



*DEPARTMENT OF FINANCE*

**MEMO**

TO: Matthew H. Greeson, City Manager

FROM: Molly Roberts, Finance Director

DATE: September 10, 2010

SUBJECT: 2010 Income Tax Collection Update as of August 31, 2010

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Attached please find the summary reports for income tax collections for the month of August, 2010. The gross income tax collections received for the month of August, 2010 were above monthly collections for August, 2009 by \$239,263.14 or 25.53%. However, year to date collections are below 2009 year to date collections by \$491,190.02 or -4.54%. Year to date income tax refunds issued have exceeded 2009 year to date refund levels by \$543,481.64.

Income tax collections are reported as three different account types: withholding, individual and net profit filers. Collections for August, 2010 are above August, 2009 for withholding accounts and below for individual and net profit accounts. The assumption is the increase in withholding collections is largely attributed to the income tax rate increase which was effective on July 1, 2010. The breakdown of collections for the month of August, 2010 is indicated below:

- Withholding accounts equate to 82.20% of collections
- Individual accounts equate to 14.42% of collections
- Net profit accounts equate to 3.38% of collections.

**City of Worthington Income Tax Collections  
Estimated vs Actual**

Month	2010 Estimated	2010 Actual	Variance Favorable/ (Unfavorable)	Cumulative Variance Favorable/ (Unfavorable)
Jan	\$ 1,292,415.41	\$ 1,197,756.49	\$ (94,658.92)	\$ (94,658.92)
Feb	1,168,164.70	1,004,457.95	\$ (163,706.75)	\$ (258,365.67)
Mar	1,279,767.18	1,143,451.36	\$ (136,315.82)	\$ (394,681.49)
Apr	1,169,285.60	1,225,822.86	\$ 56,537.26	\$ (338,144.23)
May	1,312,695.84	1,429,298.09	\$ 116,602.25	\$ (221,541.98)
Jun	1,662,181.88	1,563,878.22	\$ (98,303.66)	\$ (319,845.64)
Jul*	1,849,000.00	1,358,391.32	\$ (490,608.68)	\$ (810,454.32)
Aug	1,164,998.00	1,404,261.14	\$ 239,263.14	\$ (571,191.18)
Sep	1,311,540.00			
Oct	1,209,957.00			
Nov	1,276,222.00			
Dec	1,440,833.00			
Total	<u>\$ 16,137,060.61</u>	<u>\$ 10,327,317.43</u>	<u>\$ (571,191.18)</u>	

\*Estimates Revised for Income Tax Rate Increase to 2.5% effective 07/01/2010.

**City of Worthington Income Tax Collections**

**Yearly Comparison**

<u>Month</u>	<u>Monthly Total 2009</u>	<u>Cumulative Total 2009</u>	<u>86.40% General Fund</u>	<u>13.60% CIP Fund</u>	<u>Monthly Total 2010</u>	<u>Cumulative Total 2010</u>	<u>86.40% General Fund</u>	<u>13.60% CIP Fund</u>	<u>Monthly Increase 2010/2009</u>	<u>Cumulative Increase 2010/2009</u>
Jan	\$ 1,292,415.41	\$ 1,292,415.41	\$ 1,116,646.91	\$ 175,768.50	\$1,197,756.49	\$1,197,756.49	\$1,034,861.61	\$162,894.88	-7.32%	-7.32%
Feb	1,168,164.70	2,460,580.11	\$ 1,009,294.30	\$ 158,870.40	\$1,004,457.95	\$2,202,214.44	\$867,851.63	\$136,606.24	-14.01%	-10.50%
Mar	1,279,767.18	3,740,347.29	1,105,718.84	174,048.34	\$1,143,451.36	\$3,345,665.80	\$987,941.98	\$155,509.38	-10.65%	-10.55%
Apr	1,169,285.60	4,909,632.89	1,010,262.76	159,022.84	\$1,225,822.86	\$4,571,488.66	\$1,059,110.97	\$166,711.89	4.84%	-6.89%
May	1,312,695.84	6,222,328.73	1,134,169.21	178,526.63	\$1,429,298.09	\$6,000,786.75	\$1,234,913.55	\$194,384.54	8.88%	-3.56%
Jun	1,662,181.88	7,884,510.61	1,436,125.14	226,056.74	\$1,563,878.22	\$7,564,664.97	\$1,351,190.78	\$212,687.52	-5.91%	-4.06%
Jul	1,815,363.34	9,699,873.95	1,568,473.93	246,889.41	\$1,358,391.32	\$8,923,056.29	\$1,173,650.10	\$184,741.30	-25.17%	-8.01%
Aug	1,118,633.50	10,818,507.45	966,499.34	152,134.16	\$1,404,261.14	\$10,327,317.43	\$1,213,281.62	\$190,979.60	25.53%	-4.54%
Sep	1,265,175.93	12,083,683.38	1,093,112.00	172,063.93						
Oct	1,163,932.38	13,247,615.76	1,005,637.58	158,294.80						
Nov	1,165,687.35	14,413,303.11	1,007,153.87	158,533.48						
Dec	1,310,298.02	15,723,601.13	1,132,097.49	178,200.53						
<b>Total</b>	<b>\$ 15,723,601.13</b>		<b>\$ 13,585,191.38</b>	<b>\$ 2,138,409.75</b>	<b>\$10,327,317.43</b>		<b>\$8,922,802.24</b>	<b>\$1,404,515.35</b>		

**Income Tax Rate increased to 2.0% on January 1, 2004.**

**Income Tax Rate increased to 2.5% on July 1, 2010.**

**Additional 6.4% is being set aside in a Reserve Account in the General Fund until a balance of \$1.5 million is obtained.**