



CITY OF READING, PENNSYLVANIA

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CITY AUDITOR'S REPORT Monday, April 28, 2025

This report summarizes the top-most revenue line items collected in the first Q of 2025

- **Real Estate Transfer Tax** – The city levies a 3.5 percent on the value of all taxable Real Estate Transfer transactions. For the year 2025, \$6.5 million was budgeted, and as of March 31, 2025, \$1,858,710.29 has been recorded for this revenue line item. And this revenue is very competitive with the revenue recorded during the first Q in previous years. During the first Q of 2025, 379 transactions were completed, of which 294 were taxable and 85 were not taxable transactions. Also, three (3) properties were sold for over one (1) million dollars threshold which combined generated about \$204,000.00

TABLE 1

Month	YTD 3/31/2025	12/31/2024	12/31/2023	12/31/2022	12/31/2021
January	772,820.26	523,273.24	537,365.84	702,030.86	535,849.04
February	519,235.49	538,608.11	429,825.33	512,582.49	523,300.89
March	616,654.54	510,472.73	734,930.69	954,153.08	1,178,885.61
April		667,229.02	675,249.34	736,240.82	717,308.73
May		701,432.66	730,111.19	883,522.38	447,710.27
June		651,364.70	843,730.75	842,707.71	719,042.39
July		711,474.03	568,800.48	793,696.36	752,234.50
August		740,958.84	790,833.91	747,631.78	1,078,840.76
September		677,784.14	622,560.84	654,921.99	678,323.20
October		858,111.59	799,185.41	958,192.93	480,665.62
November		558,219.20	602,955.16	619,275.83	844,193.89
December		595,672.07	549,013.52	512,935.97	837,430.85
YTD REVENUE	1,908,710.29	7,734,600.33	7,884,562.46	8,917,892.20	8,793,785.75
2025 BUDGET	6,500,000.00	6,200,000.00	6,000,000.00	5,500,000.00	4,700,000.00
Over/(Under) Budget	(4,591,289.71)	1,534,600.33	1,884,562.46	3,417,892.20	4,093,785.75



Table 2

Month	Taxable	Non-Taxable	Total Transactions
January	116	23	139
February	78	34	112
March	100	28	128
Total	294	85	379

Table 3

Month	Property Address	Sale Price	Rate - 3.5%
January	1725 N 5th Street	2,124,534.00	74,358.69
January	1235 Lancaster Ave.	1,200,000.00	42,000.00
February	1746 N 3rd Street	2,500,000.00	87,500.00
Total		5,824,534.00	203,858.69

- **Admission Fees Tax Revenue** - Most of the revenue collected for the Admissions Fee Tax comes from the Reading Royals, the Reading Phils, and other events/concerts held at the Santander Arena and the Performing Arts Center. For the first Q of 2025, \$191,215.45 in revenue has been collected and \$900,000 was budgeted for this line item in 2025.

Month	Reading Phils	Reading Royals	Santander Arena-Other	Performing Art Center	Varsity Brands - AEG	Reading Symphony	YTD Revenue
January	3,478.13	14,594.93	1,473.59	10,801.58			30,348.23
February	3,793.63	16,853.99	31,487.86	12,538.73	1,923.46		66,597.67
March	5,425.18	25,267.64	41,487.80	20,059.93	2029.00		94,269.55
YTD Revenue	12,696.94	56,716.56	74,449.25	43,400.24	3,952.46		191,215.45
2025 Budget							900,000.00
Over/(under) Budget							(708,784.55)

- **User Fee revenue** - This is the revenue collected for the EMS services the City provides to its residents. For the fiscal year of 2025, \$3 million was budgeted for this revenue line item, and as of March 31, 2025, \$1,348,227.16 has been recorded.

USER FEES -EMS	YTD 03/31/2025	YTD 12/31/2024	YTD 12/31/2023	YTD 12/31/2022	YTD 12/31/2021
Revenue Collected	1,348,227.16	2,377,793.24	4,176,989.61	3,047,755.50	3,287,855.40
2023 Budget	3,000,000.00	3,000,000.00	3,064,000.00	3,009,000.00	3,033,500.00
Over/(Under) Budget	(1,651,772.84)	(622,206.76)	1,112,989.61	38,755.50	254,355.40

- **Property Tax Revenue** – In 2025, just for the General Fund, the City budgeted \$25,534,065 for Property Tax, which includes Property Tax Current, Property Tax Prior Year, Penalty and interest, and Discount and Allowance. In previous years, Property Tax revenue was the largest source of income within the General Fund, but in 2023 and 2024, the Earned Income Tax surpassed the Property Tax revenue by about \$2.4 million, and \$4.3 million respectively. For the year 2025, approximately \$25.5 million was budgeted for Property Taxes; And for the first Q of 2025, \$3,234,891.93 in revenue has been recorded.

Property Taxes	2025 Budget	YTD 03/31/2025	Variance	2024 Budget	YTD 12/31/2024
Discount & Allowance	(379,292.00)	(60,409.13)	318,882.87	(384,597.00)	(376,223.61)
Property Tax Current	23,321,328.00	3,020,432.02	(20,300,895.98)	23,177,728.00	23,348,150.79
Property Tax Prior	1,828,230.00	197,441.93	(1,630,788.07)	1,724,892.00	1,917,086.33
Penalty and Interest	763,799.00	77,427.11	(686,371.89)	724,363.00	804,939.33
Total Property Taxes	25,534,065.00	3,234,891.93	(22,299,173.07)	25,242,386.00	25,693,952.63

- **Earned Income Tax (EIT)/Earned Income Tax Prior Year** – For the Earned Income Tax, \$28.8 million was budgeted in 2025 and about \$8.1 million in revenue has been collected during the first Q. Since most of the revenue of the EIT Prior year is collected early in the year, this revenue line item has already sustained a revenue surplus of \$76,843.03 during the first Q. In 2024, about 30 million was collected and the ETI revenue line items ended with a surplus of about \$4 million.

Earned Income Tax	2025 Budget	YTD 03/31/2025	Variance	2024 Budget	YTD 12/31/2024
Earned Income Tax	20,880,000.00	64,207.50	(20,815,792.50)	18,578,300.00	22,033,760.61
EIT Prior Year	7,985,400.00	8,062,243.03	76,843.03	7,486,600.00	8,022,130.94
Total EIT	28,865,400.00	8,126,450.53	(20,738,949.47)	26,064,900.00	30,055,891.55