



## Sales and Use Tax Collection Report – January 2016

Issued February 10, 2016

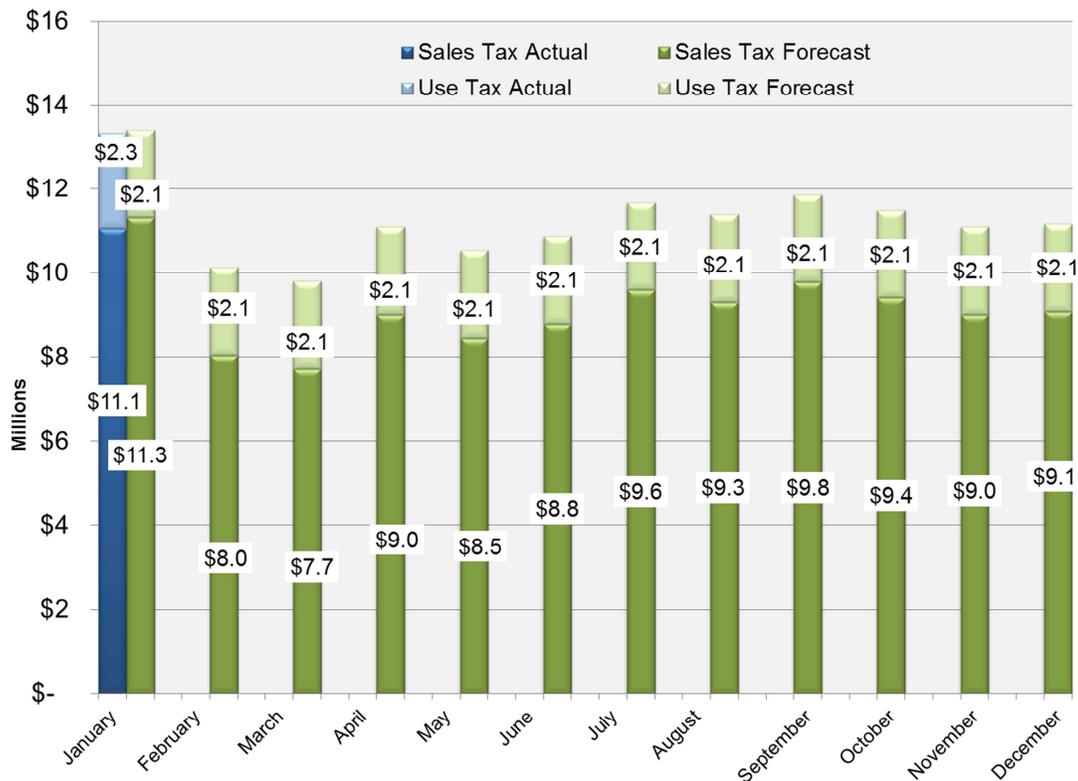
This report reflects Sales and Use Tax collected in January 2016 for economic activity that occurred in December 2015. Please note the sales and use tax collected in January is predominately from December sales but also includes delinquent collections from prior periods.

### JANUARY SUMMARY OVER PRIOR YEAR

	Month	Year to Date
<b>Sales Tax Collected:</b>	<b>2.6%</b>	<b>2.6%</b>
<b>Use Tax Collected Excluding Rebates:</b>	<b>2.0%</b>	<b>2.0%</b>
<b>Sales and Use Tax Collected Excluding Rebates:</b>	<b>2.5%</b>	<b>2.5%</b>

Year to date, sales and use tax collections excluding rebates are up 2.5% and total \$13.3 million.

**Figure 1. Forecast to Actual - Sales and Use Tax Collected Excluding Rebates**



**January Sales Tax Forecast to Actual.** In January 2016, sales tax collected in Fort Collins was \$265K under the forecast. Year to date, the City has collected 2.3% less sales tax revenue than forecasted, for a net loss of \$265K.

**January Use Tax Forecast to Actual Excluding Rebates.** In January 2016, use tax collected in Fort Collins was \$194K over the forecast. Year to date, the City has collected 9.3% more use tax revenue than forecasted for a net gain of \$194K.

**Figure 2. Forecast to Actual - Sales Tax Collected**

Month	Actual	Forecast	% Over/(Under)		Year to Date Actual	Annual Forecast	Year to Date % Over/(Under) Annual Forecast
			Over/(Under) Forecast	Over/(Under) Forecast			
January	\$ 11,053,023	11,318,691	\$ (265,668)	-2.3%	\$ 11,053,023	\$ 11,318,691	-2.3%
February	-	-	-	0.0%	-	19,364,373	0.0%
March	-	-	-	0.0%	-	27,070,717	0.0%
April	-	-	-	0.0%	-	36,079,692	0.0%
May	-	-	-	0.0%	-	44,530,395	0.0%
June	-	-	-	0.0%	-	53,309,494	0.0%
July	-	-	-	0.0%	-	62,898,634	0.0%
August	-	-	-	0.0%	-	72,203,167	0.0%
September	-	-	-	0.0%	-	81,978,399	0.0%
October	-	-	-	0.0%	-	91,381,446	0.0%
November	-	-	-	0.0%	-	100,390,421	0.0%
December	-	-	-	0.0%	-	109,465,072	0.0%
	<u>\$ 11,053,023</u>	<u>\$ 11,318,691</u>	<u>\$ (265,668)</u>				

**Figure 3. Forecast to Actual – Use Tax Collected**

Month	Actual	Forecast	% Over/(Under)		Year to Date Actual	Annual Forecast	Year to Date % Over/(Under) Annual Forecast
			Over/(Under) Forecast	Over/(Under) Forecast			
January	\$ 2,277,036	\$ 2,082,768	\$ 194,268	9.3%	\$ 2,277,036	\$ 2,082,768	9.3%
February	-	-	-	0.0%	-	4,165,536	0.0%
March	-	-	-	0.0%	-	6,248,304	0.0%
April	-	-	-	0.0%	-	8,331,072	0.0%
May	-	-	-	0.0%	-	10,413,840	0.0%
June	-	-	-	0.0%	-	12,496,608	0.0%
July	-	-	-	0.0%	-	14,579,376	0.0%
August	-	-	-	0.0%	-	16,662,144	0.0%
September	-	-	-	0.0%	-	18,744,912	0.0%
October	-	-	-	0.0%	-	20,827,680	0.0%
November	-	-	-	0.0%	-	22,910,448	0.0%
December	-	-	-	0.0%	-	25,000,000	0.0%
Net Collections	2,277,036	2,082,768	194,268	9.3%			
YTD Rebates	8,657	0	8,657			-	
Total Collections	<u>\$ 2,285,693</u>	<u>\$ 2,082,768</u>	<u>\$ 202,925</u>	<u>9.7%</u>		<u>\$ 25,000,000</u>	<u>0.8%</u>

**Figure 4. Forecast to Actual – Sales and Use Tax Distribution**

Fund	Actual		Forecast		% Over/(Under)	
	Jan YTD	Forecast Jan YTD	Jan YTD	Forecast Jan YTD	Over/(Under) Forecast	Over/(Under) Forecast
Streets and Transportation (.25%)	791,389	816,127	(24,738)	-3.0%		
Building on Basics Projects (.25%)	791,389	816,127	(24,738)	-3.0%		
Natural Areas and Parks (.25%)	791,389	816,127	(24,738)	-3.0%		
Keep Fort Collins Great (.85%)	2,593,456	2,774,833	(181,377)	-6.5%		
General Fund (2.25%) (net of rebates)	8,362,436	8,178,246	184,190	2.3%		
General Fund Economic Rebates	8,657	0	8,657	100.0%		
Total Collections	<u>\$ 13,338,716</u>	<u>\$ 13,401,460</u>	<u>\$ (62,744)</u>			

**Figure 5. Sales and Use Tax Collected**

	January			Year to Date		
	Actual 2015	Actual 2016	% Change	Actual 2015	Actual 2016	% Change
<b>SALES TAX COLLECTIONS</b>						
Grocery, Convenience, Liquor	\$1,553,104	\$1,764,427	13.6%	\$1,553,104	\$1,764,427	13.6%
Restaurants, Caterers and Bars	1,276,029	1,291,474	1.2%	1,276,029	1,291,474	1.2%
General Merchandise	1,247,502	1,245,973	-0.1%	1,247,502	1,245,973	-0.1%
Vehicle Sales, Parts and Repairs	728,843	774,335	6.2%	728,843	774,335	6.2%
Building Materials, Garden Equipment & Supplies	725,896	1,328,107	83.0%	725,896	1,328,107	83.0%
Sporting, Hobby, Book, Music	712,071	713,075	0.1%	712,071	713,075	0.1%
Broadcasting and Telecommunications	415,496	290,847	-30.0%	415,496	290,847	-30.0%
Electronics and Appliances	683,057	513,008	-24.9%	683,057	513,008	-24.9%
Miscellaneous Retailers	654,573	674,717	3.1%	654,573	674,717	3.1%
Utilities	458,444	439,806	-4.1%	458,444	439,806	-4.1%
Clothing and Accessories	371,371	416,644	12.2%	371,371	416,644	12.2%
Pharmacy, Salon and Laundry	311,163	325,881	4.7%	311,163	325,881	4.7%
Other	441,669	289,351	-34.5%	441,669	289,351	-34.5%
Rental and Leasing Services	220,327	186,289	-15.4%	220,327	186,289	-15.4%
Furniture and Home Furnishings	253,312	252,427	-0.3%	253,312	252,427	-0.3%
Wholesale Trade	352,842	206,972	-41.3%	352,842	206,972	-41.3%
Lodging	136,051	127,483	-6.3%	136,051	127,483	-6.3%
Manufacturing	235,929	212,207	-10.1%	235,929	212,207	-10.1%
<b>TOTAL SALES TAX</b>	<b>10,777,679</b>	<b>11,053,023</b>	<b>2.6%</b>	<b>10,777,679</b>	<b>11,053,023</b>	<b>2.6%</b>
Less Mall Sales Tax Remittance*	0	0	0.0%	0	0	0.0%
<b>NET SALES TAX</b>	<b>10,777,679</b>	<b>11,053,023</b>	<b>2.6%</b>	<b>10,777,679</b>	<b>11,053,023</b>	<b>2.6%</b>
<b>USE TAX COLLECTIONS</b>						
Building Permits	472,603	222,196	-53.0%	472,603	222,196	-53.0%
Car Tax	438,395	504,508	15.1%	438,395	504,508	15.1%
Return Tax	1,345,543	1,558,989	15.9%	1,345,543	1,558,989	15.9%
<b>TOTAL USE TAX</b>	<b>2,256,541</b>	<b>2,285,693</b>	<b>1.3%</b>	<b>2,256,541</b>	<b>2,285,693</b>	<b>1.3%</b>
Less Economic Rebates	(24,790)	(8,657)	-65.1%	(24,790)	(8,657)	-65.1%
<b>NET USE TAX</b>	<b>2,231,751</b>	<b>2,277,036</b>	<b>2.0%</b>	<b>2,231,751</b>	<b>2,277,036</b>	<b>2.0%</b>
<b>SALES &amp; USE TAX COLLECTIONS</b>						
Total Sales & Use Tax	<b>13,034,220</b>	<b>13,338,716</b>	2.3%	<b>13,034,220</b>	<b>13,338,716</b>	2.3%
Less Mall Sales Tax Remittance	0	0	0.0%	0	0	0.0%
Less Economic Rebates	(24,790)	(8,657)	-65.1%	(24,790)	(8,657)	-65.1%
<b>NET SALES &amp; USE TAX</b>	<b>13,009,430</b>	<b>13,330,059</b>	<b>2.5%</b>	<b>13,009,430</b>	<b>13,330,059</b>	<b>2.5%</b>
<b>SALES &amp; USE TAX DISTRIBUTION</b>						
Streets and Transportation (.25%)	783,194	791,389	1.0%	783,194	791,389	1.0%
Building on Basics Projects (.25%)	783,194	791,389	1.0%	783,194	791,389	1.0%
Natural Areas (.25%)	783,194	791,389	1.0%	783,194	791,389	1.0%
Keep Fort Collins Great (.85%)	2,620,205	2,593,456	-1.0%	2,620,205	2,593,456	-1.0%
General Fund (2.25%)	8,064,433	8,371,093	3.8%	8,064,433	8,371,093	3.8%
Less General Fund Mall Sales Tax Remittance	0	0	0.0%	0	0	0.0%
Less General Fund Economic Rebates	(24,790)	(8,657)	-65.1%	(24,790)	(8,657)	-65.1%
<b>NET SALES &amp; USE TAX</b>	<b>\$13,009,430</b>	<b>\$13,330,059</b>	<b>2.5%</b>	<b>\$13,009,430</b>	<b>\$13,330,059</b>	<b>2.5%</b>

\* Per the Mall Redevelopment Agreement, a portion of the sales tax generated at the Mall is remitted monthly to support the Metro District Debt Service

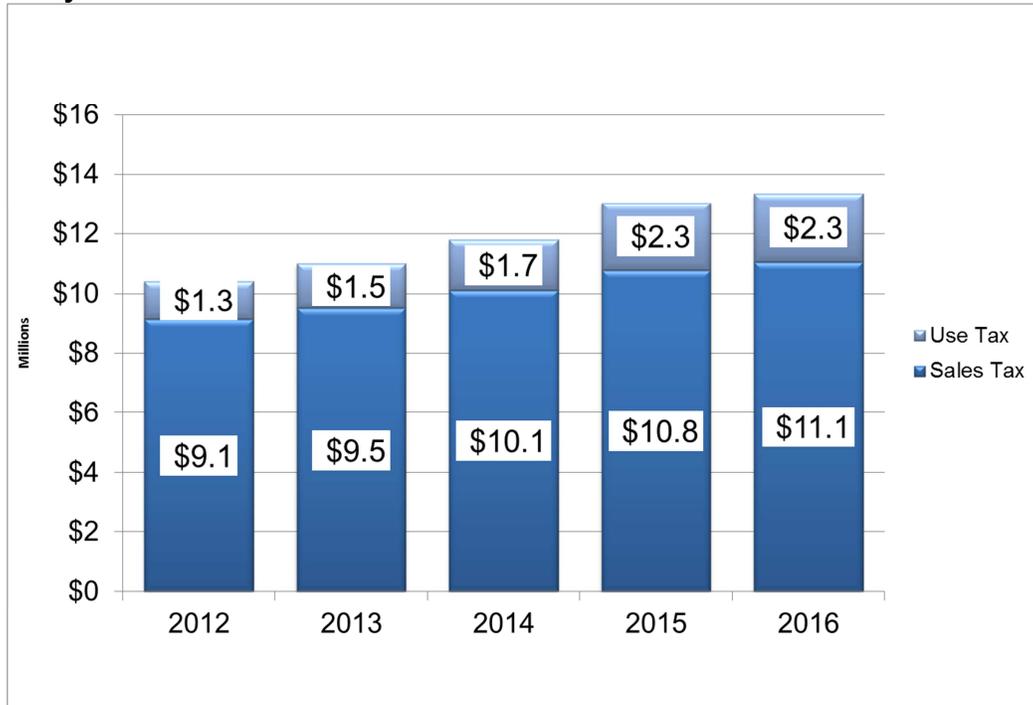
**January Sales Tax Collected.** In January 2016, sales tax collected in Fort Collins increased 2.6% over January 2015. Sales tax collected totaled \$11.0 million compared to \$10.8 million in 2015. The City received a one-time sales tax payment from a taxpayer in the Building Materials, Garden Equipment & Supplies category contributing to the 83.0% increase over 2015. Additionally, due to the weather interrupting mail service from the east coast, several tax returns were not received and processed for

January sales, impacting categories across the board. Had all the returns been received by the due date, net sales tax growth is estimated to be at 8.9% over January of 2015.

**January Use Tax Collected.** The total use tax collected in January was \$2.3 million, an increase of 1.3% compared to last January. The estimated use tax collected in January related to economic incentive agreements was \$8,657 as illustrated on Figure 5. This amount will be rebated in the succeeding calendar year. The net use tax collections for January totaled \$2.3 million for a net 2.0% increase.

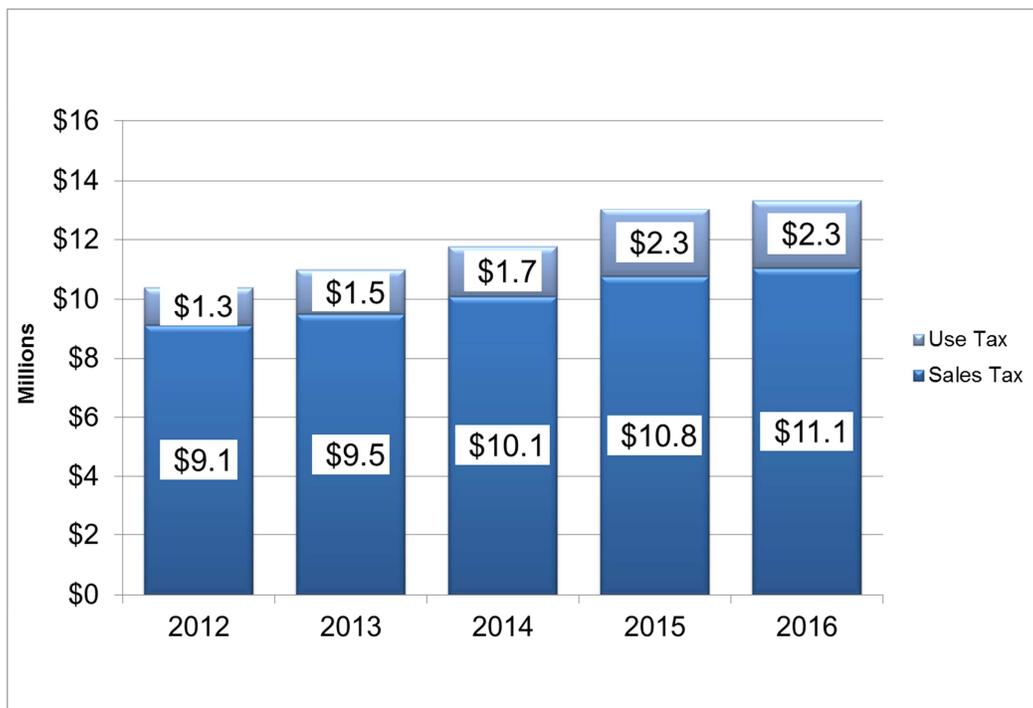
**Total Sales and Use Tax Collected.** Total tax collected of \$13.3M was 2.3% higher than last January.

**Figure 6. January Collections\***



\*Total collections prior to rebates.

**Figure 7. Year to Date Collections \***



\*Total collections prior to rebates.

**Figure 8. Net Taxable**

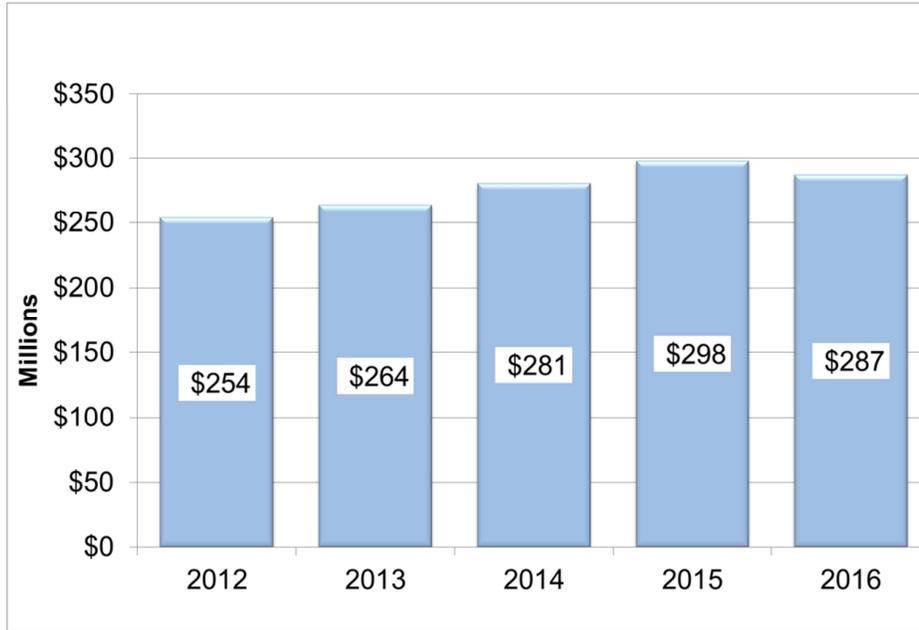
Fort Collins	January			Year-to-Date		
	Actual 2015	Actual 2016	% Change	Actual 2015	Actual 2016	% Change
<b>SALES TAX</b>						
Grocery, Convenience, Liquor	\$55.5	\$63.1	13.6%	\$55.5	\$63.1	13.6%
Restaurants, Caterers and Bars	33.0	34.0	3.0%	33.0	34.0	3.0%
General Merchandise	35.1	35.9	2.0%	35.1	35.9	2.0%
Vehicle Sales, Parts and Repairs	18.9	19.9	5.3%	18.9	19.9	5.3%
Building Materials, Garden Equipment & Supplies	18.8	12.3	-34.5%	18.8	12.3	-34.5%
Sporting, Hobby, Book, Music	18.5	18.6	0.2%	18.5	18.6	0.2%
Broadcasting and Telecommunications	10.8	7.6	-29.9%	10.8	7.6	-29.9%
Electronics and Appliances	17.7	13.3	-24.7%	17.7	13.3	-24.7%
Miscellaneous Retailers	17.1	18.3	7.0%	17.1	18.3	7.0%
Utilities	11.9	11.4	-4.1%	11.9	11.4	-4.1%
Clothing and Accessories	9.7	10.8	12.1%	9.7	10.8	12.1%
Pharmacy, Salon and Laundry	8.1	8.6	6.1%	8.1	8.6	6.1%
Other	11.5	7.5	-34.3%	11.5	7.5	-34.3%
Rental and Leasing Services	5.7	4.8	-15.5%	5.7	4.8	-15.5%
Furniture and Home Furnishings	6.6	6.5	-0.9%	6.6	6.5	-0.9%
Wholesale Trade	9.2	5.4	-40.5%	9.2	5.4	-40.5%
Lodging	3.4	3.3	-4.7%	3.4	3.3	-4.7%
Manufacturing	6.3	5.7	-9.3%	6.3	5.7	-9.3%
<b>NET TAXABLE SUBJECT TO SALES TAX</b>	<b>297.8</b>	<b>287.0</b>	<b>-3.6%</b>	<b>297.8</b>	<b>287.0</b>	<b>-3.6%</b>
<b>USE TAX</b>						
Building Permits	12.3	5.8	-53.0%	12.3	5.8	-53.0%
Car Tax	11.4	13.1	15.1%	11.4	13.1	15.1%
Return Tax	34.9	40.5	15.9%	34.9	40.5	15.9%
<b>NET TAXABLE SUBJECT TO USE TAX</b>	<b>58.6</b>	<b>59.4</b>	<b>1.3%</b>	<b>58.6</b>	<b>59.4</b>	<b>1.3%</b>
<b>TOTAL NET TAXABLE SUBJECT TO SALES &amp; USE TAX</b>	<b>\$356.4</b>	<b>\$346.4</b>	<b>-2.8%</b>	<b>\$356.4</b>	<b>\$346.4</b>	<b>-2.8%</b>

**Figure 9. Local Retail Compared to National Retail**

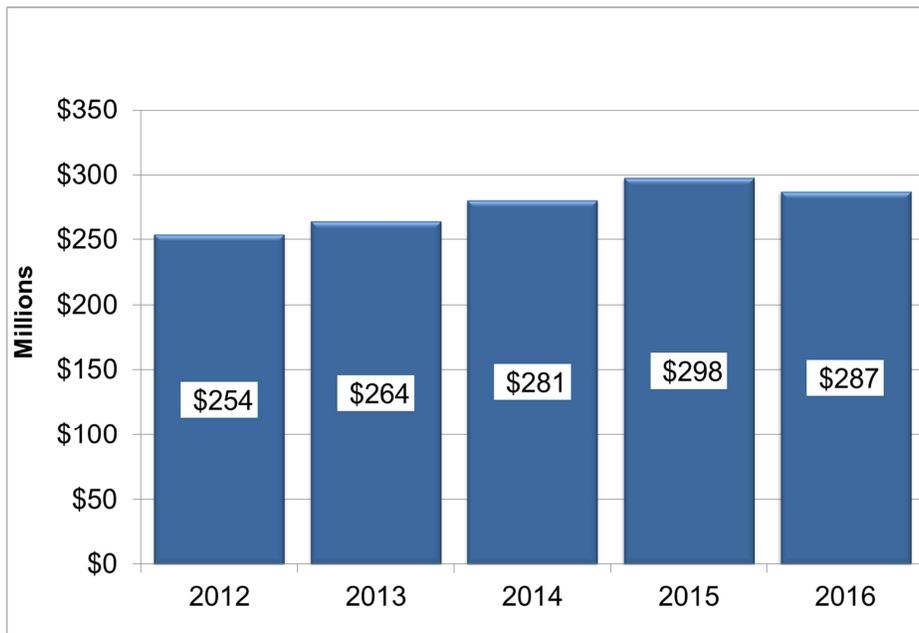
Retail Sales Category	% Change from December 2015 United States	% Change from December 2015 Fort Collins
Grocery, Convenience, Liquor	1.2	13.6
Restaurants, Caterers & Bars	6.7	3.0
General Merchandise	0.1	2.0
Vehicle Sales, Parts & Repairs	6.1	5.3
Building Materials, Garden Equipment & Supplies	4.2	-34.5
Clothing & Accessories	0.6	12.1
Furniture & Home Furnishings	6.0	-0.9
<b>Total</b>	<b>2.2</b>	<b>-3.6</b>

At the national level, December 2015 retail sales (as reported on January 15, 2016) increased 2.2% compared to a decrease in Fort Collins' sales of 3.6%. December 2015 sales are the basis for the City's January 2016 sales tax collections and net taxable amounts (which are included in this report).

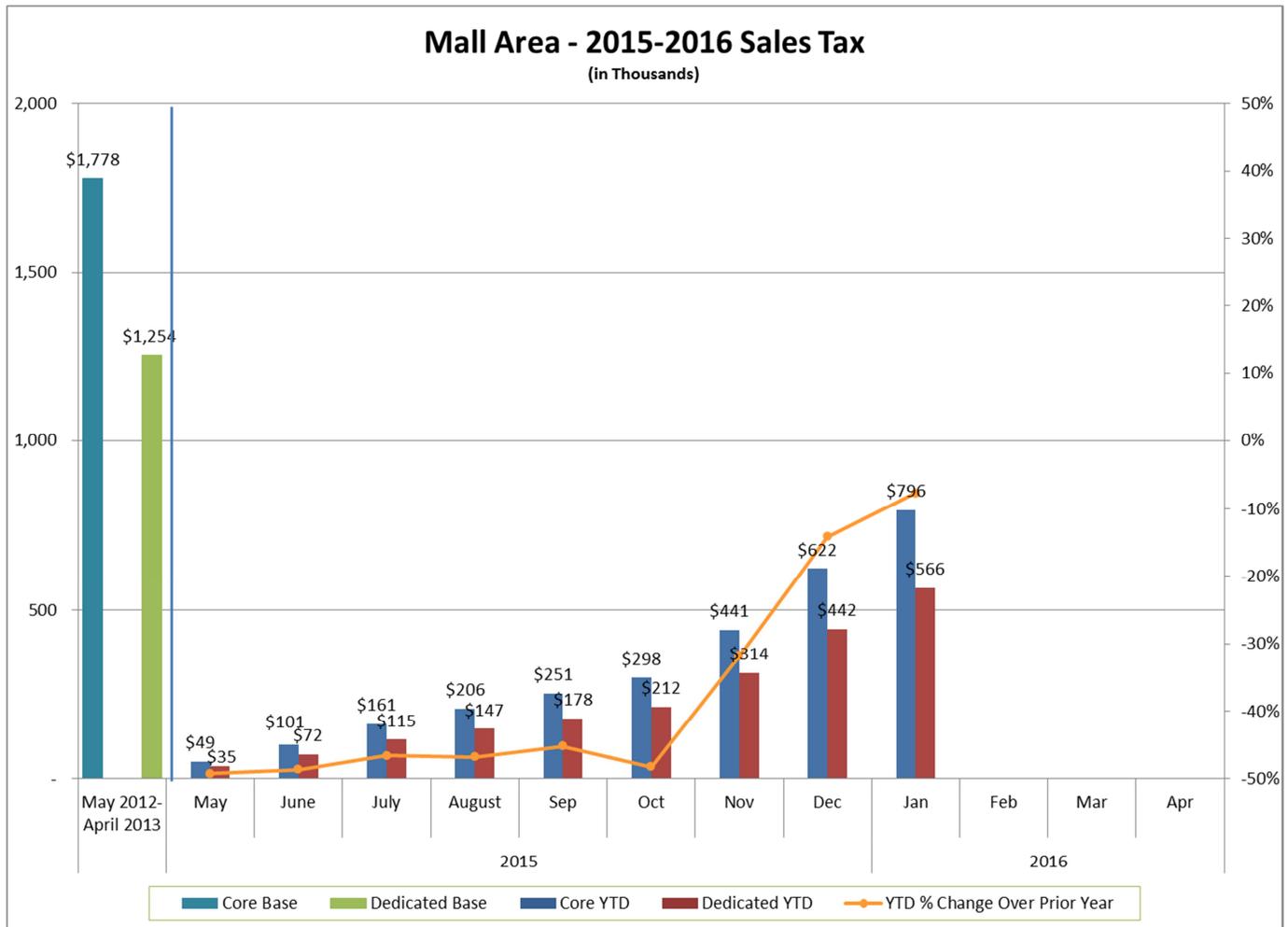
**Figure 10. January - Net Taxable Sales Subject to Sales Tax**



**Figure 11. Year to Date - Net Taxable Sales Subject to Sales Tax**



**Figure 12. Metro District Reporting**



The City's sales tax rate of 3.85% can be broken into two pieces:

- 2.25% comprises the Core Base rate and supports general fund activities
- 1.6% comprises the Dedicated Base and goes to four specific funds to support activities defined in the ballot language for that dedicated tax.

The Foothills Mall agreement outlines a base year of May 2012 to April 2013 to determine the core base sales tax (2.25%) received at \$1.8M. Anything remitted to the City above that core base amount will be returned to the Metro District to support debt service. The chart above tracks both Core and Dedicated tax receipts for the period of May to April. As of January 31, 2016, the core amount collected is \$796K. No tax is remitted to the Metro District until the base of \$1.8M is reached.

**Figure 13. Supplementary Information**

**Sales Tax in the City's Downtown Area.** The sales tax collected in December for the downtown area increased 0.1% from the same period in 2015.

**Lodging Tax Collections.** The City collected \$81,902 in lodging taxes in January 2016. This was an increase of 0.4% from January 2015.

**Sales Tax Licenses.** There were 11,042 active sales tax licenses at the end of January.