



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 2003
First Quarter

July 2002 – September 2002

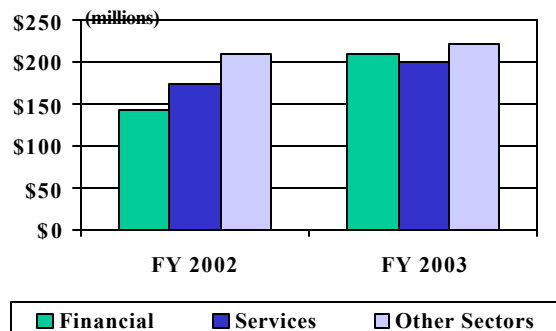
New York City's three business income taxes generated \$628 million in the first quarter of fiscal year 2003, an increase of \$104 million, or 20 percent, from the first quarter of FY 2002. While all sectors but manufacturing exhibited increased collections, comparisons to the first quarter of FY 2002 may be misleading, due to the filing extension granted businesses that were impacted by the September 11, 2001 attacks.

First-quarter collections from the Financial sector were \$207 million, an increase of \$66 million, or 47 percent, over FY 2002. Payments from securities and commodities firms increased by \$39 million, or 67 percent, while collections from thrifts and commercial banks rose by \$22 million, a gain of 231 percent from the extremely low collections one year ago.

Services-sector collections were \$199 million, up \$26 million, or 15 percent, from the same period last year. Legal firms accounted for \$11 million, or 45 percent, of the increase, while holding companies and professional and technical businesses accounted for \$10 million, or 39 percent.

Total collections from the other major industry sectors increased by \$12 million on an overall basis. Payments from the real estate sector increased by \$8 million, while manufacturing-sector payments declined by \$10 million. Payments from the Information and Trade sectors were relatively stable, and payments from the Other sector increased by \$13 million.

**New York City
Business Income Tax
First-Quarter Collections
July–Sept. 2001 vs. July–Sept. 2002**



NEW YORK CITY BUSINESS INCOME TAX

FIRST-QUARTER COLLECTIONS FROM JULY 1 TO SEPTEMBER 30 (\$ millions)

Sector	FY 00	% of Total	FY 01	% of Total	FY 02	% of Total	FY 03	% of Total	FY03-FY02	FY03/FY02
									\$ Change	% Change
Financial	224	36%	444	46%	141	27%	207	33%	66	47%
Real Estate	40	6%	53	5%	40	8%	48	8%	8	19%
Services	203	32%	247	25%	174	33%	199	32%	26	15%
Information	40	6%	66	7%	40	8%	41	7%	1	3%
Trade	57	9%	73	7%	56	11%	57	9%	1	2%
Manufacturing	30	5%	43	4%	37	7%	26	4%	-11	-29%
Other	34	5%	43	4%	35	7%	48	8%	13	37%
Total	629	100%	969	100%	524	100%	628	100%	104	20%

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.