



King County
Office of Economic and Financial Analysis
King Street Center, 3rd Floor.
201 South Jackson Street
Seattle, WA 98104
206.477.3413

MEMORANDUM

DATE: August 28, 2025

TO: King County Forecast Council

FROM: Lizbeth Martin-Mahar, Laurie Elofson, Tony Cacallori

RE: King County Revenue through July 2025

Actuals Compared to Budget Forecast - King County Revenue (through July 2025 unless noted)¹

Revenue	YTD Forecast (2025 Budget)	YTD Actual	Actual - Forecast	Difference (percentage)
Current Expense Levy*	\$ 224,600,000	\$ 226,103,416	\$ 1,503,416	0.7%
UAL/Roads Levy^	\$ 54,500,000	\$ 54,197,106	\$ (302,894)	-0.6%
Parks Levy^	\$ 90,570,000	\$ 89,824,034	\$ (745,966)	-0.8%
Veterans, Seniors, & HS Levy (1143)^	\$ 45,990,000	\$ 46,390,532	\$ 400,532	0.9%
Conservation Futures Levy (3151)^	\$ 28,590,000	\$ 28,273,401	\$ (316,599)	-1.1%
EMS Levy^	\$ 63,960,000	\$ 66,832,051	\$ 2,872,051	4.5%
Transit Levy^	\$ 18,210,000	\$ 18,105,651	\$ (104,349)	-0.6%
Marine Levy^	\$ 3,830,000	\$ 3,806,390	\$ (23,610)	-0.6%
Best Starts for Kids Levy^	\$ 82,310,000	\$ 81,712,090	\$ (597,910)	-0.7%
Crisis Care Centers Levy^	\$ 65,070,000	\$ 64,555,413	\$ (514,587)	-0.8%
County Hospital Levy^	\$ 45,790,000	\$ 45,498,335	\$ (291,665)	-0.6%
P&I on Delinquent Property Taxes	\$ 14,780,000	\$ 12,518,673	\$ (2,261,327)	-15.3%
Sales Tax - Local Option (6/25)	\$ 84,840,000	\$ 86,786,590	\$ 1,946,590	2.3%
Sales Tax-Criminal Justice (6/25)	\$ 9,030,000	\$ 8,927,487	\$ (102,513)	-1.1%
Sales Tax-MIDD (6/25)	\$ 44,710,000	\$ 44,657,923	\$ (52,077)	-0.1%
Sales Tax - Transit (6/25)	\$ 408,300,000	\$ 407,718,169	\$ (581,831)	-0.1%
Sales Tax - Health Through Housing (6/25)	\$ 33,920,000	\$ 34,737,561	\$ 817,561	2.4%
Sales Tax - Cultural Access Program (6/25)	\$ 45,010,000	\$ 45,291,811	\$ 281,811	0.6%
Marijuana Excise Tax	\$ 1,440,000	\$ 1,347,123	\$ (92,877)	-6.4%
MV Fuel Tax-Roads+	\$ 6,530,000	\$ 5,604,808	\$ (925,192)	-14.2%
E-911 Excise Tax (6/25)	\$ 12,770,000	\$ 13,222,801	\$ 452,801	3.5%
Hotel/Motel Tax (6/25)	\$ 18,390,000	\$ 17,981,046	\$ (408,954)	-2.2%
Lodging Tax (HB 2015) (6/25)	\$ 2,680,000	\$ 3,044,390	\$ 364,390	13.6%
Rental Car Tax (6/25)	\$ 2,300,000	\$ 2,019,060	\$ (280,941)	-12.2%
REET 1 Revenue	\$ 5,700,000	\$ 4,976,650	\$ (723,350)	-12.7%
Wastewater Revenues+	\$ 319,940,000	\$ 318,352,811	\$ (1,587,189)	-0.5%
Solid Waste Net Disposal Charges+	\$ 87,410,000	\$ 90,236,198	\$ 2,826,198	3.2%
Transit Fare+	\$ 40,850,000	\$ 37,174,327	\$ (3,675,673)	-9.0%

¹ 2025 actual values are preliminary and subject to adjustment.

* 2025 budget is 97.5% of levy ordinance

^ 2025 budget is 99% of levy ordinance

+ 2025 budget is from Agency budget documents.

All other taxes' 2025 budget based on OEFA March 2025 Forecast

2025 Actuals Compared to Budget Forecasts

Through the end of July 2025, property tax revenues combined for all levies are up from the forecast by \$1.9 million or 0.3 percent. This now includes the first half of the property tax collections for 2025 but not the second half. The year-to-date (yoy) differences in the actuals versus the March forecast for individual levies were positive for four levies and negative for the rest ranging between 4.5 and -1.1 percent with the EMS levy being above the forecast the most by \$2.87 million. The conservation futures levy came in with the largest negative percentage difference at -1.1 percent and Parks levy had the largest dollar decline at -\$745,966 below the March forecast. The first seven months of collections of penalties and interest on delinquent property taxes came in -\$2.3 million or 15.3 percent below forecast.

Total taxable sales, categorized by industry sectors, were up slightly in the first six months of 2025 by 1.4 percent yoy. Year-to-date, about half the industry sectors were up from last year: information up 25.8 percent, manufacturing up 1.3 percent, finance and insurance up 8.8 percent, wholesale trade up 4.6 percent, retail trade up 1.0 percent, real estate, rental and leasing up 8.5 percent, professional, scientific, and technical services up 6.8 percent, health care and social assistance up 8.0 percent, arts, entertainment, and recreation services up 7.5 percent, accommodations and food services up 1.6 percent and public administration up 28.7 percent over last year. For the first half of 2025, some big sectors in the local economy were down from last year like construction sales down 5.5 percent, transportation and warehousing down 7.2 percent, management of companies and enterprises down 29.3 percent, educational services down 12.6 percent, other services except public administration and administrative and support and waste management services each down 0.9 percent.

An appendix to this memo provides King County taxable retail sales by industry for the most recent month June 2025 compared to June 2024. This table indicates that in the month of June, total taxable sales were up year-over-year by 1.8 percent. Most industry sectors are up, and a few are down in June compared to last year. The construction sector in June was still down yoy by 4.8 percent but it is a smaller decline than in prior months. Transportation and warehousing were down 4.9 percent, management of companies down 14.7 percent, administrative and support and waste management down 0.9 percent, educational services down 26 percent and health care down 2 percent and other services down 3.3 percent. Notable industries that grew in June 2025 include manufacturing, which was up 25 percent, wholesale was up 12.8 percent, retail trade was up 2.1 percent, accommodation & food service was up 0.8 percent, finance and insurance up 9.7 percent, real estate and rental and leasing up 4.5 percent, professional, scientific and technical services up 6.9 percent, arts, entertainment and recreation up 9.9 percent and the information sector was up 5.5 percent. Note there was also a strong uptick in DOL monthly collections, coming in at \$87.2 million, which represented some catch up for the prior month's minimal sales tax collections.

The first six months of 2025 saw sales taxes above the March forecast by \$2.31 million, 0.4 percent, for all six sales tax levies. Half of the sales tax levies were up, and half were down. Sales tax distributions for the local option levy were up the most \$1.95 million, 2.3 percent, from the March forecast. This local sales tax levy recently benefited from the fact that the unincorporated area of King County performed better in taxable sales than countywide taxable sales. The transit levy was down the most at \$0.58 million, 0.1 percent, below the March forecast.

Most other revenue streams deviated from the forecast by more than one percent except for wastewater revenues which were down \$1.6 million or -0.5 percent. Revenue streams which were down included the marijuana tax down 6.4 percent, MV fuel tax for roads down 14.2 percent, hotel/motel taxes down 2.2 percent, rental car tax down 12.2 percent, real estate excise taxes down 12.7 percent, and transit fares down 9 percent. A few revenue streams were above the March forecast

including E-911 excise tax at 3.5 percent above, lodging tax up 13.6 percent, and solid waste disposal charges up 3.2 percent compared to the last forecast.

2025 Actuals Compared to OEFA July Forecasts

On July 21, 2025, the King County Forecast Council adopted a new July 2025 revenue forecast. This forecast modified the March 2025 forecast used for setting the 2025 budget. One important element of revision in the July 2025 revenue forecast was the forecast for King County taxable sales as it was reduced by more than 1 percent from the March forecast. This resulted in a lower forecast for sales tax levies. Projections of property tax levies for 2025 were not impacted by this July forecast. Penalties and interest on delinquent property taxes had been lowered since the March forecast and now actuals are coming in \$1 million or 8.2 percent below the July forecast.

Below is a table comparing the monthly 2025 OEFA July forecasts to the monthly actuals received so far in 2025 for those OEFA forecasts that were impacted by the July revisions to the March forecast.

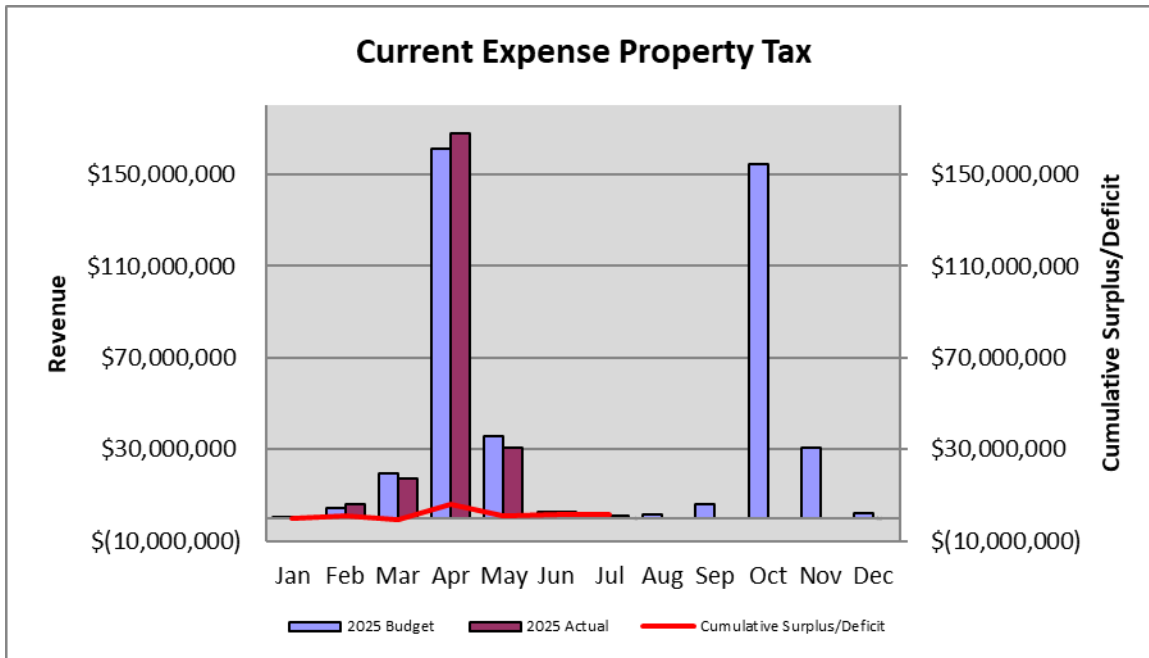
Since the July forecast for taxable sales was revised downward by more than 1% in 2025 from the March forecast, the difference in actual sales tax levies cumulatively for the first five months is now up \$5.1 million, 0.83 percent, from the July forecast.

Since the July forecast, the marijuana, hotel, rental car and REET 1 forecasts were each revised downward from the March forecast. Now for the first six months of 2025, actuals compared to the latest July forecast are up for the marijuana excise tax by \$47,123, 3.6 percent, E-911 excise tax is up \$112,801 or 0.9 percent, hotel/motel taxes are up \$301,046 or 1.7 percent, the lodging tax is up by \$184,390 or 6.4 percent and rental car tax is also up \$29,060 or 1.5 percent. The real estate excise tax is down from the last forecast by \$463,350 or 8.5 percent compared to the new July forecast.

Actuals Compared to OEFA July Forecast - King County Revenue (through July 2025 unless noted)

Revenue	YTD Forecast (July Forecast)	YTD Actual	Actual - Forecast	Difference (percentage)
P&I on Delinquent Property Taxes	\$ 13,640,000	\$ 12,518,673	\$ (1,121,327)	-8.2%
Sales Tax - Local Option (6/25)	\$ 85,090,000	\$ 86,786,590	\$ 1,696,590	2.0%
Sales Tax-Criminal Justice (6/25)	\$ 8,870,000	\$ 8,927,487	\$ 57,487	0.6%
Sales Tax-MIDD (6/25)	\$ 44,420,000	\$ 44,657,923	\$ 237,923	0.5%
Sales Tax - Transit (6/25)	\$ 405,700,000	\$ 407,718,169	\$ 2,018,169	0.5%
Sales Tax - Health Through Housing (6/25)	\$ 34,170,000	\$ 34,737,561	\$ 567,561	1.7%
Sales Tax - Cultural Access Program (6/25)	\$ 44,720,000	\$ 45,291,811	\$ 571,811	1.3%
Marijuana Excise Tax	\$ 1,300,000	\$ 1,347,123	\$ 47,123	3.6%
E-911 Excise Tax (6/25)	\$ 13,110,000	\$ 13,222,801	\$ 112,801	0.9%
Hotel/Motel Tax (6/25)	\$ 17,680,000	\$ 17,981,046	\$ 301,046	1.7%
Lodging Tax (HB 2015) (6/25)	\$ 2,860,000	\$ 3,044,390	\$ 184,390	6.4%
Rental Car Tax (6/25)	\$ 1,990,000	\$ 2,019,060	\$ 29,060	1.5%
REET 1 Revenue	\$ 5,440,000	\$ 4,976,650	\$ (463,350)	-8.5%

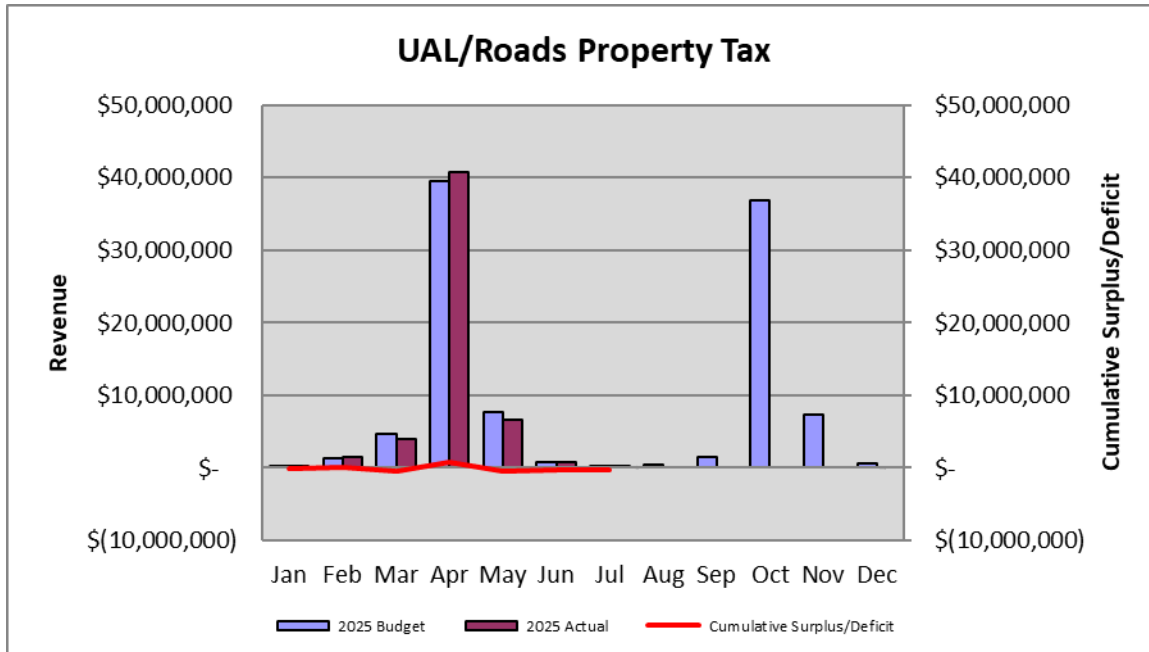
The graphs on the following pages indicate revenues from specific funds, including comparisons between monthly revenues as forecasted in March, shown by the blue bars, actual monthly revenues, indicated by the burgundy bars and the red line showing the cumulative difference between March forecasts and actuals. The table below the graphs show the single month of July or June's estimated March forecast, actual and difference for each taxing district's levy.



Data Source: King County EBS Acct 31111 & 31112

Current Expense Taxes Comparison (July 2025)

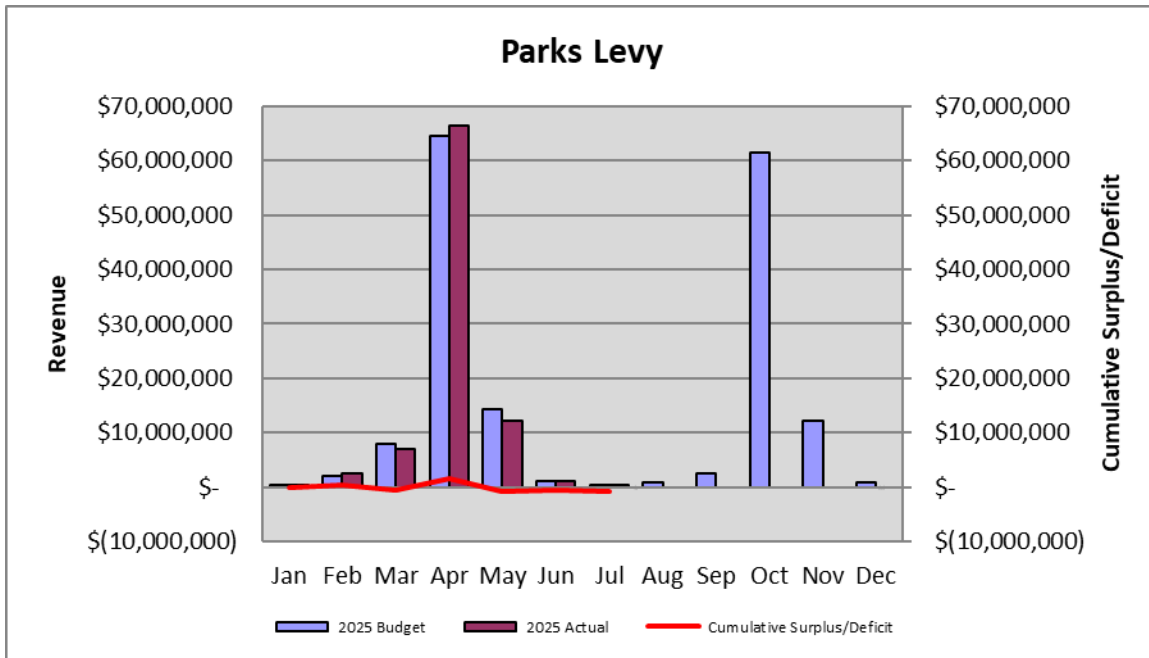
Forecast	Actual	Actual-Forecast	Difference
\$ 1,128,888	\$ 1,146,757	\$ 17,869	1.6%



Data Source: King County EBS Acct. 31111, 31112, 31113, 31114, & 31119

UAL/Roads Property Taxes Comparison (July 2025)

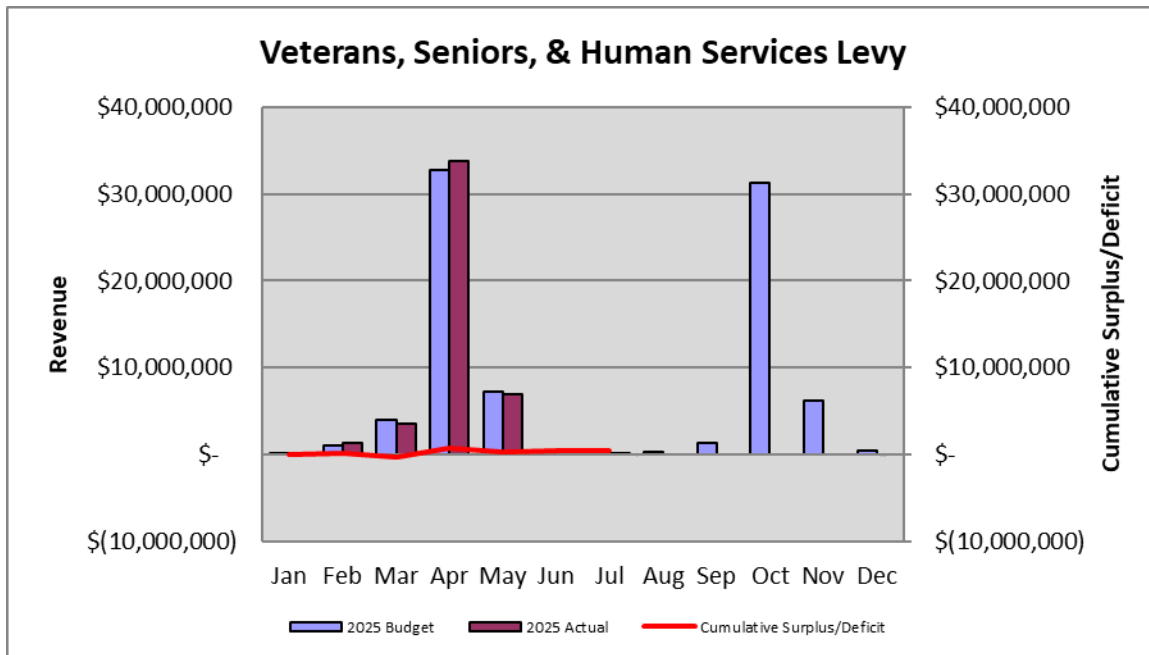
Forecast	Actual	Actual-Forecast	Difference
\$ 266,538	\$ 279,852	\$ 13,314	5.0%



Data: King County EBS 31111, 31112, 31113, 31114, & 31119

Parks Property Taxes Comparison (July 2025)

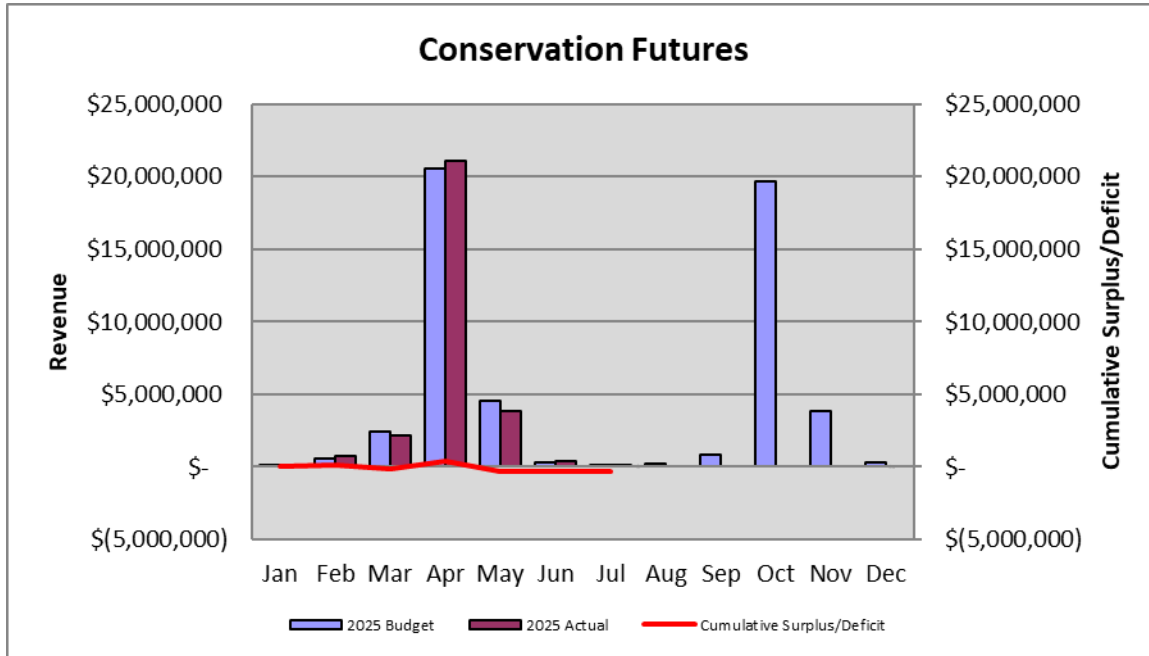
Forecast	Actual	Actual-Forecast	Difference
\$ 431,526	\$ 347,983	\$ (83,543)	-19.4%



Data Source: King County EBS Fund 1143, Acct. 31111, 31112, 31113, 31114, & 31119

VSHSL Property Taxes Comparison (July 2025)

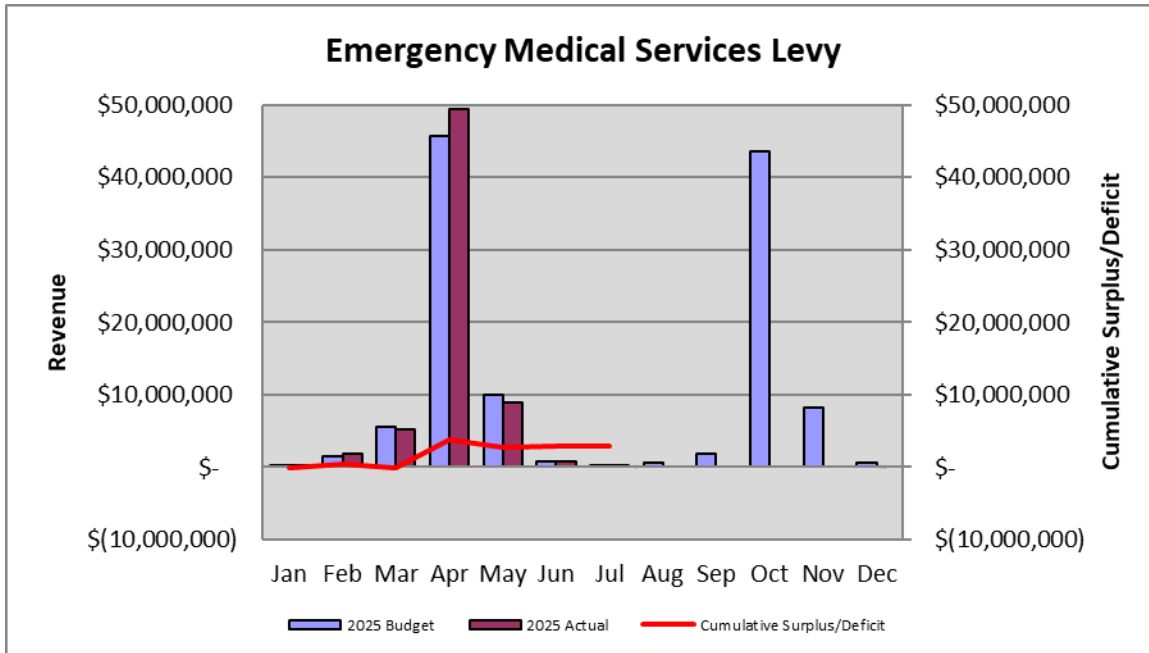
Forecast	Actual	Actual-Forecast	Difference
\$ 218,805	\$ 176,861	\$ (41,945)	-19.2%



Data Source: King County EBS, Acct. 31117

Conservation Futures Property Taxes Comparison (July 2025)

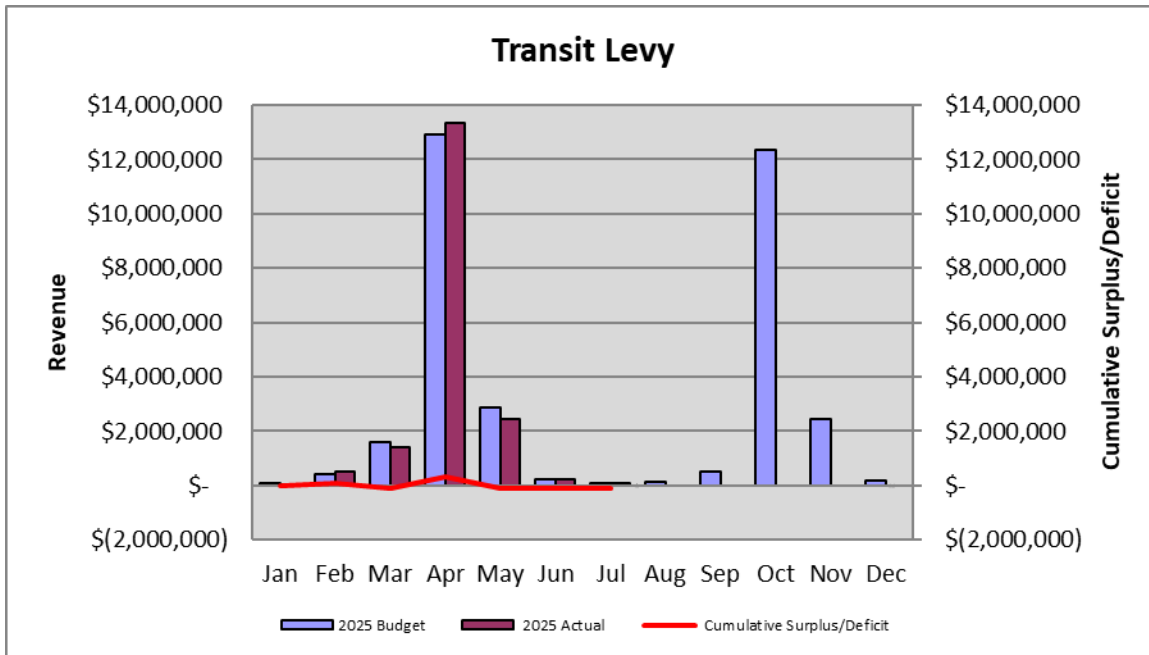
Forecast	Actual	Actual-Forecast	Difference
\$ 140,263	\$ 129,313	\$ (10,949)	-7.8%



Data Source: King County EBS Acct. 31111, 31112, 31113, 31114, & 31119

EMS Property Taxes Comparison (July 2025)

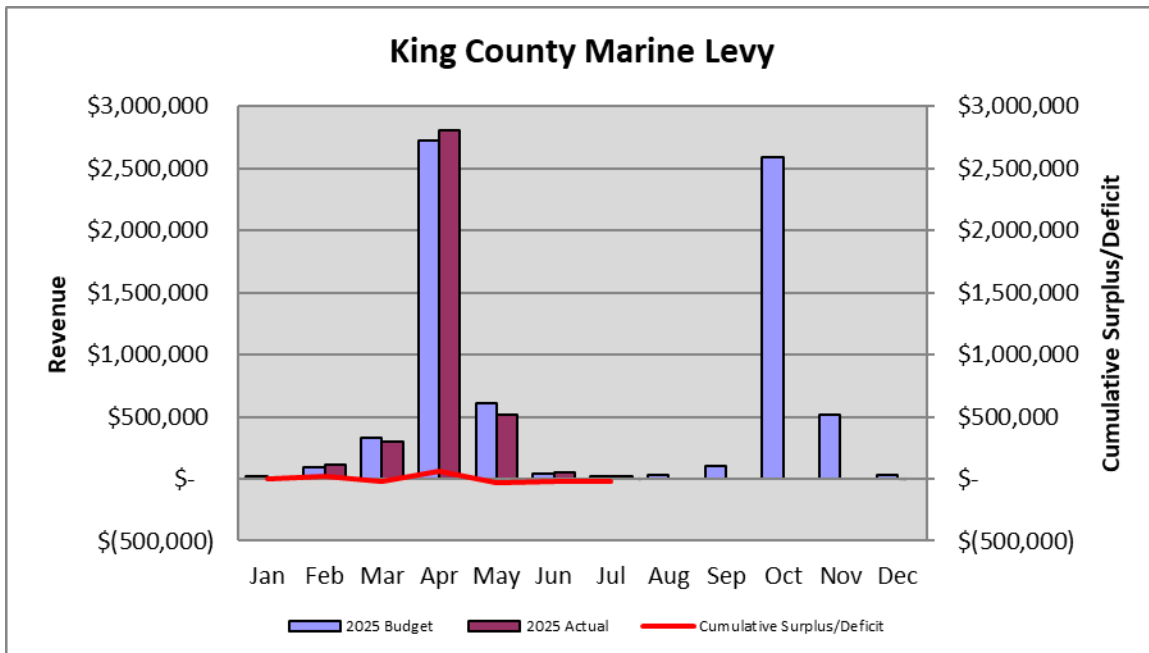
Forecast	Actual	Actual-Forecast	Difference
\$ 302,771	\$ 318,855	\$ 16,084	5.3%



Data Source: King County EBS Acct. 31111, 31112, 31113, 31114, & 31119

Transit Property Taxes Comparison (July 2025)

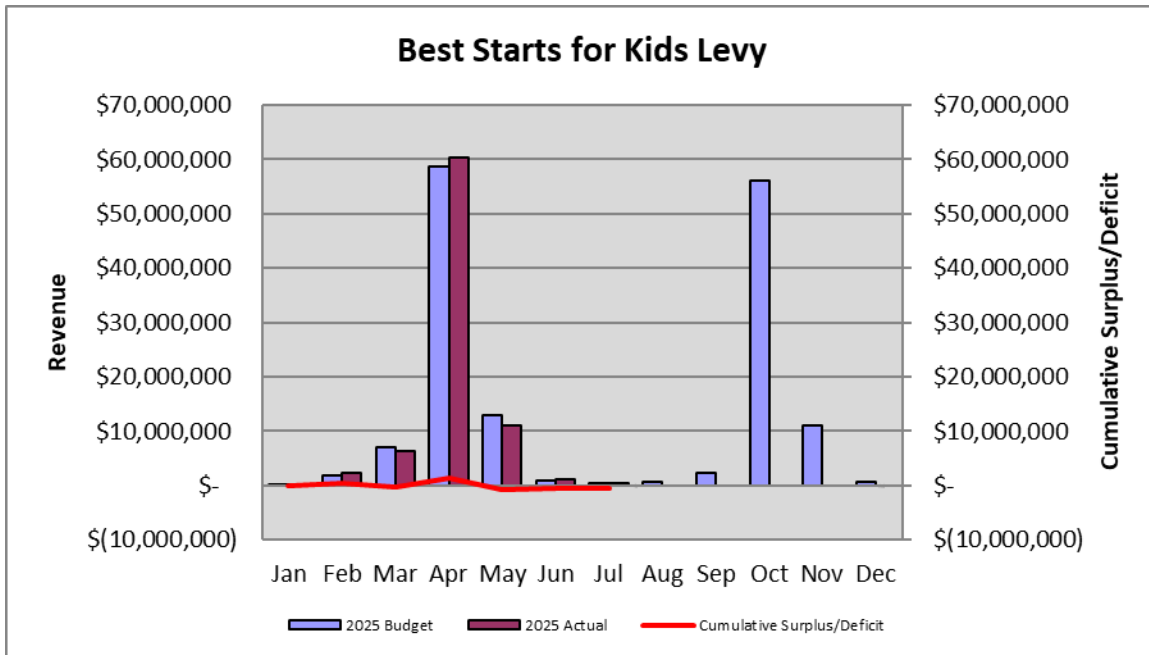
Forecast	Actual	Actual-Forecast	Difference
\$ 91,598	\$ 85,700	\$ (5,899)	-6.4%



Data Source: King County EBS Fund 3641, Accts 31111, 31112, 31113, 31114, & 31119

King County Marine Property Taxes Comparison (July 2025)

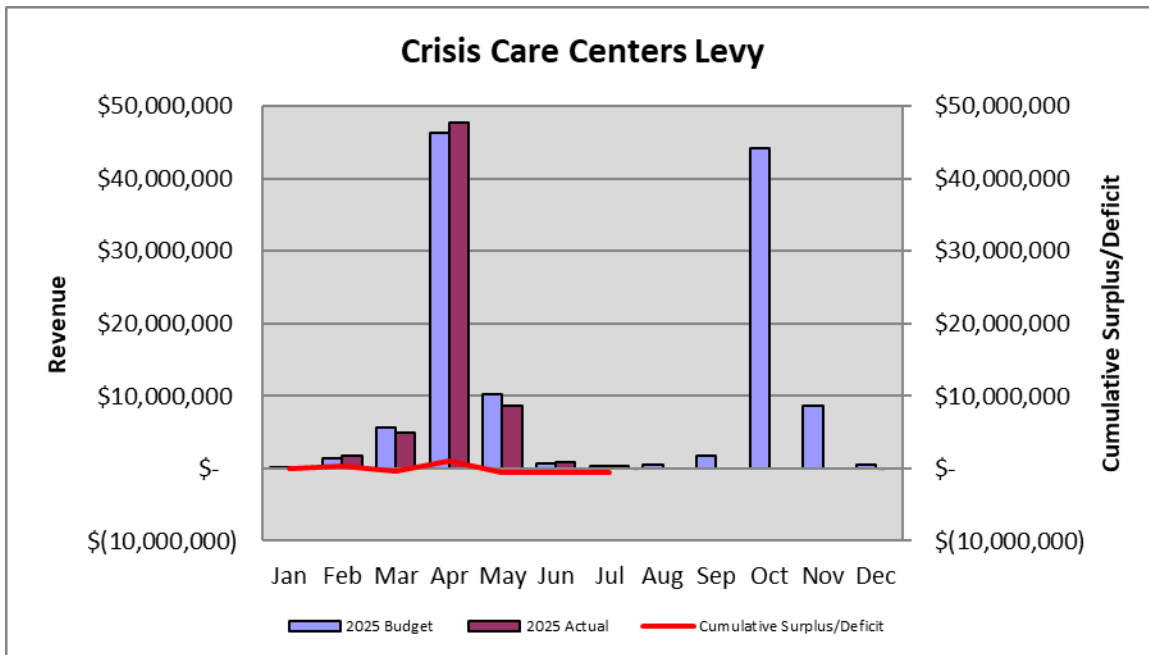
Forecast	Actual	Actual-Forecast	Difference
\$ 19,221	\$ 18,030	\$ (1,191)	-6.2%



Data Source: King County EBS Fund 1480, Accts 31111, 31112, 31113, 31114, & 31119

Best Starts for Kids Property Taxes Comparison (July 2025)

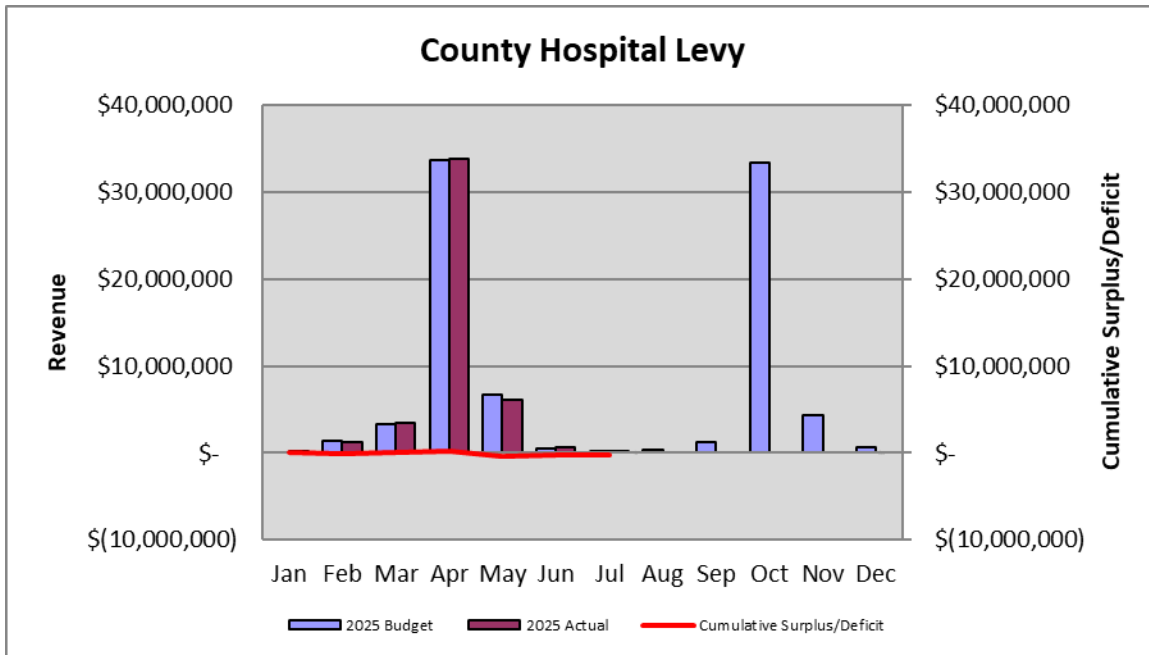
Forecast	Actual	Actual-Forecast	Difference
\$ 390,939	\$ 316,602	\$ (74,338)	-19.0%



Data Source: King County EBS Fund 1480, Accts 31111, 31112, 31113, 31114, & 31119

Crisis Care Centers Property Taxes Comparison (July 2025)

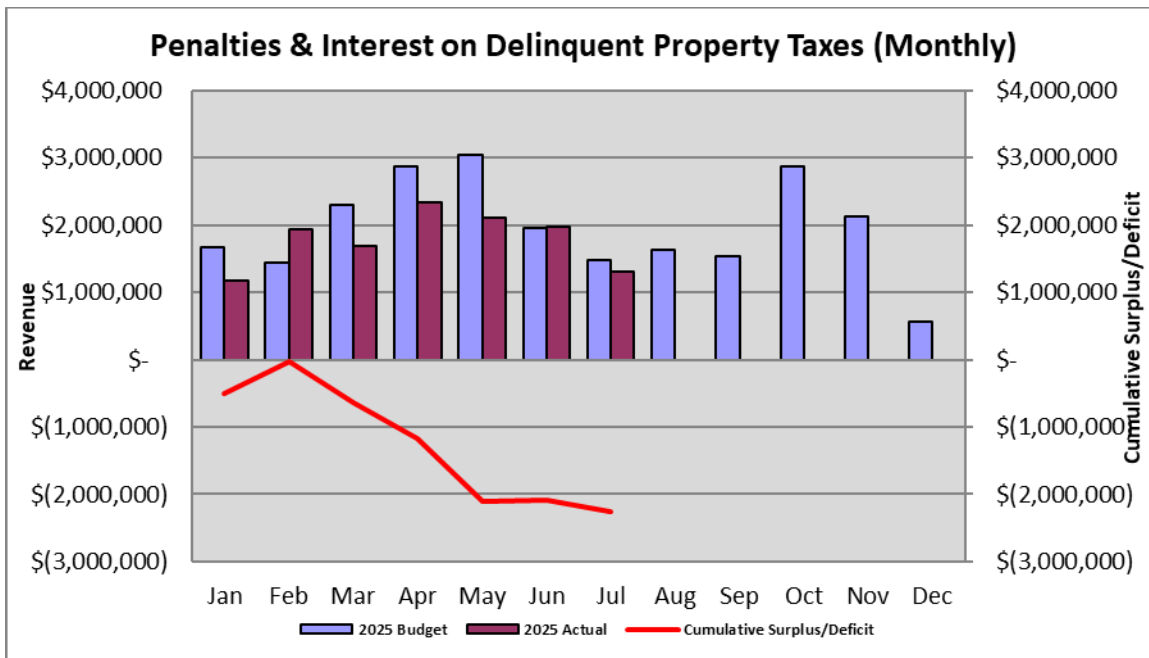
Forecast	Actual	Actual-Forecast	Difference
\$ 309,048	\$ 258,019	\$ (51,029)	-16.5%



Data Source: King County EBS Fund 1700, Accts 31111, 31112, 31113, 31114, & 31119

County Hospital Property Taxes Comparison (July 2025)

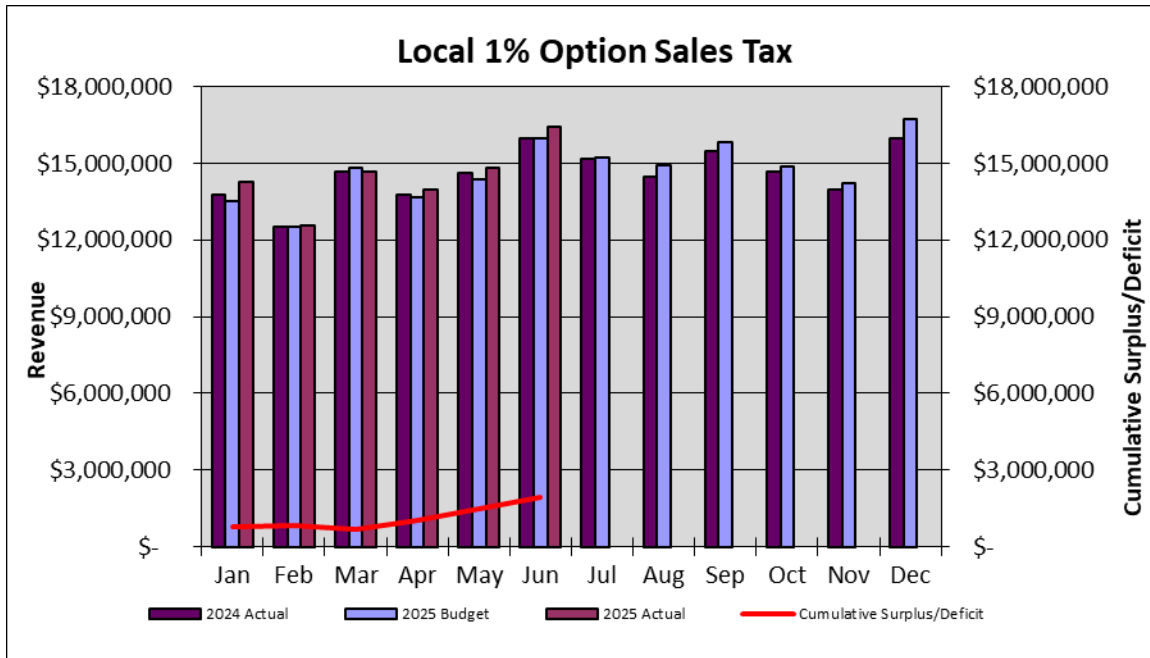
Forecast	Actual	Actual-Forecast	Difference
\$ 234,935	\$ 230,668	\$ (4,267)	-1.8%



Data Source: King County EBS Fund 0010, Acct 31911

Penalties and Interest on Delinquent Property Taxes Comparison (July 2025)

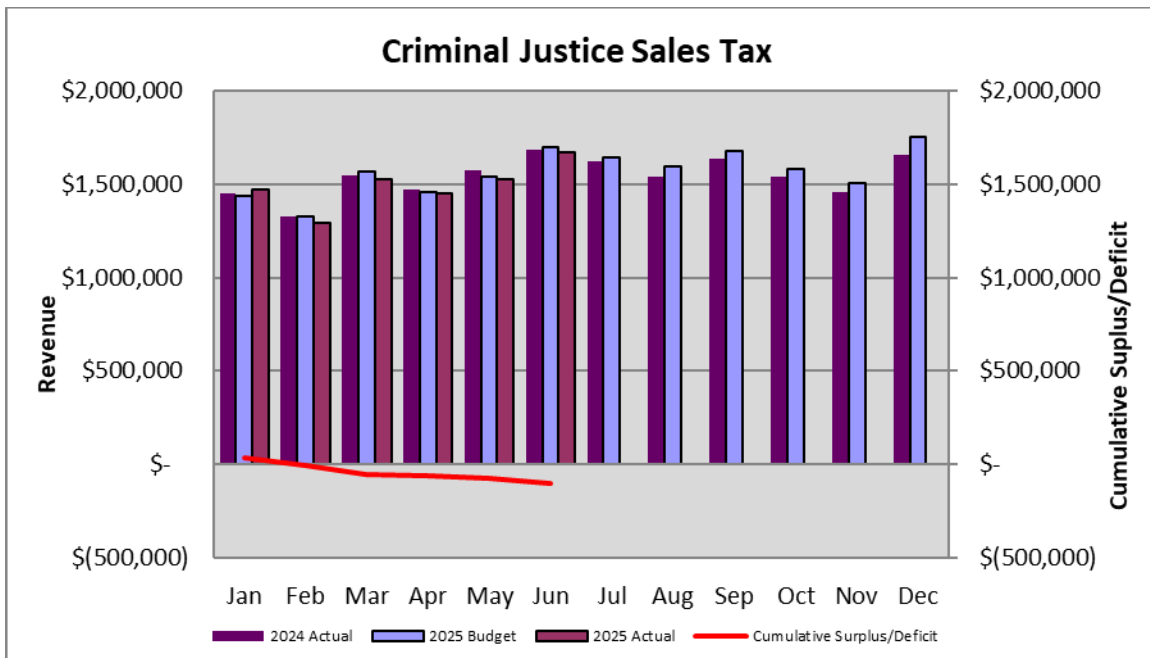
Forecast	Actual	Actual-Forecast	Difference
\$ 1,485,464	\$ 1,310,577	\$ (174,887)	-11.8%



Data Source: Washington State DOR through June

Local Option Sales Tax Comparison (June 2025)

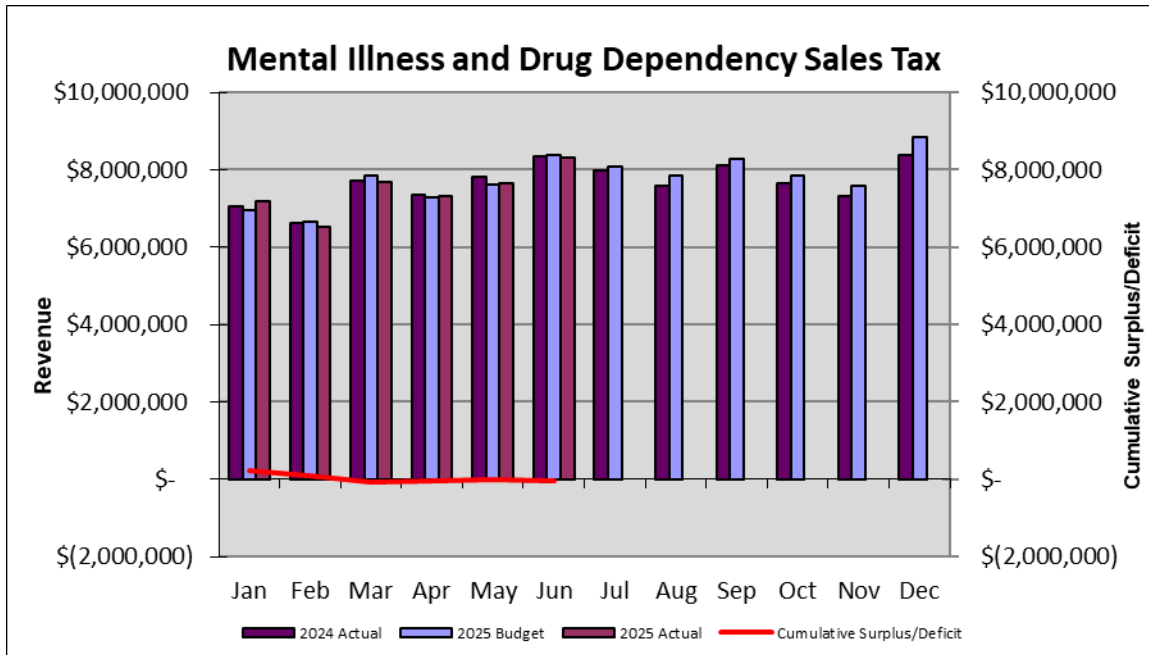
Forecast	Actual	Actual-Forecast	Difference
\$ 15,988,585	\$ 16,434,107	\$ 445,522	2.8%



Data Source: Washington DOR through June

CJ Sales Tax Comparison (June 2025)

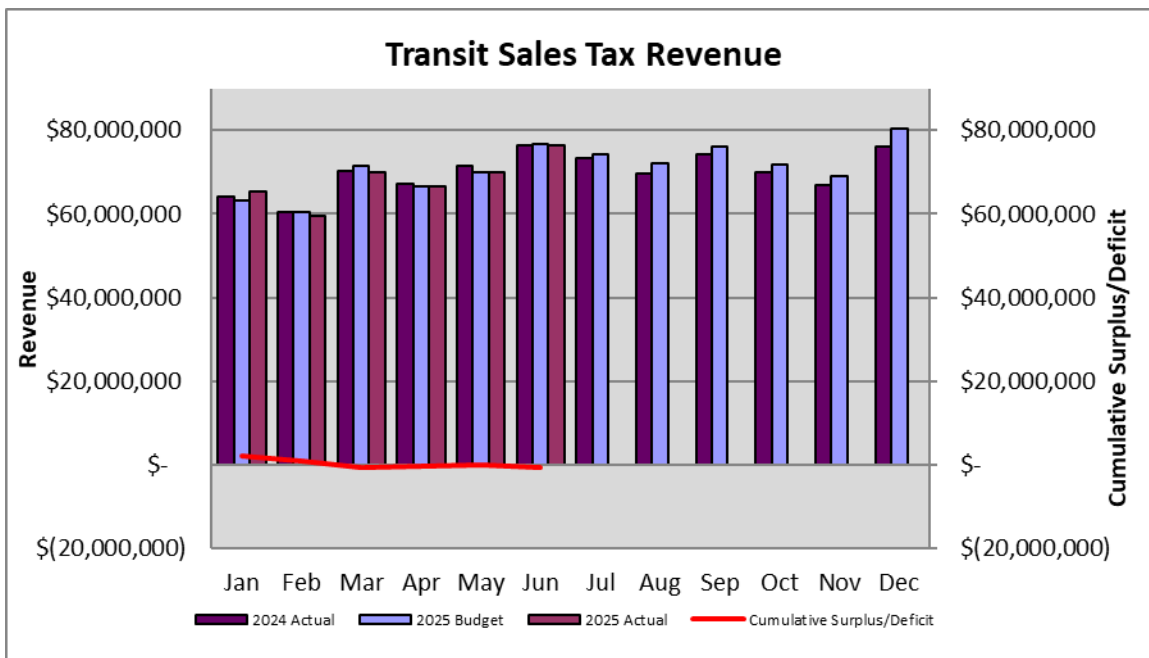
Forecast	Actual	Actual-Forecast	Difference
\$ 1,694,982	\$ 1,667,210	\$ (27,472)	-1.6%



Data Source: Washington DOR through June

MIDD Sales Tax Comparison (June 2025)

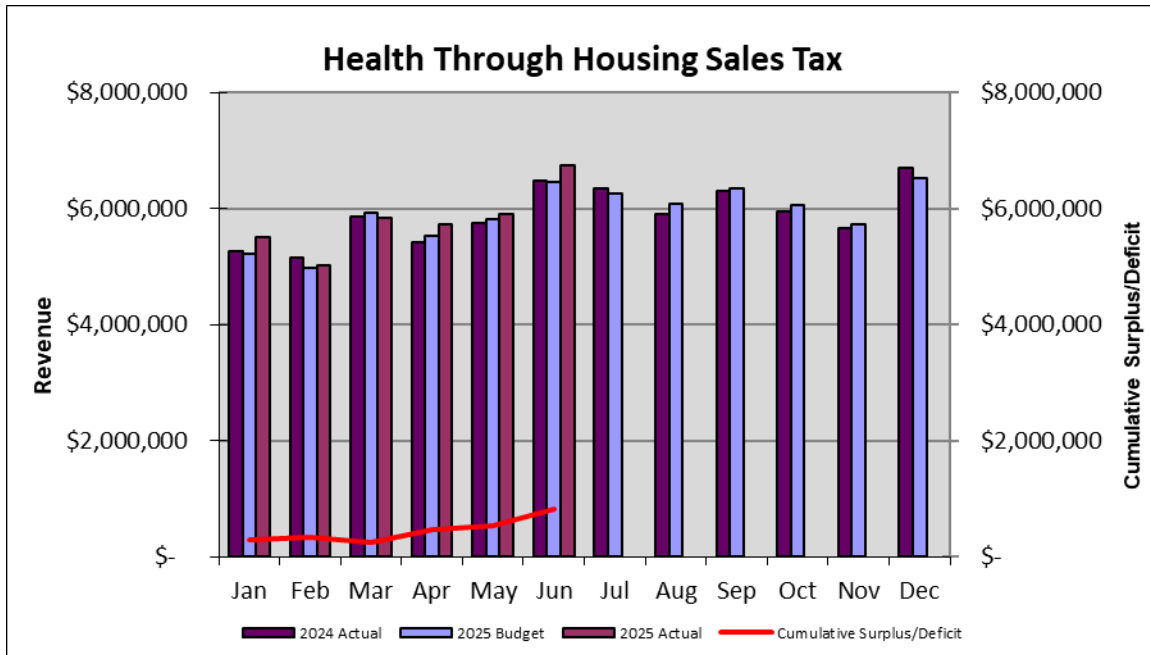
Forecast	Actual	Actual-Forecast	Difference
\$ 8,371,823	\$ 8,323,389	\$ (48,434)	-0.6%



Data Source: Washington DOR through June

Transit Sales Tax Comparison (June 2025)

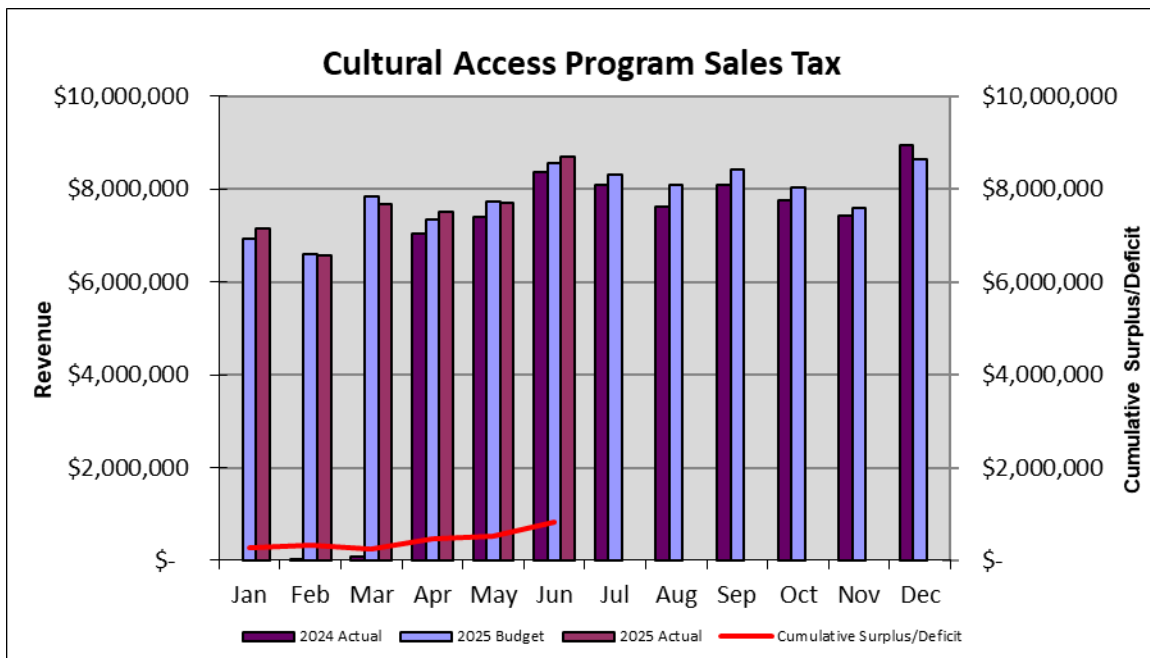
Forecast	Actual	Actual-Forecast	Difference
\$ 76,820,572	\$ 76,335,942	\$ (484,630)	-0.6%



Data Source: Washington DOR through June

HTH Sales Tax Comparison (June 2025)

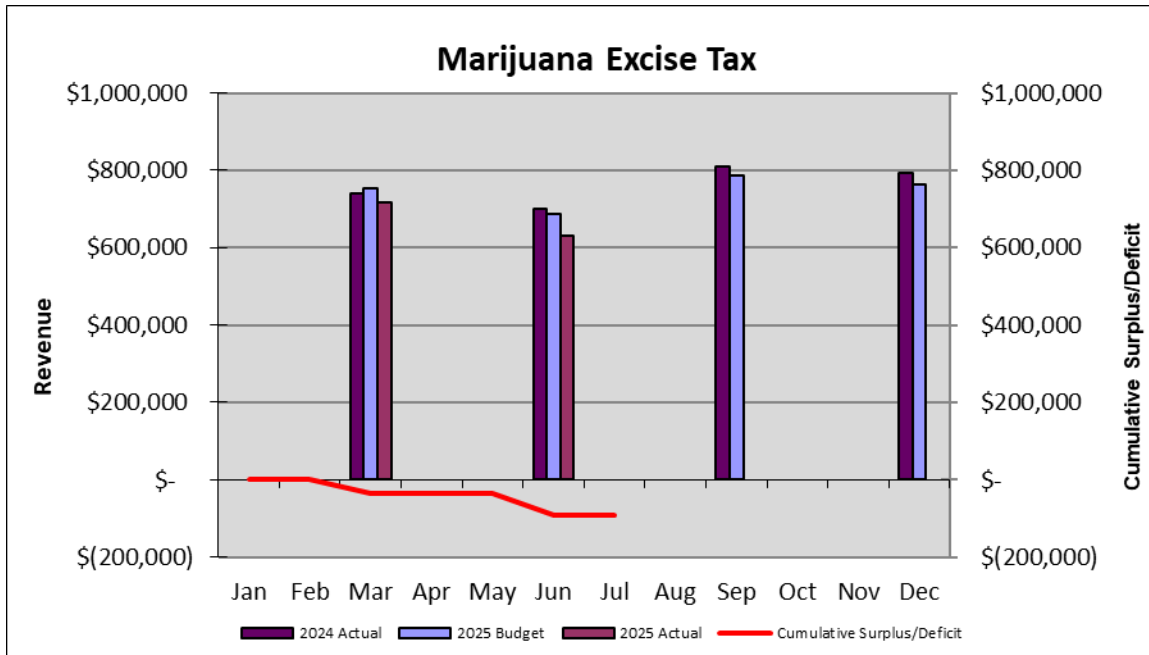
Forecast	Actual	Actual-Forecast	Difference
\$ 6,447,773	\$ 6,732,398	\$ 284,625	4.4%



Data Source: Washington DOR through June

CAP Sales Tax Comparison (June 2025)

Forecast	Actual	Actual-Forecast	Difference
\$ 8,556,494	\$ 8,686,961	\$ 130,468	1.5%

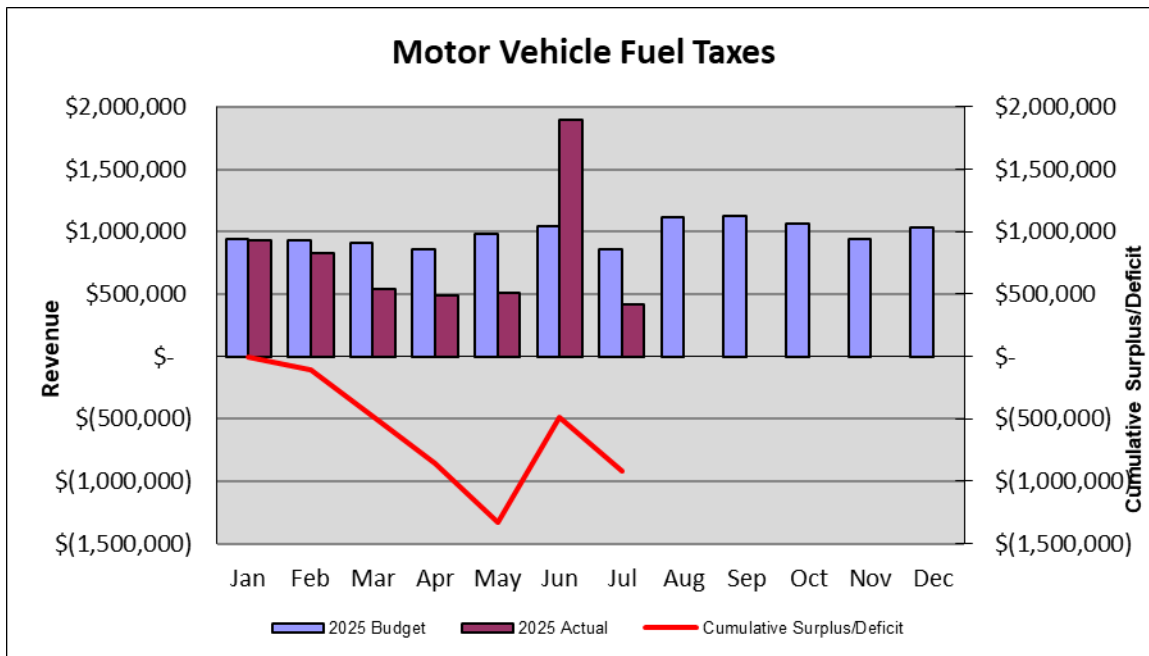


Data Source: King County EBS Fund 0010, Account 33605

Marijuana Excise Tax Comparison (July 2025)

Forecast	Actual	Actual-Forecast	Difference
\$ -	\$ -	\$ -	-%

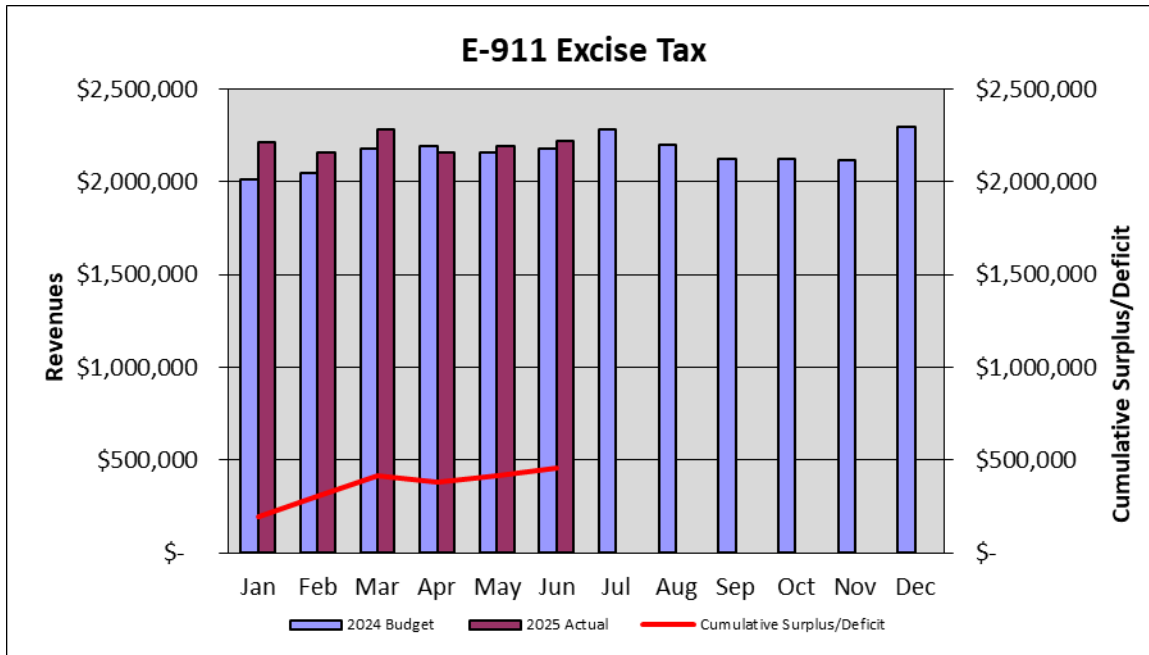
This data is received quarterly in March, June, September and December.



Data Source: King County EBS Acct. 33689

MV Fuel Taxes Comparison (July 2025)

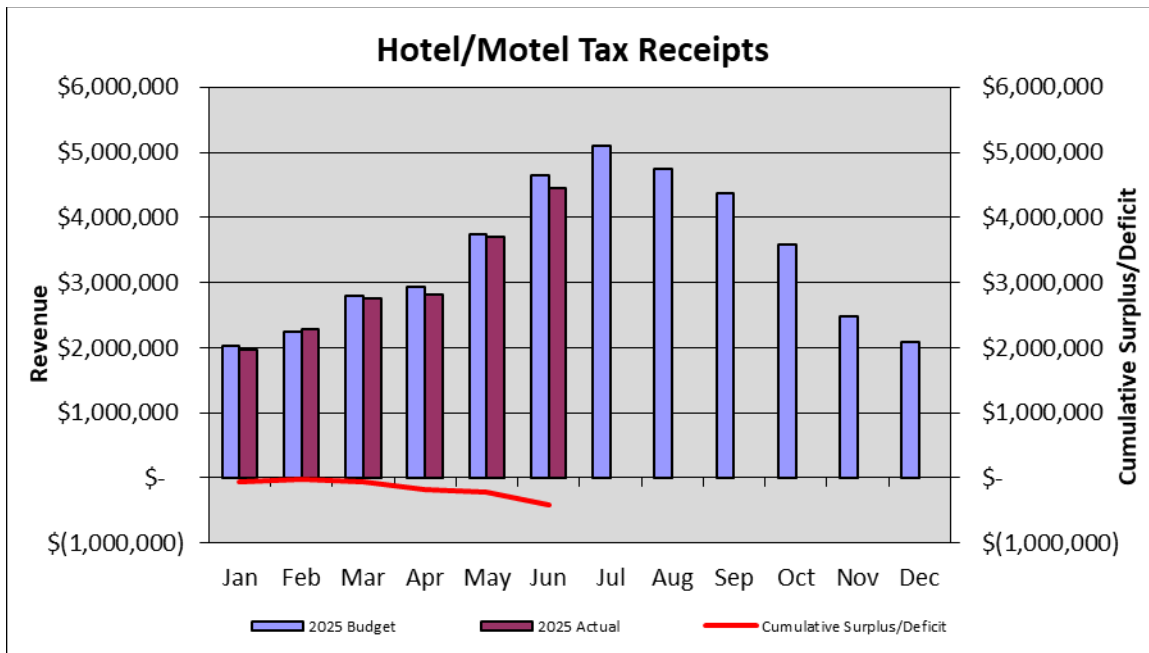
Forecast	Actual	Actual-Forecast	Difference
\$ 854,198	\$ 413,452	\$ (440,746)	-51.6%



Data Source: Washington DOR through June

E-911 Excise Tax Comparison (June 2025)

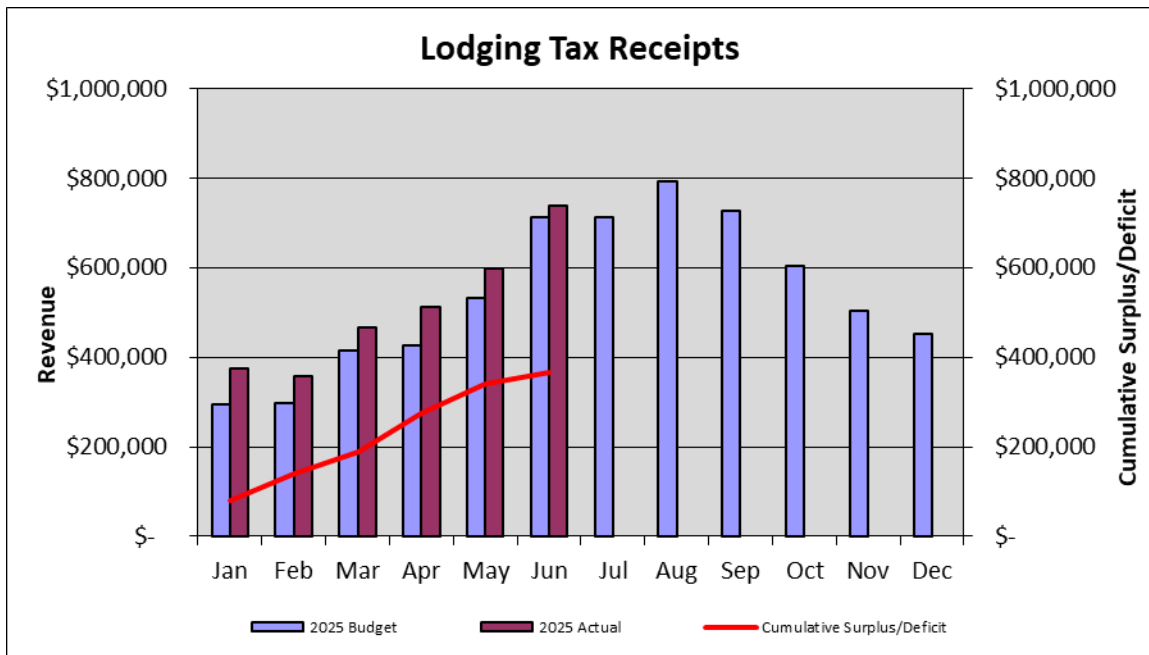
Forecast	Actual	Actual-Forecast	Difference
\$ 2,178,835	\$ 2,220,259	\$ 41,425	1.9%



Data Source: Washington DOR through June

Hotel/Motel Tax Comparison (June 2025)

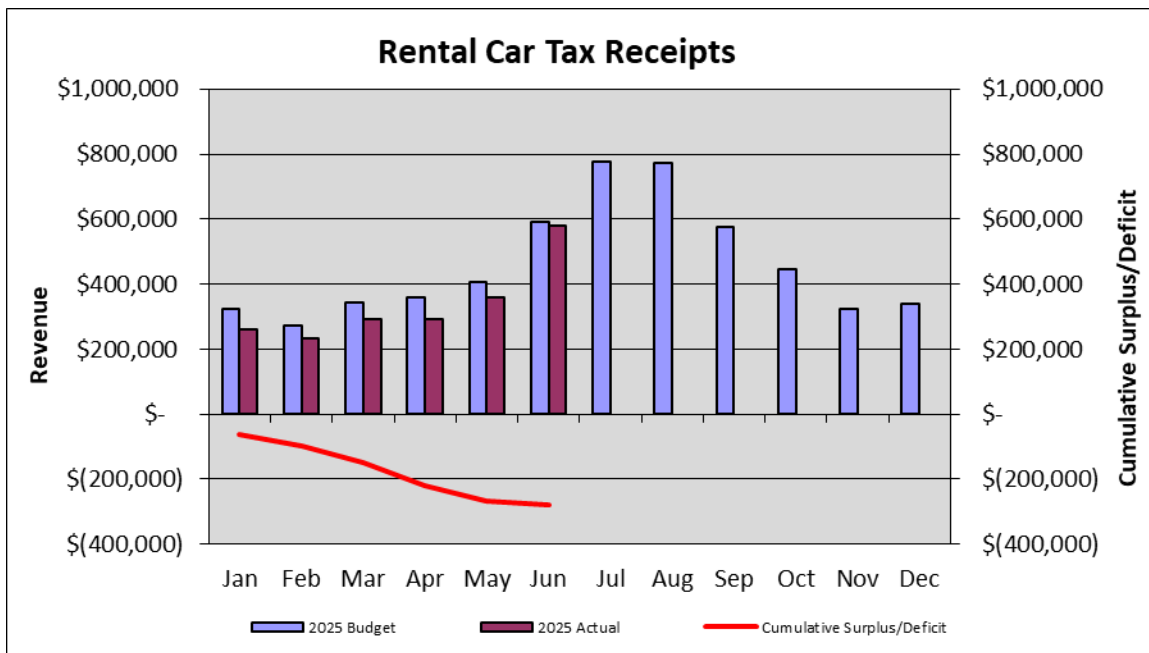
Forecast	Actual	Actual-Forecast	Difference
\$ 4,639,149	\$ 4,458,052	\$ (181,098)	-3.9%



Data Source: Seattle Convention Center through June

Lodging Tax Comparison (June 2025)

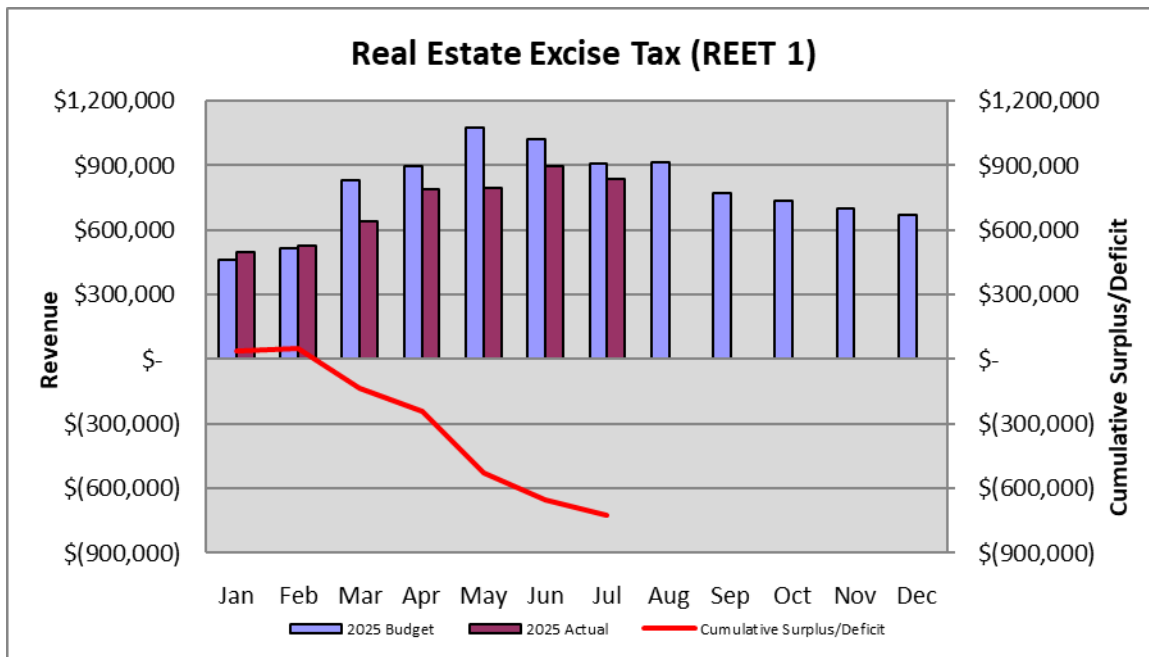
Forecast	Actual	Actual-Forecast	Difference
\$ 713,008	\$ 738,579	\$ 25,571	3.6%



Data Source: Washington DOR through June

Rental Car Tax Comparison (June 2025)

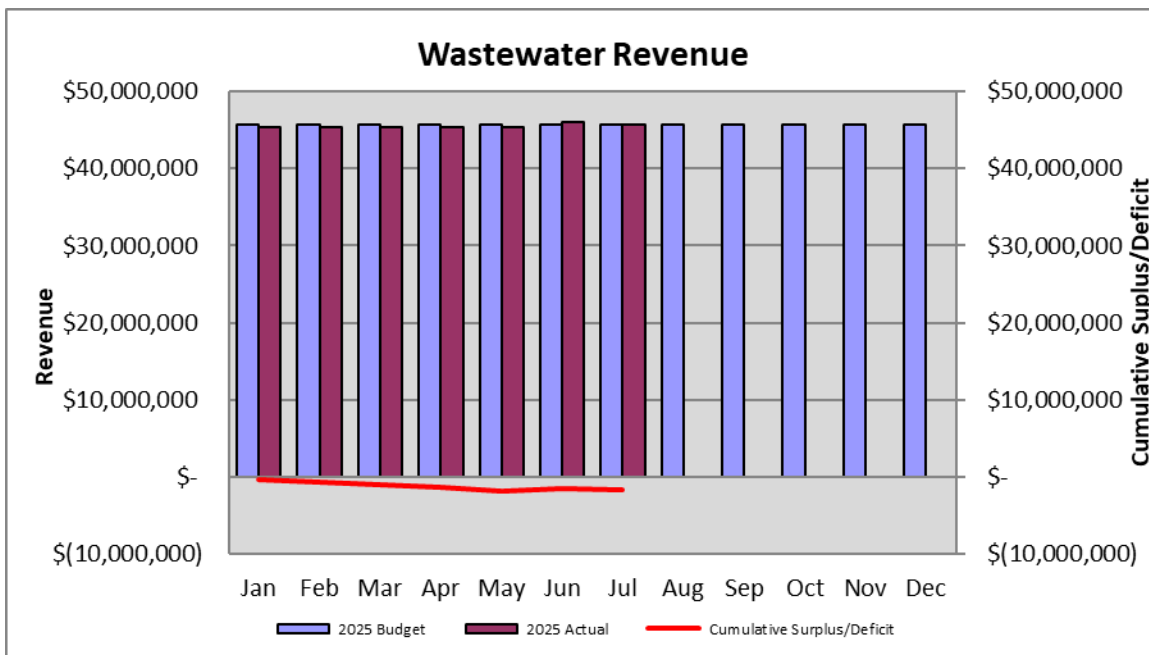
Forecast	Actual	Actual-Forecast	Difference
\$ 593,078	\$ 581,394	\$ (11,684)	-2.0%



Data Source: King County EBS Acct 31734

Real Estate Excise Tax (REET 1) Comparison (July 2025)

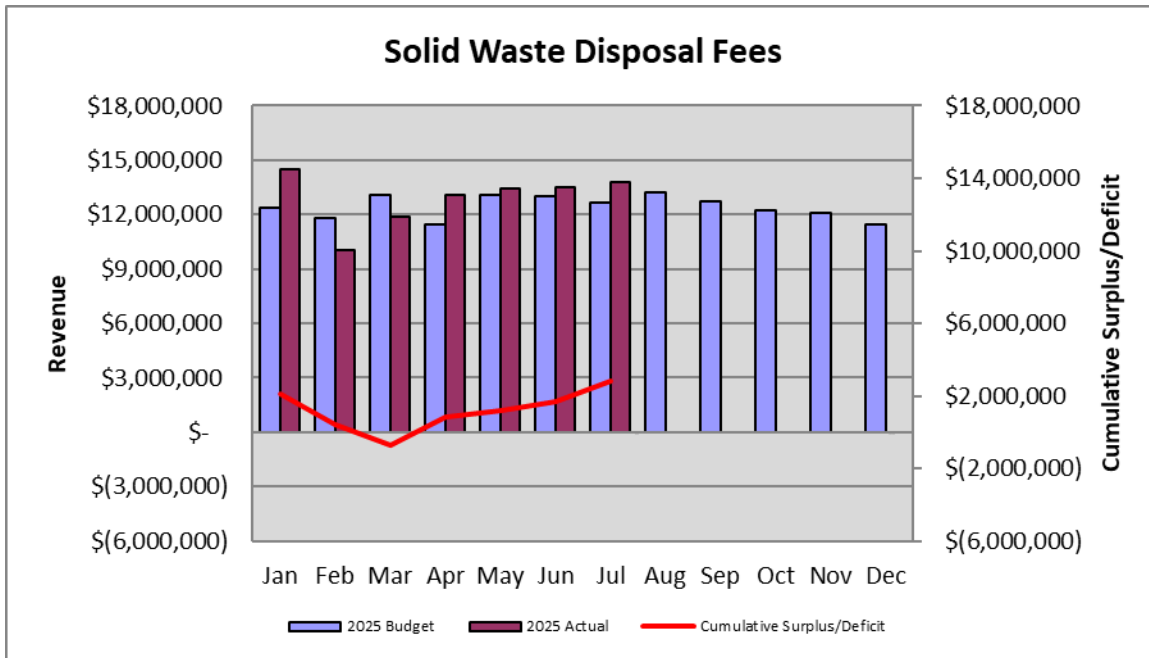
Forecast	Actual	Actual-Forecast	Difference
\$ 906,637	\$ 836,356	\$ (70,281)	-7.8%



Data Source: King County EBS Acct 44192

Wastewater Revenues Comparison (July 2025)

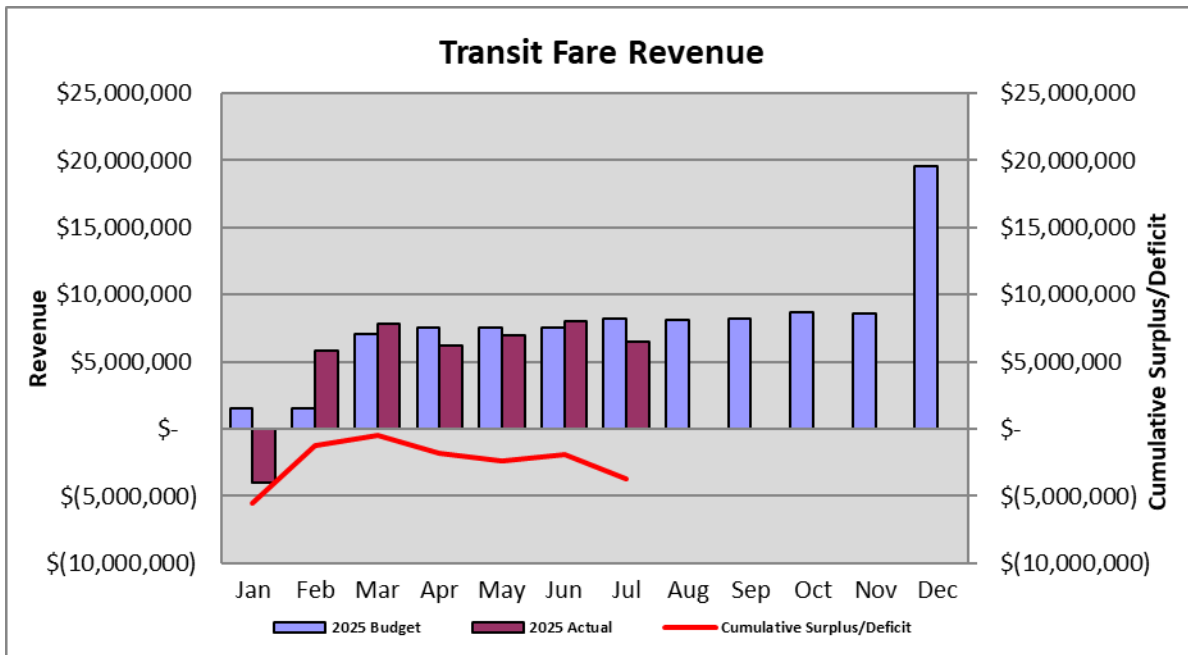
Forecast	Actual	Actual-Forecast	Difference
\$ 45,706,210	\$ 45,665,935	\$ (40,274)	-0.1%



Data Source: EBS acct. 34371

Solid Waste Net Disposal Charges Comparison (July 2025)

Forecast	Actual	Actual-Forecast	Difference
\$ 12,631,743	\$ 13,777,689	\$ 1,145,946	9.1%



Data Source: King County EBS Accts 44233, 44234, 44235, 44237, 44249, 44253, and 44269

Transit Fare Charges Comparison (July 2025)

Forecast	Actual	Actual-Forecast	Difference
\$ 8,169,208	\$ 6,448,082	\$ (1,721,126)	-21.1%

Appendix
King County Taxable Retail Sales by Industry
(Current obligations: June 2024 – June 2025)

NAICS Category	2-digit NAICS	Jun-24	Jun-25	Percent change (2024-2025)
Agriculture	11	\$ 1,554,576	\$ 1,552,051	-0.2%
Mining	21	481,125	514,967	7.0%
Utilities	22	10,778,960	6,963,177	-35.4%
Construction	23	1,640,523,406	1,561,557,021	-4.8%
Manufacturing	31-33	173,909,033	217,158,640	24.9%
Wholesale	41-42	649,196,558	732,463,186	12.8%
Retail Trade	44-45	2,599,424,463	2,654,573,045	2.1%
Transportation and Warehousing	48-49	126,335,807	120,147,880	-4.9%
Information	51	445,813,739	470,350,088	5.5%
Finance & Insurance	52	58,215,773	63,846,528	9.7%
Real Estate, Rental, Leasing	53	204,314,556	213,606,589	4.5%
Professional, Scientific, Technical Services	54	359,864,867	384,619,917	6.9%
Management, Education and Health Services	55-62	606,360,592	551,729,168	-9.0%
Arts, Entertainment and Recreation	71	88,319,713	97,062,344	9.9%
Accommodations, Food Services	72	942,372,404	950,380,875	0.8%
Other Services	81	166,535,711	179,361,026	7.7%
Public Administration/DOL Monthly	92	81,333,142	94,018,657	15.6%
Other		-	-	0.0%
Total-All Industries		\$ 8,155,334,426	\$ 8,299,905,158	1.8%
NAICS Category	3-digit NAICS	Jun-24	Jun-25	Percentage change (2024-2025)
Construction				
Construction of Buildings	236	\$ 1,058,006,421	\$ 934,249,593	-11.7%
Heavy and Civil Engineering Construction	237	110,769,045	128,514,235	16.0%
Specialty Trade Contractors	238	471,747,941	498,793,193	5.7%
Retail				
Motor Vehicle and Parts Dealers	441	526,232,615	516,983,067	-1.8%
Building Material and Garden Equipment and Supplies Dealers	444	207,136,155	206,971,917	-0.1%
Food and Beverage Stores	445	157,083,404	166,110,539	5.7%
Furniture, Home Furnishings, Electronics, and Appliance Retailers	449	345,245,272	366,804,237	6.2%
General Merchandise Retailers	455	308,096,509	322,580,436	4.7%
Health and Personal Care Retailers	456	95,632,163	84,369,692	-11.8%
Gasoline Stations and Fuel Dealers	457	47,697,153	49,366,646	3.5%
Clothing, Clothing Accessories, Shoe, and Jewelry Retailers	458	203,269,245	208,232,669	2.4%
Sporting Goods, Hobby, Musical Instrument, Book, & Misc. Retailers	459	709,031,947	733,153,843	3.4%
Wholesale				
Wholesale: Durable Goods	423	562,928,062	649,899,700	15.4%
Wholesale: Nondurable Goods	424	80,335,010	77,270,754	-3.8%
Wholesale: Electronic Markets	425	5,933,486	5,292,731	-10.8%
Food Service and Accommodations				
Accommodation	721	250,330,393	245,345,464	-2.0%
Food Services and Drinking Places	722	692,042,010	705,035,411	1.9%
Note: NAICS values were updated & consolidated in 2022				
NAICS Category	4-digit NAICS	Jun-24	Jun-25	Percentage change (2024-2025)
Sporting Goods, Hobby, and Musical Instrument Retailers	4591	\$ 101,315,778	\$ 100,796,613	-0.5%
Book Retailers and News Dealers	4592	9,353,548	10,454,033	11.8%
Florists	4593	3,060,592	2,948,711	-3.7%
Office Supplies, Stationery, and Gift Retailers	4594	23,636,727	26,200,937	10.8%
Used Merchandise Retailers	4595	11,550,639	13,195,340	14.2%
Other Miscellaneous Retailers	4599	560,114,661	579,558,211	3.5%