



King County
Office of Economic and Financial Analysis
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Seattle, WA 98104
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MEMORANDUM

DATE: September 29, 2025

TO: King County Forecast Council

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

RE: King County Revenue through August 2025

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

Revenue	YTD Forecast (2025 Budget)	YTD Actual	Actual - Forecast	Difference (percentage)
Current Expense Levy*	\$ 226,440,000	\$ 228,333,395	\$ 1,893,395	0.8%
UAL/Roads Levy^	\$ 54,980,000	\$ 54,507,847	\$ (472,153)	-0.9%
Parks Levy^	\$ 91,300,000	\$ 90,638,377	\$ (661,623)	-0.7%
Veterans, Seniors, & HS Levy (1143)^	\$ 46,370,000	\$ 46,804,782	\$ 434,782	0.9%
Conservation Futures Levy (3151)^	\$ 28,820,000	\$ 28,548,453	\$ (271,547)	-0.9%
EMS Levy^	\$ 64,510,000	\$ 67,388,025	\$ 2,878,025	4.5%
Transit Levy^	\$ 18,360,000	\$ 18,273,439	\$ (86,561)	-0.5%
Marine Levy^	\$ 3,860,000	\$ 3,841,682	\$ (18,318)	-0.5%
Best Starts for Kids Levy^	\$ 82,970,000	\$ 82,451,273	\$ (518,727)	-0.6%
Crisis Care Centers Levy^	\$ 65,590,000	\$ 65,156,244	\$ (433,756)	-0.7%
County Hospital Levy^	\$ 46,140,000	\$ 45,947,077	\$ (192,923)	-0.4%
P&I on Delinquent Property Taxes	\$ 16,410,000	\$ 14,203,873	\$ (2,206,128)	-13.4%
Sales Tax - Local Option (7/25)	\$ 100,070,000	\$ 102,085,176	\$ 2,015,176	2.0%
Sales Tax-Criminal Justice (7/25)	\$ 10,670,000	\$ 10,499,511	\$ (170,489)	-1.6%
Sales Tax-MIDD (7/25)	\$ 52,780,000	\$ 52,467,135	\$ (312,865)	-0.6%
Sales Tax - Transit (7/25)	\$ 482,530,000	\$ 479,578,027	\$ (2,951,973)	-0.6%
Sales Tax - Health Through Housing (7/25)	\$ 40,180,000	\$ 41,316,050	\$ 1,136,050	2.8%
Sales Tax - Cultural Access Program (7/25)	\$ 53,320,000	\$ 53,708,449	\$ 388,449	0.7%
Marijuana Excise Tax	\$ 1,440,000	\$ 1,347,123	\$ (92,877)	-6.4%
MV Fuel Tax-Roads+	\$ 7,640,000	\$ 6,968,284	\$ (671,716)	-8.8%
E-911 Excise Tax (7/25)	\$ 15,050,000	\$ 15,485,995	\$ 435,995	2.9%
Hotel/Motel Tax (7/25)	\$ 23,490,000	\$ 22,890,202	\$ (599,798)	-2.6%
Lodging Tax (HB 2015) (7/25)	\$ 3,390,000	\$ 3,946,512	\$ 556,512	16.4%
Rental Car Tax (7/25)	\$ 3,070,000	\$ 2,776,423	\$ (293,577)	-9.6%
REET 1 Revenue	\$ 6,610,000	\$ 5,647,366	\$ (962,634)	-14.6%
Wastewater Revenues+	\$ 365,650,000	\$ 363,715,441	\$ (1,934,559)	-0.5%
Solid Waste Net Disposal Charges+	\$ 100,660,000	\$ 104,030,714	\$ 3,370,714	3.3%
Transit Fare+	\$ 49,010,000	\$ 45,331,068	\$ (3,678,932)	-7.5%

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 August 2025, property tax revenues combined for all levies are up from the forecast by \$2.6 million or 0.36 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 three levies and negative for the rest ranging between 4.5 and -0.9 percent with the EMS levy being above the forecast the most by \$2.88 million. The conservation futures levy and the UAL/Roads levy both came in with the largest negative percentage difference at -0.9 percent and Parks levy had the largest dollar decline at -\$661,623 below the March forecast. The first eight months of collections of penalties and interest on delinquent property taxes came in -\$2.2 million or 13.4 percent below forecast.

Total taxable sales, categorized by industry sectors, were up slightly in the first seven months of 2025 by 1.9 percent yoy. Year-to-date, about half the industry sectors were up from last year: information up 24.8 percent, manufacturing up 1.0 percent, finance and insurance up 9.7 percent, wholesale trade up 5.2 percent, retail trade up 1.4 percent, real estate, rental and leasing up 6.3 percent, professional, scientific, and technical services up 7.0 percent, health care and social assistance up 8.1 percent, arts, entertainment, and recreation services up 8.4 percent, accommodations and food services up 2.2 percent and public administration up 24.3 percent over last year. For the first seven months of 2025, some big sectors in the local economy were down from last year like construction sales down 4.1 percent, transportation and warehousing down 9.2 percent, management of companies and enterprises down 26.2 percent, educational services down 10.8 percent, other services except public administration and administrative and support and waste management services each down 0.4 percent.

An appendix to this memo provides King County taxable retail sales by industry for the most recent month July 2025 compared to July 2024. This table indicates that in the month of July, total taxable sales were up year-over-year by 5.1 percent which was the best monthly growth rate so far in 2025. Most industry sectors are up, with only 5 sectors being down in July compared to last year. The construction sector in July was up yoy by 4.1 percent, which was a nice reprieve from the monthly declines in the construction sector for the past two years. In fact, prior to July, the construction sector saw negative yoy monthly growth for 22 of the preceding 23 months. Transportation and warehousing were down 18.4 percent, management of companies down 11.1 percent, manufacturing down 0.4 percent and real estate and rental and leasing down 3.6 percent. Notable industries that grew in July 2025, besides construction, include wholesale trade was up 9.1 percent, retail trade was up 3.5 percent, information up 21.2 percent, accommodation & food service up 5.0 percent, finance and insurance up 14.3 percent, professional, scientific and technical services up 8.1 percent, arts, entertainment and recreation up 12.9 percent and public administration was up 1.2 percent. Note there was also a strong uptick in DOL monthly collections, coming in at \$97.6 million, which represented some catch up for the prior month's minimal sales tax collections and is the strongest month in 2 years.

The first seven months of 2025 saw sales taxes above the March forecast by \$0.104 million, 0.01 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 \$2.015 million, 2.0 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 Health Through Housing sales tax levy was up \$1.1 million or 2.8 percent and Cultural Access Program was up a little at 0.7 percent. The transit levy was down the most at \$2.95 million, 0.6 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 \$1.9 million or -0.5 percent. Revenue streams which were

down included the marijuana tax down 6.4 percent, MV fuel tax for roads down 8.8 percent, hotel/motel taxes down 2.6 percent, rental car tax down 9.6 percent, real estate excise taxes down 14.6 percent, and transit fares down 7.5 percent. A few revenue streams were above the March forecast including E-911 excise tax at 2.9 percent above, lodging tax up 16.4 percent, and solid waste disposal charges up 3.3 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 actuals are still coming in \$0.94 million or 6.2 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.

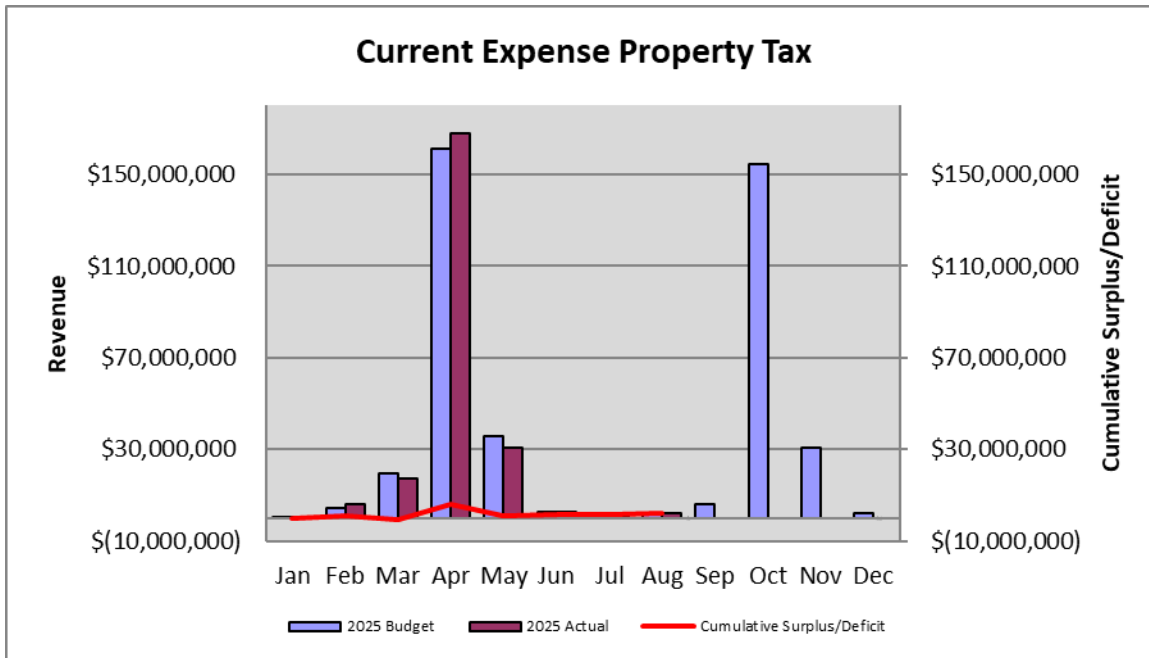
Since the July forecast for taxable sales was revised downward by more than 1% in 2025 from the March forecast, the difference in actual sales tax levies cumulatively for the first seven months is now up \$3.4 million, 0.47 percent, from the July forecast.

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 seven 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 \$25,995 or 0.2 percent, hotel/motel taxes are up \$310,202 or 1.4 percent, the lodging tax is up by \$326,512 or 9.0 percent and rental car tax is also up \$116,423 or 4.4 percent. The real estate excise tax is still down from the last forecast by \$662,634 or 10.5 percent compared to the new July forecast.

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

Revenue	YTD Forecast (July Forecast)	YTD Actual	Actual - Forecast	Difference (percentage)
P&I on Delinquent Property Taxes	\$ 15,140,000	\$ 14,203,873	\$ (936,128)	-6.2%
Sales Tax - Local Option (7/25)	\$ 100,360,000	\$ 102,085,176	\$ 1,725,176	1.7%
Sales Tax-Criminal Justice (7/25)	\$ 10,480,000	\$ 10,499,511	\$ 19,511	0.2%
Sales Tax-MIDD (7/25)	\$ 52,440,000	\$ 52,467,135	\$ 27,135	0.1%
Sales Tax - Transit (7/25)	\$ 479,470,000	\$ 479,578,027	\$ 108,027	0.0%
Sales Tax - Health Through Housing (7/25)	\$ 40,480,000	\$ 41,316,050	\$ 836,050	2.1%
Sales Tax - Cultural Access Program (7/25)	\$ 52,980,000	\$ 53,708,449	\$ 728,449	1.4%
Marijuana Excise Tax	\$ 1,300,000	\$ 1,347,123	\$ 47,123	3.6%
E-911 Excise Tax (7/25)	\$ 15,460,000	\$ 15,485,995	\$ 25,995	0.2%
Hotel/Motel Tax (7/25)	\$ 22,580,000	\$ 22,890,202	\$ 310,202	1.4%
Lodging Tax (HB 2015) (7/25)	\$ 3,620,000	\$ 3,946,512	\$ 326,512	9.0%
Rental Car Tax (7/25)	\$ 2,660,000	\$ 2,776,423	\$ 116,423	4.4%
REET 1 Revenue	\$ 6,310,000	\$ 5,647,366	\$ (662,634)	-10.5%

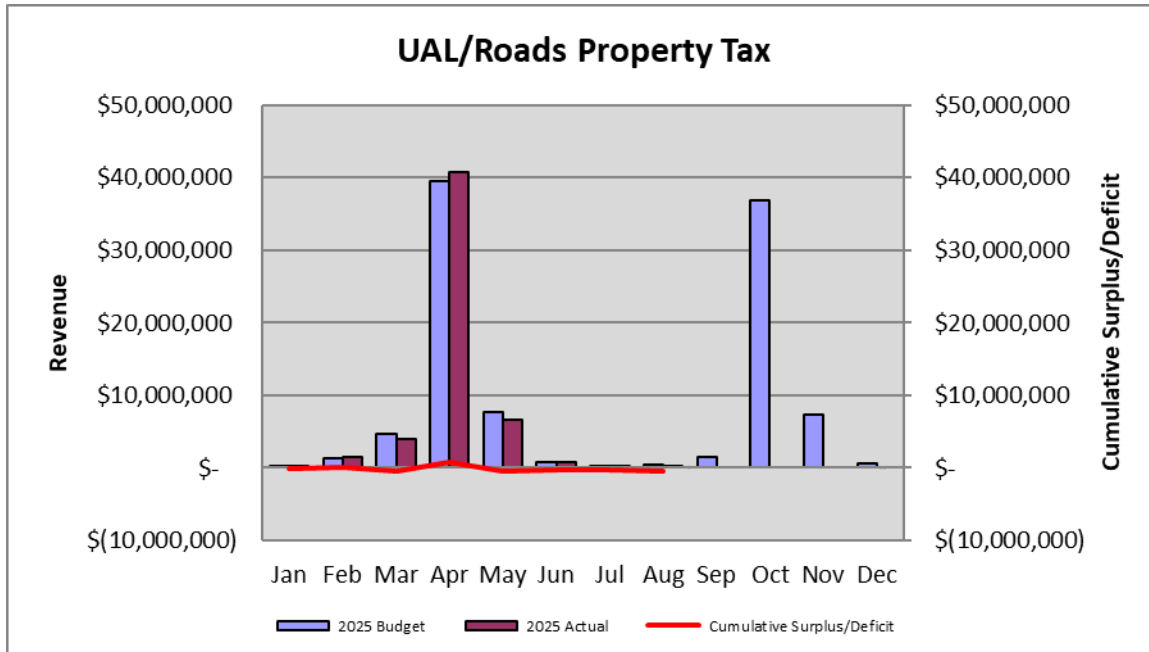
The graphs on the following pages indicate revenues from specific funds, including comparisons between monthly revenues as forecasted in March, shown by the blue bars, actual monthly revenues, indicated by the burgundy bars and the red line showing the cumulative difference between March forecasts and actuals. The table below the graphs show the single month of August or July'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 (August 2025)

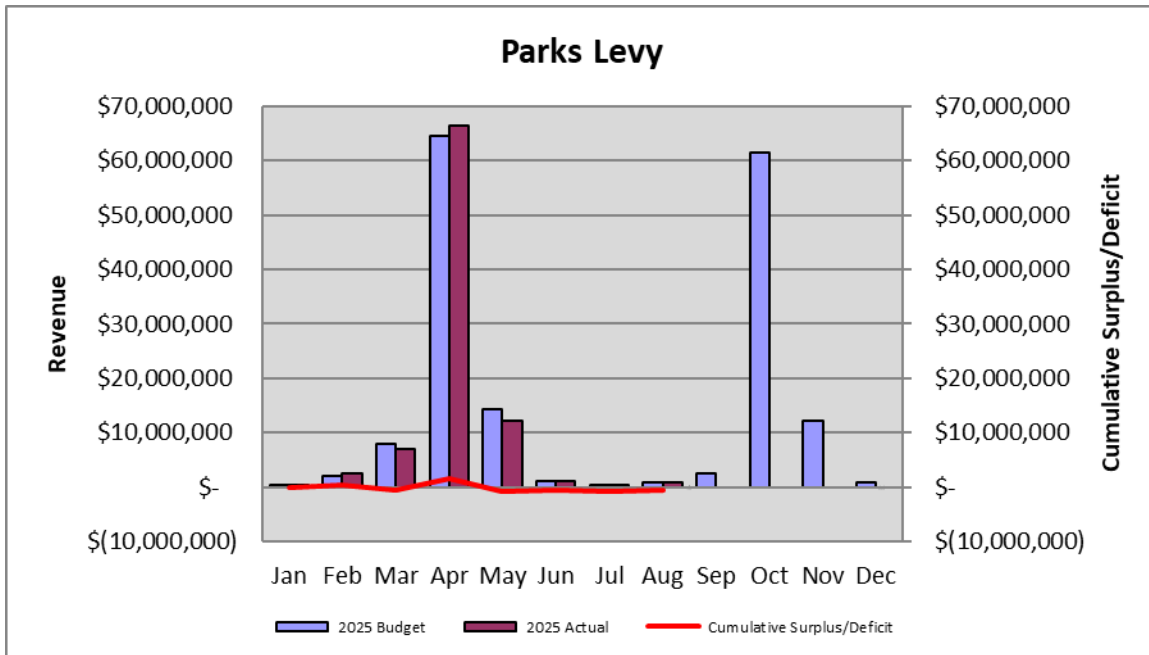
Forecast	Actual	Actual-Forecast	Difference
\$ 1,832,678	\$ 2,229,980	\$ 397,302	21.7%



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

UAL/Roads Property Taxes Comparison (August 2025)

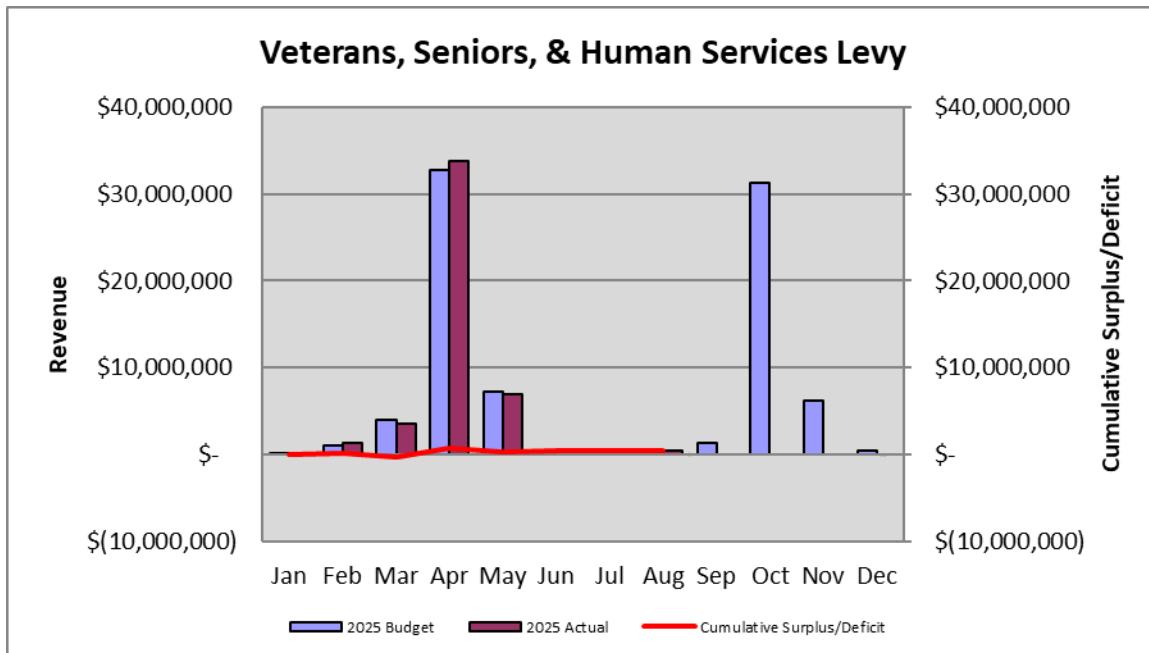
Forecast	Actual	Actual-Forecast	Difference
\$ 481,970	\$ 310,741	\$ (171,229)	-35.5%



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

Parks Property Taxes Comparison (August 2025)

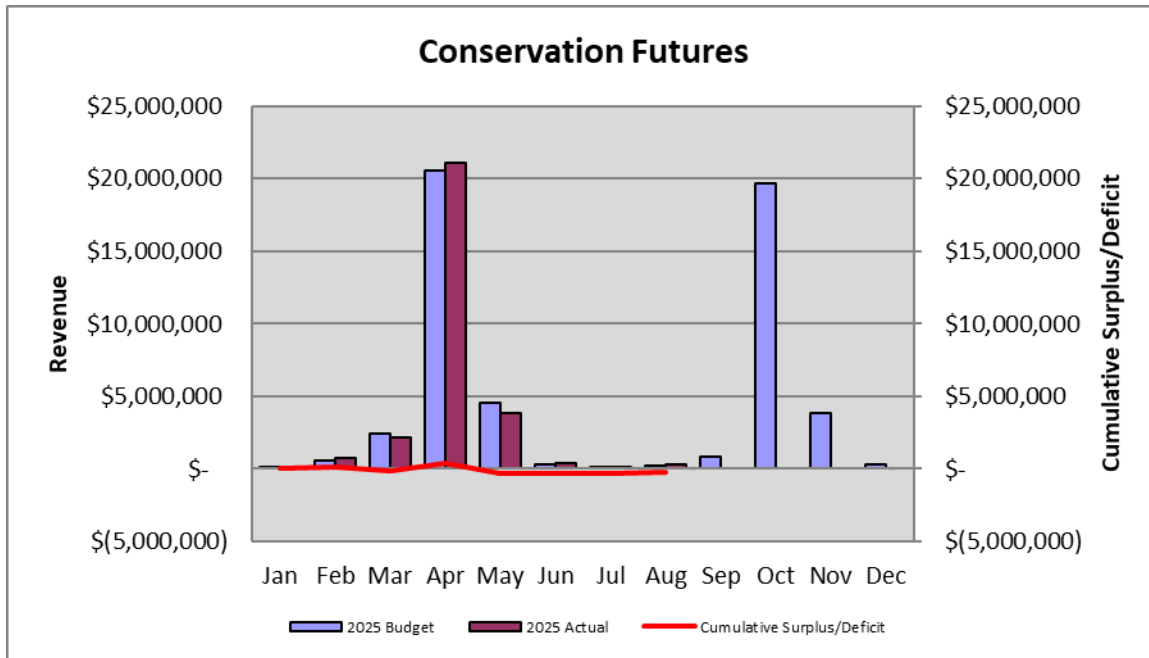
Forecast	Actual	Actual-Forecast	Difference
\$ 732,478	\$ 814,343	\$ 81,865	11.2%



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

VSHSL Property Taxes Comparison (August 2025)

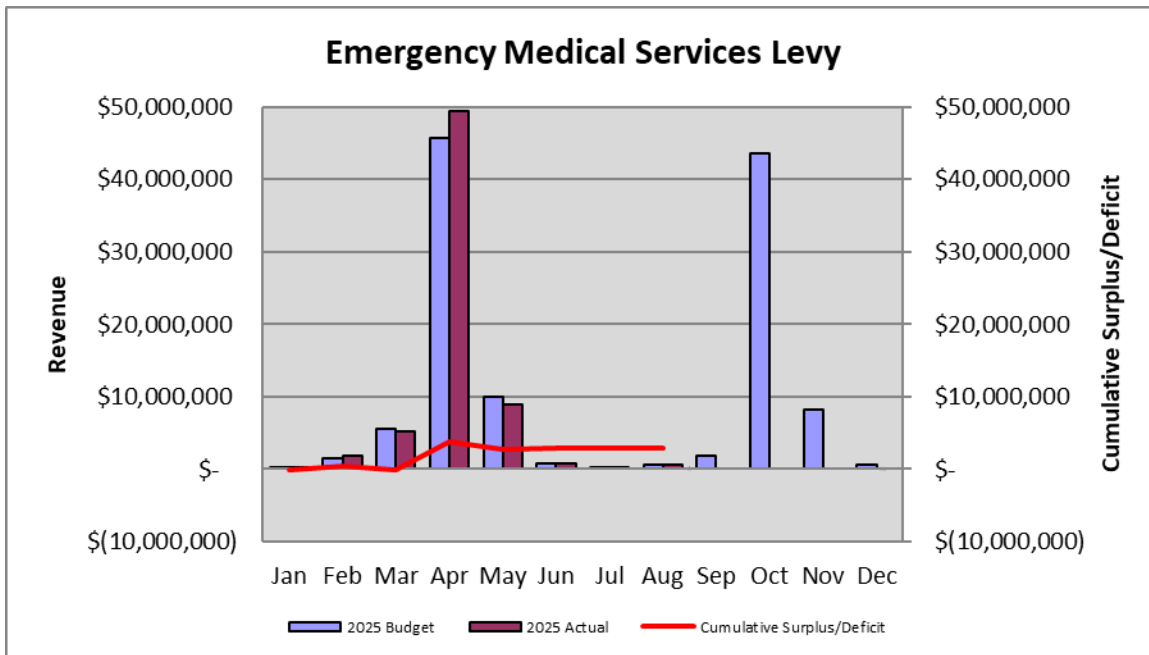
Forecast	Actual	Actual-Forecast	Difference
\$ 372,997	\$ 414,250	\$ 41,253	11.1%



Data Source: King County EBS, Acct. 31117

Conservation Futures Property Taxes Comparison (August 2025)

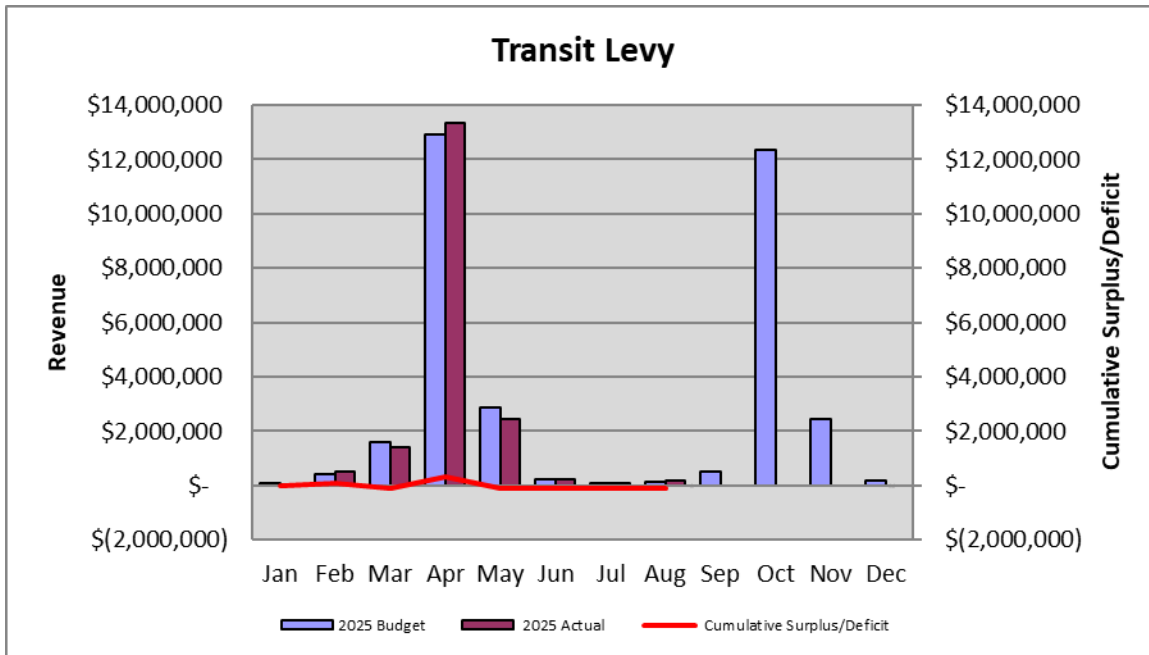
Forecast	Actual	Actual-Forecast	Difference
\$ 228,259	\$ 275,052	\$ 46,793	20.5%



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

EMS Property Taxes Comparison (August 2025)

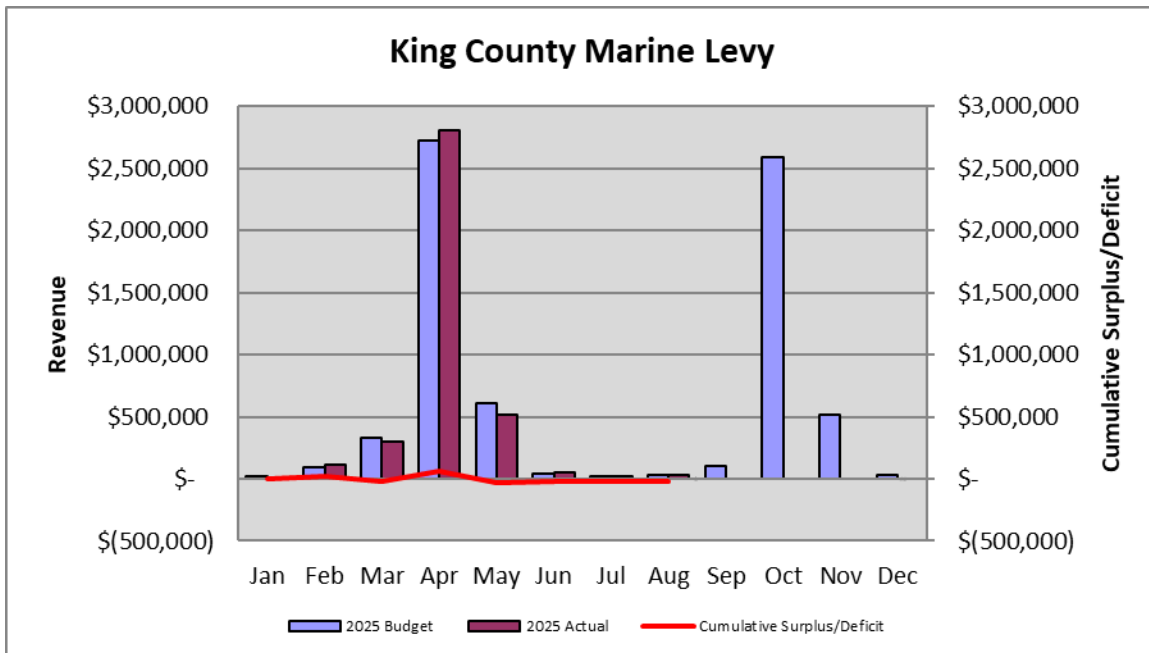
Forecast	Actual	Actual-Forecast	Difference
\$ 546,476	\$ 555,975	\$ 9,499	1.7%



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

Transit Property Taxes Comparison (August 2025)

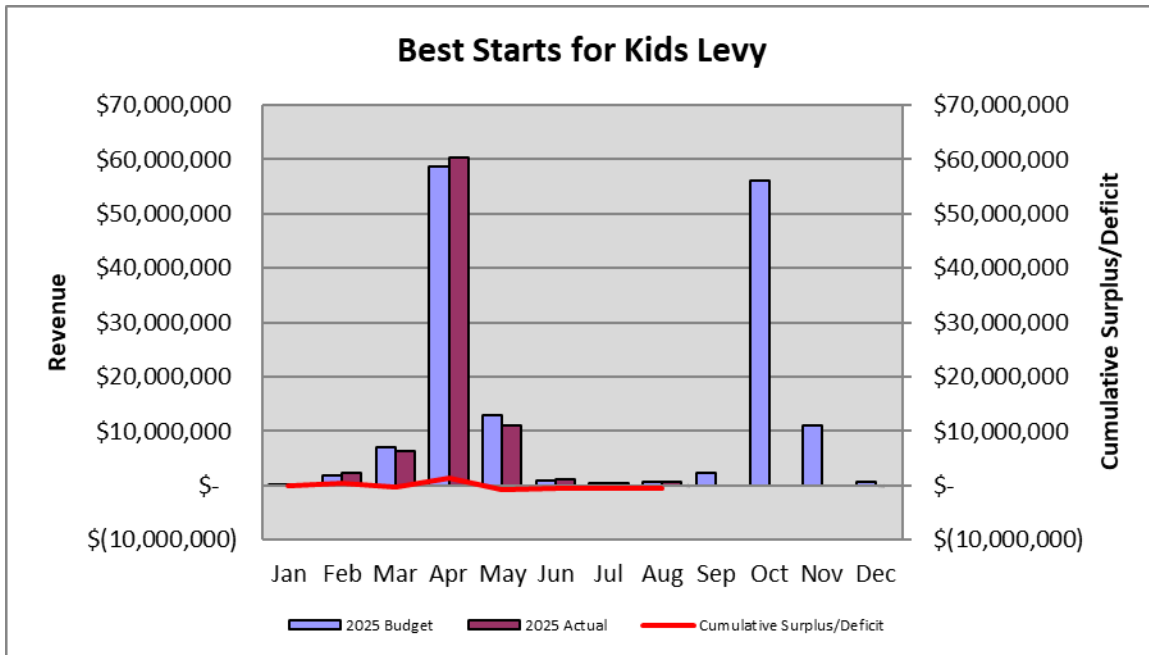
Forecast	Actual	Actual-Forecast	Difference
\$ 155,184	\$ 167,788	\$ 12,604	8.1%



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

King County Marine Property Taxes Comparison (August 2025)

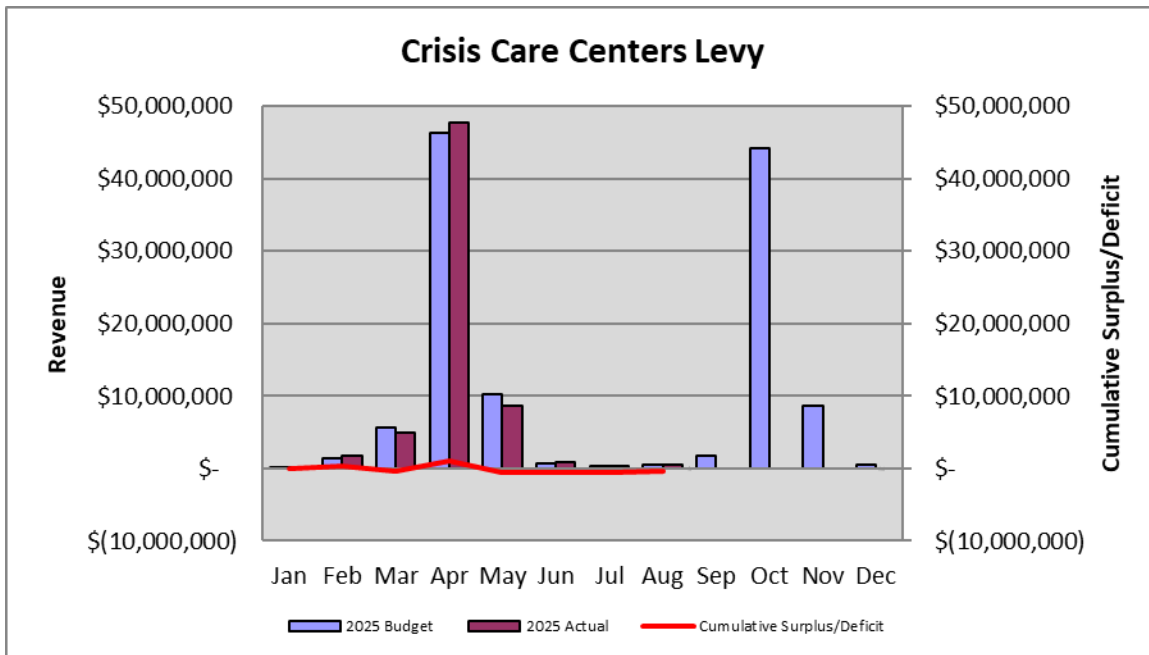
Forecast	Actual	Actual-Forecast	Difference
\$ 32,638	\$ 35,293	\$ 2,654	8.1%



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

Best Starts for Kids Property Taxes Comparison (August 2025)

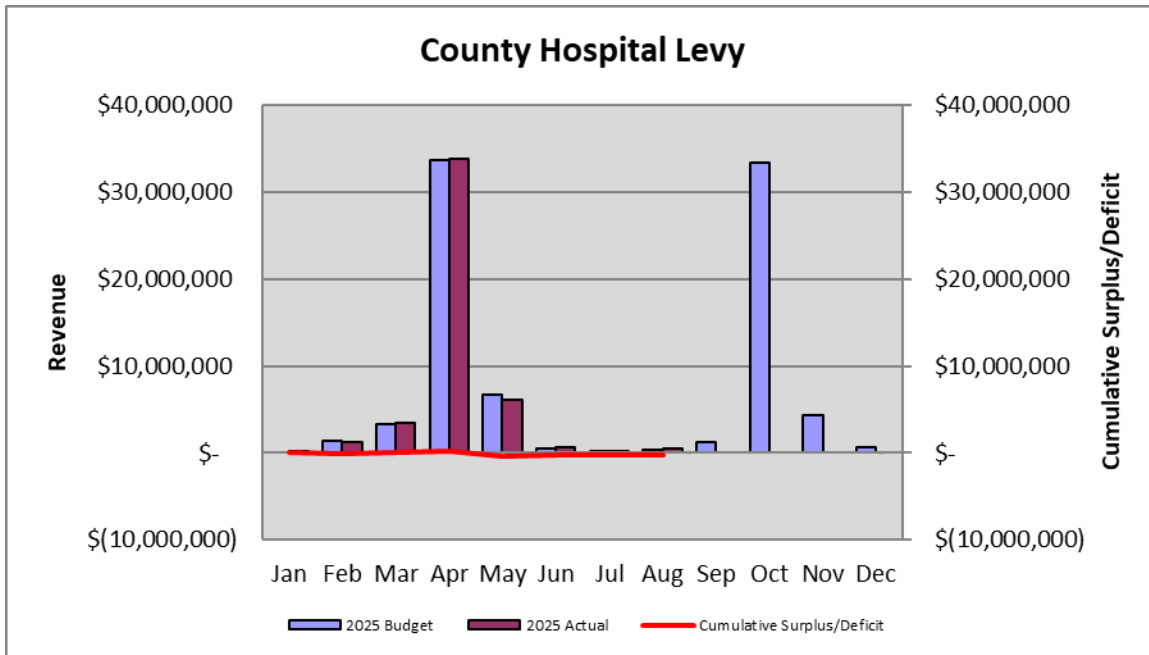
Forecast	Actual	Actual-Forecast	Difference
\$ 663,415	\$ 739,184	\$ 75,768	11.4%



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

Crisis Care Centers Property Taxes Comparison (August 2025)

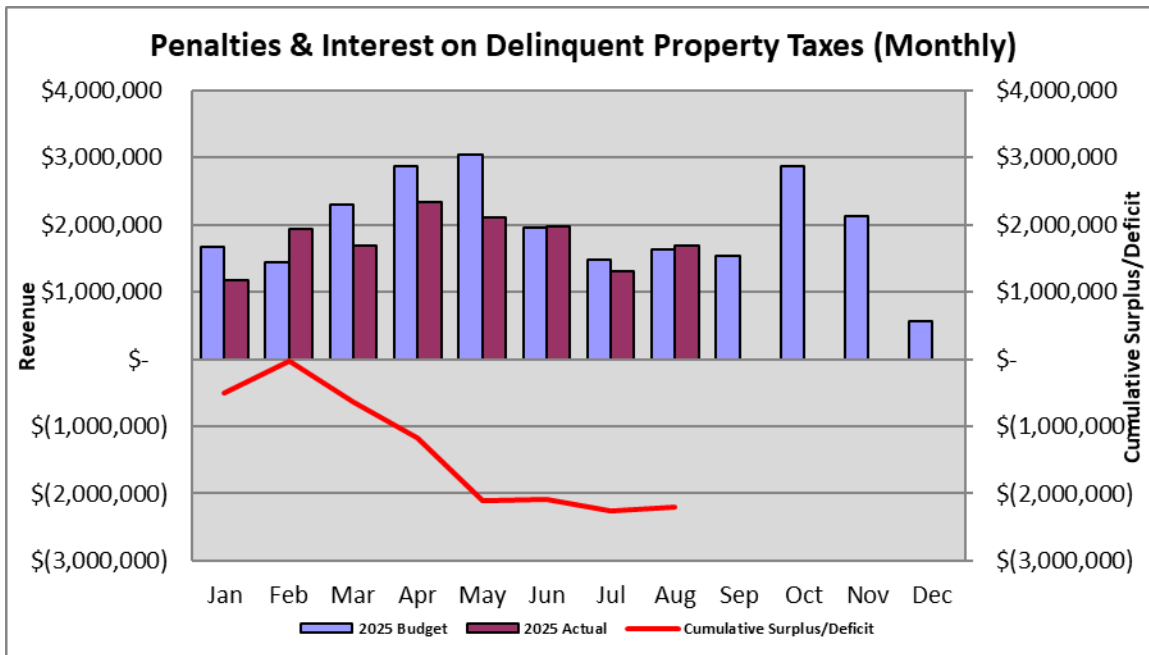
Forecast	Actual	Actual-Forecast	Difference
\$ 524,448	\$ 600,831	\$ 76,383	14.6%



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

County Hospital Property Taxes Comparison (August 2025)

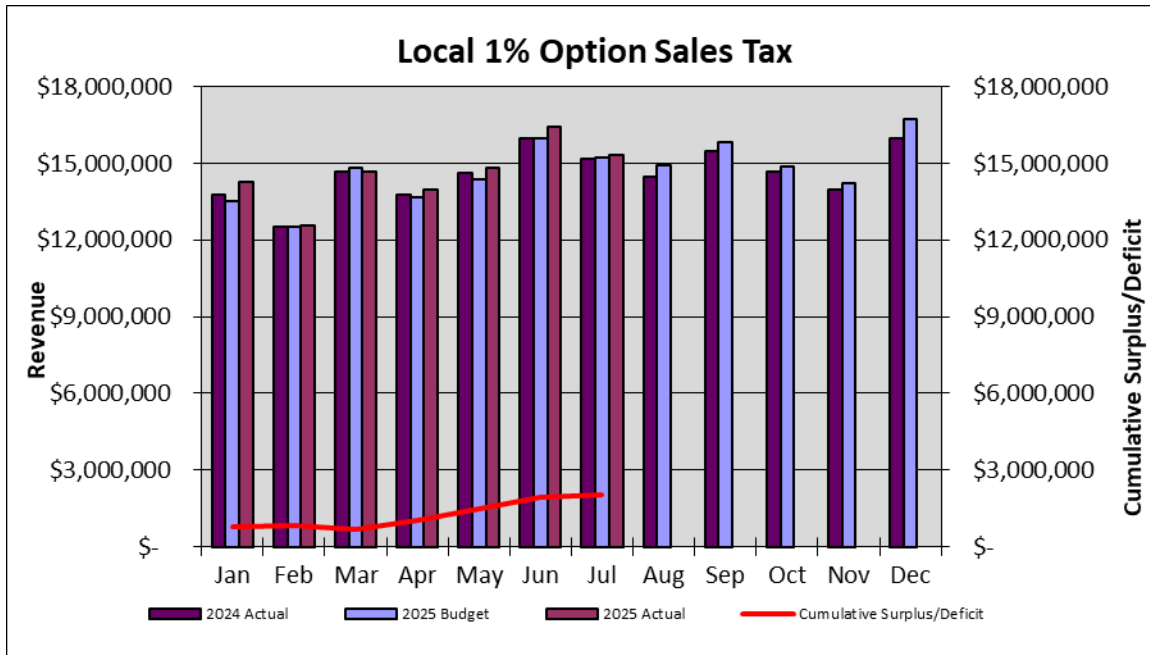
Forecast	Actual	Actual-Forecast	Difference
\$ 351,162	\$ 448,742	\$ 97,580	27.8%



Data Source: King County EBS Fund 0010, Acct 31911

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

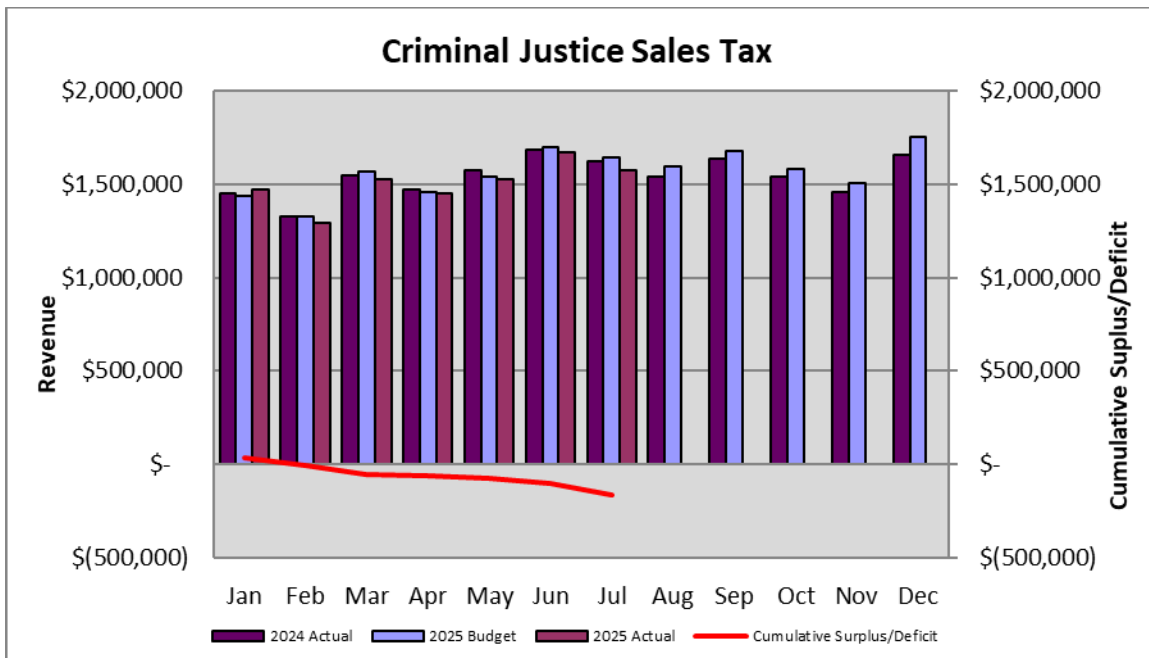
Forecast	Actual	Actual-Forecast	Difference
\$ 1,633,665	\$ 1,685,200	\$ 51,535	3.2%



Data Source: Washington State DOR through July

Local Option Sales Tax Comparison (July 2025)

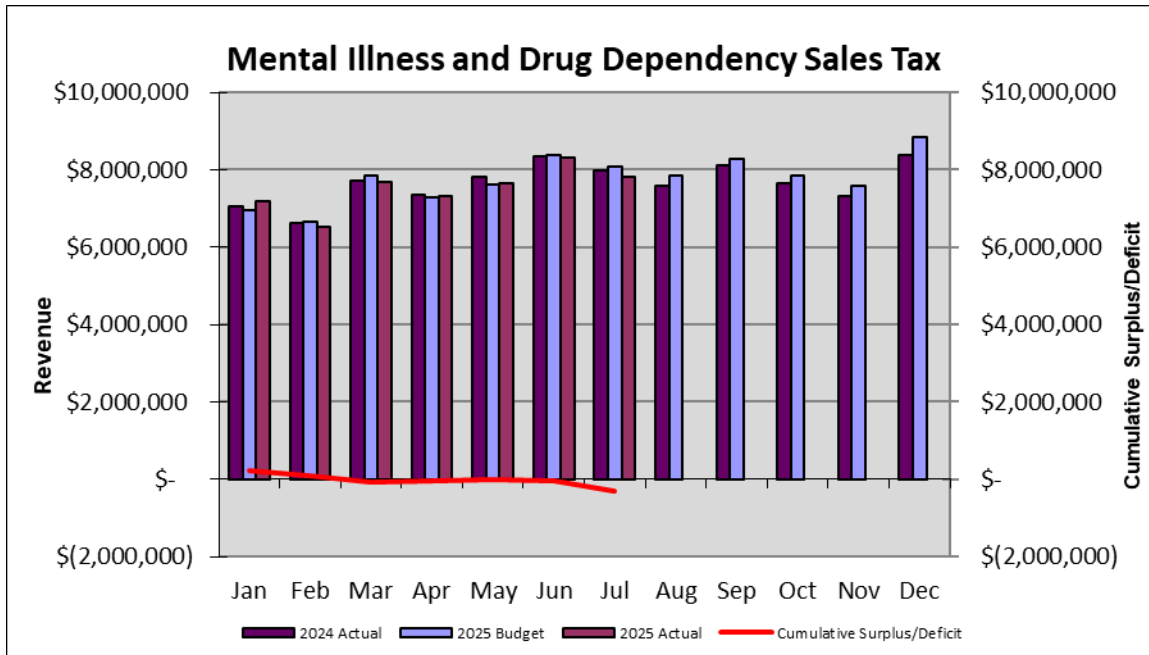
Forecast	Actual	Actual-Forecast	Difference
\$ 15,224,351	\$ 15,298,586	\$ 74,235	0.5%



Data Source: Washington DOR through July

CJ Sales Tax Comparison (July 2025)

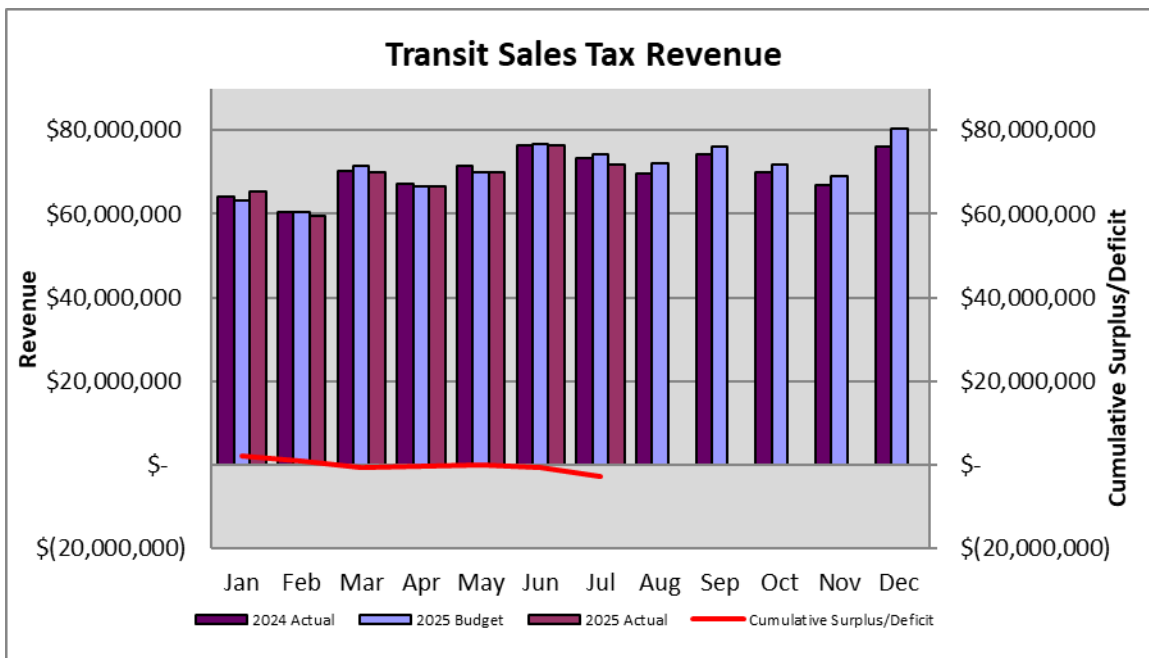
Forecast	Actual	Actual-Forecast	Difference
\$ 1,639,272	\$ 1,572,024	\$ (67,247)	-4.1%



Data Source: Washington DOR through July

MIDD Sales Tax Comparison (July 2025)

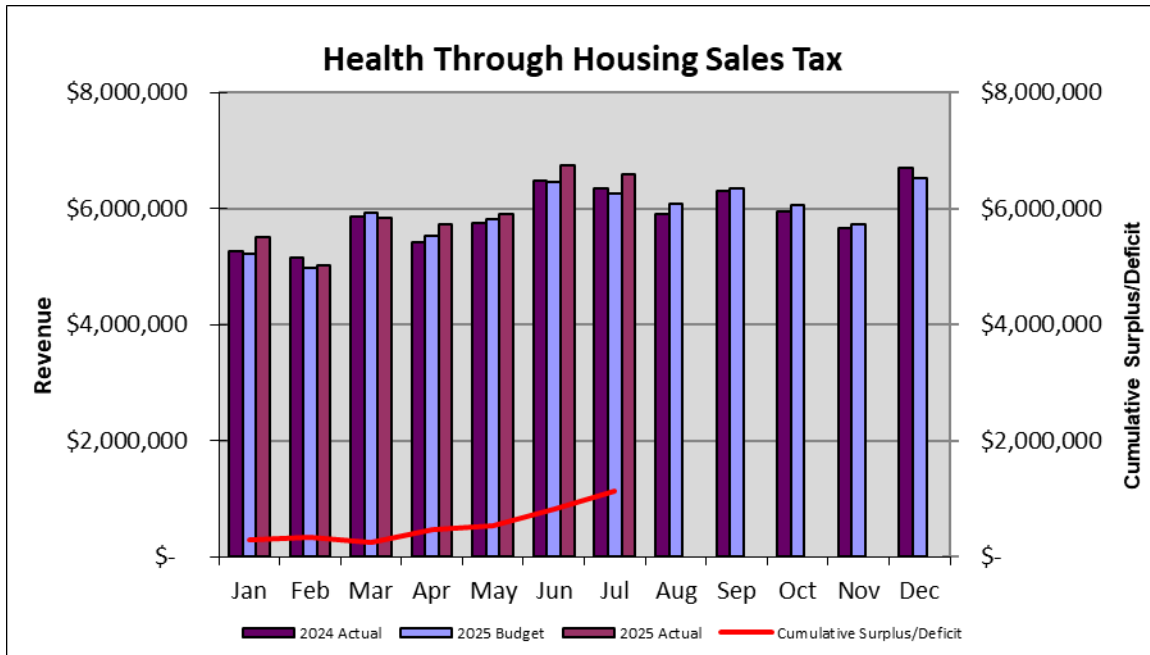
Forecast	Actual	Actual-Forecast	Difference
\$ 8,073,145	\$ 7,809,212	\$ (263,934)	-3.3%



Data Source: Washington DOR through July

Transit Sales Tax Comparison (July 2025)

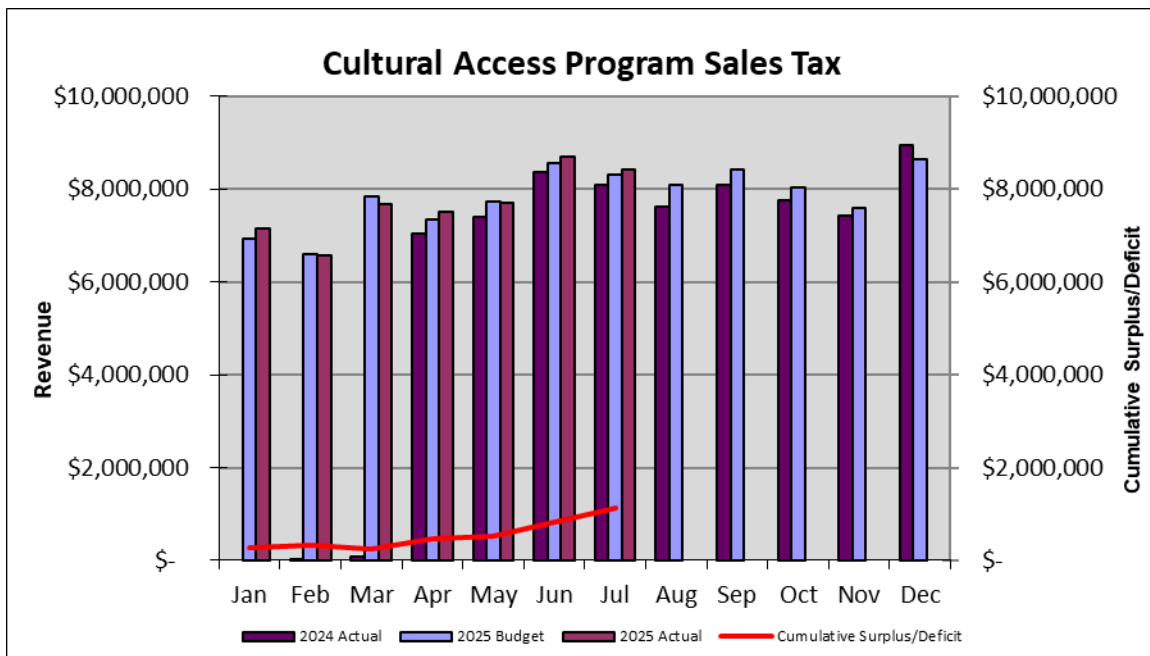
Forecast	Actual	Actual-Forecast	Difference
\$ 74,232,925	\$ 71,859,858	\$ (2,373,067)	-3.2%



Data Source: Washington DOR through July

HTH Sales Tax Comparison (July 2025)

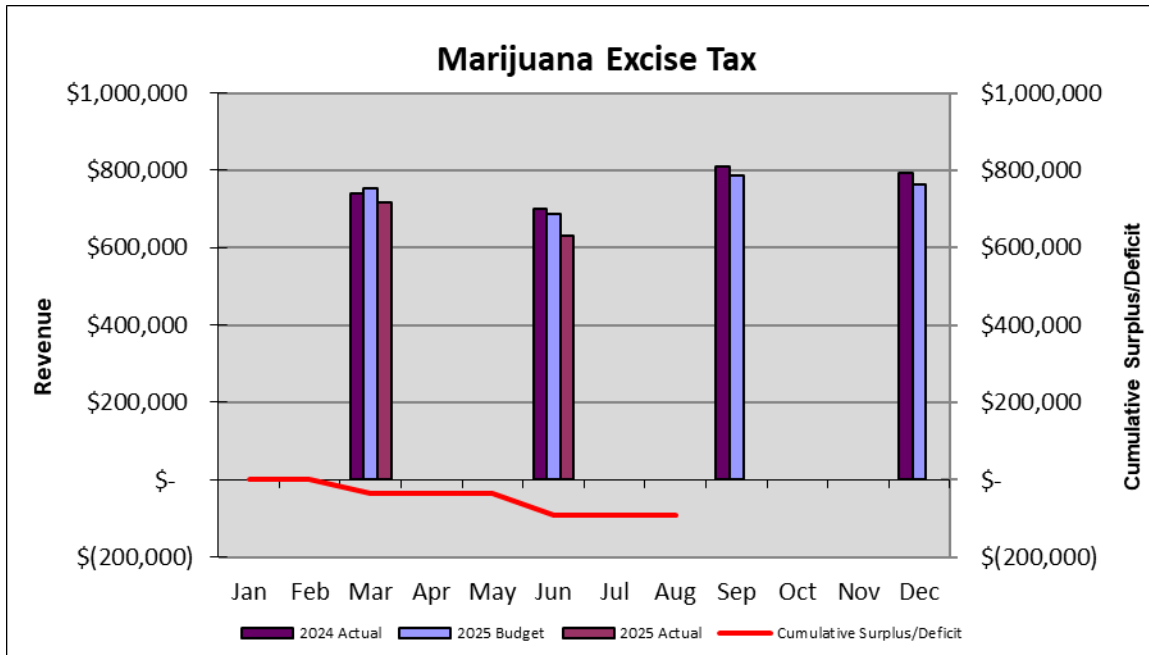
Forecast	Actual	Actual-Forecast	Difference
\$ 6,264,456	\$ 6,578,489	\$ 314,032	5.0%



Data Source: Washington DOR through July

CAP Sales Tax Comparison (July 2025)

Forecast	Actual	Actual-Forecast	Difference
\$ 8,313,223	\$ 8,416,638	\$ 103,415	1.2%

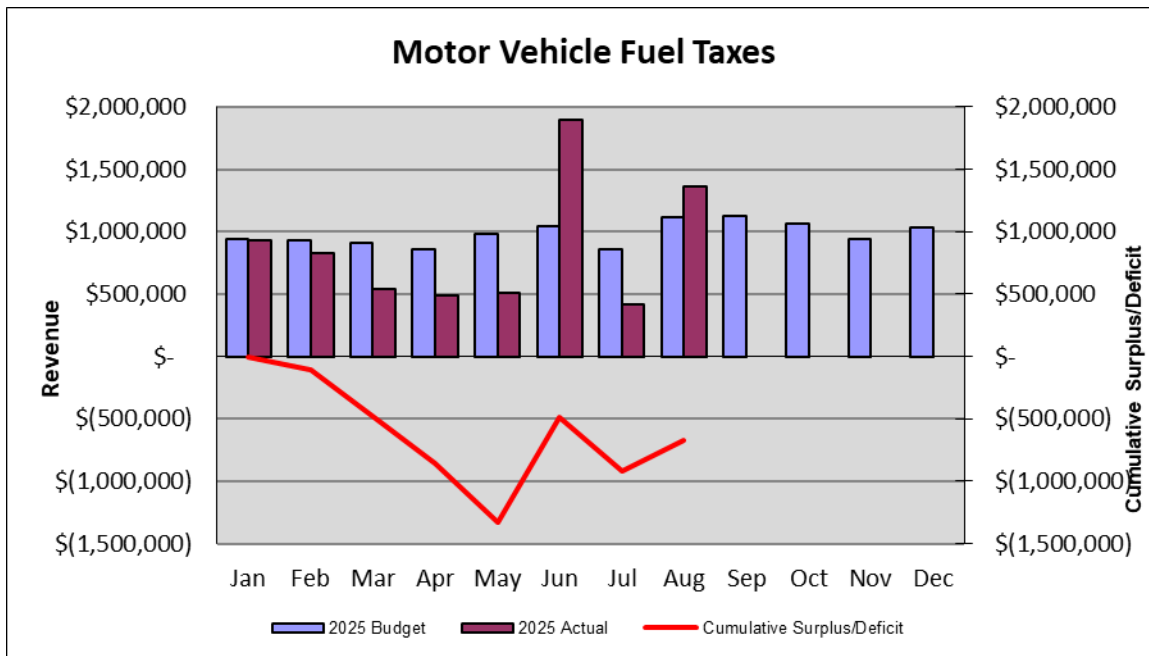


Data Source: King County EBS Fund 0010, Account 33605

Marijuana Excise Tax Comparison (August 2025)

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

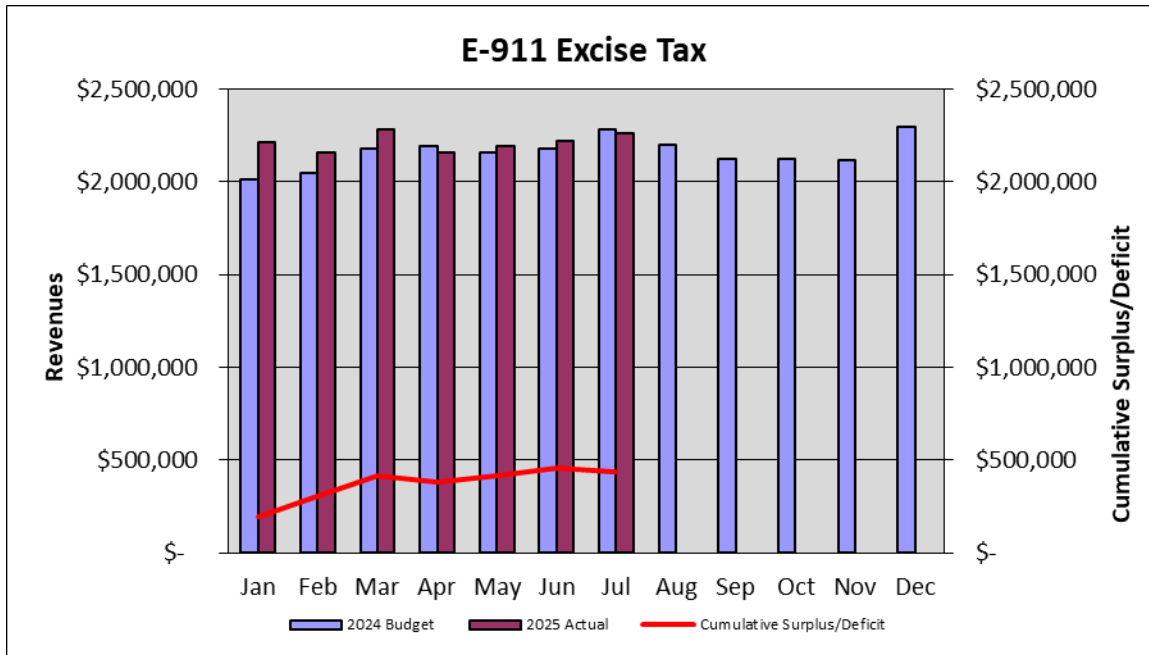
This data is received quarterly in March, June, September and December.



Data Source: King County EBS Acct. 33689

MV Fuel Taxes Comparison (August 2025)

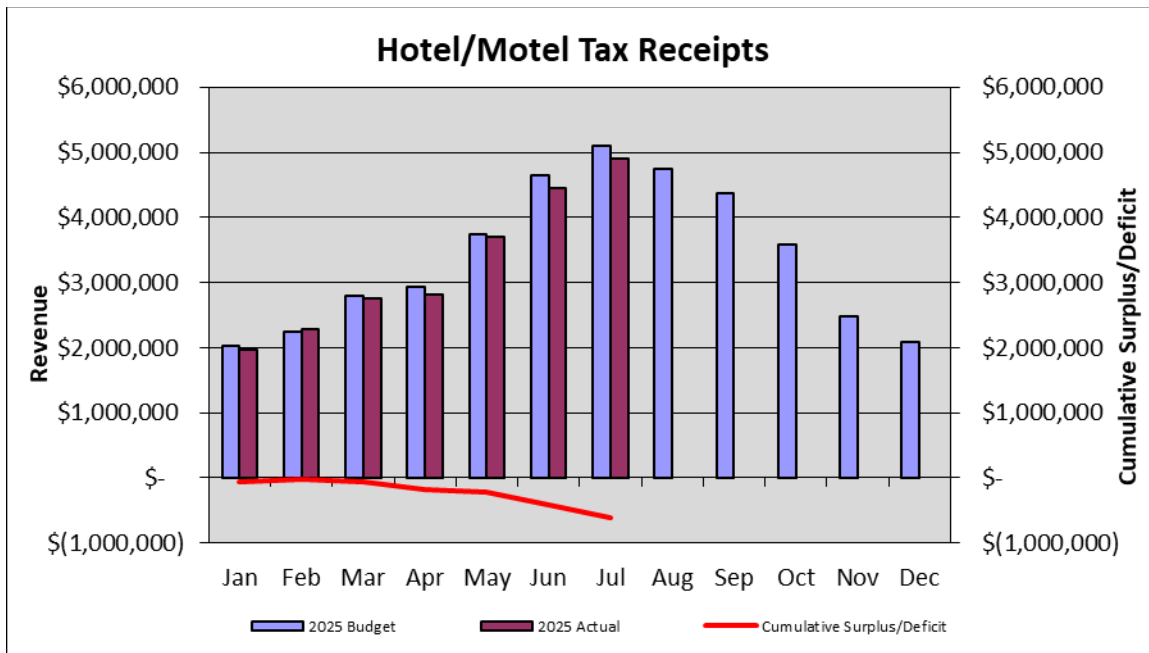
Forecast	Actual	Actual-Forecast	Difference
\$ 1,114,497	\$ 1,363,476	\$ 248,979	22.3%



Data Source: Washington DOR through July

E-911 Excise Tax Comparison (July 2025)

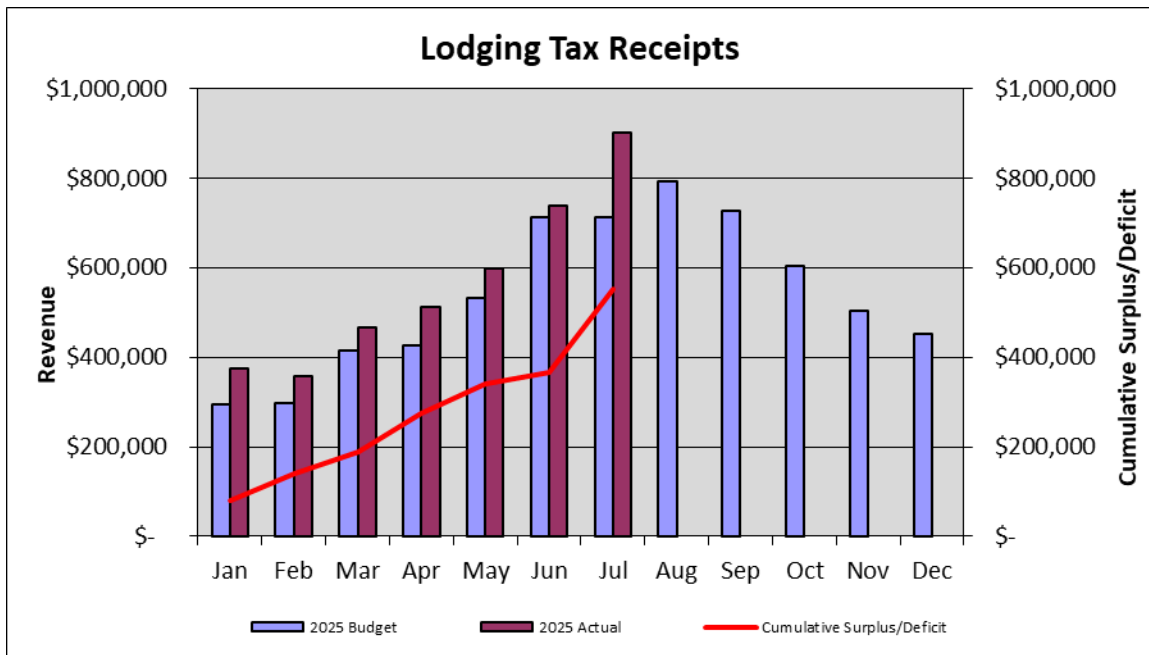
Forecast	Actual	Actual-Forecast	Difference
\$ 2,282,043	\$ 2,263,194	\$ (18,849)	-0.8%



Data Source: Washington DOR through July

Hotel/Motel Tax Comparison (July 2025)

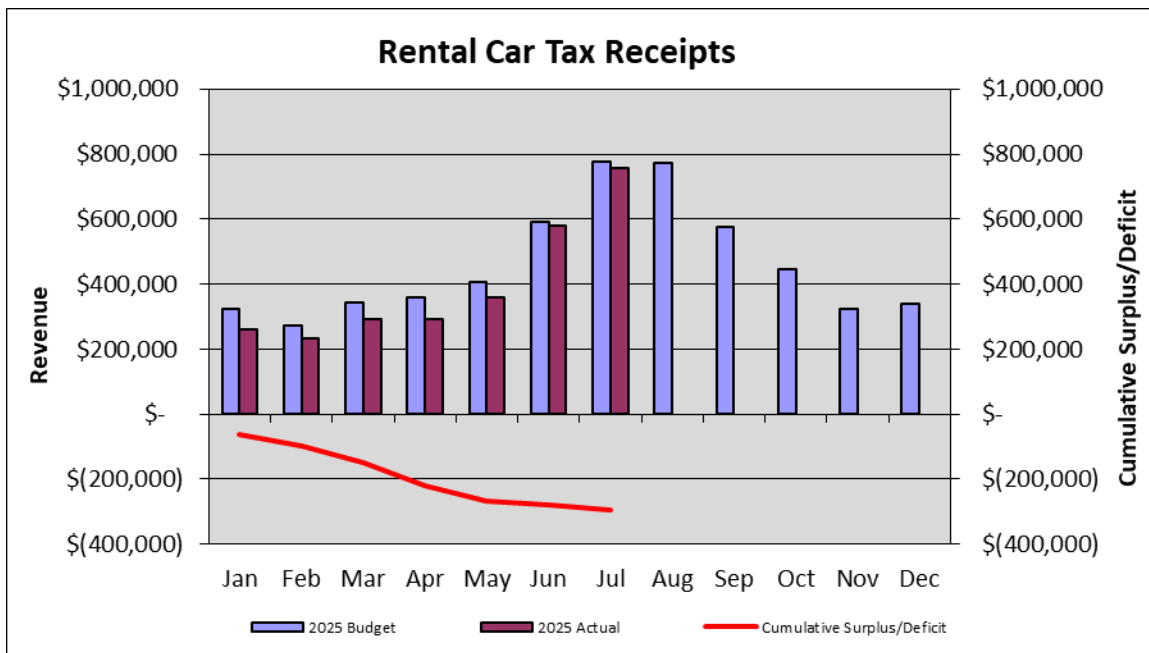
Forecast	Actual	Actual-Forecast	Difference
\$ 5,106,191	\$ 4,909,157	\$ (197,035)	-3.9%



Data Source: Seattle Convention Center through July

Lodging Tax Comparison (July 2025)

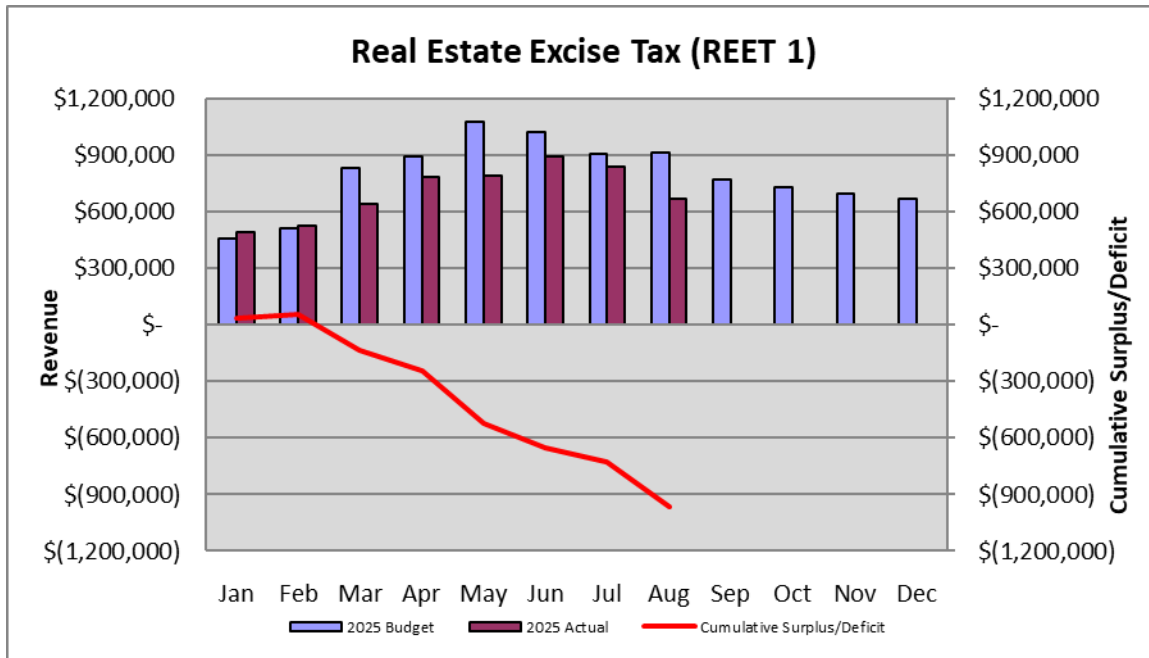
Forecast	Actual	Actual-Forecast	Difference
\$ 713,959	\$ 902,121	\$ 188,162	26.4%



Data Source: Washington DOR through July

Rental Car Tax Comparison (July 2025)

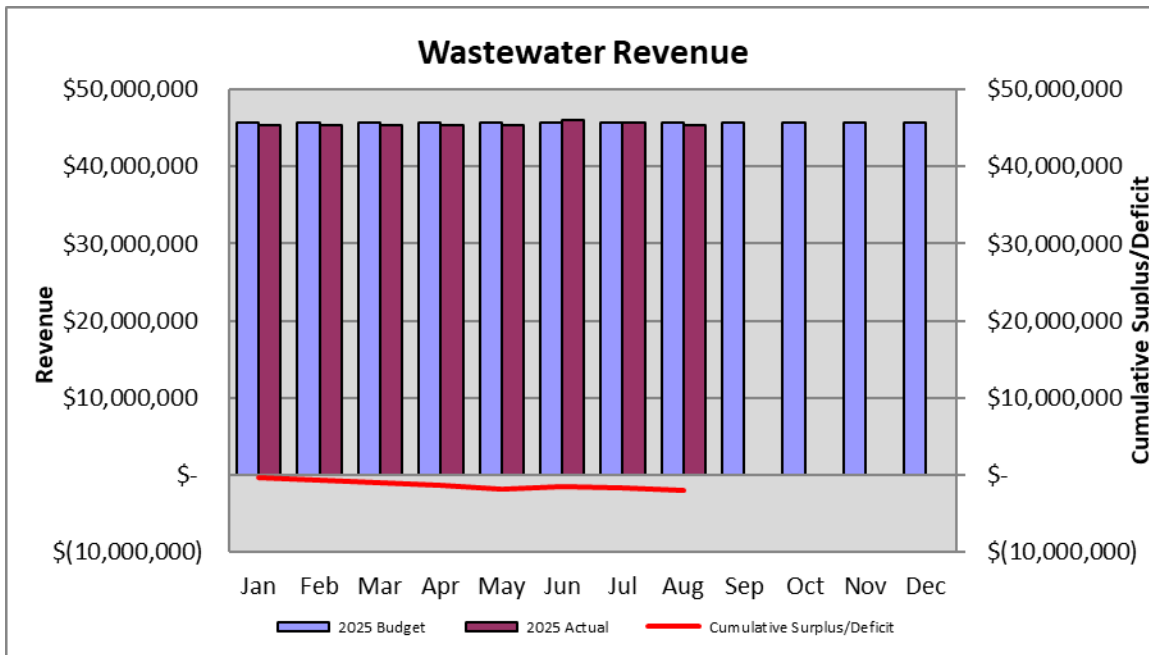
Forecast	Actual	Actual-Forecast	Difference
\$ 774,885	\$ 757,363	\$ (17,521)	-2.3%



Data Source: King County EBS Acct 31734

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

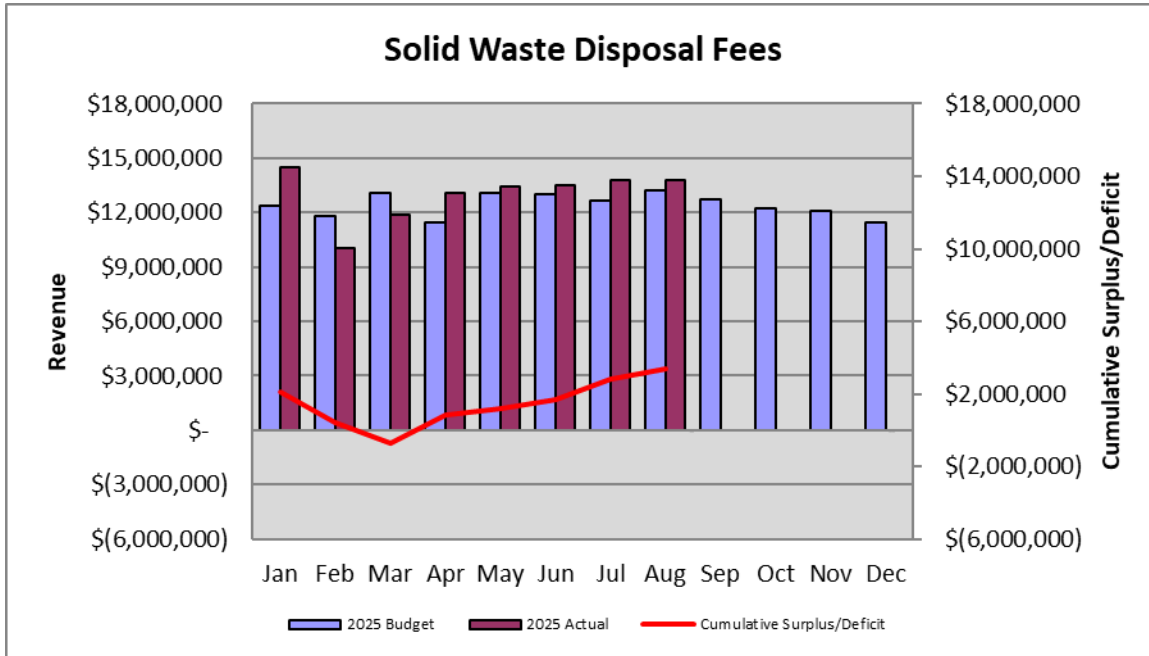
Forecast	Actual	Actual-Forecast	Difference
\$ 913,312	\$ 670,716	\$ (242,596)	-26.6%



Data Source: King County EBS Acct 44192

Wastewater Revenues Comparison (August 2025)

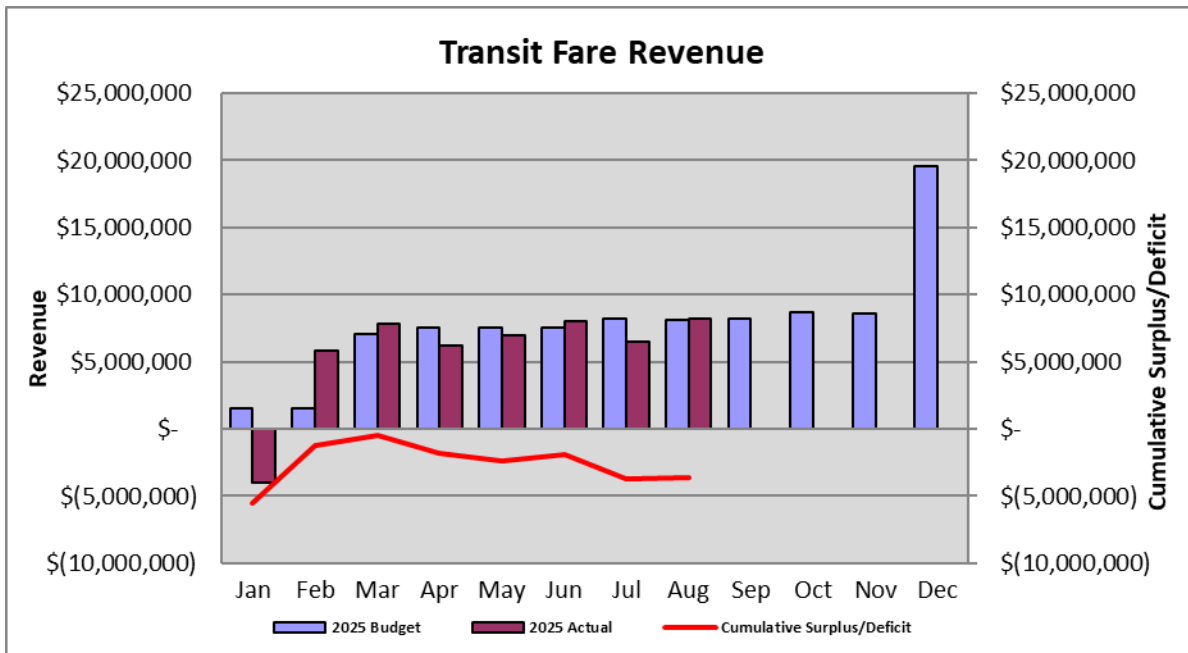
Forecast	Actual	Actual-Forecast	Difference
\$ 45,706,210	\$ 45,362,630	\$ (343,580)	-0.8%



Data Source: EBS acct. 34371

Solid Waste Net Disposal Charges Comparison (August 2025)

Forecast	Actual	Actual-Forecast	Difference
\$ 13,248,749	\$ 13,794,516	\$ 545,767	4.1%



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

Transit Fare Charges Comparison (August 2025)

Forecast	Actual	Actual-Forecast	Difference
\$ 8,151,228	\$ 8,156,741	\$ 5,513	0.1%

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

NAICS Category	2-digit NAICS	Jul-24	Jul-25	Percent change (2024-2025)
Agriculture	11	\$ 1,604,523	\$ 1,539,721	-4.0%
Mining	21	526,453	435,753	-17.2%
Utilities	22	10,331,849	9,233,194	-10.6%
Construction	23	1,595,755,473	1,661,260,433	4.1%
Manufacturing	31-33	174,246,366	173,507,867	-0.4%
Wholesale	41-42	435,261,672	474,661,605	9.1%
Retail Trade	44-45	2,697,826,822	2,792,336,494	3.5%
Transportation and Warehousing	48-49	163,240,347	133,258,654	-18.4%
Information	51	590,365,859	715,532,235	21.2%
Finance & Insurance	52	61,836,124	70,652,498	14.3%
Real Estate, Rental, Leasing	53	236,836,970	228,266,347	-3.6%
Professional, Scientific, Technical Services	54	327,936,928	354,468,447	8.1%
Management, Education and Health Services	55-62	538,879,811	569,958,300	5.8%
Arts, Entertainment and Recreation	71	95,829,198	108,235,760	12.9%
Accommodations, Food Services	72	959,668,259	1,007,964,914	5.0%
Other Services	81	177,595,167	181,180,665	2.0%
Public Administration/DOL Monthly	92	102,356,321	102,953,093	0.6%
Other		-	-	0.0%
Total-All Industries		\$ 8,170,098,141	\$ 8,585,445,980	5.1%
NAICS Category	3-digit NAICS	Jul-24	Jul-25	Percentage change (2024-2025)
Construction				
Construction of Buildings	236	\$ 950,893,150	\$ 1,007,164,470	5.9%
Heavy and Civil Engineering Construction	237	157,401,950	149,121,657	-5.3%
Specialty Trade Contractors	238	487,460,373	504,974,306	3.6%
Retail				
Motor Vehicle and Parts Dealers	441	523,775,802	521,172,331	-0.5%
Building Material and Garden Equipment and Supplies Dealers	444	223,703,720	208,807,339	-6.7%
Food and Beverage Stores	445	166,091,645	170,626,063	2.7%
Furniture, Home Furnishings, Electronics, and Appliance Retailers	449	332,727,054	399,149,635	20.0%
General Merchandise Retailers	455	381,360,298	376,568,749	-1.3%
Health and Personal Care Retailers	456	89,243,394	80,087,187	-10.3%
Gasoline Stations and Fuel Dealers	457	51,810,070	52,667,874	1.7%
Clothing, Clothing Accessories, Shoe, and Jewelry Retailers	458	218,189,356	239,304,821	9.7%
Sporting Goods, Hobby, Musical Instrument, Book, & Misc. Retailer	459	710,925,484	743,952,495	4.6%
Wholesale				
Wholesale: Durable Goods	423	354,095,761	394,452,152	11.4%
Wholesale: Nondurable Goods	424	75,814,945	73,173,740	-3.5%
Wholesale: Electronic Markets	425	5,350,966	7,035,713	31.5%
Food Service and Accommodations				
Accommodation	721	268,968,621	281,767,020	4.8%
Food Services and Drinking Places	722	690,699,639	726,197,894	5.1%
Note: NAICS values were updated & consolidated in 2022				
NAICS Category	4-digit NAICS	Jul-24	Jul-25	Percentage change (2024-2025)
Sporting Goods, Hobby, and Musical Instrument Retailers	4591	\$ 92,197,595	\$ 94,608,456	2.6%
Book Retailers and News Dealers	4592	7,742,167	8,403,860	8.5%
Florists	4593	2,970,274	2,730,818	-8.1%
Office Supplies, Stationery, and Gift Retailers	4594	23,763,753	25,860,075	8.8%
Used Merchandise Retailers	4595	11,839,595	12,527,057	5.8%
Other Miscellaneous Retailers	4599	572,412,102	599,822,230	4.8%