



**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 2002  
Annual Results**

**July 2001 – June 2002**

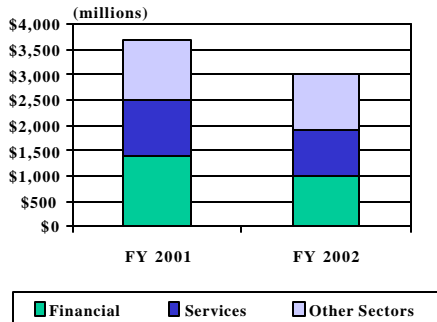
New York City's three business income taxes generated a total of \$3,023 million in Fiscal Year 2002, a decrease of \$668 million, or 18 percent, from FY 2001. Fourth-quarter collections were 16 percent below last year. Collections from all major industrial sectors declined, led by a dramatic drop of 29 percent in Financial-sector payments. Payments from the Services and Trade sectors each declined 16 percent.

The Financial sector accounted for \$404 million, or 61 percent, of the total decrease in annual collections, with payments declining in all quarters but the third. Payments from securities and commodities companies decreased by \$274 million, and collections from clearing house and foreign banks declined by \$127 million.

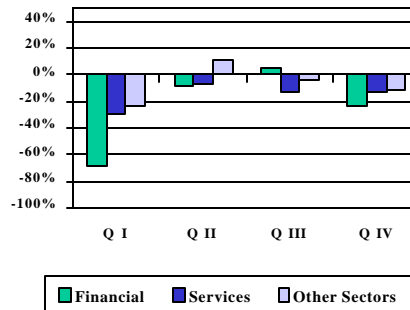
Services-sector payments accounted for \$174 million of the annual decline, with payments from the professional/ technical sub-sector dropping by \$60 million. Collections from holding companies, accommodation/food, managerial, and admin/support firms decreased by \$31 million, \$26 million, \$25 million, and \$19 million, respectively.

Collections from all other major sectors declined, as well. Collections from the information, trade, and manufacturing sectors decreased by 13 percent, 16 percent and 11 percent, respectively. Real-estate sector payments declined by only 1 percent.

**New York City  
Business Income Tax  
FY 2002 Annual Collections  
July 2001 - June 2002**



**New York City  
Business Income Tax  
Percentage Change in  
FY 2002 Quarterly Collections**



# NEW YORK CITY BUSINESS INCOME TAX

## FOURTH-QUARTER COLLECTIONS

FROM APRIL 1 TO JUNE 30

(\$ millions)

Sector	FY 99		FY 00		FY 01		FY 02		FY02-FY01	
		% of Total		% of Total		% of Total		% of Total	\$ Change	% Change
<b>Financial</b>	380	41%	449	44%	390	38%	300	35%	-90	-23%
<b>Real Estate</b>	49	5%	57	6%	61	6%	58	7%	-2	-4%
<b>Services</b>	296	32%	293	29%	332	33%	288	34%	-44	-13%
<b>Information</b>	57	6%	49	5%	62	6%	45	5%	-18	-28%
<b>Trade</b>	65	7%	79	8%	73	7%	62	7%	-11	-15%
<b>Manufacturing</b>	34	4%	43	4%	37	4%	29	3%	-8	-22%
<b>Other</b>	46	5%	50	5%	61	6%	66	8%	6	10%
<b>Total</b>	926	100%	1,021	100%	1,015	100%	848	100%	-167	-16%

## FISCAL YEAR COLLECTIONS

FROM JULY 1 TO JUNE 30

(\$ millions)

Sector	FY 99		FY 00		FY 01		FY 02		FY02-FY01	
		% of Total		% of Total		% of Total		% of Total	\$ Change	% Change
<b>Financial</b>	1,072	36%	1,225	38%	1,395	38%	990	33%	-404	-29%
<b>Real Estate</b>	203	7%	209	7%	250	7%	248	8%	-2	-1%
<b>Services</b>	942	32%	949	30%	1,114	30%	940	31%	-174	-16%
<b>Information</b>	187	6%	207	6%	224	6%	194	6%	-29	-13%
<b>Trade</b>	258	9%	291	9%	322	9%	271	9%	-51	-16%
<b>Manufacturing</b>	136	5%	155	5%	176	5%	157	5%	-20	-11%
<b>Other</b>	174	6%	174	5%	209	6%	222	7%	13	6%
<b>Total</b>	2,973	100%	3,210	100%	3,691	100%	3,023	100%	-668	-18%

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; 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.