



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

DATE: October 27, 2025
 TO: King County Forecast Council
 FROM: Lizbeth Martin-Mahar, Laurie Elofson, Tony Cacallori
 RE: King County Revenue through September 2025

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

Revenue	YTD Forecast (2025 Budget)	YTD Actual	Actual - Forecast	Difference (percentage)
Current Expense Levy*	\$ 232,780,000	\$ 235,815,657	\$ 3,035,657	1.3%
UAL/Roads Levy^	\$ 56,480,000	\$ 56,110,273	\$ (369,727)	-0.7%
Parks Levy^	\$ 93,810,000	\$ 93,569,393	\$ (240,607)	-0.3%
Veterans, Seniors, & HS Levy (1143)^	\$ 47,650,000	\$ 48,293,325	\$ 643,325	1.4%
Conservation Futures Levy (3151)^	\$ 29,620,000	\$ 29,481,370	\$ (138,630)	-0.5%
EMS Levy^	\$ 66,320,000	\$ 69,568,497	\$ 3,248,497	4.9%
Transit Levy^	\$ 18,880,000	\$ 18,867,662	\$ (12,338)	-0.1%
Marine Levy^	\$ 3,970,000	\$ 3,966,600	\$ (3,400)	-0.1%
Best Starts for Kids Levy^	\$ 85,260,000	\$ 85,116,731	\$ (143,269)	-0.2%
Crisis Care Centers Levy^	\$ 67,400,000	\$ 67,254,769	\$ (145,231)	-0.2%
County Hospital Levy^	\$ 47,410,000	\$ 47,452,734	\$ 42,734	0.1%
P&I on Delinquent Property Taxes	\$ 17,960,000	\$ 15,951,035	\$ (2,008,965)	-11.2%
Sales Tax - Local Option (8/25)	\$ 115,010,000	\$ 117,141,639	\$ 2,131,639	1.9%
Sales Tax-Criminal Justice (8/25)	\$ 12,260,000	\$ 12,072,047	\$ (187,953)	-1.5%
Sales Tax-MIDD (8/25)	\$ 60,640,000	\$ 60,303,781	\$ (336,219)	-0.6%
Sales Tax - Transit (8/25)	\$ 554,760,000	\$ 551,537,871	\$ (3,222,129)	-0.6%
Sales Tax - Health Through Housing (8/25)	\$ 46,270,000	\$ 47,466,209	\$ 1,196,209	2.6%
Sales Tax - Cultural Access Program (8/25)	\$ 61,400,000	\$ 61,566,565	\$ 166,565	0.3%
Marijuana Excise Tax	\$ 2,230,000	\$ 2,056,722	\$ (173,278)	-7.8%
MV Fuel Tax-Roads+	\$ 8,770,000	\$ 7,892,631	\$ (877,369)	-10.0%
E-911 Excise Tax (8/25)	\$ 17,240,000	\$ 17,676,246	\$ 436,246	2.5%
Hotel/Motel Tax (8/25)	\$ 28,240,000	\$ 27,334,269	\$ (905,731)	-3.2%
Lodging Tax (HB 2015) (8/25)	\$ 4,190,000	\$ 4,751,411	\$ 561,411	13.4%
Rental Car Tax (8/25)	\$ 3,840,000	\$ 3,529,195	\$ (310,805)	-8.1%
REET 1 Revenue	\$ 7,380,000	\$ 6,386,012	\$ (993,988)	-13.5%
Wastewater Revenues+	\$ 411,360,000	\$ 409,389,813	\$ (1,970,187)	-0.5%
Solid Waste Net Disposal Charges+	\$ 113,420,000	\$ 117,319,900	\$ 3,899,900	3.4%
Transit Fare+	\$ 57,190,000	\$ 51,777,768	\$ (5,412,232)	-9.5%

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 September 2025, property tax revenues combined for all levies are up from the forecast by \$6 million or 0.8 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 4.9 and -0.7 percent with the EMS levy being above the forecast the most by \$3.2 million. The UAL/Roads levy came in with the largest negative percentage difference at -0.7 percent and the largest dollar decline at -\$369,727 below the March forecast. The first nine months of collections of penalties and interest on delinquent property taxes came in -\$2 million or 11.2 percent below forecast.

Total taxable sales, categorized by industry sectors, were up slightly in the first eight months of 2025 by 2 percent yoy. Year-to-date, about half the industry sectors were up from last year: information up 24.4 percent, manufacturing up 0.1 percent, finance and insurance up 9.6 percent, wholesale trade up 5.1 percent, retail trade up 1.7 percent, real estate, rental and leasing up 6.2 percent, professional, scientific, and technical services up 6.6 percent, health care and social assistance up 6.1 percent, arts, entertainment, and recreation services up 8.9 percent, accommodations and food services up 2.4 percent, administrative and support and warehousing up 0.6 percent and public administration up 21.7 percent over last year. For the first eight months of 2025, some big sectors in the local economy were down from last year like construction sales down 4.2 percent, transportation and warehousing down 7.6 percent, management of companies and enterprises down 22.8 percent, educational services down 10.5 percent, other services except public administration down 0.6 percent.

An appendix to this memo provides King County taxable retail sales by industry for the most recent month August 2025 compared to August 2024. This table indicates that in the month of August, total taxable sales were up year-over-year by 2.3 percent which was one of the best monthly growth rates this year. Most industry sectors are up, with only 5 sectors being down in August compared to last year. The construction sector in August was down yoy by 4.7 percent, which was a contrast from the prior month when we experienced growth of 4 percent. Unfortunately, the construction sector has seen negative yoy monthly growth for 22 of the preceding 24 months. Education services were down 8.8 percent and other services down -1.9 percent. Notable industries that grew in August 2025, include wholesale trade was up 4.7 percent, retail trade was up 3.8 percent, information up 21.4 percent, accommodation & food service up 3.6 percent, finance and insurance up 9.2 percent, professional, scientific and technical services up 3.9 percent, arts, entertainment and recreation up 11.6 percent and public administration was up 3.5 percent. Note there was also a strong DOL monthly collections, coming in at \$76.7 million.

The first eight months of 2025 saw sales taxes below the March forecast by \$0.252 million, 0.03 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 \$2.13 million, 1.9 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 \$1.2 million or 2.6 percent and Cultural Access Program was up a little at 0.3 percent. The transit levy was down the most at \$3.22 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 7.8 percent, MV fuel tax for roads down 10 percent, hotel/motel taxes down 3.2 percent, rental car tax down 8.1 percent, real estate excise taxes down 13.5 percent, and transit fares down 9.5 percent. A few revenue streams were above the March

forecast including E-911 excise tax at 2.5 percent above, lodging tax up 13.4 percent, and solid waste disposal charges up 3.4 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 \$0.62 million or 3.7 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.

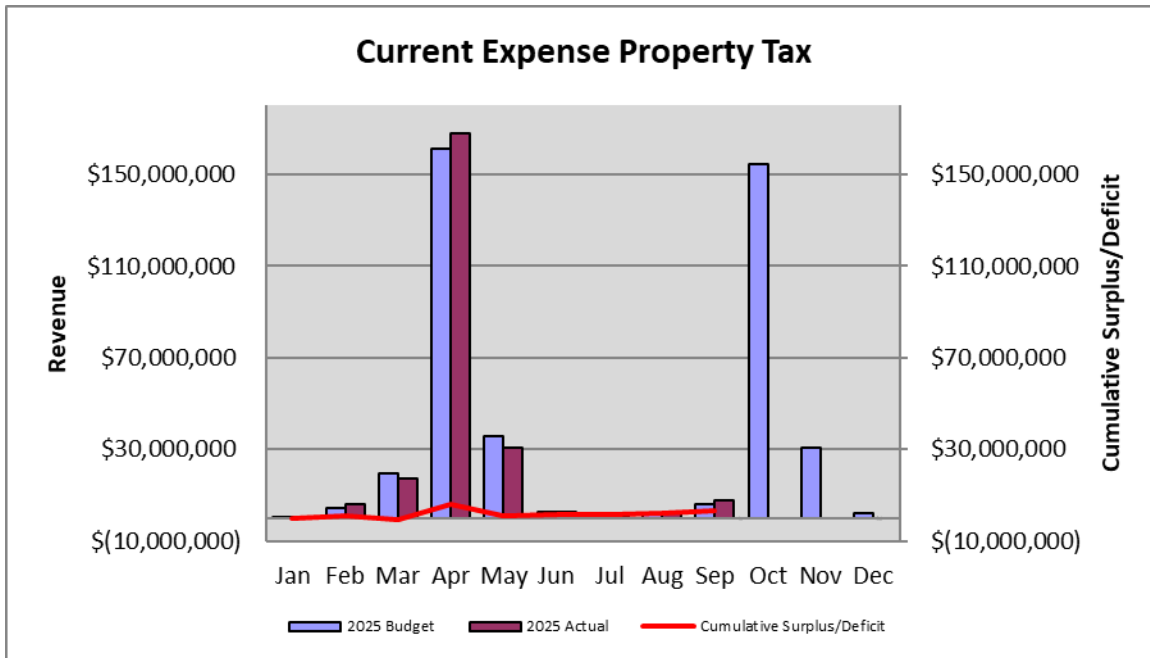
Since the July forecast for taxable sales was revised downward by more than 1% in 2025 from the March forecast, the difference in actual sales tax levies cumulatively for the first eight months is now up \$3.6 million, 0.42 percent, from the July forecast.

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 eight months of 2025 actuals compared to the latest July forecast are up for most revenue sources except E-911 excise tax and REET taxes. The marijuana excise tax is up by \$46,722, 2.3 percent, hotel/motel taxes are up \$194,269 or 0.7 percent, the lodging tax is up by \$291,411 or 6.5 percent and rental car tax is also up \$199,195 or 6.0 percent. The real estate excise tax is still down from the last forecast by \$653,988 or 9.3 percent and E-911 tax is down \$33,754 or -0.2 percent compared to the new July forecast.

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

Revenue	YTD Forecast (July Forecast)	YTD Actual	Actual - Forecast	Difference (percentage)
P&I on Delinquent Property Taxes	\$ 16,570,000	\$ 15,951,035	\$ (618,965)	-3.7%
Sales Tax - Local Option (8/25)	\$ 115,350,000	\$ 117,141,639	\$ 1,791,639	1.6%
Sales Tax-Criminal Justice (8/25)	\$ 12,050,000	\$ 12,072,047	\$ 22,047	0.2%
Sales Tax-MIDD (8/25)	\$ 60,250,000	\$ 60,303,781	\$ 53,781	0.1%
Sales Tax - Transit (8/25)	\$ 551,230,000	\$ 551,537,871	\$ 307,871	0.1%
Sales Tax - Health Through Housing (8/25)	\$ 46,620,000	\$ 47,466,209	\$ 846,209	1.8%
Sales Tax - Cultural Access Program (8/25)	\$ 61,010,000	\$ 61,566,565	\$ 556,565	0.9%
Marijuana Excise Tax	\$ 2,010,000	\$ 2,056,722	\$ 46,722	2.3%
E-911 Excise Tax (8/25)	\$ 17,710,000	\$ 17,676,246	\$ (33,754)	-0.2%
Hotel/Motel Tax (8/25)	\$ 27,140,000	\$ 27,334,269	\$ 194,269	0.7%
Lodging Tax (HB 2015) (8/25)	\$ 4,460,000	\$ 4,751,411	\$ 291,411	6.5%
Rental Car Tax (8/25)	\$ 3,330,000	\$ 3,529,195	\$ 199,195	6.0%
REET 1 Revenue	\$ 7,040,000	\$ 6,386,012	\$ (653,988)	-9.3%

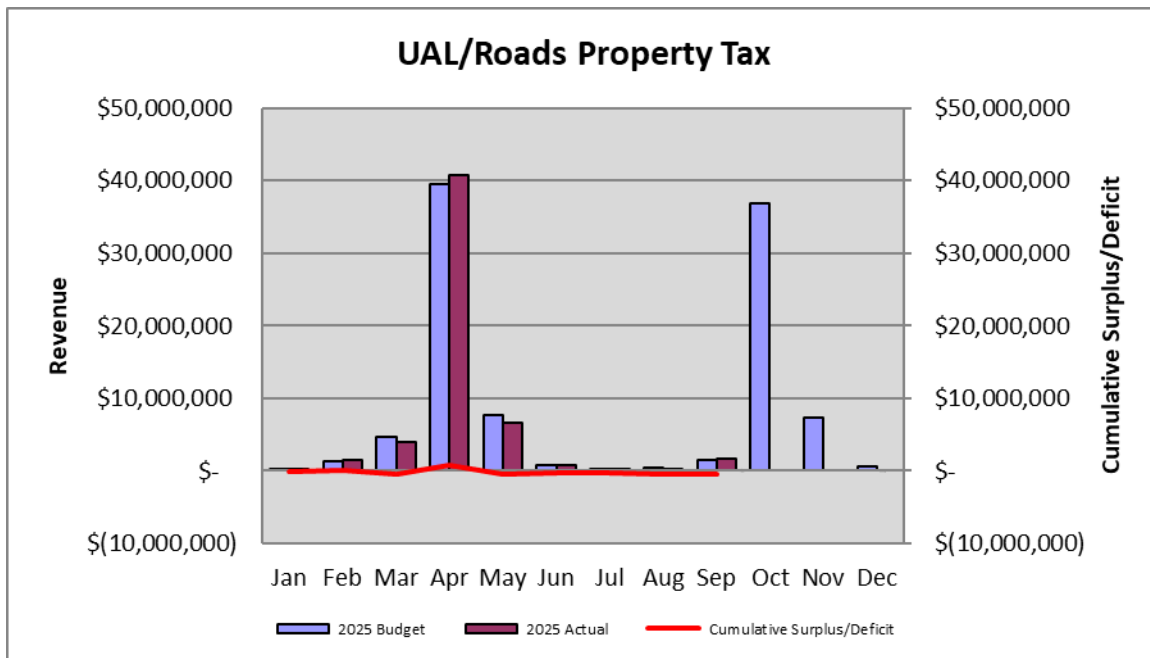
The graphs on the following pages indicate revenues from specific funds, including comparisons between monthly revenues as forecasted in March, shown by the blue bars, actual monthly revenues, indicated by the burgundy bars and the red line showing the cumulative difference between March forecasts and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

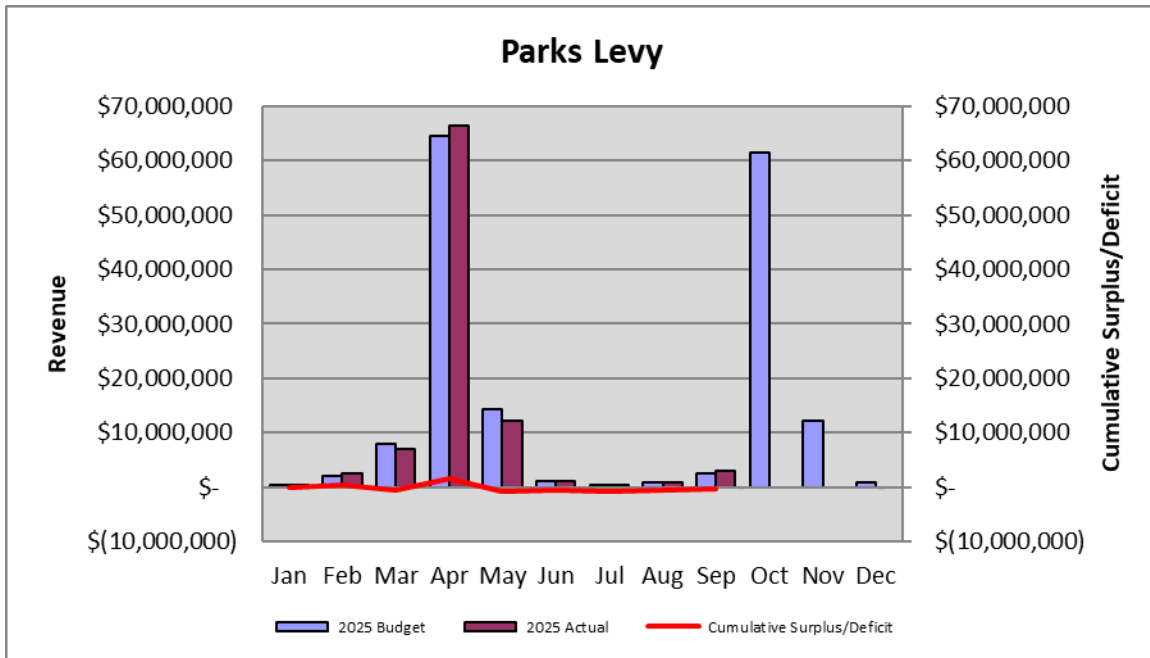
Forecast	Actual	Actual-Forecast	Difference
\$ 6,338,937	\$ 7,482,262	\$ 1,143,325	18.0%



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

UAL/Roads Property Taxes Comparison (September 2025)

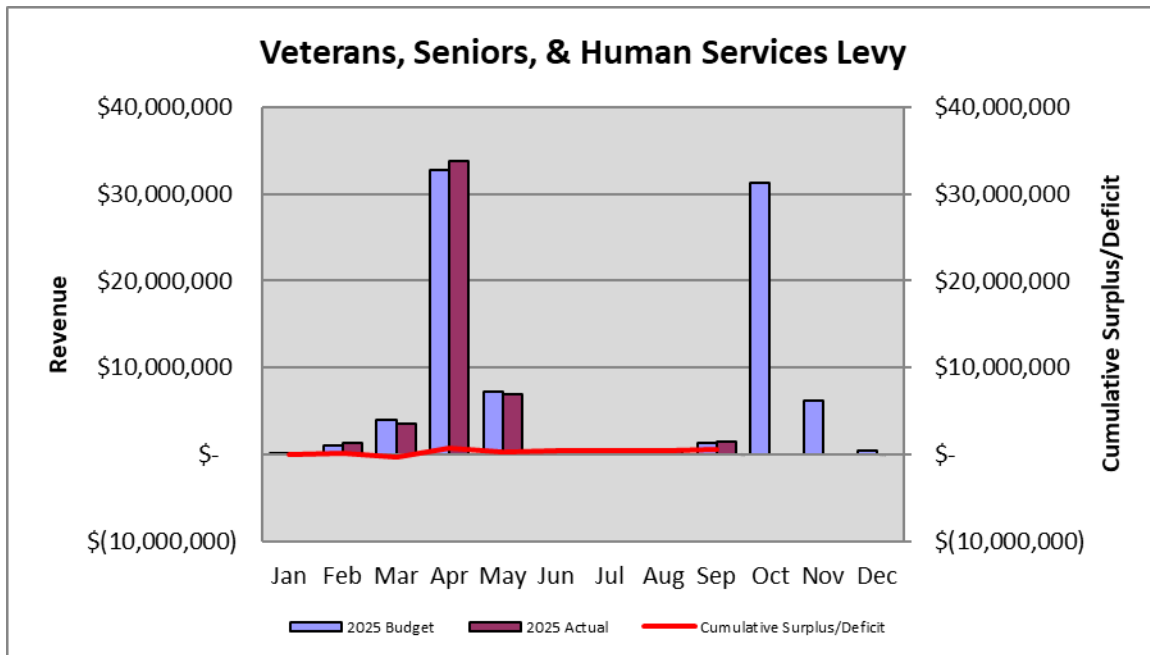
Forecast	Actual	Actual-Forecast	Difference
\$ 1,449,962	\$ 1,602,426	\$ 102,465	6.8%



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

Parks Property Taxes Comparison (September 2025)

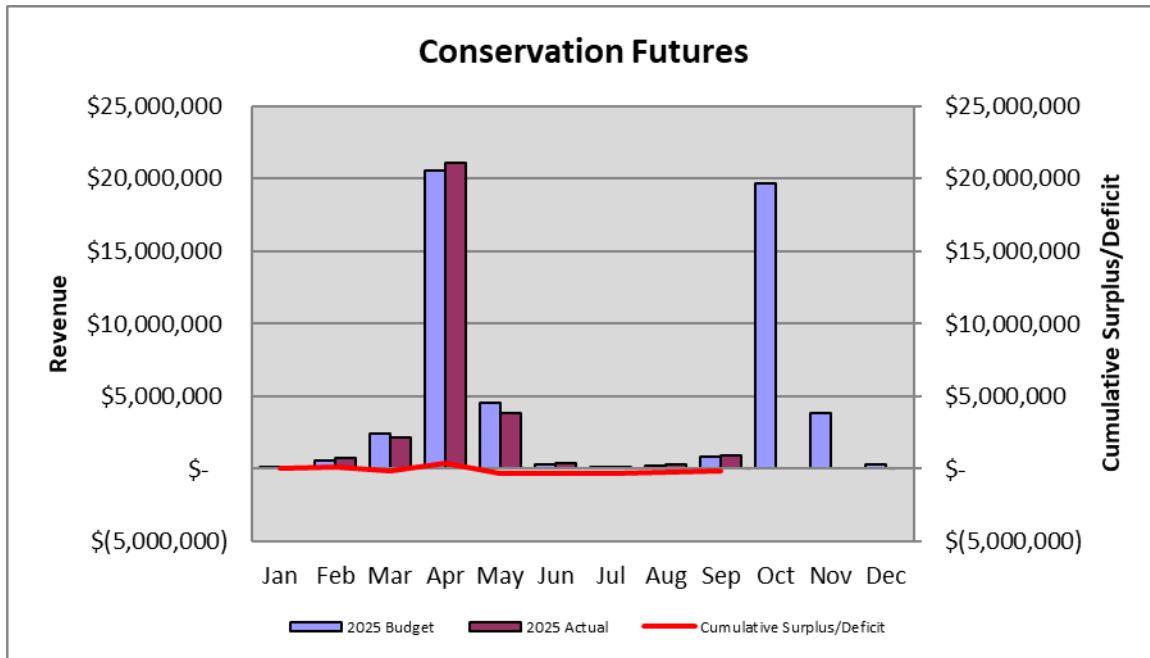
Forecast	Actual	Actual-Forecast	Difference
\$ 2,514,833	\$ 2,931,017	\$ 416,183	16.5%



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

VSHSL Property Taxes Comparison (September 2025)

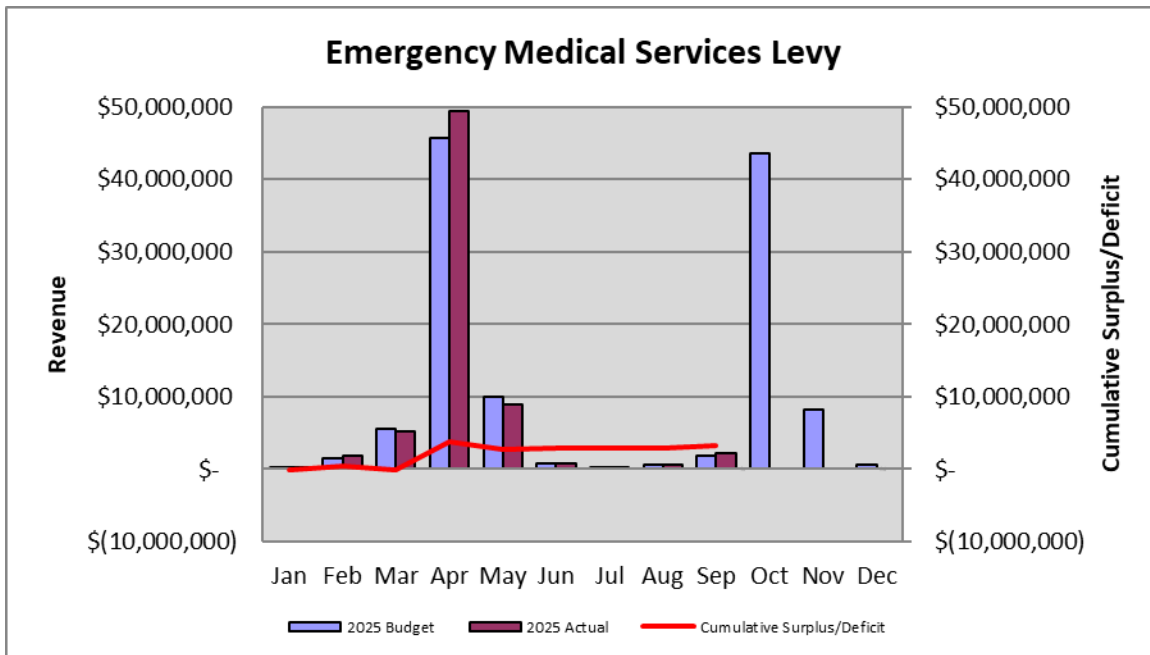
Forecast	Actual	Actual-Forecast	Difference
\$ 1,279,872	\$ 1,488,543	\$ 208,672	16.3%



Data Source: King County EBS, Acct. 31117

Conservation Futures Property Taxes Comparison (September 2025)

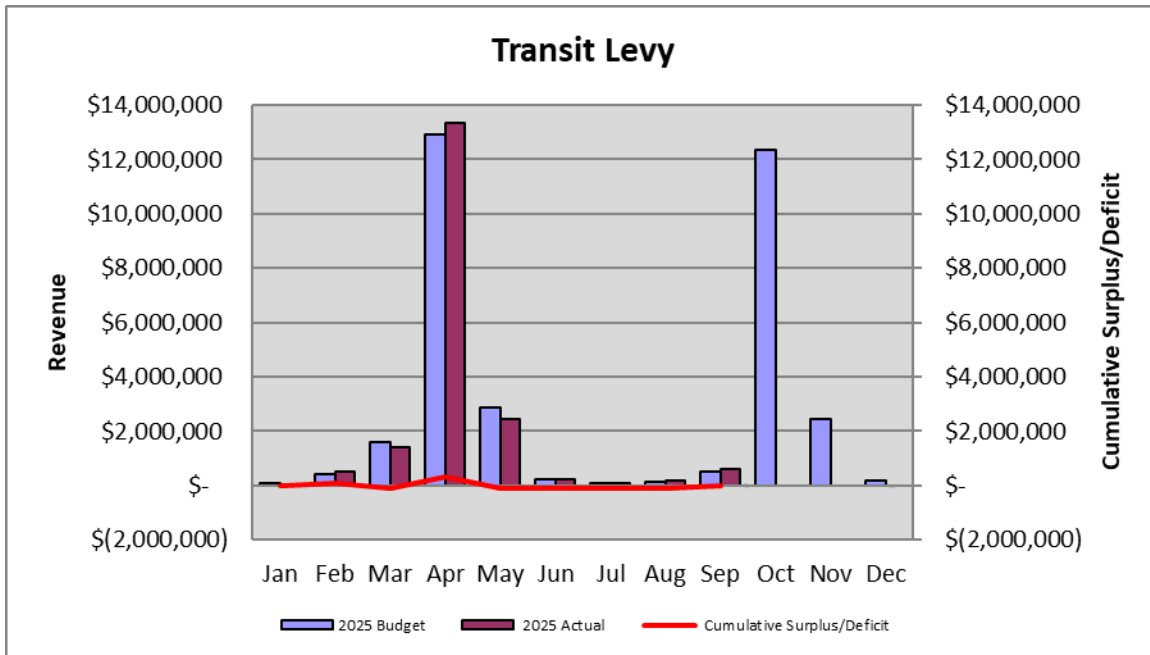
Forecast	Actual	Actual-Forecast	Difference
\$ 801,692	\$ 932,917	\$ 131,225	16.4%



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

EMS Property Taxes Comparison (September 2025)

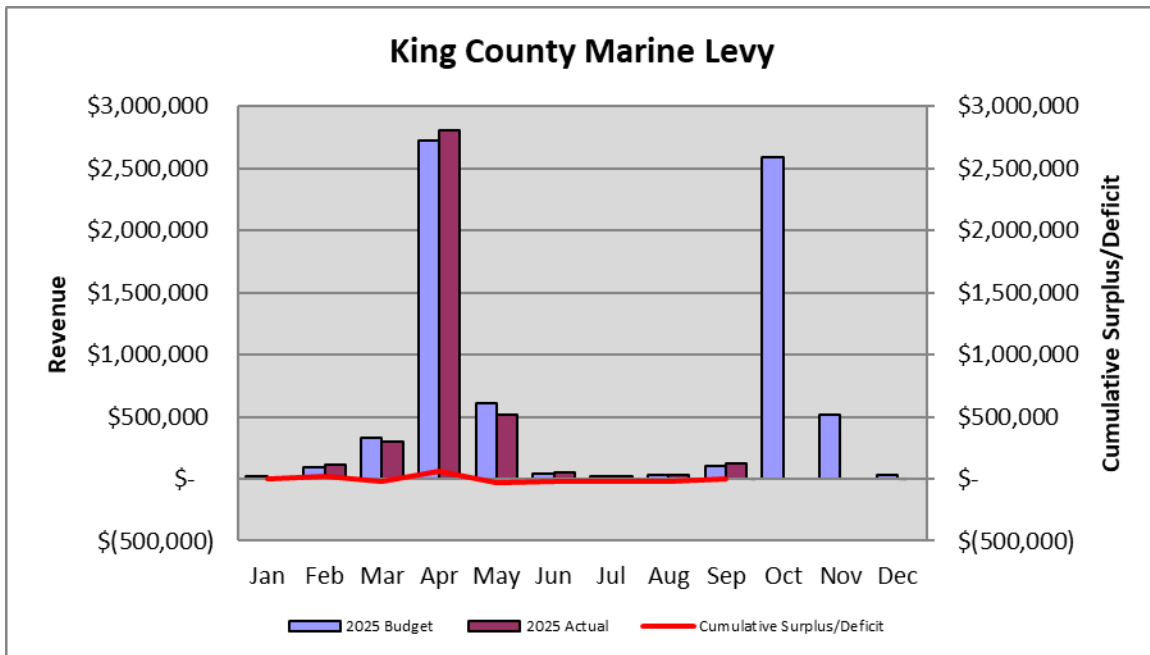
Forecast	Actual	Actual-Forecast	Difference
\$ 1,818,230	\$ 2,180,472	\$ 362,242	19.9%



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

Transit Property Taxes Comparison (September 2025)

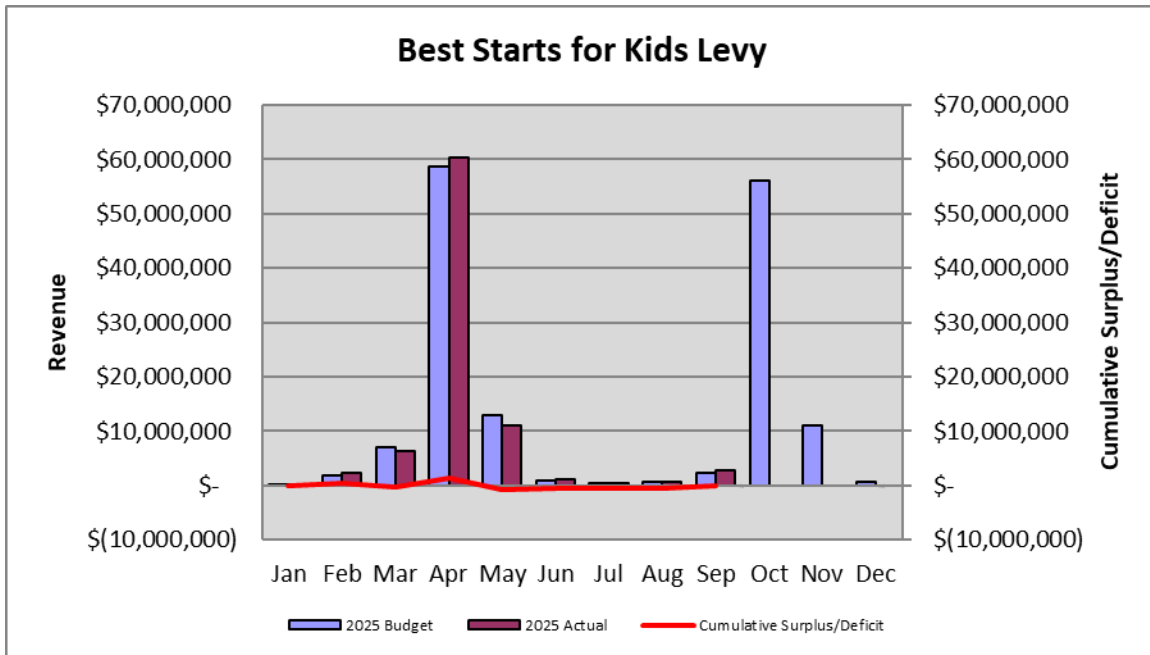
Forecast	Actual	Actual-Forecast	Difference
\$ 514,043	\$ 594,223	\$ 80,180	15.6%



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

King County Marine Property Taxes Comparison (September 2025)

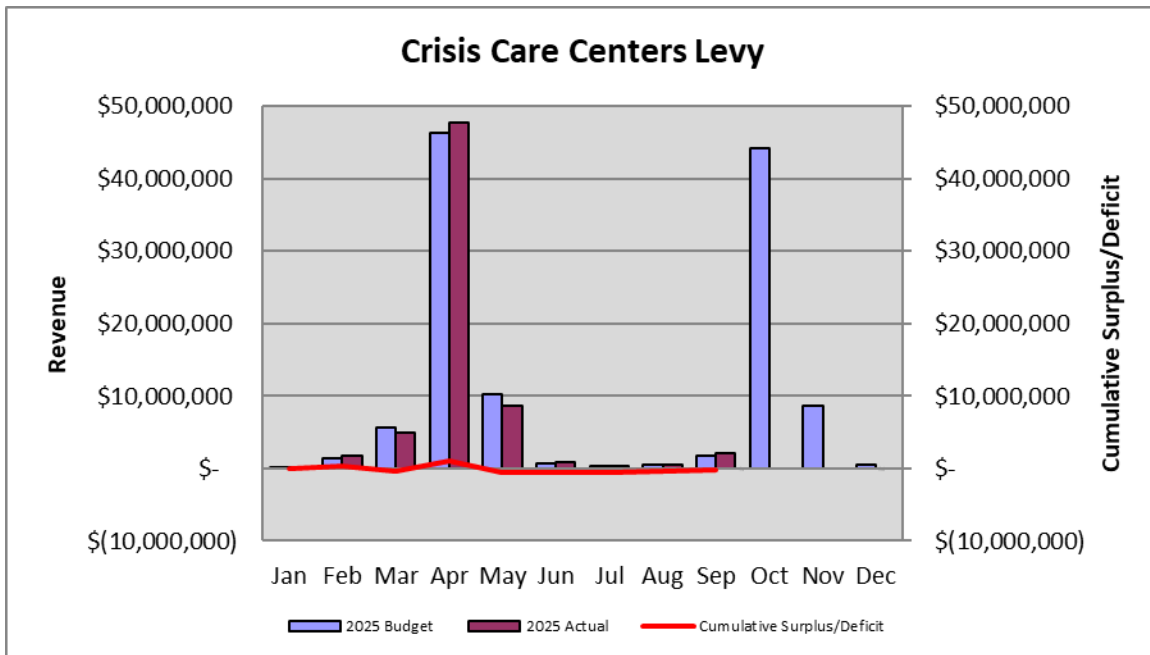
Forecast	Actual	Actual-Forecast	Difference
\$ 108,109	\$ 124,918	\$ 16,808	15.5%



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

Best Starts for Kids Property Taxes Comparison (September 2025)

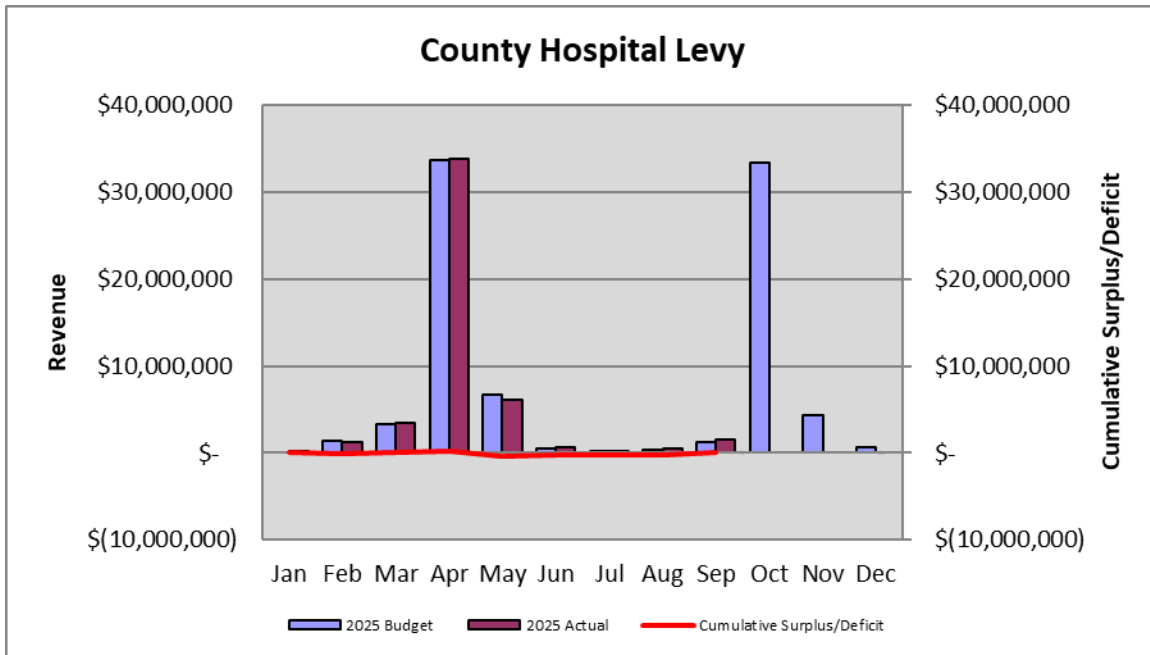
Forecast	Actual	Actual-Forecast	Difference
\$ 2,284,506	\$ 2,665,457	\$ 380,951	16.7%



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

Crisis Care Centers Property Taxes Comparison (September 2025)

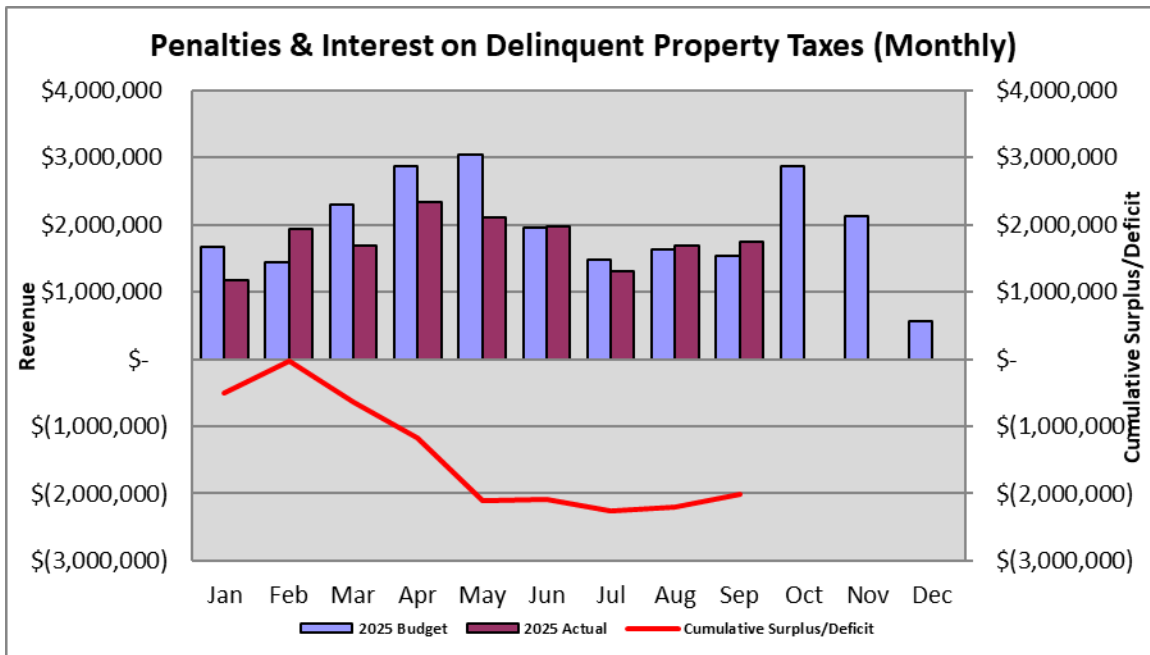
Forecast	Actual	Actual-Forecast	Difference
\$ 1,805,966	\$ 2,098,524	\$ 292,558	16.2%



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

County Hospital Property Taxes Comparison (September 2025)

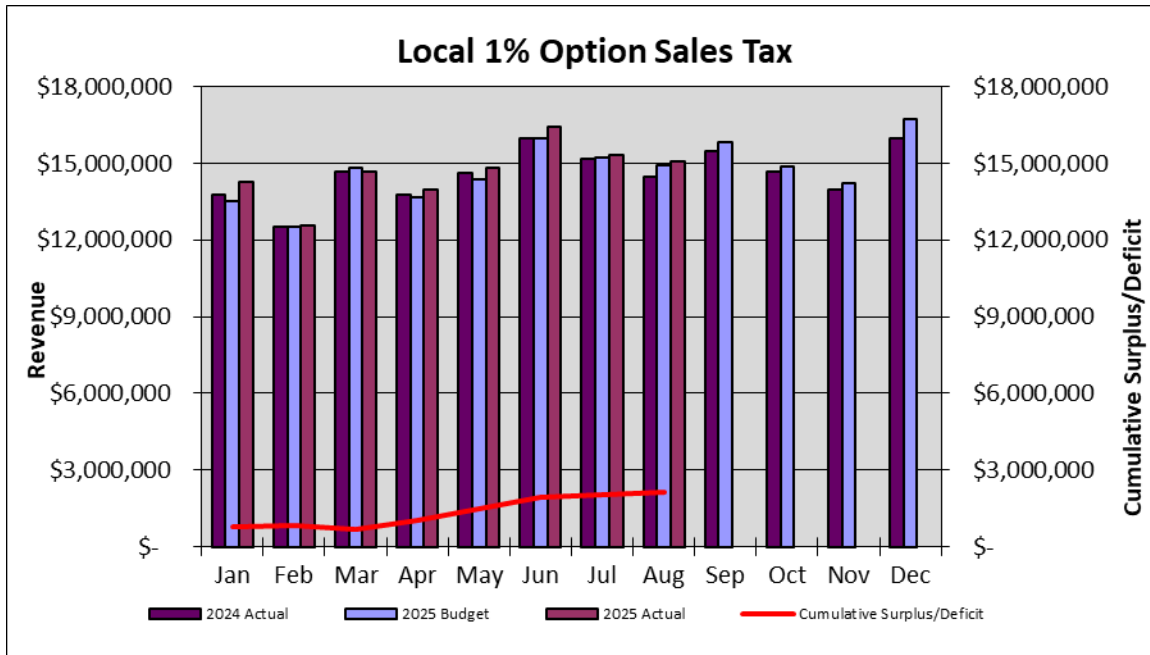
Forecast	Actual	Actual-Forecast	Difference
\$ 1,266,343	\$ 1,505,657	\$ 239,313	18.9%



Data Source: King County EBS Fund 0010, Acct 31911

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

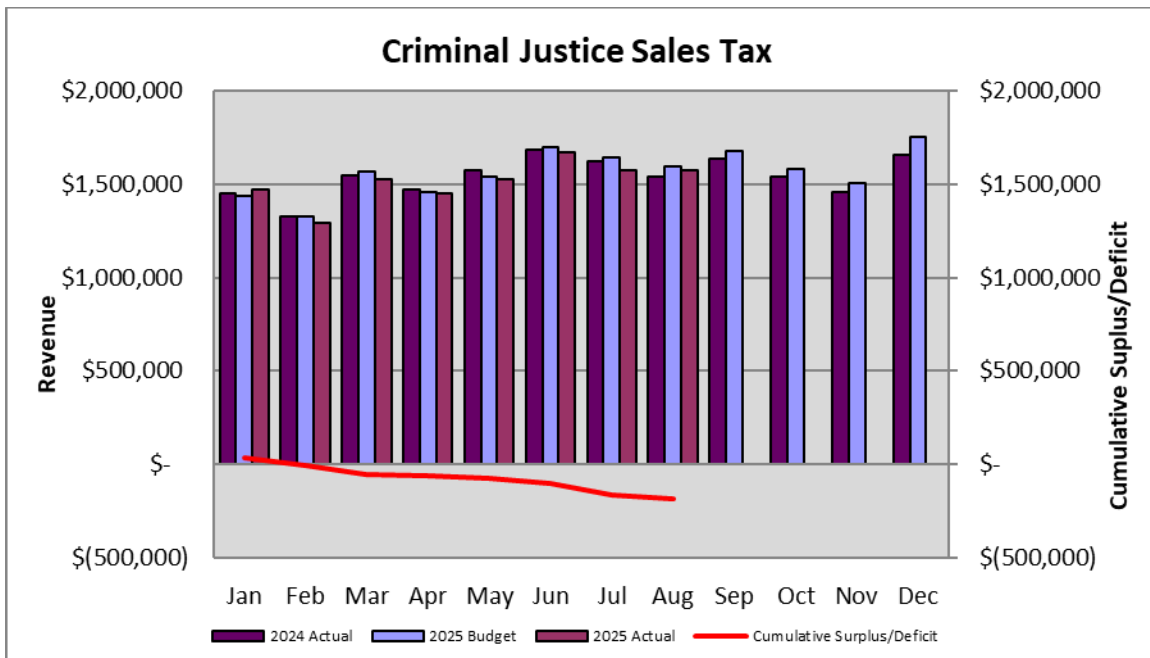
Forecast	Actual	Actual-Forecast	Difference
\$ 1,544,682	\$ 1,747,162	\$ 202,480	13.1%



Data Source: Washington State DOR through August

Local Option Sales Tax Comparison (August 2025)

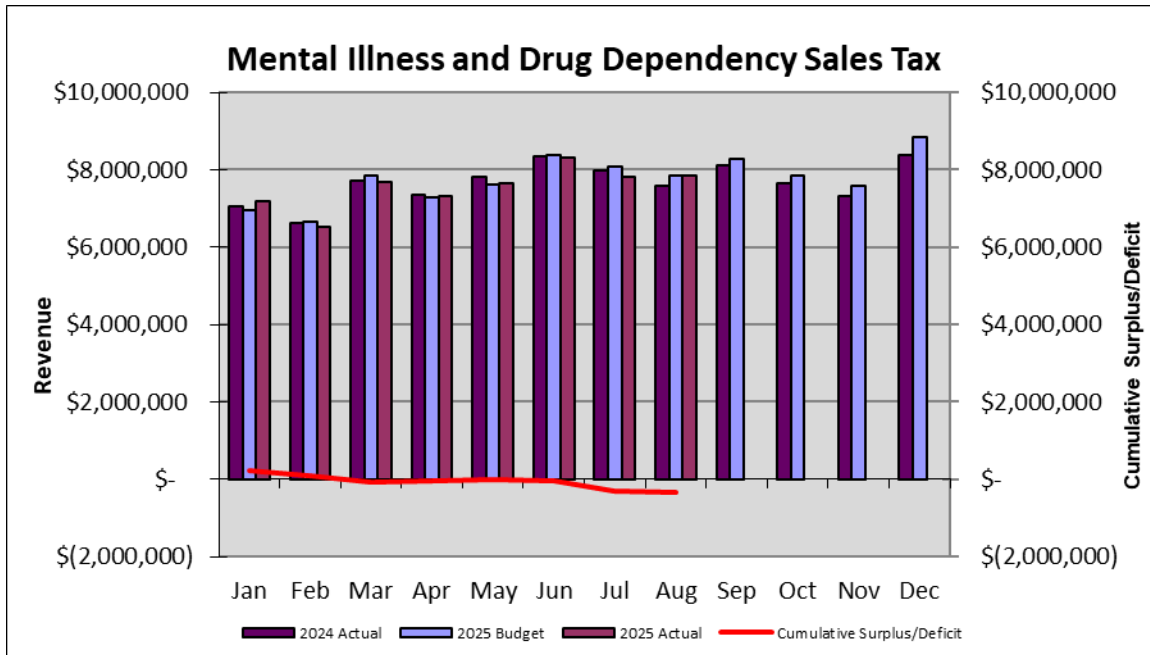
Forecast	Actual	Actual-Forecast	Difference
\$ 14,944,505	\$ 15,056,463	\$ 111,957	0.7%



Data Source: Washington DOR through August

CJ Sales Tax Comparison (August 2025)

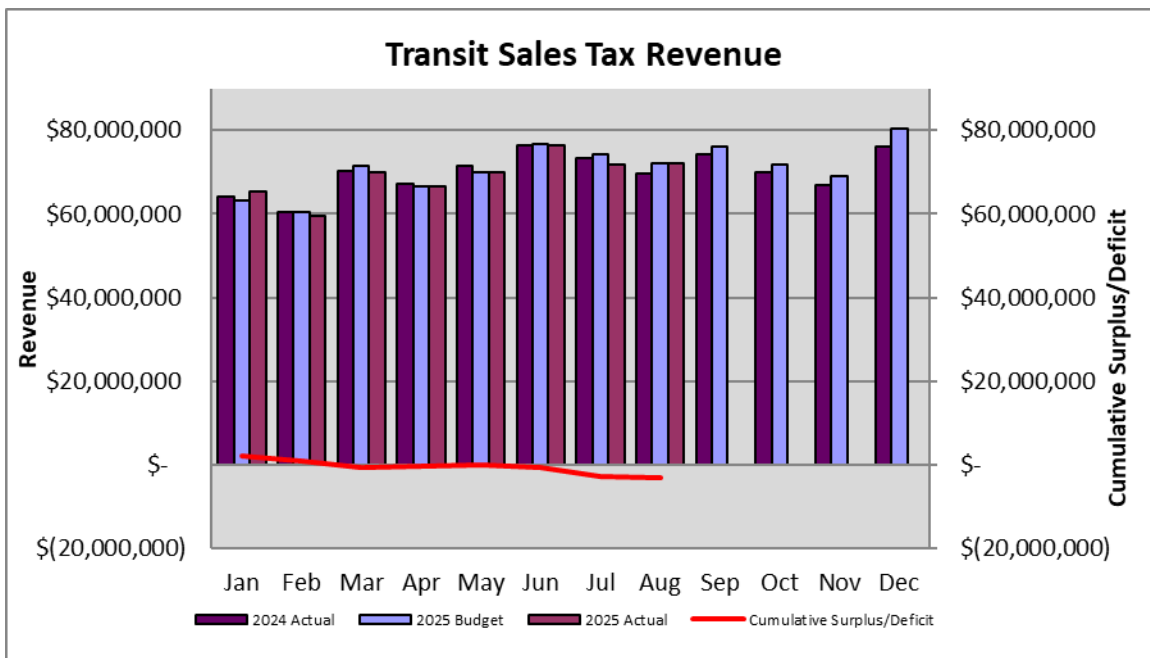
Forecast	Actual	Actual-Forecast	Difference
\$ 1,594,403	\$ 1,572,536	\$ (21,867)	-1.4%



Data Source: Washington DOR through August

MIDD Sales Tax Comparison (August 2025)

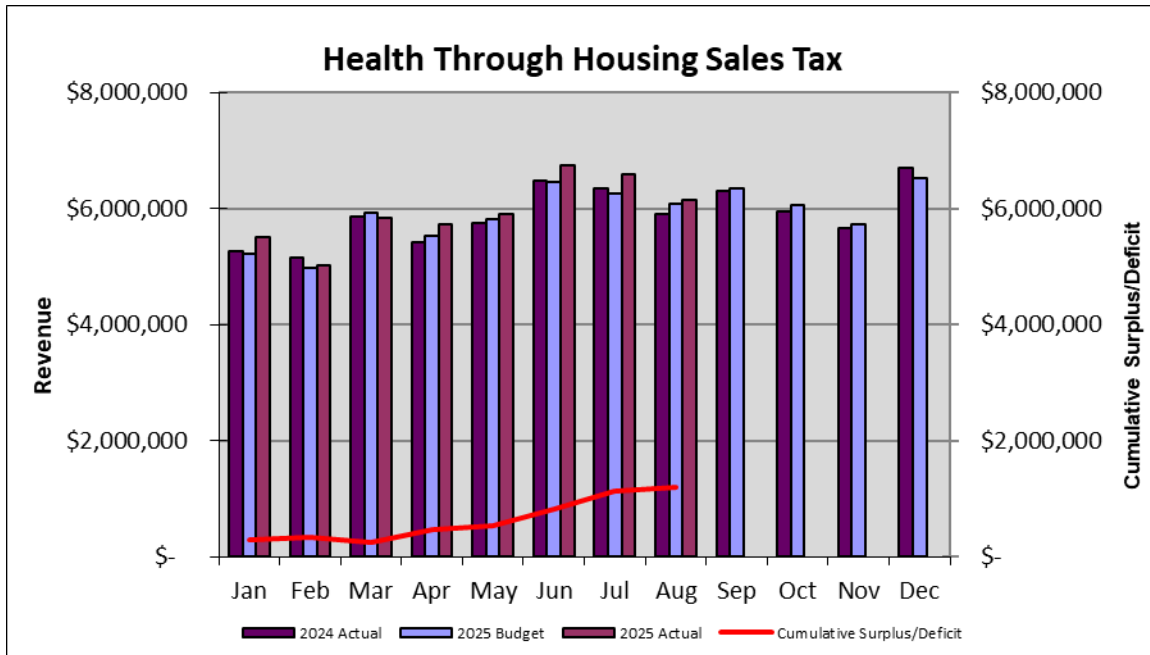
Forecast	Actual	Actual-Forecast	Difference
\$ 7,859,865	\$ 7,836,647	\$ (23,218)	-0.3%



Data Source: Washington DOR through August

Transit Sales Tax Comparison (August 2025)

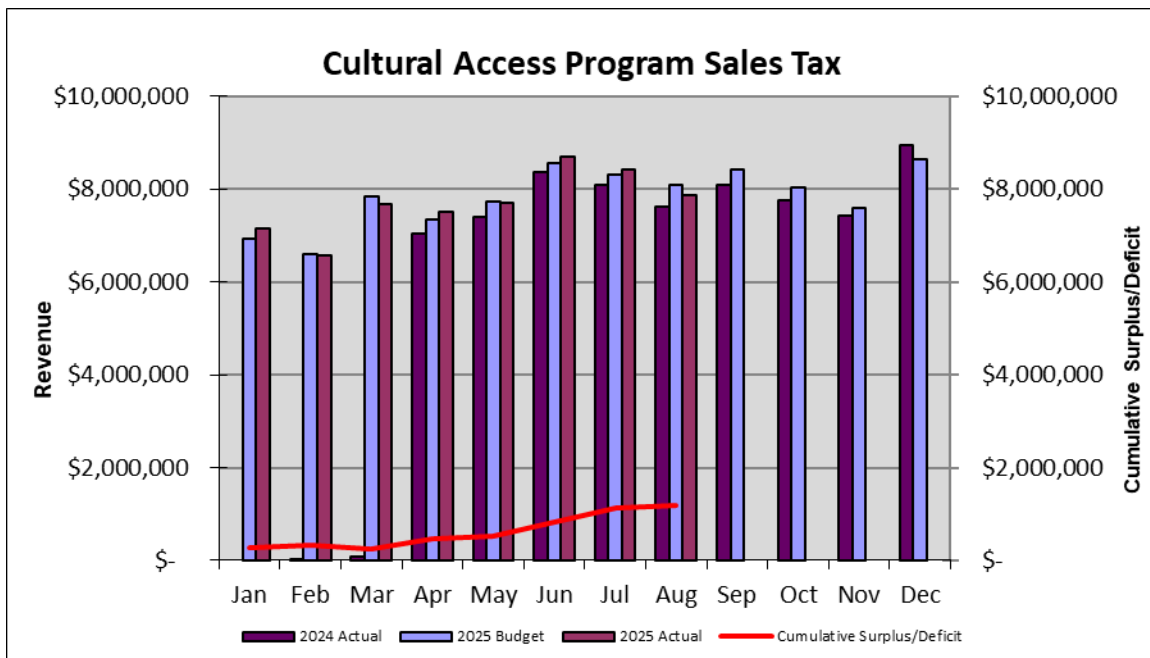
Forecast	Actual	Actual-Forecast	Difference
\$ 72,225,476	\$ 71,959,844	\$ (265,632)	-0.4%



Data Source: Washington DOR through August

HTH Sales Tax Comparison (August 2025)

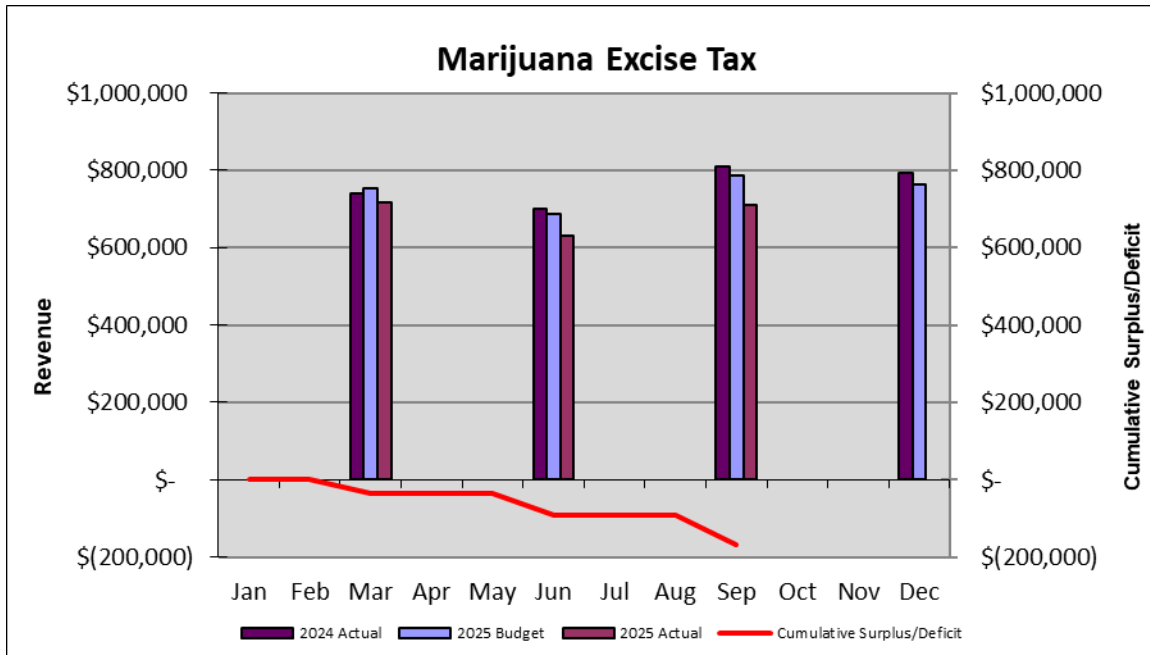
Forecast	Actual	Actual-Forecast	Difference
\$ 6,089,421	\$ 6,150,160	\$ 60,739	1.0%



Data Source: Washington DOR through August

CAP Sales Tax Comparison (August 2025)

Forecast	Actual	Actual-Forecast	Difference
\$ 8,080,943	\$ 7,859,116	\$ (222,828)	-2.8%

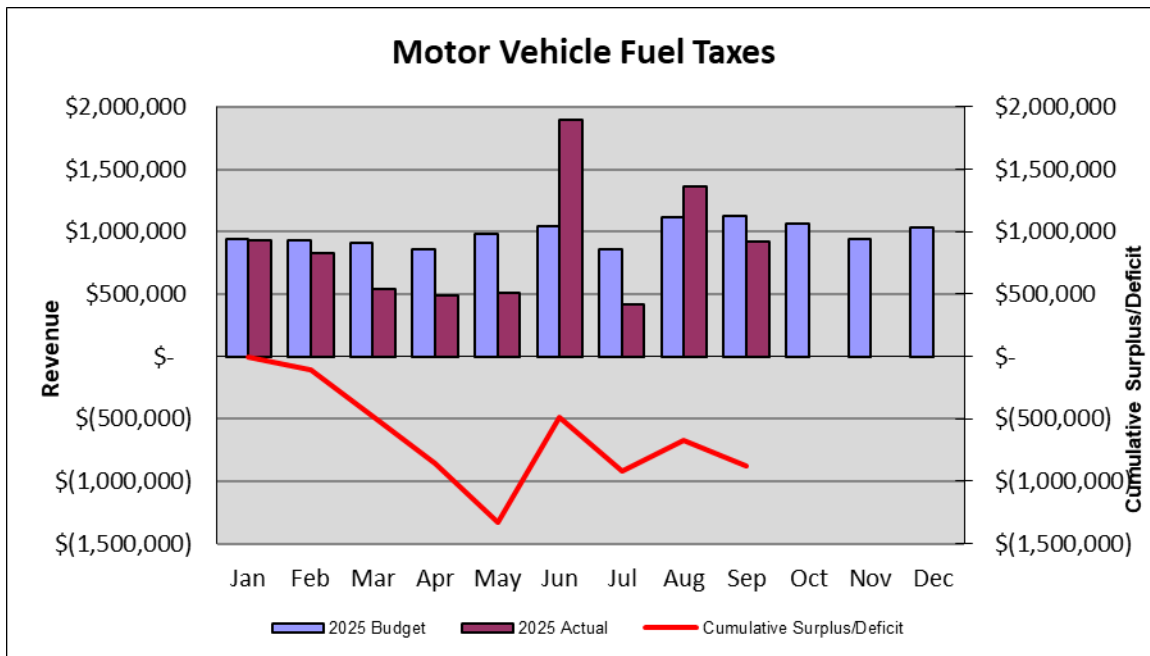


Data Source: King County EBS Fund 0010, Account 33605

Marijuana Excise Tax Comparison (September 2025)

Forecast	Actual	Actual-Forecast	Difference
\$ 785,683	\$ 709,599	\$ (76,262)	-9.7%

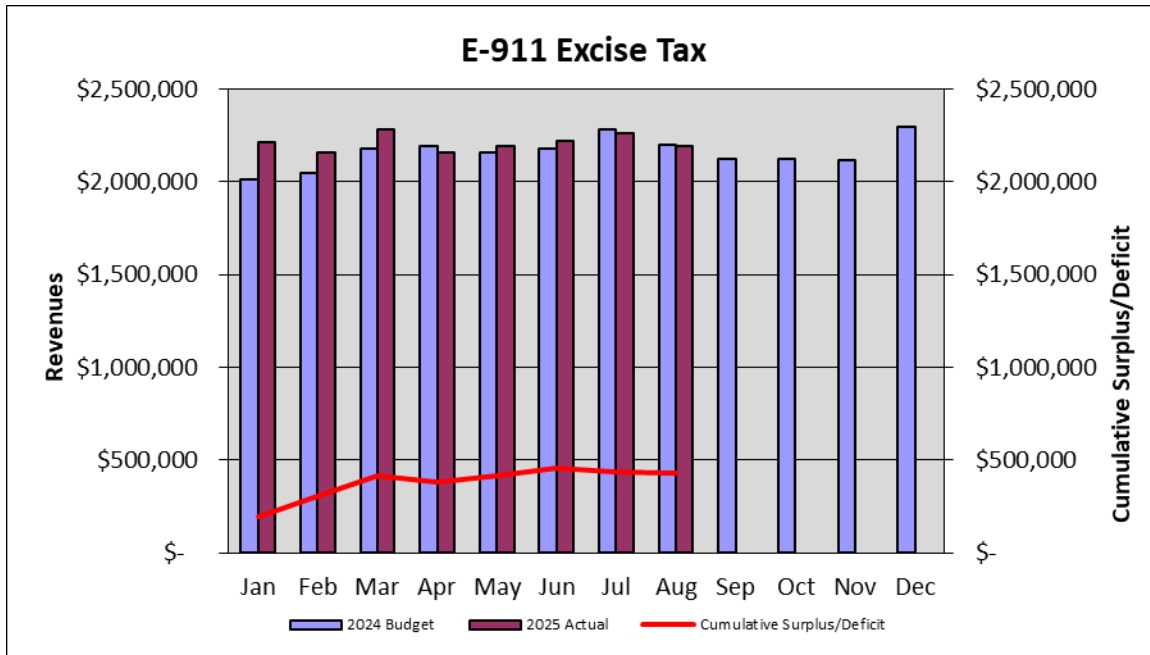
This data is received quarterly in March, June, September and December.



Data Source: King County EBS Acct. 33689

MV Fuel Taxes Comparison (September 2025)

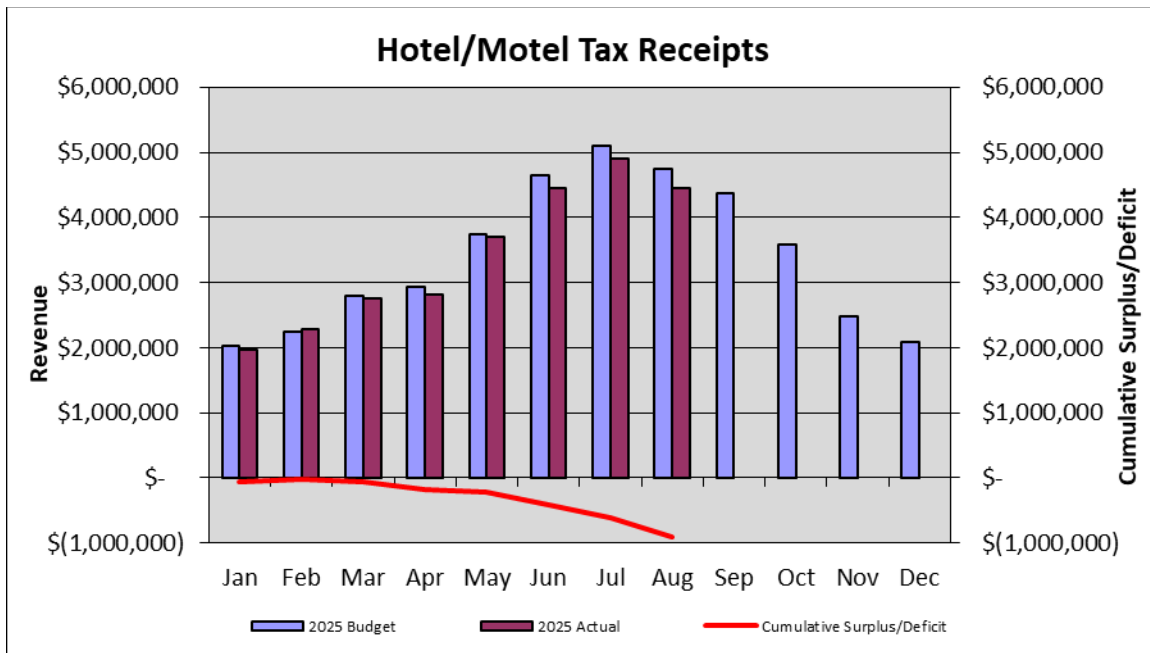
Forecast	Actual	Actual-Forecast	Difference
\$ 1,127,772	\$ 924,347	\$ (203,425)	-18.0%



Data Source: Washington DOR through August

E-911 Excise Tax Comparison (August 2025)

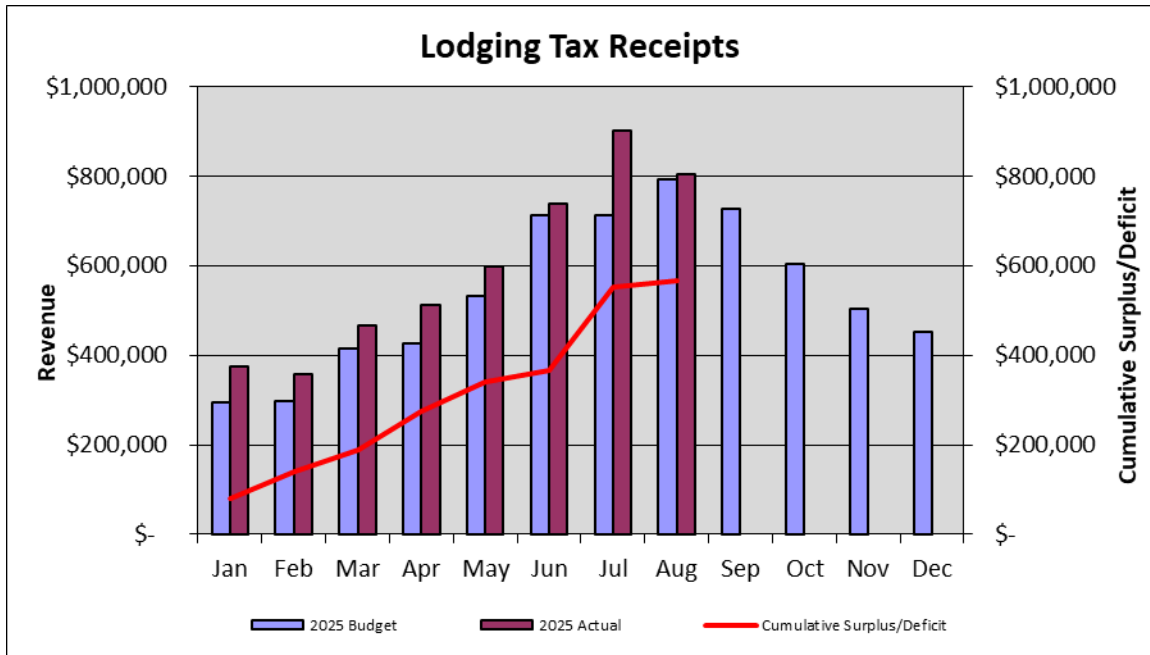
Forecast	Actual	Actual-Forecast	Difference
\$ 2,196,008	\$ 2,190,251	\$ (5,757)	-0.3%



Data Source: Washington DOR through August

Hotel/Motel Tax Comparison (August 2025)

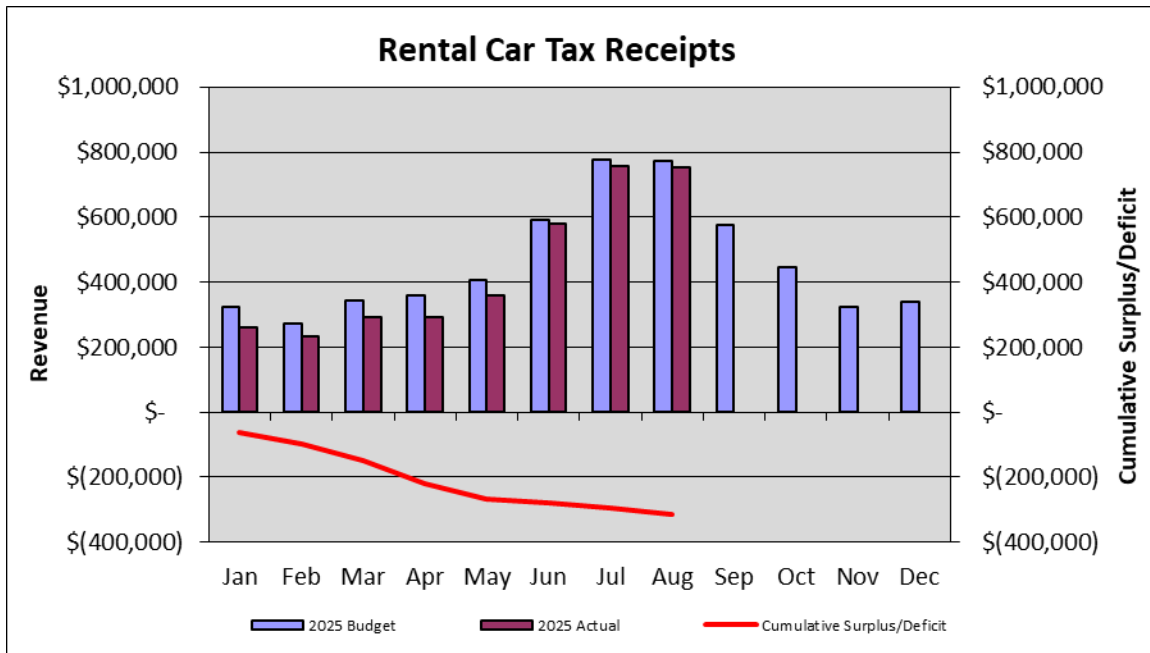
Forecast	Actual	Actual-Forecast	Difference
\$ 4,742,912	\$ 4,444,066	\$ (298,846)	-6.3%



Data Source: Seattle Convention Center through August

Lodging Tax Comparison (August 2025)

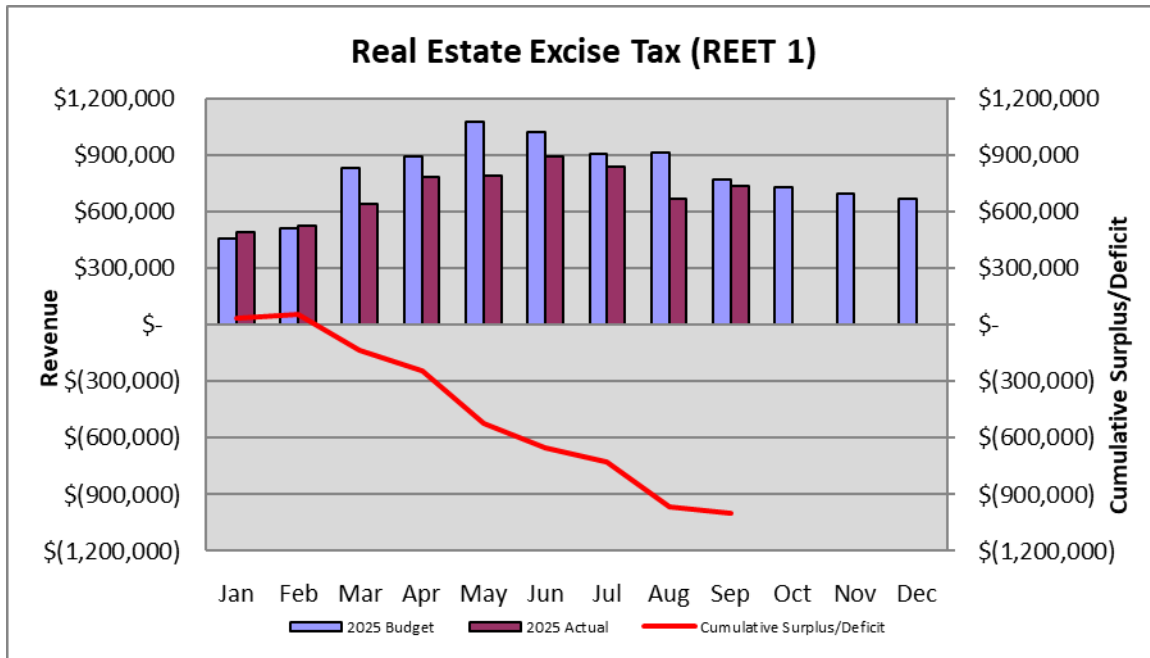
Forecast	Actual	Actual-Forecast	Difference
\$ 791,648	\$ 804,899	\$ 13,251	1.7%



Data Source: Washington DOR through August

Rental Car Tax Comparison (August 2025)

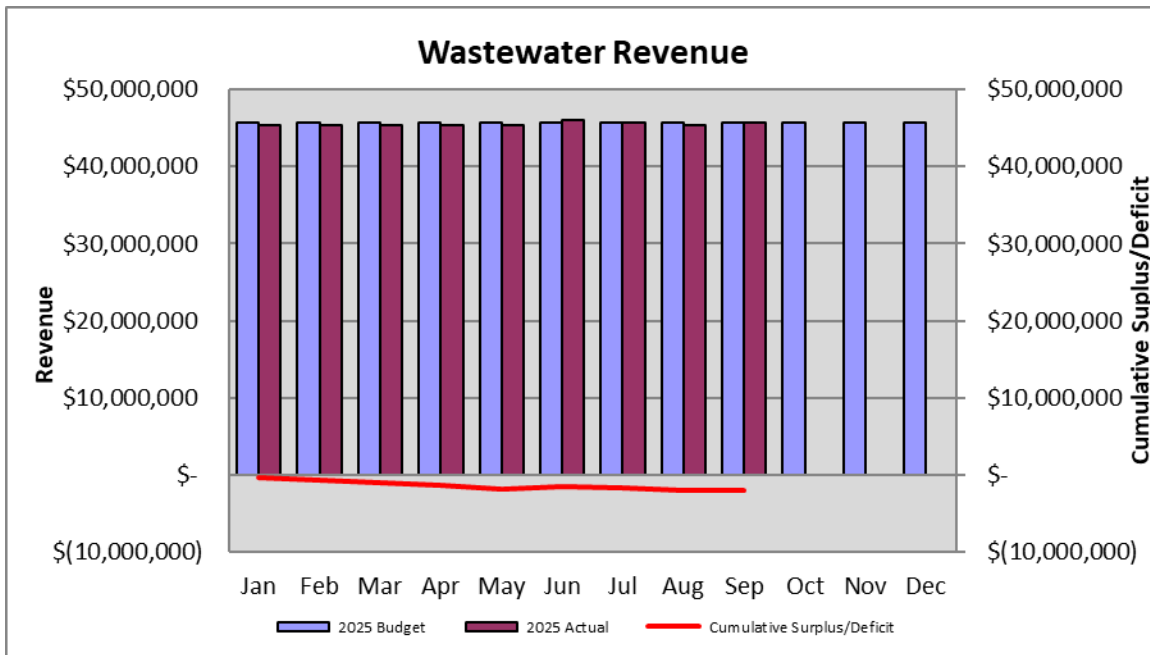
Forecast	Actual	Actual-Forecast	Difference
\$ 772,138	\$ 752,772	\$ (19,366)	-2.5%



Data Source: King County EBS Acct 31734

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

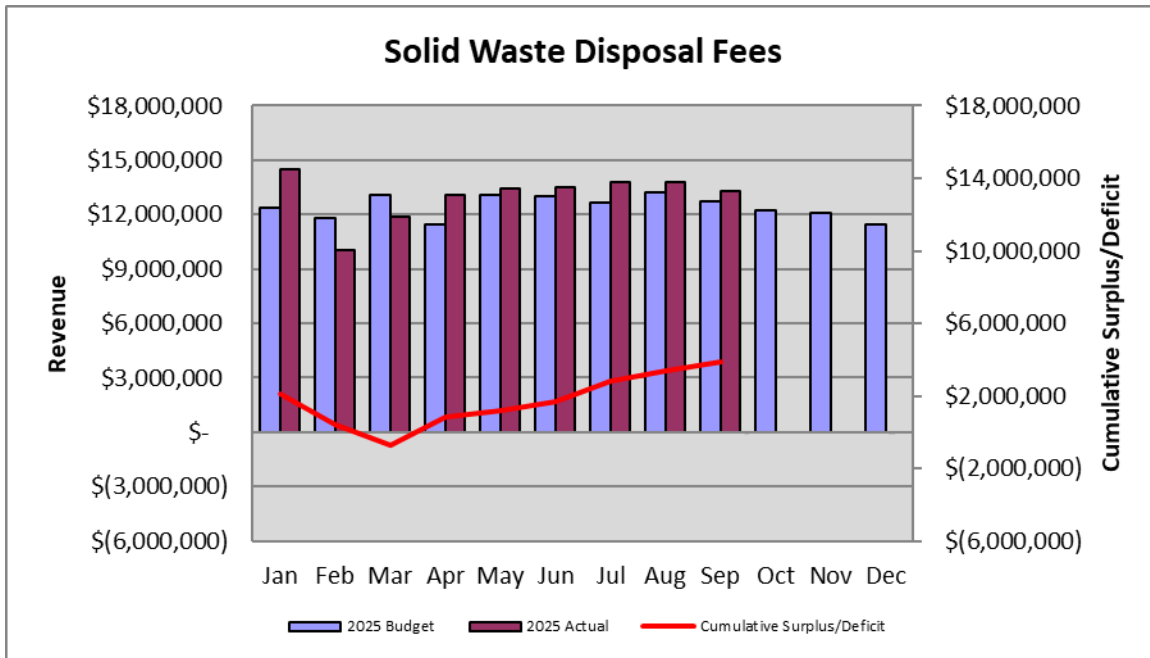
Forecast	Actual	Actual-Forecast	Difference
\$ 768,959	\$ 738,645	\$ (30,314)	-3.9%



Data Source: King County EBS Acct 44192

Wastewater Revenues Comparison (September 2025)

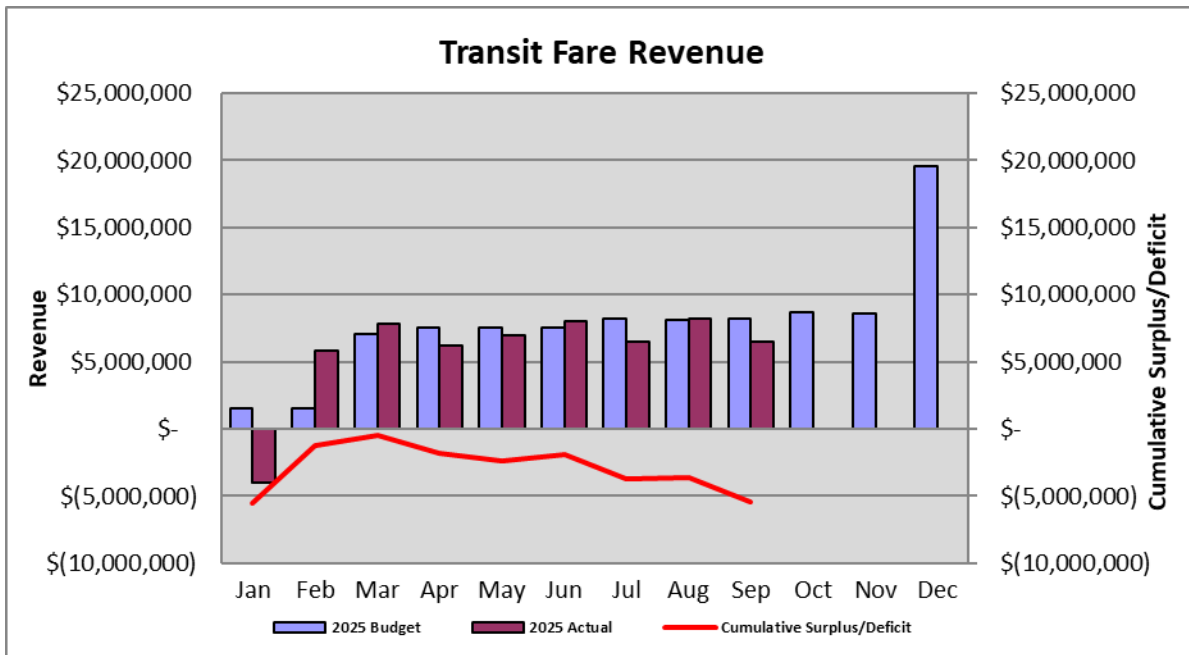
Forecast	Actual	Actual-Forecast	Difference
\$ 45,706,210	\$ 45,674,373	\$ (31,837)	-0.1%



Data Source: EBS acct. 34371

Solid Waste Net Disposal Charges Comparison (September 2025)

Forecast	Actual	Actual-Forecast	Difference
\$ 12,752,678	\$ 13,289,186	\$ 536,508	4.2%



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

Transit Fare Charges Comparison (September 2025)

Forecast	Actual	Actual-Forecast	Difference
\$ 8,180,491	\$ 6,446,700	\$ (1,733,791)	-21.2%

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

NAICS Category	2-digit NAICS	Aug-24	Aug-25	Percent change (2024-2025)
Agriculture	11	\$ 1,439,954	\$ 1,603,171	11.3%
Mining	21	572,716	461,199	-19.5%
Utilities	22	9,449,440	6,766,355	-28.4%
Construction	23	1,649,037,963	1,572,226,987	-4.7%
Manufacturing	31-33	193,751,238	182,555,237	-5.8%
Wholesale	41-42	422,217,936	441,875,100	4.7%
Retail Trade	44-45	2,492,228,623	2,588,087,652	3.8%
Transportation and Warehousing	48-49	138,579,792	142,465,811	2.8%
Information	51	344,548,138	418,249,016	21.4%
Finance & Insurance	52	65,074,284	71,080,361	9.2%
Real Estate, Rental, Leasing	53	228,058,068	240,985,096	5.7%
Professional, Scientific, Technical Services	54	308,347,226	320,378,403	3.9%
Management, Education and Health Services	55-62	515,837,780	523,529,683	1.5%
Arts, Entertainment and Recreation	71	100,220,353	111,866,694	11.6%
Accommodations, Food Services	72	949,745,605	983,757,732	3.6%
Other Services	81	178,313,272	174,975,173	-1.9%
Public Administration/DOL Monthly	92	88,946,289	81,407,991	-8.5%
Other		-	-	0.0%
Total-All Industries		\$ 7,686,368,680	\$ 7,862,271,660	2.3%
NAICS Category	3-digit NAICS	Aug-24	Aug-25	Percentage change (2024-2025)
Construction				
Construction of Buildings	236	\$ 999,428,268	\$ 947,303,343	-5.2%
Heavy and Civil Engineering Construction	237	149,919,915	115,094,621	-23.2%
Specialty Trade Contractors	238	499,689,780	509,829,023	2.0%
Retail				
Motor Vehicle and Parts Dealers	441	549,873,812	531,648,463	-3.3%
Building Material and Garden Equipment and Supplies Dealers	444	187,517,128	176,654,960	-5.8%
Food and Beverage Stores	445	151,006,925	154,211,160	2.1%
Furniture, Home Furnishings, Electronics, and Appliance Retailers	449	304,113,775	356,446,748	17.2%
General Merchandise Retailers	455	284,805,372	293,755,201	3.1%
Health and Personal Care Retailers	456	88,643,213	80,426,631	-9.3%
Gasoline Stations and Fuel Dealers	457	48,627,866	49,788,488	2.4%
Clothing, Clothing Accessories, Shoe, and Jewelry Retailers	458	210,196,975	236,822,244	12.7%
Sporting Goods, Hobby, Musical Instrument, Book, & Misc. Retailers	459	667,443,556	708,333,758	6.1%
Wholesale				
Wholesale: Durable Goods	423	325,655,897	354,196,383	8.8%
Wholesale: Nondurable Goods	424	91,139,423	81,758,279	-10.3%
Wholesale: Electronic Markets	425	5,422,616	5,920,437	9.2%
Food Service and Accommodations				
Accommodation	721	259,081,541	255,532,829	-1.4%
Food Services and Drinking Places	722	690,664,064	728,224,904	5.4%
Note: NAICS values were updated & consolidated in 2022				
NAICS Category	4-digit NAICS	Aug-24	Aug-25	Percentage change (2024-2025)
Sporting Goods, Hobby, and Musical Instrument Retailers	4591	\$ 98,127,591	\$ 100,587,922	2.5%
Book Retailers and News Dealers	4592	8,952,560	9,384,861	4.8%
Florists	4593	3,002,128	3,064,038	2.1%
Office Supplies, Stationery, and Gift Retailers	4594	25,085,245	24,798,023	-1.1%
Used Merchandise Retailers	4595	12,411,370	14,035,850	13.1%
Other Miscellaneous Retailers	4599	519,864,663	556,463,069	7.0%