



**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 2004
Annual Results**

July 2003 – June 2004

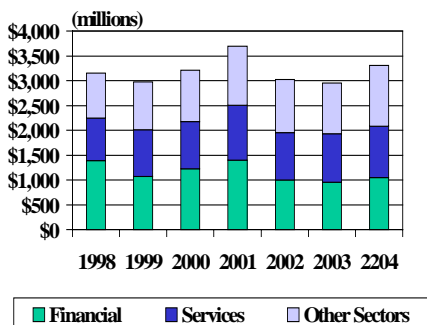
New York City's three business income taxes generated a total of \$3,305 million in Fiscal Year 2004, an increase of \$353 million, or 12 percent, from FY 2003. Collections were strong throughout the fiscal year. Annual payments grew for all major sectors but Manufacturing.

Annual collections from the Financial sector increased by \$103 million, or 11 percent, compared to FY 2003 revenues. Over 70 percent of the increase came from the banking sub-sector; growth in collections from clearing house banks and other domestic banks offset a decline in foreign bank payments. Securities and commodities firms and credit agencies also contributed to the overall sector growth.

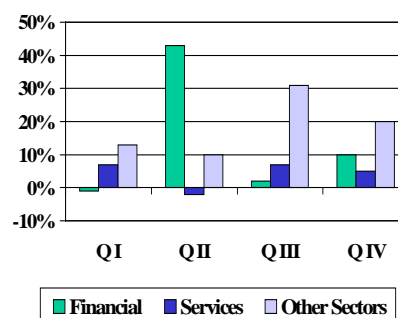
Annual collections from the Services sector increased by \$48 million, or 5 percent. Payments by law firms accounted for most of the growth.

FY 2004 collections from other major industrial sectors increased by a total of \$202 million, or 20 percent. Collections from the Information sector increased by \$121 million, or 67 percent. Payments by the Real Estate sector increased by 48 million, or 20 percent, while receipts from the Trade sector rose \$26 million, or 9 percent. Payments from the Manufacturing sector dropped \$6 million, or 4 percent.

**New York City
Business Income Tax
Fiscal Year Collections
July 1 - June 30**



**New York City
Business Income Tax
Percentage Change in
FY 2004 Quarterly Collections**



NEW YORK CITY BUSINESS INCOME TAX

FOURTH-QUARTER COLLECTIONS

FROM APRIL 1 TO JUNE 30

(\$ millions)

Sector	FY 01		FY 02		FY 03		FY 04		FY04-FY03	
	% of Total		% of Total		% of Total		% of Total		% Change	
Financial	390	38%	304	36%	336	36%	371	36%	34	10%
Real Estate	61	6%	60	7%	56	6%	78	8%	21	38%
Services	332	33%	295	35%	322	35%	338	33%	16	5%
Information	62	6%	45	5%	60	6%	69	7%	9	15%
Trade	73	7%	64	8%	76	8%	90	9%	13	18%
Manufacturing	37	4%	29	3%	31	3%	32	3%	1	3%
Other	61	6%	47	6%	47	5%	56	5%	9	19%
Total	1,015	100%	844	100%	930	100%	1,034	100%	104	11%

FISCAL YEAR COLLECTIONS

FROM JULY 1 TO JUNE 30

(\$ millions)

Sector	FY 01		FY 02		FY 03		FY 04		FY04-FY03	
	% of Total		% of Total		% of Total		% of Total		% Change	
Financial	1,395	38%	998	33%	947	32%	1,050	32%	103	11%
Real Estate	250	7%	251	8%	241	8%	289	9%	48	20%
Services	1,114	30%	956	32%	983	33%	1,031	31%	48	5%
Information	224	6%	196	6%	181	6%	302	9%	121	67%
Trade	322	9%	276	9%	298	10%	324	10%	26	9%
Manufacturing	176	5%	157	5%	131	4%	125	4%	-6	-4%
Other	209	6%	184	6%	171	6%	183	6%	13	7%
Total	3,691	100%	3,019	100%	2,952	100%	3,305	100%	353	12%

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.