



**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
Third Quarter**

January 2002 – March 2002

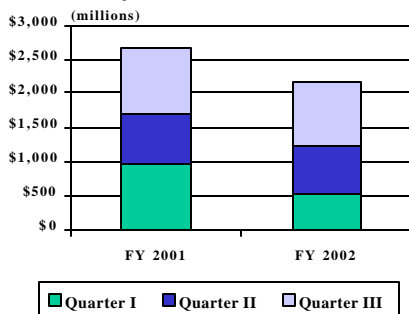
New York City's three business income taxes generated \$939 million in the third quarter of fiscal year 2002, a decline of \$48 million, or 5 percent, from the same period last year. For the three quarters ending March 31, 2002, collections totaled \$2.174 billion, a decrease of \$500 million, or 19 percent, from the same period last year. The decline was due to the economic slowdown and the September 11, 2001 attacks.

Third-quarter collections from the Financial sector increased by 16 percent, because clearing house banks rebounded from their poor performance last year. However, total Financial sector fiscal year-to-date payments were \$311 million below last year, a decline of 31 percent. The securities and banking sub-sectors accounted for most of the year-to-date decline.

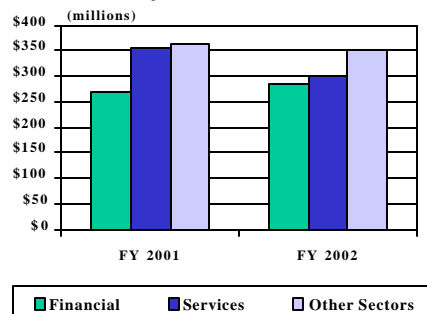
Third-quarter collections from the Services sector declined by \$52 million, or 15 percent. Fiscal year-to-date collections dropped \$137 million, or 18 percent, from the same period last year. Payments from holding companies, professional/ technical firms, managerial companies and accommodation/ food services all fell significantly, accounting for most of the Services sector's year-to-date decline.

Quarterly collections from the other major industry sectors decreased by a total of \$12 million, or 3 percent. Payments from the Trade sector, retail businesses in particular, declined by \$22 million. Fiscal year-to-date collections for these other major sectors decreased by a total of \$52 million, or 6 percent, from last year, with the largest year-to-date decline attributable to Trade.

**New York City
Business Income Tax
Fiscal Year-to-Date Collections
July 2001 - March 2002**



**New York City
Business Income Tax
Third-Quarter Collections
January 2002 - March 2002**



NEW YORK CITY
BUSINESS INCOME TAX QUARTERLY COLLECTIONS
FROM JANUARY 1 TO MARCH 31
(\$ millions)

Sector	FY 99		FY 00		FY 01		FY 02		FY02-FY01	
		% of Total		% of Total		% of Total		% of Total	\$ Change	% Change
Financial	223	28%	327	36%	269	27%	285	30%	16	6%
Real Estate	70	9%	66	7%	85	9%	94	10%	9	10%
Services	266	34%	275	30%	354	36%	302	32%	-52	-15%
Information	46	6%	61	7%	50	5%	54	6%	4	7%
Trade	79	10%	89	10%	106	11%	84	9%	-22	-21%
Manufacturing	43	6%	41	4%	52	5%	38	4%	-13	-26%
Other	57	7%	58	6%	72	7%	83	9%	11	15%
Total	784	100%	916	100%	987	100%	939	100%	-48	-5%

FISCAL YEAR-TO-DATE COLLECTIONS
FROM JULY 1 TO MARCH 31
(\$ millions)

Sector	FY 99		FY 00		FY 01		FY 02		FY02-FY01	
		% of Total		% of Total		% of Total		% of Total	\$ Change	% Change
Financial	692	34%	780	36%	999	37%	688	32%	-311	-31%
Real Estate	155	8%	152	7%	189	7%	188	9%	-1	-1%
Services	646	32%	653	30%	783	29%	646	30%	-137	-18%
Information	131	6%	159	7%	161	6%	149	7%	-12	-8%
Trade	192	9%	207	9%	248	9%	206	9%	-42	-17%
Manufacturing	103	5%	110	5%	140	5%	128	6%	-12	-8%
Other	129	6%	128	6%	153	6%	169	8%	16	10%
Total	2,047	100%	2,189	100%	2,674	100%	2,174	100%	-500	-19%

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 General Corporation Tax, Unincorporated Business Tax, and Banking Corporation Tax 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.