

City of Chicago Office of Budget and Management

Comparative Estimate of Revenue Collections

June 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

Total collections through June are \$55.8 million or 3.2% higher than budget expectations. This variance is driven by favorable collections from the personal property replacement tax (\$62.5 million), transportation taxes (\$29.0 million), income tax (\$12.7 million) and business taxes (\$12.4 million). Transfers from the State of Illinois for both Personal Property Replacement Tax as well as Income Tax continue to surpass expectations through June, while falling below collections over the same period last year. Transportation Taxes and Business Taxes were supported by increased ride share and tourism activity respectively, as well as one-time receipts from audits completed by the city to-date.

Offsetting this higher than budgeted revenue are collections from internal service earnings (\$55.1 million), other revenue (\$13.6 million), and licenses, permits and certificates (\$7.6 million). Variance in collections for internal service earnings and other revenue through the year are timing related.

It is important to note that June is the third month that the City receives revenue from a few major sources including the Sales Tax Corporation Residual and the Personal Property Replacement Tax. Trends observed thus far are not sufficient to make adjustments to expectations for the full fiscal year. The Office of Budget and Management will continue to monitor collections to inform any needed adjustments to the City's budget.

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Corporate Fund (in thousands) May 2023

	2022	2023		2022	YTD	2023	Diff	Percent Diff	2023 Annual Budget
	Month Actuals	Month Budgeted	Month Collections	YTD Actuals	YTD Budgeted	YTD Collections			
Local Tax									
Utility Taxes	34,153	31,091	30,018	166,588	153,460	149,345	(4,115)	-2.7%	406,506
Chicago Sales Taxes	4,666	4,514	4,995	21,382	21,385	23,127	1,742	8.1%	90,067
Transaction Taxes	62,280	62,907	61,853	321,404	317,381	313,822	(3,559)	-1.1%	811,823
Transportation Taxes	30,881	31,677	27,156	134,959	136,351	165,381	29,030	21.3%	367,938
Recreation Taxes	26,767	25,574	26,485	127,688	134,753	139,982	5,229	3.9%	318,411
Business Taxes	4,211	11,961	11,499	35,555	38,068	50,361	12,293	32.3%	128,213
State Taxes/Revenues									
Income Tax	-	48,942	30,978	150,607	146,779	159,504	12,726	8.7%	377,400
Personal Property Replacement Tax	-	-	-	200,230	103,180	165,714	62,533	60.6%	266,000
Auto Rental Tax	185	277	331	661	832	776	(56)	-6.7%	4,239
State Reimbursements	96	397	10	1,221	745	131	(615)	-82.5%	2,000
Proceeds and Transfers									
ARP Revenue Replacement	-	-	-	-	-	-	-	NA	152,400
Reserve Fund Interest	-	-	-	-	-	-	-	NA	19,000
Sales Tax Corporation Residual	63,654	49,510	57,457	138,791	115,355	122,860	7,505	6.5%	619,375
Other Proceeds and Transfers	-	-	-	-	-	-	-	NA	75,000
Local Non-Tax									
Licenses, Permits, and Certificates	11,730	10,718	10,407	47,840	62,183	54,578	(7,606)	-12.2%	123,597
Fines, Forfeitures, and Penalties	26,443	23,888	23,888	153,231	145,540	148,128	2,588	1.8%	302,208
Charges for Service	22,444	26,842	38,567	122,011	166,775	176,205	9,429	5.7%	363,574
Municipal Parking	651	747	657	3,670	3,897	3,847	(49)	-1.3%	7,676
Leases, Rentals, and Sales Interest	5,729	1,550	90	10,372	6,741	4,132	(2,609)	-38.7%	31,966
Internal Service Earnings	-	-	-	-	-	-	-	NA	10,300
Other Revenue	24,511	56,498	30,398	129,976	195,672	140,574	(55,098)	-28.2%	586,542
	7,576	7,458	780	36,722	21,044	7,476	(13,568)	-64.5%	149,950
Total Revenue	325,977	394,550	355,571	1,802,906	1,770,142	1,825,941	55,798	3.2%	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.