.

•DC resident employment in the 3-month period ending in December was 12,466 (-4.1%) less than a year earlier. The labor force declined by 580 (-0.2 %).

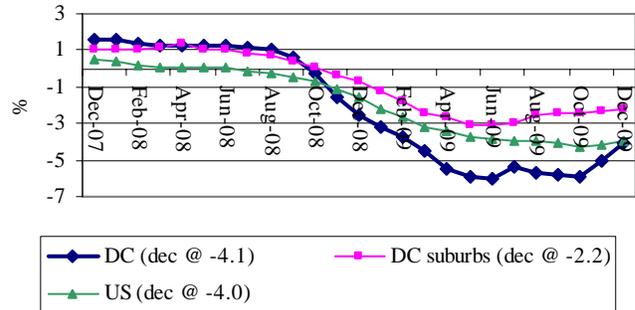
•DC's unemployment rate in December (11.9%, not seasonally adjusted) was 2.2 percentage points above that of the U.S. (9.7%).

•For the 3-month period ending in December, resident employment in DC's suburbs was 56,531 (-2.2%) below a year earlier. The suburban unemployment rate in December was 5.5%.

Resident employment in DC, the DC suburbs, and the US:

December 2007 to December 2009

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



Jobs located in DC and DC resident employment: December 2007 to December 2009

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

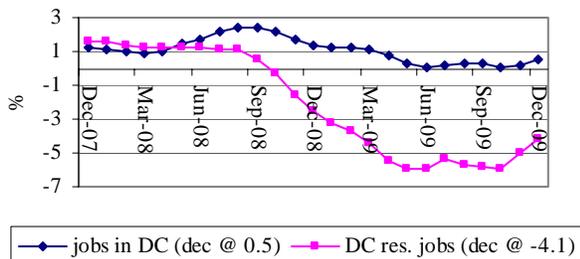


Table 6. Unemployment rates for DC, metro area, and US: December 2009 (percent of labor force)

Jurisdiction	Not seasonally adj.		Seasonally adj.	
	Dec 2008	Dec 2009	Dec 2008	Dec 2009
U.S.	7.1	9.7	7.4	10.0
DC metro area	4.7	6.2	na	na
DC	8.9	11.9	8.2	12.1
DC suburbs	4.2	5.5	na	na

Source: U.S. Bureau of Labor Statistics na= data not available

Table 7. Seasonally adjusted D.C. Resident employment and unemployment: July 2009 to December 2009

Indicator	Jul 09	Aug 09	Sep 09	Oct 09	Nov 09	Dec 09
D.C. Resident employment	294,733	288,471	290,582	290,611	291,738	291,652
change from prior month	2,105	-6,262	2,111	29	1,127	-86
% change from prior month	0.7	-2.1	0.7	0.0	0.4	0.0
D.C. Unemployment rate (%)	10.6	11.1	11.4	11.9	11.8	12.1

Source: BLS seasonally adjusted. December is preliminary.

Wages and income

●Wages earned in the District of Columbia grew 4.1% in the September quarter compared to the same quarter of 2008. Compared to the US as a whole (-3.7%), the impact of the US recession on wages earned in DC has been mild.

●In the September quarter, federal wages and salaries earned in DC (at an annual rate) were \$1.5 billion (6.3%) higher than a year earlier, while private sector wages were up just \$0.5 billion.

●Wage and income growth for DC residents weakened considerably in CY 2009. In the quarter ending in September, DC Personal Income was 1.6% below a year earlier, and estimated wages of DC residents were 4.0% lower. These declines were about the same as the national averages (declines of 1.6% and 3.7%, respec-

Wages earned in DC, wages earned by DC residents, and wages earned in the US: 2007.3 to 2009.3
(% change from the same quarter of the prior year)

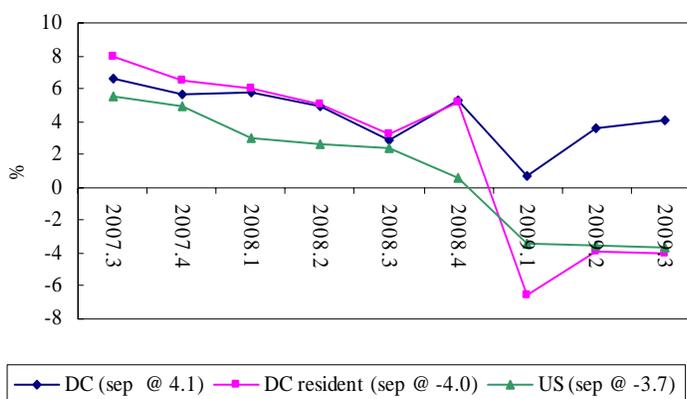


Table 8. DC Wages and Personal Income: September 2009

(In \$ billion, unless otherwise noted)

Indicator	FY 2007	FY 2008	FY 2009	4-quarter moving average	Latest quarter (Sep)
Wages and salaries earned in D.C.	51.75	54.21	56.06	56.06	57.04
1 year change	2.79	2.47	1.85	1.85	2.24
% change	5.7	4.8	3.4	3.4	4.1
Supplements to wages & salaries	14.61	15.25	16.43	16.43	16.94
% change	4.1	4.4	7.8	7.8	9.3
Proprietors' income earned by DC residents*	4.86	4.96	5.01	5.01	5.01
% change	4.3	2.1	1.1	1.1	-0.4
Wages and salaries of DC residents***	19.55	20.56	20.07	20.07	19.96
change from one year ago	1.35	1.01	-0.49	-0.49	-0.82
% change	7.4	5.2	-2.4	-2.4	-4.0
Income earned by DC residents	27.3	28.5	28.2	28.2	28.1
% change	6.6	4.3	-1.2	-1.2	-2.6
Property income of DC residents	5.77	5.99	5.63	5.63	5.52
% change	13.7	4.0	-6.1	-6.1	-7.9
Pensions and other transfer payments of DC res.	3.89	4.28	4.69	4.69	4.94
% change	5.7	9.9	9.6	9.6	13.3
D.C. Personal Income**	36.99	38.79	38.49	38.49	38.57
1 year change	2.59	1.79	-0.30	-0.30	-0.63
% change	7.5	4.8	-0.8	-0.8	-1.6
US Personal income	6.0	3.9	-1.0	-1.0	-1.6
US Wages and salaries	6.1	3.2	-2.5	-2.5	-3.7
<i>Addendum: Change from prior year in wages earned in DC by sector</i>					
Private sector (1 yr ch, \$B)	2.3	1.5	0.4	0.4	0.5
Federal government (1 yr ch, \$B)	0.4	0.9	1.2	1.2	1.5
DC res. wages as % of wages earned in DC	37.8	37.9	35.8	35.8	35.0

* Proprietors' income is derived from federal tax data and therefore all proprietors' income is earned by DC residents.

**Reflects deduction of social insurance paid by individuals. Wage and salary amounts shown are before this deduction.

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

Source: BEA; data (for September) was released in December 2009

Single family and condominium home sales

• In December, sales contracts for both single family and condominium properties were once again higher than a year earlier.

• For the 3-month period ending in December, single family sales were up 55.4% and condominium sales were up 55.1% compared to a year ago.

• The ratios of active inventory to sales for single family and condominium units were 4.3% and 6.3%, respectively, at the end of December. The single family ratio was lower and the condo ratio higher than the ratios in FY 2008.

• For the 3-month period ending in December, average prices were down 9.9% for single family units, while condominium prices were up 5.0%.

• For the 3-month period ending in October, foreclosure actions were up 6.1% from a year

Number and average selling price of condominium units sold in DC: Dec. 2006 to Dec. 2009
(% change in 3-month moving averages)

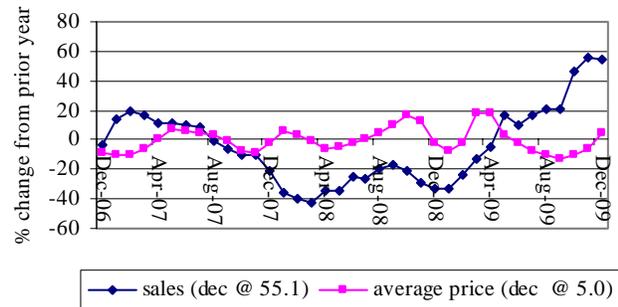


Table 9. D.C. Residential Real Estate Indicators: December 2009

Indicator	FY 2007	FY 2008	FY 2009	12-month moving total	3-month moving total	This month
Number of sales						
Single family	3,873	3,267	3,821	4,198	1,057	275
1 year change	-402	-606	554	1,005	377	59
% change	-9.4	-15.6	17.0	31.5	55.4	27.3
Condo	4,147	2,979	2,905	3,165	732	157
1 year change	195	-1,168	-74	417	260	25
% change	4.9	-28.2	-2.5	15.2	55.1	18.9
Total	8,020	6,246	6,726	7,363	1,789	432
1 year change	-207	-1,774	480	1,422	637	84
% change	-2.5	-22.1	7.7	23.9	55.3	24.1
Average prices						
Single family (\$)	668,630	672,101	563,553	551,236	531,953	539,467
1 year change	10,015	3,471	-108,548	-112,271	-58,522	38,620
% change	1.5	0.5	-16.2	-16.9	-9.9	7.7
Condo (\$)	406,926	411,270	407,564	409,925	401,808	444,239
1 year change	-9,127	4,344	-3,707	-1,738	19,005	106,716
% change	-2.2	1.1	-0.9	-0.4	5.0	31.6
Total value of all sales	4,277.1	3,420.9	3,337.3	3,611.5	856.4	218.1
1 year change	-182.7	-856.2	-83.6	361.7	274.2	65.4
% change	-2.5	-22.1	-2.4	11.1	47.1	42.8
Ratio: active inventory to sales						
Single family	4.1	6.0	5.2	4.4	3.8	4.3
Condo	3.9	5.7	5.7	5.0	4.5	6.3
Foreclosure actions*						
	392	3,282	2,883	2,922	678	171
1 year change	273	2,890	-399	-571	39	-45
% change	229.4	737.2	-12.2	-16.3	6.1	-20.8

Median prices, Dec. 2009 yr-to-date: single family \$408,000 (-18.4% 1 yr ch); condo \$356,200 (-1.1% 1 yr ch)

*scheduled for auction plus real estate owned by financial institutions.

Note: (1) Monthly average prices are calculated by ORA based on reported CY-to-date average prices.

Source: (1) Metropolitan Regional Information Systems (MRIS), accessed through the Greater Capital Area Assn. of Realtors (GCAAR). (2) Foreclosures: Realty.trac. Foreclosure data does not include notices of delinquency.

Commercial office space

• For the quarter ending in December, the vacancy rate for DC commercial office space rose: to 9.2% (without sublet space) and 10.5% (with sublet space).

• DC's vacancy rate with sublet space was below the 13.0% rate for the metropolitan area.

• Leased and occupied space increased in the December quarter by more than 1 million sq feet (more than 1%) from the September quarter. Rents also were up 1.8% from September.

• DC's vacancy rate is expected to rise to 12.2% over the next 2 years as new construction coming online outpaces demand.

Commercial office space vacancy rate (with sublet) and space under construction: 2006.4 to 2009.4
(value at end of each quarter)

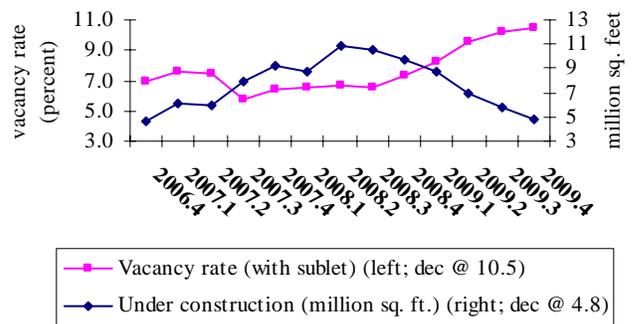


Table 10. Commercial office space in DC: December 31, 2009

(In millions of square feet, unless noted otherwise)

Indicator	Sep. 30 2006	Sep. 30 2007	Sep. 30 2008	Sep. 30 2009	last quarter (Dec 2009)		
					Level	1 Q ch	% ch
Inventory	124.37	124.76	126.56	127.45	129.18	1.72	1.4
1 year change	0.87	1.01	3.05	3.86	4.81		
% change	0.7	0.8	2.5	3.1	3.9		
Occupied space	115.29	114.40	114.54	114.45	115.61	1.16	1.0
1 year change	-0.30	-1.30	-0.70	-0.99	0.32		
% change	-0.3	-1.1	-0.6	-0.9	0.3		
Leased space	116.19	116.04	116.29	116.25	117.27	1.02	0.9
Under construction	5.94	7.92	10.60	5.75	4.78	-0.97	-16.8
1 year change	-2.03	1.98	2.68	-4.85	-4.86		
% change	-25.4	33.3	33.9	-45.8	-50.4		
% of inventory	5.1	6.5	8.6	4.5	3.7		
Vacant (no sublet)	6.38	6.37	7.31	11.20	11.91	0.71	6.3
% of inventory	5.4	5.2	5.9	8.8	9.2		
Vacant (w sublet)	7.29	7.10	8.16	13.00	13.56	0.56	4.3
% of inventory	6.2	5.8	6.6	10.2	10.5		
DC area vacancy rates (with sublet)							
District of Columbia	6.2	5.8	6.6	10.2	10.5	0.3	
Northern Virginia	8.7	9.9	11.9	13.5	14	0.5	
Suburban Maryland	9.6	9.9	11.5	14.6	14.8	0.2	
DC Metropolitan area	8.1	8.6	10.1	12.6	13.0	0.4	
Full service rent, Class A (\$)	\$47.14	\$50.66	\$50.80	\$51.13	\$52.03	\$0.90	1.8
% ch from 1 year ago	3.2	7.5	0.2	0.6	1.0		
* = calculation based on average sq ft of inventory for the last 4 quarters including the sale quarter.							
Source: Delta Associates, except for asking rent which is from CoStar. Rent excludes new construction and sublet.							

Table 11. Delta Associates outlook for commercial office space in DC and the surrounding metro area: December 2009 to December 2011

Indicator	DC	No VA	Sub MD	Total	DC % of total
Inventory December 2009					
Inventory (msf)	129.2	177.1	88.4	394.7	32.7
vacancy rate (%)	10.5	14.0	14.8	13.0	
Estimated net activity to December 2011					
new supply (msf)	5.0	1.0	1.0	6.9	72.5
new demand (msf)	2.2	4.3	1.2	7.7	28.6
Estimated Inventory December 2011					
vacancy rate (%)	12.2	12.1	14.4	12.6	

Source: Delta Associates msf = million square feet

Apartments, housing permits, and value of all real property transfers

• There were 218 (0.3%) fewer apartments occupied in December 2009 than a year earlier, and the vacancy rate rose to 6.1% as inventory also grew by 1,020 units. However, occupied units increased from September to December.

• Average monthly effective apartment rent in December was up 0.6% from a year earlier.

• In the 3-month period ending in December, 421 building permits were issued in DC for new housing units. This was more than 9 times the number of permits issued in the same 3-month period in 2008, and was almost 85% as many as were issued in all of FY 2009.

• The value of all real property transfers in DC continued to fall. The 3-month total ending in December was 27.3% less than a year earlier.

Value of all real property subject to deed transfer or economic interest taxes: Dec. 2001 to Dec. 2009
(\$ billion, 12-month moving total)

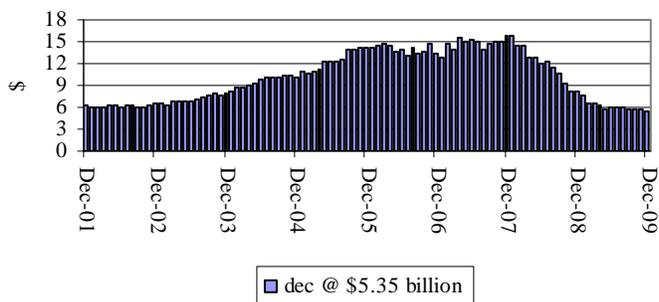


Table 12. Apartment units in DC: December 31, 2009

Indicator	Sep. 30 2006	Sep. 30 2007	Sep. 30 2008	Sep. 30 2009	Latest Q (Dec 2009)		
					amount	1 Q ch	% ch
Inventory	83,924	84,186	85,427	87,090	87,603	513	0.6
1 year change		28	262	1,241	1,663	1,020	
% change		0.0	0.3	1.5	1.9	1.2	
Occupied units	80,644	80,819	81,521	81,964	82,247	283	0.3
1 year change		41	175	702	443	-218	
% change		0.1	0.2	0.9	0.5	-0.3	
Vacant units	3,280	3,367	3,906	5,126	5,356	230	4.5
1 year change		-13	87	539	1,220	1,238	
% change		-0.4	2.7	16.0	31.2	30.1	
% of inventory		3.9	4.0	4.6	5.9	6.1	
Average effective monthly rent	\$1,192	\$1,288	\$1,340	\$1,341	\$1,354	\$13	1.4
% change from 1 year		5.2	8.1	4.0	0.1	0.6	

Source: Reis. Includes units in private sector buildings with 40+ units. Condominium conversions are excluded from inventory.

Table 13. Housing unit building permits issued in DC: December 2009

	FY 2007	FY 2008	FY 2009	12-month moving total	3-month moving total	This month
Total units	2,196	690	499	878	421	24
change from 1 year ago		-211	-1,506	-191	312	379
% change from 1 year		-8.8	-68.6	-27.7	55.1	902.4

Source: Census Bureau (permits issued during period)

Table 14. Market Value of Real Property transfers subject to the Deed Transfer or Economic Interest tax: December 2009

	FY 2007	FY 2008	FY 2009	12-month moving total	3-month moving total	This month
All property transfers (\$ million)	14,834.9	10,522.7	5,819.2	5,353.2	1,243.7	399.9
change from one year ago (\$M)		1,403.7	-4,312.3	-4,703.5	-2,785.4	-465.9
% change from 1 year ago		10.5	-29.1	-44.7	-34.2	-27.3

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

Source: OCFO/OTR and OCFO/ORR (calculated from tax collections adjusted for tax rate changes).

●For the 3-month period ending in November, demand for hotel rooms (the number of room-days sold) was up 2.6% from November 2008. Demand has been rising since the Spring.

●Since the Presidential Inaugural in January 2009 (which pushed the 3-month average for room revenues up by over 16% in the months of January and February), room revenues have been falling due more to lower room rates than to declines in rooms sold. In the 3-month period ending in November, room revenues were down 8.2% from a year earlier.

●Room rates in the 3 months ending in November were 10.5% lower than a year earlier.

●Airline traffic into the DC area has increased in the Fall; in the 3 months ending in November 2009 it was up 4.6% from a year earlier.

DC hotel room days sold and hotel revenue:
November 2007 to November 2009
 (% change from prior year in 3-mo. moving total)

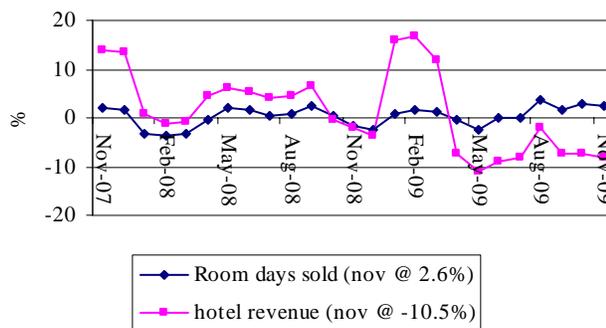


Table 15. Hospitality Industry: November 2009 (December 2009 for the Convention Center Transfer)

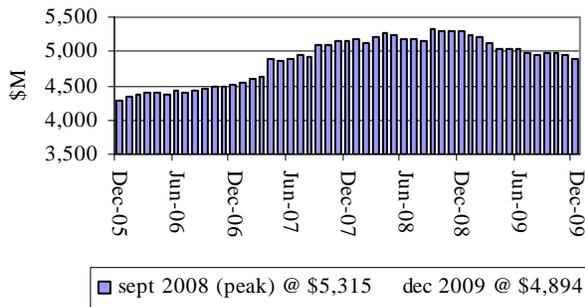
Indicator	Units	date	FY 2007	FY 2008	FY 2009	12-month moving total or average*	3-month moving total or average*	This month
Hotel stays								
Hotel room-days sold	('M)	nov 09	7.082	7.125	7.134	7.169	1.814	0.527
			1 yr ch	0.203	0.044	0.008	0.089	0.045
			1 yr % ch	3.0	0.6	0.1	1.3	2.6
Average room rate	\$	nov 09	198.44	208.99	203.07	198.95	202.19	190.71
			1 yr ch	9.69	10.55	-5.92	-9.50	-23.60
			1 yr % ch	5.1	5.3	-2.8	-4.6	-10.5
Occupancy rate (average)	%	nov 09	73.5	74.2	73.2	73.2	72.9	64.2
			1 yr ch	1.9	0.6	-0.9	-0.6	-0.7
			1 yr % ch	2.6	0.9	-1.3	-0.8	-0.9
Room revenue	(\$M)	nov 09	1,405.3	1,489.1	1,448.6	1,426.2	366.8	100.6
			1 yr ch	107.0	83.8	-40.4	-49.7	-32.6
			1 yr % ch	8.2	6.0	-2.7	-3.4	-8.2
Airline passengers								
DCA	1 yr % ch	nov 09	2.0	-3.2	-2.9	-1.5	1.3	3.2
IAD	1 yr % ch	nov 09	6.8	-2.3	-4.4	-2.7	3.4	4.3
BWI	1 yr % ch	nov 09	1.7	0.0	-3.3	-0.4	8.8	11.6
Total	1 yr % ch	nov 09	3.7	-1.8	-3.6	-1.6	4.6	6.4
Convention Center Transfer								
	\$ M	dec 09	83.3	91.5	90.4	91.5	23.7	8.1
			1 yr ch	3.6	8.2	-1.0	-0.1	1.0
			1 yr % ch	4.5	9.8	-1.1	-0.1	4.5

* Total for hotel rooms sold, room revenue, and Convention Center transfer

Source: Smith Travel Research (hotel data); Airport authorities (airline passengers); OCFO/OTR (Convention Center transfer)

Tax collections

Total DC tax collections: Dec. 2005 to Dec. 2009
(12-month moving total in \$ million)



Change from prior year in total taxes collected in the preceding 12-months: Dec. 2007 to Dec. 2009
(\$ million)

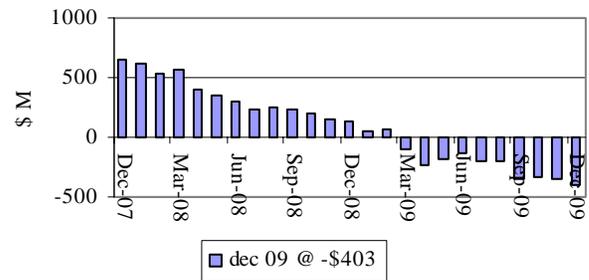


Table 16. Tax Collections (before earmarking): December 2009
(\$ million)

Tax	FY 2007	FY 2008	FY 2009	12-month moving total	FY 2010 to date	3-month moving total	This month
Total taxes	5,085.2	5,315.0	4,970.5	4,893.6	728.9	728.9	282.9
1 year change	615.1	229.7	-344.5	-403.2	-76.9	-76.9	-44.5
% change	13.8	4.5	-6.5	-7.6	-9.5	-9.5	-13.6
Real property	1,443.7	1,684.8	1,798.7	1,815.7	35.2	35.2	13.6
1 year change	296.1	241.2	113.9	141.1	17.0	17.0	12.2
% change	25.8	16.7	6.8	8.4	<i>nm</i>	<i>nm</i>	<i>nm</i>
General sales	958.8	1,011.6	963.5	944.9	236.0	236.0	74.8
1 year change	62.0	52.8	-48.1	-77.0	-18.6	-18.6	-4.2
% change	6.9	5.5	-4.8	-7.5	-7.3	-7.3	-5.3
Individual income	1,313.1	1,353.2	1,127.2	1,129.4	259.9	259.9	93.8
1 year change	80.7	40.1	-226.0	-212.5	2.2	2.2	2.0
% change	6.5	3.1	-16.7	-15.8	0.9	0.9	2.2
withholding	974.8	1,004.2	1,021.2	1,037.9	253.6	253.6	84.1
1 year change	4.2	29.5	17.0	25.9	16.7	16.7	6.7
% change	0.4	3.0	1.7	2.6	7.1	7.1	8.7
non-withholding	338.3	349.0	106.0	91.5	6.3	6.3	9.7
1 year change	76.5	10.7	-243.0	-238.4	-14.5	-14.5	-4.7
% change	29.2	3.2	-69.6	-72.3	<i>nm</i>	<i>nm</i>	<i>nm</i>
Corporate income	250.7	289.8	220.7	215.0	51.8	51.8	39.9
1 year change	30.9	39.1	-69.2	-72.4	-5.7	-5.7	-5.5
% change	14.1	15.6	-23.9	-25.2	-9.9	-9.9	-12.0
Unincorporated Bus.	166.4	128.9	121.3	124.0	30.5	30.5	21.0
1 year change	25.5	-37.5	-7.6	-13.7	2.7	2.7	1.7
% change	18.1	-22.5	-5.9	-9.9	9.6	9.6	8.6
Deed taxes	442.0	323.2	187.4	166.8	35.8	35.8	11.3
1 year change	81.7	-118.8	-135.8	-99.9	-20.7	-20.7	-10.3
% change	22.7	-26.9	-42.0	-37.5	-36.6	-36.6	-47.7
Other taxes	510.5	523.3	551.7	497.8	79.7	79.7	28.4
1 year change	38.0	12.8	28.4	-68.8	-53.9	-53.9	-40.4
% change	8.0	2.5	5.4	-12.1	-40.3	-40.3	-58.7

Deed taxes include deed recordation, deed transfer, and economic interest taxes on real property transactions.

Note: FY 2009 collections are preliminary nm=not meaningful due to relatively insignificant amount of activity.

Source: OCFO/OTR and OCFO/ORR

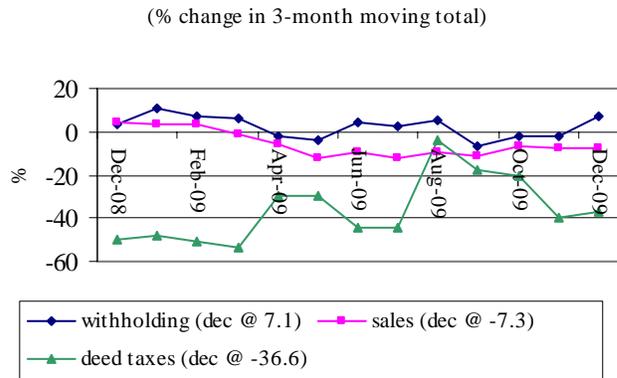
● In December, the 12-month moving total for tax collections was \$403 million (7.6%) below the same period of 2008, continuing the steady decline in this measure of revenues which began in January 2008.

● Sales taxes: down 7.3% for the past 3 months and 7.5% for the past 12 months; no sign yet of recovery .

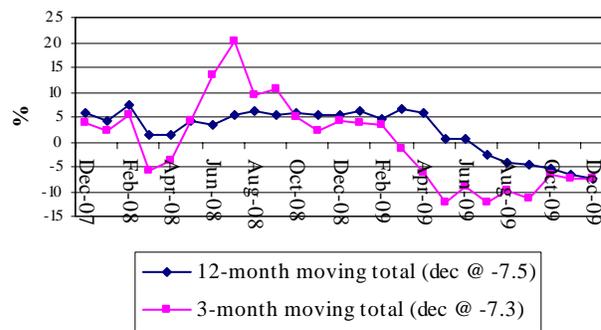
● Withholding in each of the past 3 months has been notably higher than a year earlier and it is a bright spot in the DC revenue picture. For the past 3 months collections were up 7.1% from a year earlier. This increase is particularly remarkable given the decline in resident employment that has occurred.

● Deed taxes: Down 36.6% for the past 3 months, close to the 37.5% decline for the past 12 months. The recent increases in housing sale contracts will contribute to deed tax collections, but the outlook for deed taxes depends to a larger extent on what happens to commercial property sales.

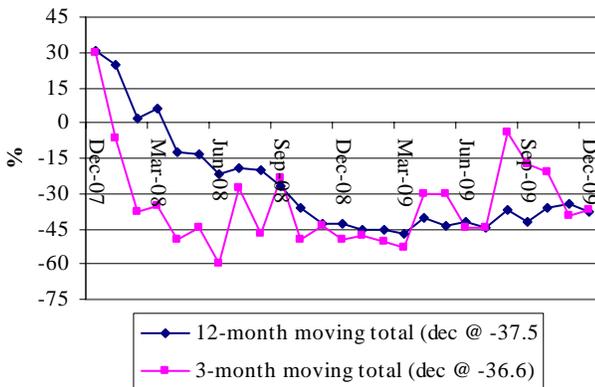
Collections for the General Sales tax, Individual Income tax withholding, and Deed taxes: Dec. 2008 to Dec. 2009



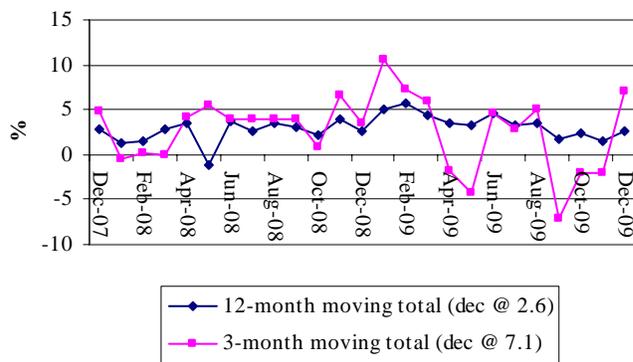
Sales tax collections: Dec. 2007 to Dec. 2009
(% change from prior year in 3-month and 12-month moving totals)



Deed Tax collections: Dec 2007 to Dec 2009
(% change from prior year in 3-month and 12-month moving totals)



Withholding collections: December 2007 to December 2009
(% change from prior year in 3-month and 12-month moving totals)



U.S. economic indicators

- U.S. employment (seasonally adjusted) declined by 85,000 from November 2009 to December 2009, continuing the two year run of negative job growth which was interrupted only by the 4,000 increase in November 2009. The number of wage and salary jobs in the US in Dec. 2009 was 7,242,000 (5.2%) lower than at the start of the recession in Dec. 2007.
- The U.S. unemployment rate (seasonally adjusted) stayed at 10.0% in December. The number of persons working in December was 8,381,000 (5.7%) lower than at the start of the recession in December 2007.
- Wages and salaries earned in the US in the December quarter were 2.7% below those of a year ago,. However, wages and salaries were up at a 2.2% annual rate from the September quarter. US Personal Income in the December quarter was 0.2% lower than a year ago.
- The S & P 500 stock market index in December was up 2.1% from November, continuing a 10-month rally that resulted in a 46.8% gain. The market was 26.5% higher than a year earlier, but was still 27.9% below its October 2007 peak.

Table 17. **Selected U.S. Indicators: December 2009**

(percent change from same period of prior year)

Indicator	Date of latest indicator		FY 2007	FY 2008	FY 2009		12-month moving average	2009.4	Most recent month
US GDP real*	4th Q 2009	1 yr % ch	2.1	1.5	-2.9		-2.4	0.1	
US GDP nominal*	4th Q 2009	1 yr % ch	5.1	3.9	-1.5		-1.3	0.8	
US Personal income*	4th Q 2009	1 yr % ch	6.0	3.9	-1.0		-1.4	-0.2	
US wages*	4th Q 2009	1 yr % ch	6.1	3.2	-2.5		-3.3	-2.7	
US jobs	dec 2009	1 yr % ch	1.3	0.2	-3.2		-3.7	-3.4	-3.0
US resident empl.	dec 2009	1 yr % ch	1.5	0.0	-3.2		-3.8	-4.0	-3.8
US unemployment rate	dec 2009	1 yr % ch	4.5	5.3	8.5		9.3	9.5	9.7
US CPI	dec 2009	1 yr % ch	2.3	4.4	-0.3		-0.4	1.5	2.7
Balt/Wash. area CPI	nov 2009	1 yr % ch	3.3	5.0	0.3		0.2	na	1.6
GDP=Gross Domestic Product			*=seasonally adjusted annual rate			na=not available			
Source: BEA and BLS. BEA's US data for GDP, Personal Income, and wages data revised as of Jan.29 2010									
Personal income and wage data may differ slightly from amounts shown in table 5 due to differences in BEA source tables.									

Table 18. **Quarter to quarter change in US GDP and income: 2008.3 to 2009.4**

(percent change from previous quarter at seasonally adjusted annual rates)

Indicator	Date of indicator	units	Calendar Year Quarter					
			2008.3	2008.4	2009.1	2009.2	2009.3	2009.4
US GDP real	4th Q 2009	% ch from prior Q at saar	-2.7	-5.4	-6.4	-0.7	2.2	5.7
US GDP nominal	4th Q 2009	% ch from prior Q at saar	1.4	-5.4	-4.6	-0.8	2.6	6.4
Wages and salaries	4th Q 2009	% ch from prior Q at saar	1.7	-1.5	-14.4	0.3	1.3	2.2
Personal income	4th Q 2009	% ch from prior Q at saar	-0.2	-1.7	-9.2	3.2	1.2	3.9
Note: GDP=Gross Domestic Product saar=seasonally adjusted at annual rate Source: BEA, updated on Jan. 29, 2010								

Table 19. **Monthly change in selected U.S. Indicators (July 2009 to December 2009)**

Indicator	Jul 09	Aug 09	Sep 09	Oct 09	Nov 09	Dec 09
S and P stock index (level)	936	1010	1045	1068	1088	1110
% change from prior month	1.0	7.9	3.4	2.2	1.9	2.1
% change from 1 year ago	-25.6	-21.2	-14.2	10.2	23.2	26.5
10 yr Treas. Int. rate (level)	3.54	3.58	3.39	3.37	3.40	3.58
CPI % ch from prior month (seasonally adjusted)	0.0	0.4	0.2	0.3	0.4	0.1
Jobs (seasonally adjusted level, in millions)	131.41	131.26	131.12	130.99	131.00	130.91
change from prior month (thousands)	-304	-154	-139	-127	4	-85
% change from prior month	-0.2	-0.1	-0.1	-0.1	0.0	-0.1
Resident employment (season. adj. level, in millions)	139.82	139.43	138.77	138.24	138.38	137.79
change from prior month (thousands)	-221	-384	-665	-526	139	-589
% change from prior month at annual rate	-0.2	-0.3	-0.5	-0.4	0.1	-0.4
Unemployment rate (seasonally adj.)	9.4	9.7	9.8	10.1	10.0	10.0
Source: BLS and Yahoo! Finance.						

Forecasts of the U.S. economy

- In January, the Blue Chip Index increased slightly its estimate of growth in both nominal and real GDP for FY 2010.
- CBO and Global Insight both raised their forecasts for real and nominal GDP growth in FY 2010, but lowered them for FY 2011.
- S and P 500 forecasts from Global Insight and Economy.com for the period 2009.4 to 2010.4 range from a decline of about 4.9% to continued gains of about 11%.

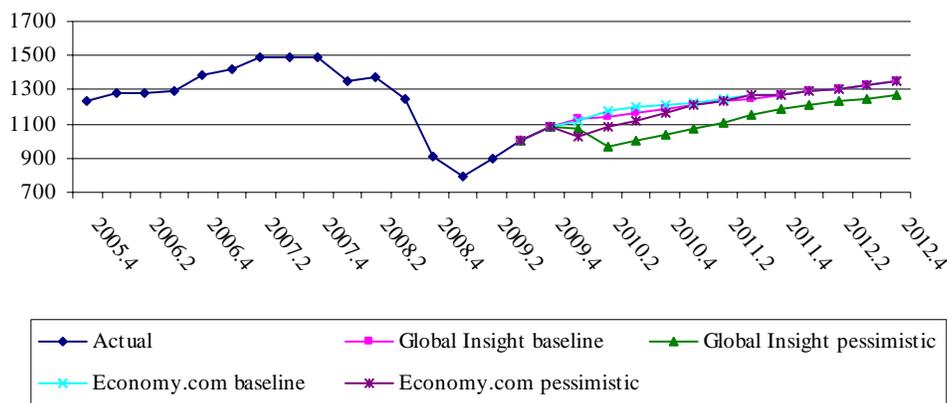
Table 20. **Forecasts for US nominal and real GDP: FY 2008 through FY 2012**

(% change from prior fiscal year)

Forecast and date	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
	Real GDP					Nominal GDP				
Congressional Budget Office										
August	1.5	-2.4	0.8	3.3	4.7	3.9	-0.6	2.1	3.8	5.1
January	1.5	-2.9	1.6	1.8	3.9	3.9	-1.4	2.5	2.7	4.9
Blue Chip										
October	1.5	-2.9	1.7			3.9	-1.3	2.9		
December	1.5	-2.9	1.8			3.9	-1.4	2.7		
January	1.5	-2.9	2.0	3.0		3.9	-1.4	3.1	4.6	
Global Insight (baseline)										
October	1.5	-2.8	1.5	2.6	3.6	3.9	-1.3	2.5	4.1	5.2
December	1.5	-2.9	1.5	2.7	3.7	3.9	-1.4	2.4	4.3	5.1
January	1.5	-2.9	2.0	2.5	3.6	3.9	-1.0	2.7	3.9	4.9
Global Insight (pessimistic)										
October	1.5	-2.9	-0.1	0.9	2.8	3.9	-1.4	0.9	2.4	4.8
December	1.5	-2.9	0.2	0.7	2.7	3.9	-1.4	1.2	2.4	4.8
January	1.5	-2.9	0.9	0.3	2.6	3.9	-1.5	1.9	2.0	4.7

Sources: Blue Chip Indicators, Global Insight, and the Congressional Budget Office. Blue Chip forecast for FY 2012 will not be available until January 2011.

S and P 500 Index from 2005.4 with forecasts to 2012.4 by Global Insight and Economy.com



forecast	level (average for quarter)				percent change from		
	2009.4	2010.4	2011.4	2012.4	2009.4 to 2010.4	2010.4 to 2011.4	2011.4 to 2012.4
Global Insight baseline	1089	1188	1270	1348	9.1	6.9	6.2
Global Insight pessimistic	1089	1036	1183	1267	-4.9	14.3	7.1
Economy.com baseline	1089	1209	1275	1350	11.0	5.4	5.9
Economy.com pessimistic	1089	1166	1275	1350	7.1	9.3	5.9

Forecasts of the D.C. economy

● In January Global Insight lowered its forecasts for jobs in DC in FY 2010, but raised them for FY 2011. Economy.com, on the other hand, raised its FY 2010 jobs forecasts and lowered its FY 2011 ones.

● Global Insight raised its estimates for wages earned in DC in FY 2010 and FY 2011; it lowered DC resident wage growth in FY 2010 and raised it FY 2011.

● For FY 2010, Economy.com raised its estimate for growth in both wages earned in DC and earned by DC residents, but estimates for both were lowered for FY 2011.

● Compared to Global Insight, Economy.com generally anticipates less income growth, and more unemployment in DC for FY 2010 and FY 2011.

Table 21. **Global Insight forecast of D.C. economy: FY 2008 to FY 2012**

(percent change from prior year)

Indicator	Date of estimate	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
		baseline					pessimistic				
Jobs in DC	oct 09	1.6	0.7	1.3	1.5	1.4	1.6	0.6	0.9	1.2	1.2
	dec 09	1.6	0.7	1.1	1.6	1.4	1.6	0.7	1.1	1.2	1.2
	jan 10	1.6	0.7	0.8	1.8	1.4	1.6	0.7	0.8	1.4	1.2
DC Unemployment rate	oct 09	6.4	9.8	10.1	8.4	7.2	6.4	9.8	10.2	8.5	7.3
	dec 09	6.4	9.8	10.6	8.4	7.2	6.4	9.8	10.6	8.5	7.3
	jan 10	6.4	9.8	10.6	8.4	7.2	6.4	9.8	10.6	8.5	7.3
Wages and salaries earned in DC	oct 09	5.2	5.1	4.2	4.3	4.2	4.8	1.7	2.7	3.7	3.9
	dec 09	4.8	1.9	3.5	4.8	4.2	4.8	1.9	3.3	4.1	4.1
	jan 10	4.8	3.4	4.4	5.0	4.3	4.8	3.4	4.3	4.4	4.1
Wages and salaries earned by DC residents*	oct 09	5.3	3.1	6.5	6.8	5.0	5.2	-3.9	2.4	5.7	3.4
	dec 09	5.2	-3.5	5.1	9.2	5.2	5.2	-3.5	4.7	7.9	5.1
	jan 10	5.2	-2.4	4.5	9.9	5.4	5.2	-2.4	4.3	8.6	5.4

* Estimated by ORA; assumes wage and salary supplements are the same % for DC resident wages as for wages earned in DC.

Source: Global Insight. The pessimistic scenario is given a 20% probability.

Table 22. **Economy.com forecasts of D.C. economy: FY 2008 to FY 2012**

(percent change from prior year)

Indicator	Date of estimate	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
		baseline					pessimistic				
Jobs in DC	oct 09	1.6	0.7	0.6	0.7	1.9	1.6	0.7	-0.5	-0.6	1.3
	dec 09	1.6	0.7	1.1	0.6	1.7	1.6	0.7	0.1	-0.7	1.0
	jan 10	1.6	0.7	1.3	0.3	1.6	1.6	0.7	0.3	-1.1	0.9
Unemployment rate	oct 09	6.4	9.7	10.9	9.9	8.0	6.4	9.7	12.2	13.5	12.1
	dec 09	6.4	9.8	11.4	10.9	8.8	6.4	9.8	12.2	13.9	12.5
	jan 10	6.4	9.8	11.2	10.9	8.7	6.4	9.8	12.1	14.0	12.4
Wages and salaries earned in DC	oct 09	5.2	5.3	1.6	0.7	2.4	5.2	5.3	0.3	-1.6	-0.2
	dec 09	4.8	1.9	1.3	0.4	1.8	4.8	1.9	0.2	-2.0	-1.2
	jan 10	4.8	3.4	3.1	0.3	1.7	4.8	3.4	2.1	-2.3	-1.3
Wages and salaries earned by DC residents*	oct 09	5.3	3.3	3.3	2.6	3.3	5.3	3.3	2.3	0.8	1.2
	dec 09	5.2	-3.9	1.4	2.4	2.6	5.2	-3.9	0.5	0.5	0.2
	jan 10	5.2	-2.4	2.0	2.2	2.5	5.2	-2.4	1.1	0.3	0.1

* Estimated by ORA; assumes wage and salary supplements are the same % for DC resident wages as for wages earned in DC.

Source: Economy.com. The pessimistic scenario is considered to have a 25% probability.

Commercial office space, continued from p. 1

The location of occupied and vacant space in DC has changed somewhat over the past 2 years. In the downtown area (the Central Business District, East End, and West End) occupancy fell by 1.15 msf (1.4%), and there was also a significant increase in space for sublet. The near downtown area, encompassing Southwest, Capitol Hill, NoMa, and Capitol Riverfront, where 70% of the increased inventory occurred, occupied and vacant space both increased. Occupancy fell in the outlying areas of Georgetown and Uptown due to more sublet space put on the market.

Occupied commercial office space has stayed the same despite an increase of 12,600 (1.8%) in DC employment. Although DC's job growth is in sharp contrast to most of the rest of the US, the recession has seen a shift in the composition of DC's jobs. Most of the job increases were in the federal government, which owns space not included in the office inventory and which has also tended to lease outside of downtown. Although there has been almost no net change in private sector employment, losses have occurred in professional and technical services, information, and finance which tend to be located in downtown. The big private sector gains are in food service and health. —*Stephen Swaim, Office of Revenue Analysis*

Change in commercial office space inventory and occupancy: Dec 2007 to Dec 2009

Location	Inventory	Vacant, no sublet	Vacant, sublet	Occupied space
amount of change (msf)				
Downtown	1.72	2.15	0.72	-1.15
Near downtown	3.96	2.42	0.07	1.47
Other	0.00	0.38	-0.07	-0.30
Total	5.68	4.95	0.71	0.02
percent change				
Downtown	2.0	49.4	104.3	-1.4
Near downtown	25.6	248.0	100.4	10.2
Other	0.0	77.5	-41.0	-2.9
Total	4.6	71.1	75.6	0.0

Source and definitions in following table

DC commercial office space inventory and occupancy: December 2007 and December 2009

(in millions of square feet)

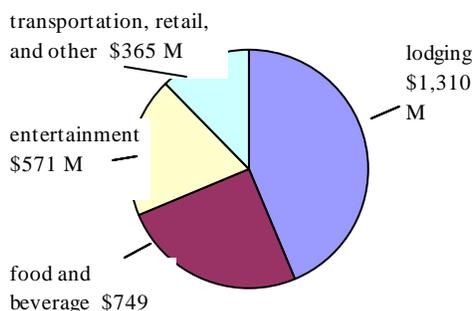
Location	December 31, 2007						December 31, 2009					
	Inventory	Vacant, no sublet	Vacant, sublet	Occupied space	Direct vacancy %	Total vacancy %	Inventory	Vacant, no sublet	Vacant, sublet	Occupied space	Direct vacancy %	Total vacancy %
Downtown ¹	85.27	4.37	0.69	80.21	5.1	5.9	86.99	652	1.41	79.05	7.5	9.1
Near downtown ²	27.05	2.11	0.07	24.88	7.8	8.1	31.01	4.53	0.13	26.35	14.6	15.0
Other ³	11.18	0.48	0.18	10.51	4.3	6.0	11.18	0.86	0.11	10.21	7.7	8.7
Total	123.50	6.96	0.94	115.59	5.6	6.4	129.18	11.91	1.66	115.61	9.2	10.5

Notes: 1. CBD, East and West Ends. 2. Southwest, NoMa, Capitol Hill, Capitol Riverfront. 3. Georgetown and Uptown.

Source: Delta Associates. Occupied space estimated by subtracting total vacant space from inventory; vacant space is calculated from total vacant percentage.

Tourism expenditures and DC taxes, continued.

Shiflett and Associates estimates 16.7 million tourists visited DC in 2008, spending \$2.99 billion. Some 11.8 million of the visitors stayed at least one night, spending \$1.3 billion on hotels (43.7% of all spending). Domestic travelers generated 76 percent of total spending in DC, international travelers the remaining 24 percent. Business travelers accounted for 61 percent of total spending, and leisure travelers 39 percent. —*Robert Zahradnik, Office of Revenue Analysis*

Tourism spending in DC in 2008**Estimated DC travel and tourism tax revenue, 2008**

Tax	DC tourism revenue		All DC revenues (\$ M)	Tourism as % of total
	Total (\$ M)	per visitor		
Sales	368.6	27.1	1015.2	36.3
Property	169.4	10.0	1673.0	10.1
Personal and corporate income	62.8	3.7	1755.9	3.6
Other	20.0	1.2	1840.9	1.1
total	620.8	42.0	6229.8	10.0

Sources: (1) Global Insight and D.K. Shiflett & Associates, City Tourism Impact: The Economic Impact of Travel and Tourism in Washington DC 2008, July 2009, (2) Global Insight, Washington D.C. Visitation Forecast, January 2010, and (3) DC Office of Revenue Analysis.

Note: (1) Travel and tourism tax revenue are Global Insight estimates. (2) All DC revenue reflects actual FY 2008 revenue collections.

Briefing Notes

From time to time the Office of Revenue Analysis prepares Briefing Notes on subjects that have bearing on DC 's economy and taxes. It is anticipated that in the near future a collection of these notes will be available on the OCFO web site, and that additional notes will be posted there as they are completed.

Who Pays Federal, State and Local, and DC Taxes? a forthcoming note by Lindsay Clark, of the DC Office of Revenue Analysis, surveys 3 reports that provide a comprehensive picture of the incidence of federal, state and local, and DC taxes.

▫**US Federal Tax System:** The Congressional Budget Office's (CBO) recently released estimates of 2006 effective federal tax rates for major taxes, calculated using pretax income. In the progressive federal system, effective tax rates rise from 4.3 % for the lowest quintile of income earners to 26 % for the top one.

▫**Federal Plus State and Local: National Data:** Citizens for Tax Justice (CTJ), using a similar model as CBO, released estimates of total federal, state, and local effective tax rates. CTJ finds that when the incidence of state and local taxes is taken into consideration, the U.S. tax system is less progressive. Effective tax rates increase over the first four quintiles from 2.0 % to 18.5 % but then decline for all but the top one percent.

▫**State and Local Taxes: National and the District of Columbia:** The Institute on Taxation and Economic Policy's (ITEP) "Who Pays?" report, released November 2009, provides data on the incidence of major state and local taxes. ITEP finds that nationwide the effective state and local tax rates are regressive - in 2007 the average state and local tax rate for the lowest income earners was 10.9 %, as compared to an effective tax rate of less than 8 % for the top 20 percent of income earners. In the District, the report shows that the effective tax rate for the lowest income quintile is 6.2 %. The effective rate rises to 10.5% for the middle 20 percent—the third quintile—and then declines for the upper two quintiles. The effective rate for the top quintile is less than 8%.

For information about this Briefing Note and others, contact Robert Zahradnik, Director of Research, DC Office of Revenue Analysis, (202-727-7775) or robert.zahradnik@dc.gov.

About this report.

The *Review of District of Columbia Economic and Revenue Trends* is generally issued soon after the first week of every month. Employment and most other information reported on a monthly basis will be from two months prior to the *Trends* date (February report has December data). 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 *Economic Trends, Monthly Review*).

Table 23. **Information sources**

Indicator	Source	Period covered in this report	Next release
D.C. Jobs and Labor Force information	BLS	December 2009	March 10, 2010
D.C. Personal Income	BEA	2009.3	March 25
D.C. Tax Collections	OTR/ORR	December 2009	February 15, 2010
D.C. Housing Sales	GCAAR*	December 2009	c February 10, 2010
D.C. Commercial Office Building data	Delta Associates	2009.4	c April 15 2010
DC Apartment data	Reis, inc	2009.4	c April 15 2010
D.C. Hotel stay information	Smith Travel Research	November 2009	c. February 10 2010
Consumer Price Index	BLS	December 2009	February 19
U.S. Jobs and Labor Force	BLS	December 2009	February 5
U.S. GDP and Personal Income	BEA	2009.4 (advance)	February 26
S and P 500 Stock Index	Financial press	December 2009	February 1
Interest rate on 10-Year Treasury Securities	Financial press	November 2009	February 1
Global Insight D.C. forecast	Global Insight	January 2009	c. February 20
Economy.com D.C. forecast	Economy.com	January 2009	c. February 20
Blue Chip Economic Indicators for the U.S.	Aspen Publishers	January 2009	January 10

*Greater Capital Area Association of Realtors (data from the Metropolitan Regional Information Systems)

For further information or comment on this report, contact: Stephen Swaim (202-727-7775) or stephen.swaim@dc.gov See also the *Economic Indicators* issued monthly by the D.C. Office of the Chief Financial Officer (www.cfo.dc.gov).

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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