



CITY OF READING, PENNSYLVANIA

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CITY AUDITOR'S REPORT Monday, May 24, 2021

Real Estate Transfer Tax Revenue - Update as of April 30, 2021

For the month of April of the current year, the City collected \$717,308.73 in revenue for Real Estate Transfer Tax, and as of April 30, 2021, a total of \$2,955,344.27 has already been received which is 63% of total amount budgeted. Out of this amount \$884,799.64 has been received for properties sold for more than a half of million dollars threshold (see second table of this report).

Also, there has been a total of 851 transactions for Real Estate Transfer Tax, of which 721 transactions were taxable and 130 were not taxable transactions; this data is explained in the 3rd table of this report.

The following chart illustrates YTD revenue collected for Real Estate Transfer from 2017-2021

	4/30/2021	4/30/2020	04/30/2019	4/30/2018	4/30/2017
January	535,849.04	323,123.52	223,920.68	293,105.03	276,076.87
February	523,300.89	511,220.85	615,116.21	204,053.26	210,173.34
March	1,178,885.61	601,103.82	266,411.11	348,937.95	297,329.36
April	717,308.73	235,765.07	548,506.44	347,097.22	581,143.64
Total Revenue	2,955,344.27	1,671,213.26	1,653,954.44	1,193,193.46	1,364,723.21
Total Budgeted	4,700,000.00	4,200,000.00	3,800,000.00	3,350,000.00	2,750,000.00
Total % Collected	0.63	0.40	0.44	0.36	0.50



The table below demonstrates the # of transactions for properties sold within the threshold

Property Address	Month of Sale	Sale Price	Rate - 3.5%
100 Lancaster Avenue	January	1,925,000.00	67,375.00
323 N 4 th Street	January	950,000.00	33,250.00
1800 Centre Avenue	February	5,200,000.00	182,000.00
1260 Hill RD	March	875,000.00	30,625.00
300 Lackawanna St.	March	11,387,550.00	398,564.25
1211 Carbon Street	March	575,000.00	20,125.00
601 Lancaster Avenue	April	729,000.00	25,515.00
100 Lancaster Avenue	April	3,038,439.74	106,345.39
1414 Moss Street	April	600,000.00	21,000.00
Total		25,279,989.74	884,799.64

The following chart illustrates the total transactions for Real Estate Transfer Tax as of 4/30/2021

Month	Total Transactions	Taxable	Non-Taxable
January	168	149	19
February	157	135	22
March	294	239	55
April	232	198	34
Total	851	721	130

Earned Income Tax and Earned Income Tax Prior – Update as of April 30, 2021

For the current fiscal year, the City budgeted \$20,242,120.00 for Earned Income Tax & Earned Income Tax Prior, and as of April 30, 2021, the City has collected \$6,578,927.10 of total amount budgeted. The table below illustrates that the revenue collected for Earned Income Tax this year is greater by \$797,333.86 compared to the revenue collected for the same period of time in 2020.

Earned Income Tax revenue YTD comparison between 2021 vs 2020

	2021 Budget	YTD 4/30/2021	2020 Budget	YTD 4/30/2020	Variance
Earned Income Tax	15,512,120.00	1,238,704.83	16,861,000.00	243,450.50	995,254.33
Earned Income Tax Prior	4,730,000.00	5,340,222.27	5,500,000.00	5,538,142.74	(197,920.47)
TOTAL EIT	20,242,120.00	6,578,927.10	22,361,000.00	5,781,593.24	797,333.86

2020 Fiscal Year Audit - Update

On Tuesday, May 18, 2021, the external auditor, Megan Thompson from Herbein & Company communicated to the City Auditor that about 60% of the testing for the fiscal audit of 2020 has been completed. Ms. Thompson stated that a very good progress has been made through the audit process.