



**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
Third Quarter**

January 2003 – March 2003

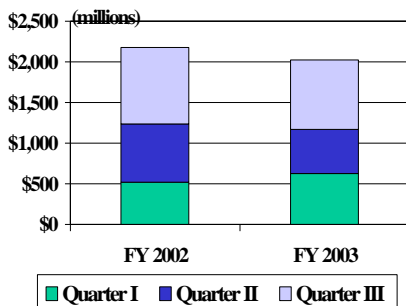
New York City's three business income taxes generated \$851 million in the third quarter of fiscal year 2003, a decline of \$89 million, or 9 percent, from the same quarter last year. For the three quarters ending March 31, 2003, collections totaled \$2.022 billion, a decrease of \$153 million, or 7 percent, from the same period last year.

Third-quarter collections from the Financial sector decreased by \$59 million, or 21 percent. Receipts from clearing house and foreign banks declined a total of \$25 million, while payments from securities/commodities brokers and dealers declined by \$30 million. Fiscal year-to-date collections were \$112 million below last year's level, a decline of 16 percent. The banking sub-sector accounted for almost two thirds of the year-to-date decline.

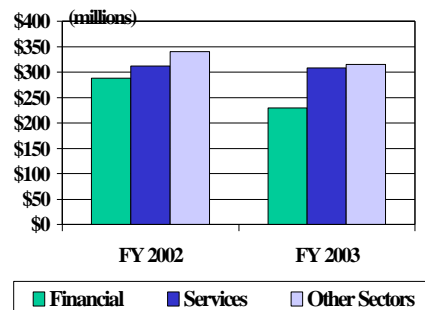
Third-quarter collections from the Services sector declined by \$5 million, or 1 percent. Fiscal year-to-date collections, however, increased by \$16 million, or 2 percent, from the same period last year. The year-to-date increase is attributable to the growth in the managerial, health care and legal sub-sectors.

Quarterly collections from the other major industry sectors decreased by a total of \$25 million, or 7 percent. The Information and Real Estate sectors accounted for all of the quarterly decline. Fiscal year-to-date collections for these other major sectors decreased by a total of \$57 million, or 7 percent, from last year, with the largest year-to-date declines attributable to Information and Manufacturing.

**New York City
Business Income Tax
Fiscal Year-to-Date Collections
July 2002 - March 2003**



**New York City
Business Income Tax
Third-Quarter Collections
January 2003 - March 2003**



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

Sector	FY 00		FY 01		FY 02		FY 03		FY03-FY02	
	% of Total		% of Total		% of Total		% of Total		\$ Change	% Change
Financial	327	36%	269	27%	288	31%	229	27%	-59	-21%
Real Estate	66	7%	85	9%	97	10%	81	10%	-15	-16%
Services	275	30%	354	36%	312	33%	308	36%	-5	-1%
Information	61	7%	50	5%	55	6%	34	4%	-20	-37%
Trade	89	10%	106	11%	88	9%	89	11%	2	2%
Manufacturing	41	4%	52	5%	38	4%	40	5%	1	4%
Other	58	6%	72	7%	62	7%	70	8%	8	13%
Total	916	100%	987	100%	940	100%	851	100%	-89	-9%

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

Sector	FY 00		FY 01		FY 02		FY 03		FY03-FY02	
	% of Total		% of Total		% of Total		% of Total		\$ Change	% Change
Financial	780	36%	999	37%	694	32%	581	29%	-112	-16%
Real Estate	152	7%	189	7%	191	9%	180	9%	-11	-6%
Services	653	30%	783	29%	661	30%	677	34%	16	2%
Information	159	7%	161	6%	151	7%	117	6%	-34	-23%
Trade	207	9%	248	9%	212	10%	211	10%	-1	-1%
Manufacturing	110	5%	140	5%	128	6%	105	5%	-24	-19%
Other	128	6%	153	6%	138	6%	151	7%	13	9%
Total	2,189	100%	2,674	100%	2,174	100%	2,022	100%	-153	-7%

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.