



City of Chicago Office of Budget and Management Comparative Estimate of Revenue Collections December 2023

As the city continues its post-pandemic recovery in 2023, some revenue streams are expected to chart a faster path to recovery, while others may lag based on economic conditions. Even during stable economic conditions, seasonality in some revenue streams and the irregular nature of others lead to significant variances from one month to the next that smooth out as the year progresses.

MONTHLY ANALYSIS

This report presents a “snapshot” of the City’s revenues as of December 2023. For multiple revenue sources, collections or remittances to the City may be one-to-three months later than the taxing period. Therefore, complete fiscal year 2023 revenue figures will continue to be finalized in the coming months.

Total collections through December are \$4.3 billion, \$201.6 million less or 4.5% under budget expectations. This variance is driven by collections from Internal Service Earnings (\$268.0 million), the Sales Tax Residual (\$72.1 million), and Transaction Taxes (\$47.7 million). Variance in collections for internal service earnings are timing related as the City awaits reimbursement payments. The lower-than-budgeted revenue from the Sales Tax Residual is due to less residual revenue coming to the Corporate Fund as more sales tax proceeds go towards debt service from a recent debt restructuring. The variance in Transaction Taxes is driven by the Real Property Transfer Tax, which has been impacted by a slowdown in real estate activity throughout 2023.

At the same time, favorable collections from the Personal Property Replacement Tax (\$145.8 million), Transportation Taxes (\$35.4 million), Recreation Taxes (\$23.5 million), and Business Taxes (\$20.7 million) have had an offsetting or mitigating effect. A revised allocation formula for Personal Property Replacement Tax resulted in increased disbursements from the State. A healthy return to pre-pandemic leisure activity, large entertainment events, and increased tourism have led to higher revenues for Transportation Taxes, Recreation Taxes, and Business Taxes.

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**Corporate Fund (in thousands)
December 2023**

	2022 Month Actuals	2023 Month Budgeted	2023 Month Collections	2022 YTD Actuals	2023 YTD Budgeted	2023 YTD Collections	Diff	Percent Diff	2023 Annual Budget
Local Tax									
Utility Taxes	26,822	25,423	24,461	361,126	337,565	324,870	(12,694)	-3.8%	406,506
Chicago Sales Taxes	4,430	4,861	4,620	88,166	84,915	93,892	8,977	10.6%	90,067
Transaction Taxes	73,547	67,076	55,227	745,473	757,543	709,849	(47,695)	-6.3%	811,823
Transportation Taxes	28,706	32,213	30,935	304,590	336,338	371,702	35,364	10.5%	367,938
Recreation Taxes	27,745	23,810	23,686	287,269	289,751	313,283	23,531	8.1%	318,411
Business Taxes	10,418	10,767	11,309	127,762	120,205	140,920	20,716	17.2%	128,213
State Taxes/Revenues									
Income Tax	24,545	23,408	24,562	332,332	313,989	344,895	30,906	9.8%	377,400
Personal Property Replacement Tax	36,398	9,816	21,321	439,719	206,138	351,986	145,848	70.8%	266,000
Auto Rental Tax	688	410	290	3,777	3,219	3,503	284	8.8%	4,239
State Reimbursements	21	21	70	2,072	2,000	2,249	249	12.4%	2,000
Proceeds and Transfers									
ARP Revenue Replacement	-	-	-	-	-	-	-	NA	152,400
Reserve Fund Interest	-	-	-	-	-	-	-	NA	19,000
Sales Tax Corporation Residual	78,277	57,689	78,967	438,377	437,475	365,323	(72,152)	-16.5%	619,375
Other Proceeds and Transfers	-	-	-	-	-	-	-	NA	75,000
Local Non-Tax									
Licenses, Permits, and Certificates	9,739	8,565	9,208	113,476	123,597	111,405	(12,192)	-9.9%	123,597
Fines, Forfeitures, and Penalties	26,804	25,439	25,765	307,556	302,208	301,169	(1,039)	-0.3%	302,208
Charges for Service	43,983	48,782	34,568	397,037	363,574	375,392	11,818	3.3%	363,574
Municipal Parking	593	703	608	7,043	7,676	7,241	(435)	-5.7%	7,676
Leases, Rentals, and Sales	351	19,987	6,738	26,182	31,966	15,619	(16,347)	-51.1%	31,966
Interest	0	0	0	0	0	0	-	NA	10,300
Internal Service Earnings	62,890	133,230	31,841	321,719	586,542	318,495	(268,047)	-45.7%	586,542
Other Revenue	38,716	34,445	210	103,935	149,950	101,264	(48,686)	-32.5%	149,950
Total Revenue	494,673	526,645	384,386	4,407,610	4,454,651	4,253,057	(201,595)	-4.53%	5,214,185

Month Budgeted refers to the month collections are anticipated. In some instances, there is a 2–3-month difference between the month for which a tax is due and the month in which it is collected.

Revenues are recorded at a point in time and may not reflect all adjustments recorded in future periods.

Sales Tax Corporation Residual reflects current withholding schedule.