Memorandum

Finance and Technology Department

Tempe

Date: September 14, 2012

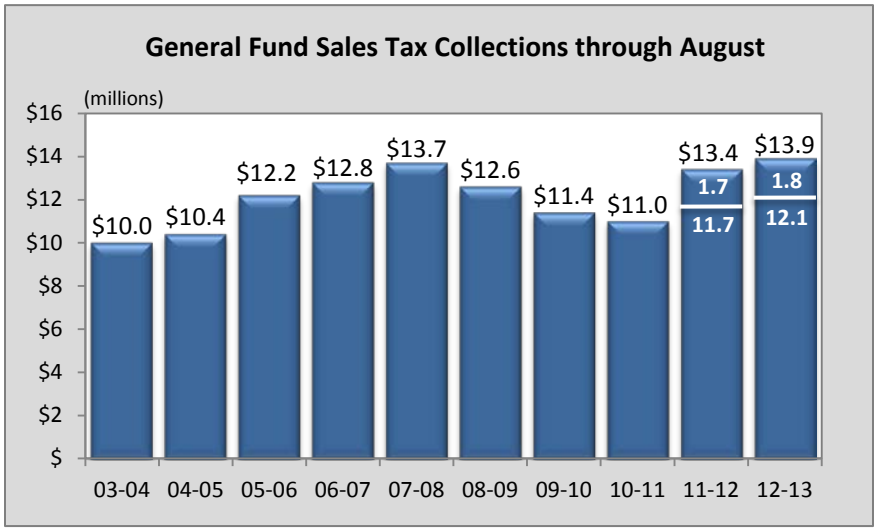
To: Mayor and Council

From: Ken Jones, Finance and Technology Director (350-8504)

Subject: Tax Revenue Statistical Report – **August 2012**

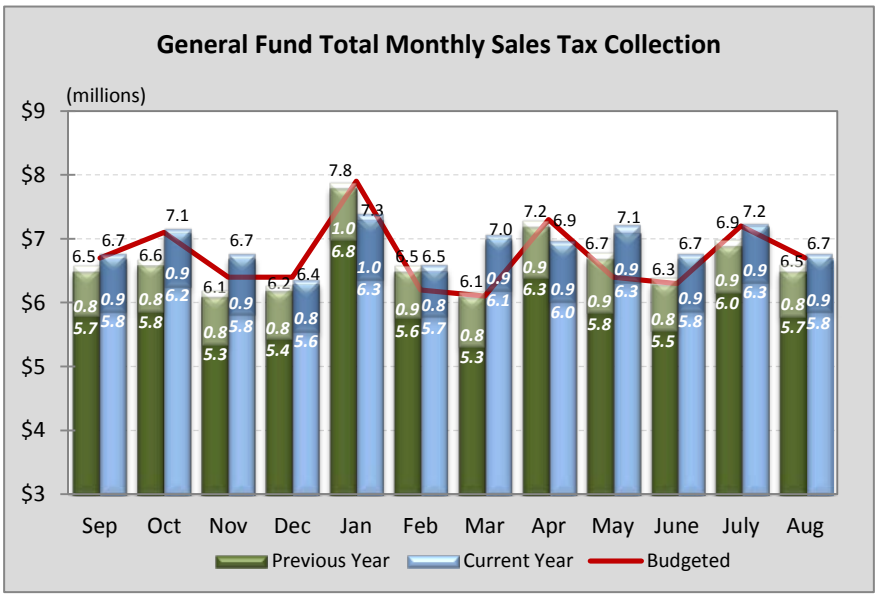
Attached is the Executive Summary of the Tax Revenue Statistical Report for August 2012 covering July sales activity reported to our Tax and License Division in August.

The graph to the right depicts year-to-date General Fund historical privilege tax revenue from FY 2003-04 through FY 2012-13. General Fund Sales Tax revenue collected for 2012-13 is up 3.6% from the same period in the prior fiscal year. In terms of actual dollars received ($13.9 million), we are $485 thousand ahead of last fiscal year ($13.4 million). Of the total amount collected through August, $1.8 million was from the temporary sales tax, which expires in June 2014. Leading categories of growth include Retail and Rentals, which grew by 6.0% and 6.3% respectively. These gains were partially offset by a 12.6% decline in Contracting sales tax collections through August.



The graph to the right represents twelve months of activity, comparing current year General Fund monthly sales tax collections to the previous year. Current and previous years' collections are broken into two components: the 1.2% permanent tax and the 0.2% temporary tax.

Though sales taxes are not budgeted on a monthly basis, it is possible to apply historical collection percentages to the annual budget number to gain insight into sales tax performance. Using this approach, sales tax collections are 0.3%, or $47 thousand above forecast through August.



Executive Summary

	Current Month -August								Fiscal Year to Date through August							
	2009-10	Change	2010-11	Change	2011-12	Change	2012-13	Change	2009-10	Change	2010-11	Change	2011-12	Change	2012-13	Change
Taxable Sales																
Total Taxable Sales	486,036,000	-9.8%	480,770,000	-1.1%	490,326,000	2.0%	505,624,000	3.1%	1,005,395,000	-9.8%	980,264,000	-2.5%	1,010,776,000	3.1%	1,051,620,000	4.00%
Retail Taxable Sales	231,046,000	-7.2%	236,987,000	2.6%	243,766,000	2.9%	253,242,000	3.9%	466,287,000	-8.4%	482,861,000	3.6%	494,133,000	2.3%	531,479,000	7.6%
					6,522,000		6,675,000									
Tax Revenues by Funds																
Privilege Tax - General Fund (1.2%)	5,565,000	-7.9%	5,352,000	-3.8%	5,675,000	6.0%	5,808,000	2.3%	11,400,000	-9.6%	11,041,000	-3.1%	11,683,000	5.8%	12,088,000	3.5%
Temporary Privilege Tax - General Fund			783,000		847,000	8.2%	867,000	2.4%			783,000		1,721,000	119.8%	1,801,000	4.6%
Transit Tax Fund (.5%)	2,321,000	-8.1%	2,232,000	-3.8%	2,364,000	5.9%	2,422,000	2.5%	4,755,000	-9.9%	4,606,000	-3.1%	4,875,000	5.8%	5,041,000	3.4%
Arts Tax Fund (.1%)	477,000	-9.0%	460,000	-3.6%	486,000	5.7%	498,000	2.5%	979,000	-10.0%	950,000	-3.0%	1,002,000	5.5%	1,039,000	3.7%
Privilege Tax - Rebates Fund	318,000	-25.4%	375,000	17.9%	240,000	-36.0%	268,000	11.7%	667,000	-18.7%	736,000	10.3%	541,000	-26.5%	594,000	9.8%
Bed Tax Fund	127,000	-20.6%	201,000	58.3%	213,000	6.0%	229,000	7.5%	269,000	-21.8%	341,000	26.8%	458,000	34.3%	469,000	2.4%
Totals	8,808,000	-9.0%	9,403,000	6.8%	9,825,000	4.5%	10,092,000	2.7%	18,070,000	-10.3%	18,457,000	2.1%	20,280,000	9.9%	21,032,000	3.7%
Tax Revenues - Business Activities																
Retail	4,290,000	-5.5%	4,820,000	12.4%	5,019,000	4.1%	5,228,000	4.2%	8,616,000	-8.1%	9,393,000	9.0%	10,282,000	9.5%	10,901,000	6.0%
Rentals	1,664,000	-3.6%	1,718,000	3.2%	1,824,000	6.2%	1,895,000	3.9%	3,568,000	-1.5%	3,532,000	-1.0%	3,879,000	9.8%	4,124,000	6.3%
Utilities/Communication	1,041,000	-13.7%	1,141,000	9.6%	1,146,000	0.4%	1,137,000	-0.8%	1,957,000	-12.5%	2,022,000	3.3%	2,067,000	2.2%	2,104,000	1.8%
Restaurants	614,000	-10.1%	701,000	14.2%	742,000	5.8%	723,000	-2.6%	1,280,000	-7.6%	1,336,000	4.4%	1,527,000	14.3%	1,531,000	0.3%
Contracting	770,000	-23.8%	456,000	-40.8%	506,000	11.0%	517,000	2.2%	1,711,000	-28.0%	1,089,000	-36.4%	1,295,000	18.9%	1,132,000	-12.6%
Hotel/Motel	100,000	-18.7%	108,000	8.0%	119,000	10.2%	127,000	6.7%	213,000	-22.8%	225,000	5.6%	264,000	17.3%	266,000	0.8%
Transient (Bed Tax)	127,000	-20.6%	201,000	58.3%	214,000	6.5%	229,000	7.0%	269,000	-21.8%	341,000	26.8%	459,000	34.6%	469,000	2.2%
Amusements	111,000	6.7%	157,000	41.4%	161,000	2.5%	139,000	-13.7%	261,000	8.3%	294,000	12.6%	308,000	4.8%	292,000	-5.2%
All Other	91,000	-27.2%	101,000	11.0%	94,000	-6.9%	97,000	3.2%	195,000	-30.4%	225,000	15.4%	199,000	-11.6%	213,000	7.0%
Totals	8,808,000	-9.0%	9,403,000	6.8%	9,825,000	4.5%	10,092,000	2.7%	18,070,000	-10.3%	18,457,000	2.1%	20,280,000	9.9%	21,032,000	3.7%
Tax Revenues - Retail Activities Breakdown																
Automotive	636,000	-18.8%	732,000	15.1%	798,000	9.0%	862,000	8.0%	1,242,000	-21.3%	1,324,000	6.6%	1,547,000	16.8%	1,734,000	12.1%
Furniture/Equipment/Electronics	894,000	-19.6%	1,062,000	18.8%	1,062,000	0.0%	1,118,000	5.3%	1,751,000	-23.5%	2,081,000	18.8%	2,202,000	5.8%	2,418,000	9.8%
Department Stores	725,000	-14.9%	837,000	15.4%	909,000	8.6%	938,000	3.2%	1,477,000	-14.0%	1,624,000	10.0%	1,848,000	13.8%	1,910,000	3.4%
Grocery Stores	495,000	-4.4%	493,000	-0.4%	527,000	6.9%	523,000	-0.8%	958,000	-9.1%	1,025,000	7.0%	1,110,000	8.3%	1,108,000	-0.2%
Drugs/Small Stores	424,000	-7.4%	533,000	25.7%	513,000	-3.8%	544,000	6.0%	872,000	-10.7%	1,037,000	18.9%	1,091,000	5.2%	1,090,000	-0.1%
Manufacturing Firms	399,000	68.4%	276,000	-30.8%	373,000	35.1%	397,000	6.4%	801,000	50.6%	538,000	-32.8%	696,000	29.4%	712,000	2.3%
Building Supply Stores	160,000	-13.5%	167,000	4.4%	179,000	7.2%	184,000	2.8%	319,000	-10.4%	356,000	11.6%	365,000	2.5%	373,000	2.2%
All Other Retail	557,000	40.3%	720,000	29.3%	658,000	-8.6%	662,000	0.6%	1,196,000	37.8%	1,408,000	17.7%	1,423,000	1.1%	1,556,000	9.3%
Totals	4,290,000	-5.5%	4,820,000	12.4%	5,019,000	4.1%	5,228,000	4.2%	8,616,000	-8.1%	9,393,000	9.0%	10,282,000	9.5%	10,901,000	6.0%
Tax Revenues - Business Districts																
Elliot Corridor	1,070,000	-14.6%	1,210,000	13.1%	1,237,000	2.2%	1,375,000	11.2%	2,151,000	-17.0%	2,297,000	6.8%	2,434,000	6.0%	2,895,000	18.9%
Autoplex (included in Elliot Corridor)	419,000	-25.8%	495,000	18.1%	525,000	6.1%	606,000	15.4%	802,000	-27.6%	867,000	8.1%	998,000	15.1%	1,188,000	19.0%
Market Place	333,000	-9.5%	376,000	12.9%	360,000	-4.3%	395,000	9.7%	719,000	-4.5%	759,000	5.6%	788,000	3.8%	878,000	11.4%
Mills Mall	441,000	-4.8%	539,000	22.2%	599,000	11.1%	572,000	-4.5%	850,000	-9.7%	1,002,000	17.9%	1,124,000	12.2%	1,114,000	-0.9%
Downtown Tempe	193,000	2.7%	205,000	6.2%	234,000	14.1%	229,000	-2.1%	380,000	-6.4%	374,000	-1.6%	478,000	27.8%	494,000	3.3%
Apache Blvd.	144,000	-11.1%	177,000	22.9%	175,000	-1.1%	173,000	-1.1%	292,000	4.3%	330,000	13.0%	354,000	7.3%	367,000	3.7%
ASU Properties	60,000	-58.3%	70,000	16.7%	101,000	44.3%	136,000	34.7%	148,000	-34.5%	133,000	-10.1%	209,000	57.1%	267,000	27.8%
Rio Salado (1.8% and 3.0% Bed Tax)	244,000	66.0%	204,000	-16.4%	234,000	14.7%	239,000	2.1%	455,000	-7.1%	420,000	-7.7%	464,000	10.5%	447,000	-3.7%
All Other Areas	6,323,000	-9.1%	6,622,000	4.7%	6,885,000	4.0%	6,973,000	1.3%	13,075,000	-9.5%	13,142,000	0.5%	14,429,000	9.8%	14,570,000	1.0%