

Table 3: Toledo Income Taxes - Forecasts are bold.

	Withholding	%	Business	%	Individual	%	Total	%
	change		change		change			change
1989	\$95,011,996	2.4	\$9,292,927	-35.0	\$2,396,757	-2.4	\$106,701,680	-2.6
1990	92,919,354	-2.2	12,766,213	37.4	2,294,258	-4.3	107,979,825	1.2
1991	92,452,379	-0.5	9,963,000	-22.0	2,454,651	7.0	104,870,030	-2.9
1992	97,428,524	5.4	10,445,009	4.8	2,549,443	3.9	110,422,976	5.3
1993	100,159,047	2.8	12,805,217	22.6	2,790,750	9.5	115,755,014	4.8
1994	107,147,988	7.0	14,813,612	15.7	3,013,485	8.0	124,975,085	8.0
1995	112,883,989	5.4	13,743,551	-7.2	3,161,220	4.9	129,788,760	3.9
1996	117,494,951	4.1	17,829,958	29.7	3,161,798	0.0	138,486,707	6.7
1997	123,559,489	5.2	15,856,452	-11.1	3,284,787	3.9	142,700,728	3.0
1998	125,178,347	1.3	15,904,590	0.3	3,421,660	4.2	144,504,597	1.3
1999	130,843,903	4.5	15,645,820	-1.6	3,680,593	7.6	150,170,316	3.9
2000	134,806,279	3.0	15,287,726	-2.3	3,736,243	1.5	153,830,248	2.4
2001	132,688,940	-1.6	13,228,732	-13.5	4,993,735	33.7	150,911,407	-1.9
2002	133,577,209	0.7	14,156,273	7.0	6,231,758	24.8	153,965,240	2.0
2003	136,229,267	1.9	14,910,978	5.3	6,210,707	-0.3	157,350,952	2.2

Source: Actual revenue from City of Toledo, Finance Department/Treasury Division.
 Forecasts in bold were generated by the procedures outlined to City Council in *City of Toledo Payroll Tax Revenue: Annual Budget Projections and Long-term Trends*, UT-Urban Affairs Center, October 2000.

During the slump in the early-1990s, the City's income tax withholdings dropped 2.7% from \$95 million in 1989 to \$92.5 million in 1991. The decline during the recent recession was confined to one year, 2001, with a drop of 1.9%, which resulted in loss of \$2.9 million. The national economy is forecast to grow slowly in 2003 and local economic conditions should improve; therefore, it seems likely that the City's tax revenue will grow for a second consecutive year. Although increases in tax withholdings provide the thrust for continued recovery in 2003, the gains in total income tax revenue forecast for 2003 are moderate compared to the 1990's and weak compared to the City's rebound from the recession of 1990-91.