



**FINANCE  
NEW YORK**  
THE CITY OF NEW YORK  
DEPARTMENT OF FINANCE

OFFICE OF TAX POLICY

**NEW YORK CITY  
BUSINESS  
INCOME  
TAX  
COLLECTIONS  
UPDATE**

**Fiscal Year 2001  
Annual Results**

**July 1, 2000 – June 30, 2001**

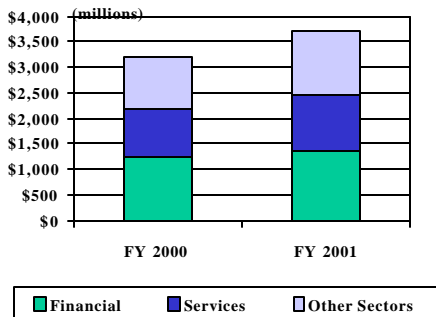
New York City's three business income taxes generated a total of \$3,690 million in Fiscal Year 2001, an increase of \$481 million, or 15 percent over FY 2000. Despite double-digit annual growth, fourth-quarter payments were 1 percent below last year. Also, the annual growth rate was somewhat higher due to processing delays in FY 2000. Payments from the Financial and Services sectors comprised almost two-thirds of total collections.

The Financial sector accounted for \$114 million of the total increase in annual collections. Payments from banking corporations increased by \$150 million, or 37 percent, largely due to foreign banks. However, other Financial sector firms' payments declined \$36 million, or 4 percent, from the previous year. The decline was attributable to a significant drop in payments from securities and commodities firms in the second half of the year.

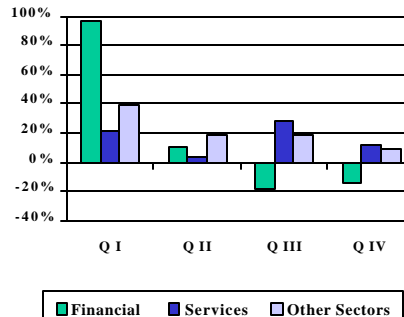
Services sector firms generated \$163 million of the annual increase, showing growth in every quarter. Payments from professional/technical firms increased by \$71 million, or 25 percent, while collections from managerial and legal firms grew by \$19 million and \$14 million, or 52 percent and 6 percent, respectively. Among other Services sub-sectors, accommodation/food, admin/support and holding companies showed double-digit growth rates.

Other sectors all showed positive annual growth. Receipts from the Real Estate and Information sectors rose 20 percent and 23 percent, respectively. However, Trade and Manufacturing payments declined in the fourth quarter.

**New York City  
Business Income Tax  
FY 2001 Annual Collections  
July 2000 - June 2001**



**New York City  
Business Income Tax  
Percentage Change in  
FY 2001 Quarterly Collections**



# NEW YORK CITY BUSINESS INCOME TAX

## FOURTH-QUARTER COLLECTIONS

FROM APRIL 1 TO JUNE 30

(\$ millions)

Sector	FY 98		FY 99		FY 00		FY 01		FY01-FY00	
	% of Total		% of Total		% of Total		% of Total		\$ Change	% Change
<b>Financial</b>	351	41%	380	41%	449	44%	383	38%	-66	-15%
<b>Real Estate</b>	52	6%	49	5%	57	6%	60	6%	2	4%
<b>Services</b>	265	31%	296	32%	293	29%	329	32%	36	12%
<b>Information</b>	45	5%	57	6%	49	5%	61	6%	13	26%
<b>Trade</b>	64	7%	65	7%	79	8%	71	7%	-8	-10%
<b>Manufacturing</b>	36	4%	34	4%	43	4%	36	4%	-7	-16%
<b>Other</b>	44	5%	46	5%	50	5%	75	7%	25	51%
<b>Total</b>	857	100%	926	100%	1,021	100%	1,015	100%	-6	-1%

## FISCAL YEAR COLLECTIONS

FROM JULY 1 TO JUNE 30

(\$ millions)

Sector	FY 98		FY 99		FY 00		FY 01		FY01-FY00	
	% of Total		% of Total		% of Total		% of Total		\$ Change	% Change
<b>Financial</b>	1,385	44%	1,072	36%	1,225	38%	1,339	36%	114	9%
<b>Real Estate</b>	191	6%	203	7%	209	7%	250	7%	41	20%
<b>Services</b>	861	27%	942	32%	949	30%	1,112	30%	163	17%
<b>Information</b>	177	6%	187	6%	207	6%	254	7%	48	23%
<b>Trade</b>	242	8%	258	9%	291	9%	316	9%	26	9%
<b>Manufacturing</b>	156	5%	136	5%	155	5%	168	5%	13	8%
<b>Other</b>	141	4%	174	6%	174	5%	250	7%	77	44%
<b>Total</b>	3,153	100%	2,973	100%	3,210	100%	3,690	100%	481	15%

Note:

**Financial** includes credit agencies, funds and trusts, insurance agents, securities and commodities brokers, dealers and exchanges, banking corporations, and other finance-related firms. **Services** includes legal, professional, technical, and managerial services (including holding companies), arts, entertainment, accommodation, and food services, and other services, such as personal services. **Information** includes broadcasting and telecommunication, information and data services, movies, video, and sound, and publishing. **Trade** includes retailers and durable and non-durable wholesalers. **Manufacturing** includes food/beverage, printing, textiles/apparel/leather, wood/paper and other manufacturing. **Other** includes construction, transportation, utilities, and firms that have missing industry codes.

Collections reported are gross revenues for the general corporation tax, banking corporation tax, and unincorporated business tax; refunds are not subtracted. This report covers collections for the three most recent tax years. A tax year is the taxpayer's liability year to which payment is attributable, based upon the form filed by the taxpayer. Collections for prior years, which are usually audit monies, are excluded from this analysis. Numbers may not add due to rounding.