

City of Chicago Office of Budget and Management

Comparative Estimate of Revenue Collections

May 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 May are \$90.7 million or 6.6% higher than budget expectations. This variance is driven by favorable collections from the personal property replacement tax (\$62.5 million), income tax (\$30.7 million), transportation taxes (\$27.2 million) and business taxes (\$6.3 million). Transfers from the State of Illinois for both Personal Property Replacement Tax as well as Income Tax surpassed expectations through May, 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.

Offsetting these higher than budgeted collections are collections from internal service earnings (\$26.4 million), licenses, permits and certificates (\$7.1 million), and other revenue (\$6.4 million). Variances for internal service earnings and other revenue through the year are timing related.

It is important to note that May is the second 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	43,003	40,503	37,471	132,430	122,369	119,942	(2,427)	-2.0%	406,506
Chicago Sales Taxes	4,471	4,097	4,747	16,802	16,861	17,999	1,138	6.7%	90,067
Transaction Taxes	61,239	62,142	61,170	259,476	254,474	251,644	(2,830)	-1.1%	811,823
Transportation Taxes	29,543	29,591	33,250	104,130	106,139	133,303	27,164	25.6%	367,938
Recreation Taxes	25,055	22,746	27,755	101,037	109,179	113,759	4,581	4.2%	318,411
Business Taxes	8,469	9,116	11,439	23,663	26,108	32,450	6,342	24.3%	128,213
State Taxes/Revenues									
Income Tax	87,176	38,202	66,065	150,607	97,837	128,526	30,689	31.4%	377,400
Personal Property Replacement Tax	114,620	49,067	102,524	200,230	103,180	165,714	62,533	60.6%	266,000
Auto Rental Tax	237	257	283	476	556	445	(110)	-19.8%	4,239
State Reimbursements	260	197	51	1,150	348	120	(228)	-65.4%	2,000
Proceeds and Transfers									
ARP Revenue Replacement	-	-	-	-	-	-	-	NA	152,400
Reserve Fund Interest	-	-	-	-	-	-	-	NA	19,000
Sales Tax Corporation Residual	44,533	32,017	38,935	75,137	65,845	65,402	(443)	-0.7%	619,375
Other Proceeds and Transfers	-	-	-	-	-	-	-	NA	75,000
Local Non-Tax									
Licenses, Permits, and Certificates	8,329	10,287	9,873	42,722	51,465	44,383	(7,082)	-13.8%	123,597
Fines, Forfeitures, and Penalties	28,476	24,785	27,149	131,180	121,652	124,697	3,045	2.5%	302,208
Charges for Service	28,126	30,819	43,532	125,660	139,934	141,654	1,720	1.2%	363,574
Municipal Parking	633	613	692	3,026	3,150	3,201	51	1.6%	7,676
Leases, Rentals, and Sales Interest	825	948	2,344	4,683	5,682	5,047	(635)	-11.2%	31,966
Internal Service Earnings	-	-	-	-	-	-	-	NA	10,300
Other Revenue	22,340	35,861	34,872	105,704	137,742	111,315	(26,427)	-19.2%	586,542
	249	3,342	4,279	68,174	13,586	7,228	(6,358)	-46.8%	149,950
Total Revenue	507,583	394,590	506,430	1,546,285	1,376,108	1,466,832	90,724	6.6%	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.