



## Sales and Use Tax Collection Report – June 2016

Issued July 11, 2016

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

### JUNE SUMMARY OVER PRIOR YEAR

	Month	Year to Date
<b>Sales Tax Collected:</b>	<b>8.5%</b>	<b>5.3%</b>
<b>Use Tax Collected Excluding Rebates:</b>	<b>-40.0%</b>	<b>-10.4%</b>
<b>Sales and Use Tax Collected Excluding Rebates:</b>	<b>-3.2%</b>	<b>1.8%</b>

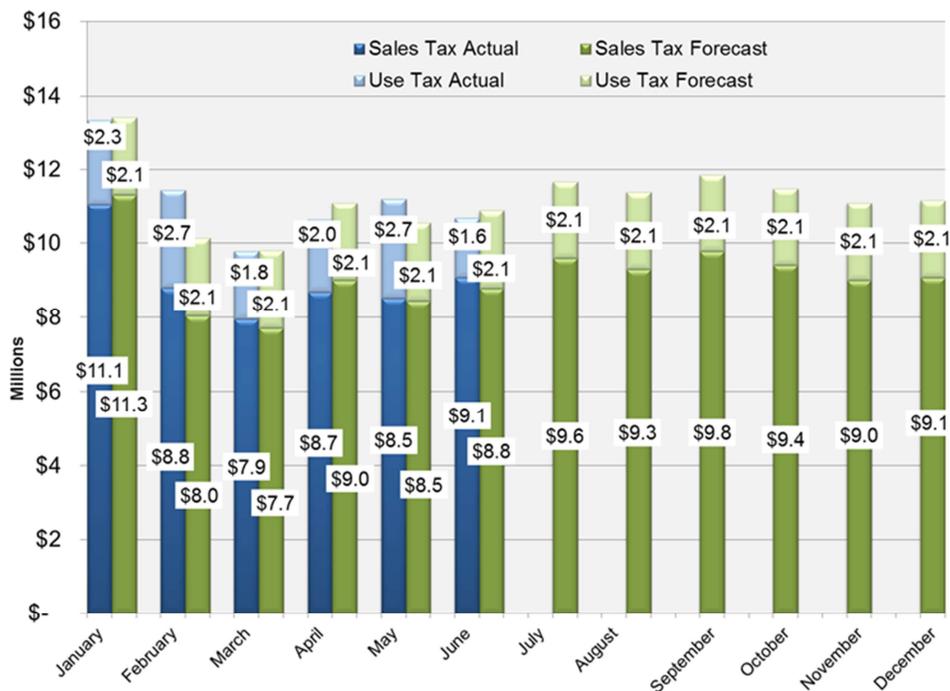
Year to date, sales and use tax collections excluding rebates are up 1.8% and total \$67.0 million.

### JUNE SUMMARY OVER FORECAST

	Month	Year to Date
<b>Sales Tax Collected:</b>	<b>3.3%</b>	<b>1.4%</b>
<b>Use Tax Collected Excluding Rebates:</b>	<b>-23.7%</b>	<b>3.9%</b>
<b>Sales and Use Tax Collected Excluding Rebates:</b>	<b>-1.8%</b>	<b>1.9%</b>

Year-to-date, the City has collected 1.9% more sales and use tax revenue, totaling \$1.2M over forecast.

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



**Figure 2. Sales and Use Tax Collected**

	June			Year to Date		
	Actual 2015	Actual 2016	% Change	Actual 2015	Actual 2016	% Change
<b>SALES TAX COLLECTIONS</b>						
Grocery, Convenience, Liquor	\$1,187,232	\$1,221,586	2.9%	\$7,288,678	\$7,724,085	6.0%
Restaurants, Caterers and Bars	1,416,576	1,466,980	3.6%	7,745,429	7,996,889	3.2%
General Merchandise	818,185	800,842	-2.1%	5,084,879	5,020,306	-1.3%
Vehicle Sales, Parts and Repairs	692,749	724,730	4.6%	4,158,590	4,290,476	3.2%
Building Materials, Garden Equipment & Supplies	800,767	896,896	12.0%	4,086,570	4,845,065	18.6%
Sporting, Hobby, Book, Music	433,674	432,925	-0.2%	2,822,905	2,826,513	0.1%
Broadcasting and Telecommunications	362,124	345,037	-4.7%	2,184,669	2,318,624	6.1%
Electronics and Appliances	485,032	513,830	5.9%	3,185,498	3,241,729	1.8%
Miscellaneous Retailers	391,020	563,440	44.1%	2,840,560	3,015,601	6.2%
Utilities	296,490	325,856	9.9%	2,508,973	2,457,131	-2.1%
Clothing and Accessories	233,140	317,376	36.1%	1,508,660	1,972,284	30.7%
Pharmacy, Salon and Laundry	255,689	308,768	20.8%	1,545,394	1,825,926	18.2%
Other	190,303	230,009	20.9%	1,297,510	1,406,565	8.4%
Rental and Leasing Services	178,224	221,449	24.3%	1,072,301	1,211,517	13.0%
Furniture and Home Furnishings	204,511	234,163	14.5%	1,178,942	1,250,566	6.1%
Wholesale Trade	68,800	136,439	98.3%	1,016,433	907,444	-10.7%
Lodging	197,220	191,572	-2.9%	890,571	863,541	-3.0%
Manufacturing	150,395	141,008	-6.2%	933,594	897,016	-3.9%
<b>TOTAL SALES TAX</b>	<b>8,362,131</b>	<b>9,072,906</b>	<b>8.5%</b>	<b>51,350,156</b>	<b>54,071,278</b>	<b>5.3%</b>
Less Mall Sales Tax Remittance*	0	0	0.0%	0	0	0.0%
<b>NET SALES TAX</b>	<b>8,362,131</b>	<b>9,072,906</b>	<b>8.5%</b>	<b>51,350,156</b>	<b>54,071,278</b>	<b>5.3%</b>
<b>USE TAX COLLECTIONS</b>						
Building Permits	1,320,739	581,413	-56.0%	4,463,151	3,819,134	-14.4%
Car Tax	446,113	420,069	-5.8%	2,600,671	2,814,510	8.2%
Return Tax	886,655	602,498	-32.0%	7,660,870	6,429,861	-16.1%
<b>TOTAL USE TAX</b>	<b>2,653,507</b>	<b>1,603,980</b>	<b>-39.6%</b>	<b>14,724,692</b>	<b>13,063,505</b>	<b>-11.3%</b>
Less Economic Rebates	(2,808)	(14,044)	400.1%	(234,762)	(84,326)	-64.1%
<b>NET USE TAX</b>	<b>2,650,699</b>	<b>1,589,936</b>	<b>-40.0%</b>	<b>14,489,930</b>	<b>12,979,179</b>	<b>-10.4%</b>
<b>SALES &amp; USE TAX COLLECTIONS</b>						
Total Sales & Use Tax	<b>11,015,638</b>	<b>10,676,886</b>	-3.1%	<b>66,074,848</b>	<b>67,134,783</b>	1.6%
Less Economic Rebates	(2,808)	(14,044)	400.1%	(234,762)	(84,326)	-64.1%
<b>NET SALES &amp; USE TAX</b>	<b>11,012,830</b>	<b>10,662,842</b>	<b>-3.2%</b>	<b>65,840,086</b>	<b>67,050,457</b>	<b>1.8%</b>

<b>SALES &amp; USE TAX DISTRIBUTION</b>						
Streets and Transportation (.25%)	674,826	643,980	-4.6%	4,019,175	4,024,202	0.1%
Building on Basics Projects (.25%)	674,826	0	-100.0%	4,019,175	874,622	-78.2%
Community Capital Improvement Program (.25%)	0	643,980	100.0%	0	3,149,580	100.0%
Natural Areas (.25%)	674,826	643,980	-4.6%	4,019,175	4,024,202	0.1%
Keep Fort Collins Great (.85%)	2,240,739	2,167,568	-3.3%	13,158,020	13,396,097	1.8%
General Fund (2.25%)	6,750,421	6,577,378	-2.6%	40,859,303	41,666,080	2.0%
Less General Fund Economic Rebates	(2,808)	(14,044)	400.1%	(234,762)	(84,326)	-64.1%
<b>NET SALES &amp; USE TAX</b>	<b>\$11,012,830</b>	<b>\$10,662,842</b>	<b>-3.2%</b>	<b>\$65,840,086</b>	<b>\$67,050,457</b>	<b>1.8%</b>

**June Sales Tax Collected.** In June 2016, sales tax collected in Fort Collins increased 8.5% over June 2015. Sales tax collected totaled \$9.1 million compared to \$8.4 million in 2015.

**June Use Tax Collected.** The total use tax collected in June was \$1.6 million, a decrease of 39.6% compared to last June. The estimated use tax collected in June related to economic incentive agreements was \$14K as illustrated on Figure 1. This amount will be rebated in the succeeding calendar year. The net use tax collections for June totaled \$1.6 million for a net 40.0% decrease.

**Total Sales and Use Tax Collected.** Total tax collected of \$10.7M was 3.1% lower than last June.

**Figure 3. 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	8,794,650	8,045,682	748,968	9.3%	19,847,673	19,364,373	2.5%
March	7,945,983	7,706,344	239,639	3.1%	27,793,656	27,070,717	2.7%
April	8,677,776	9,008,975	(331,199)	-3.7%	36,471,432	36,079,692	1.1%
May	8,526,940	8,450,703	76,237	0.9%	44,998,372	44,530,395	1.1%
June	9,072,906	8,779,099	293,807	3.3%	54,071,278	53,309,494	1.4%
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%
	\$ 54,071,278	\$ 53,309,494	\$ 761,784				

**Figure 4. 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	\$ 2,278,477	\$ 2,082,768	\$ 195,709	9.4%	\$ 2,278,477	\$ 2,082,768	9.4%
February	2,651,140	2,082,768	568,372	27.3%	4,929,617	4,165,536	18.3%
March	1,833,671	2,082,768	(249,097)	-12.0%	6,763,288	6,248,304	8.2%
April	1,950,361	2,082,768	(132,407)	-6.4%	8,713,649	8,331,072	4.6%
May	2,675,594	2,082,768	592,826	28.5%	11,389,243	10,413,840	9.4%
June	1,589,936	2,082,768	(492,832)	-23.7%	12,979,179	12,496,608	3.9%
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	12,979,179	12,496,608	482,571	3.9%			
YTD Rebates	84,326	0	84,326				
Total Collections	\$ 13,063,505	\$ 12,496,608	\$ 566,897	4.5%		\$ 25,000,000	

**Figure 5. Forecast to Actual – Sales and Use Tax Distribution**

Fund	Actual		Forecast		% Over/(Under) Forecast
	June YTD	June YTD	June YTD	June YTD	
Streets and Transportation (.25%)	4,024,202	4,018,331	5,871	0.1%	
Building on Basics Projects (.25%)	874,622	816,127	58,495	7.2%	
Community Capital Improvement Program (.25%)	3,149,580	3,202,204	(52,624)	-1.6%	
Natural Areas and Parks (.25%)	4,024,202	4,018,331	5,871	0.1%	
Keep Fort Collins Great (.85%)	13,396,097	13,662,331	(266,234)	-1.9%	
General Fund (2.25%) (net of rebates)	41,581,754	40,088,785	1,492,969	3.7%	
General Fund Economic Rebates	84,326	0	84,326	100.0%	
Total Collections	\$ 67,134,783	\$ 65,806,109	\$ 1,328,674		

**June Sales Tax Forecast to Actual** In June 2016, sales tax collected in Fort Collins was \$294K over the forecast. Year to date, the City has collected 1.4% more sales tax revenue than forecast, for a net gain of \$762K. The forecast may be adjusted mid-year.

**June Use Tax Forecast to Actual Excluding Rebates.** In June 2016, use tax collected in Fort Collins was \$493K less than the forecast. Year to date, the City has collected 3.9% more use tax revenue than forecasted for a net gain of \$483K.

**Figure 6. Sales Tax Budget to Actual**

Month	Actual	Budget	% Over/(Under)		Year to Date Actual	Annual Budget	Year to Date % Over/(Under) Annual Budget
			Over/(Under) Budget	Over/(Under) Budget			
January	\$ 11,053,023	11,318,691	\$ (265,668)	-2.3%	\$ 11,053,023	\$ 11,318,691	-2.3%
February	8,794,650	8,045,682	748,968	9.3%	19,847,673	19,364,373	2.5%
March	7,945,983	7,706,344	239,639	3.1%	27,793,656	27,070,717	2.7%
April	8,677,776	9,008,975	(331,199)	-3.7%	36,471,432	36,079,692	1.1%
May	8,526,940	8,450,703	76,237	0.9%	44,998,372	44,530,395	1.1%
June	9,072,906	8,779,099	293,807	3.3%	54,071,278	53,309,494	1.4%
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>\$ 54,071,278</u>	<u>\$ 53,309,494</u>	<u>\$ 761,784</u>				

**Figure 7. Use Tax Budget to Actual**

Month	Actual	Budget	% Over/(Under)		Year to Date Actual	Annual Budget	Year to Date % Over/(Under) Annual Budget
			Over/(Under) Budget	Over/(Under) Budget			
January	\$ 2,278,477	\$ 1,416,667	\$ 861,810	60.8%	\$ 2,278,477	\$ 1,416,667	60.8%
February	2,651,140	1,416,667	1,234,473	87.1%	4,929,617	2,833,333	74.0%
March	1,833,671	1,416,667	417,004	29.4%	6,763,288	4,250,000	59.1%
April	1,950,361	1,416,667	533,694	37.7%	8,713,649	5,666,667	53.8%
May	2,675,594	1,416,667	1,258,927	88.9%	11,389,243	7,083,333	60.8%
June	1,589,936	1,416,667	173,269	12.2%	12,979,179	8,500,000	52.7%
July	-	-	-	0.0%	-	9,916,667	0.0%
August	-	-	-	0.0%	-	11,333,333	0.0%
September	-	-	-	0.0%	-	12,750,000	0.0%
October	-	-	-	0.0%	-	14,166,667	0.0%
November	-	-	-	0.0%	-	15,583,333	0.0%
December	-	-	-	0.0%	-	17,000,000	0.0%
Net Collections	12,979,179	8,500,000	4,479,179	52.7%			
YTD Rebates	84,326	0	84,326			-	
Total Collections	<u>\$ 13,063,505</u>	<u>\$ 8,500,000</u>	<u>\$ 4,563,505</u>	<u>53.7%</u>		<u>\$ 17,000,000</u>	

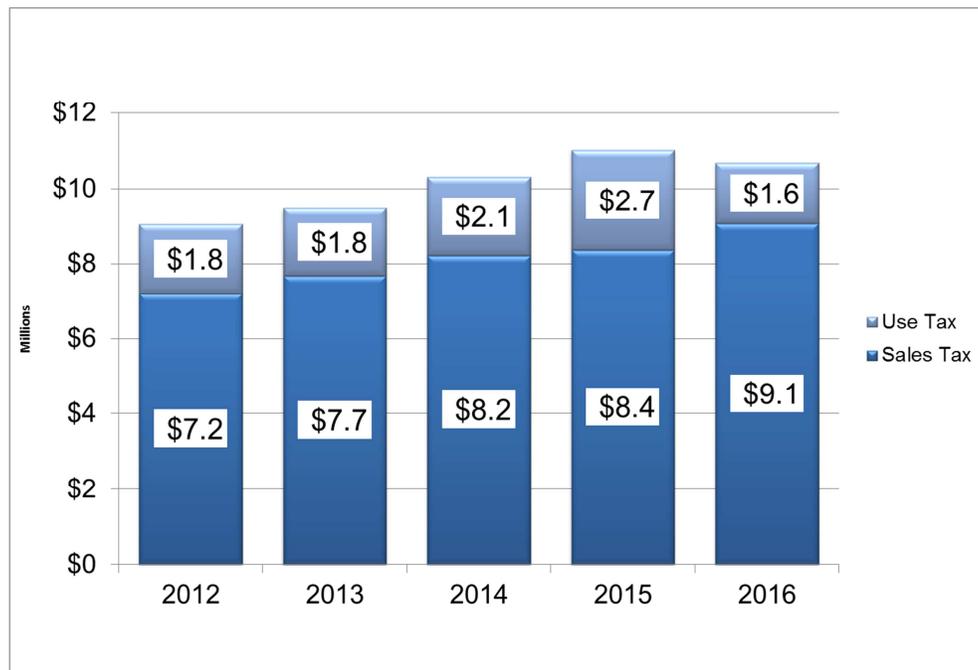
**Figure 8. Budget to Actual – Sales and Use Tax Distribution**

Fund	Actual		Over/(Under)		% Over/(Under) Budget
	June YTD	Budget June YTD	Budget June YTD	June YTD	
Streets and Transportation (.25%)	4,024,202	3,758,807	265,395	7.1%	
Building on Basics Projects (.25%)	874,622	772,873	101,749	13.2%	
Community Capital Improvement Program (.25%)	3,149,580	2,985,934	163,646	5.5%	
Natural Areas and Parks (.25%)	4,024,202	3,758,807	265,395	7.1%	
Keep Fort Collins Great (.85%)	13,396,097	12,779,950	616,147	4.8%	
General Fund (2.25%) (net of rebates)	41,581,754	37,753,117	3,828,637	10.1%	
General Fund Economic Rebates	84,326	0	84,326	100.0%	
Total Collections	<u>\$ 67,134,783</u>	<u>\$ 61,809,489</u>	<u>\$ 5,325,294</u>		

**June Sales Tax Budget to Actual.** In June 2016, sales tax collected in Fort Collins was \$294K over the budget. Year to date, the City has collected 1.4% more sales tax revenue than budgeted, for a net gain of \$761K.

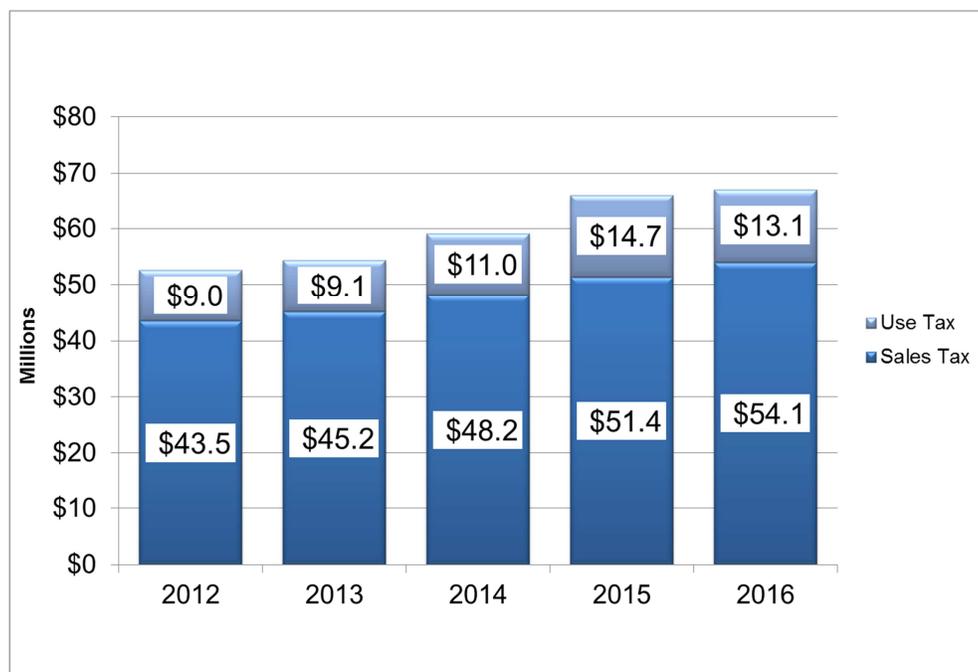
**June Use Tax Budget to Actual Excluding Rebates.** In June 2016, use tax collected in Fort Collins was \$173K over budget. Year to date, the City has collected 52.7% more use tax revenue than budgeted, for a net gain of \$4.5M.

**Figure 9. June Collections\***



\*Total collections prior to rebates.

**Figure 10. Year to Date Collections \***



\*Total collections prior to rebates.

**Figure 11. Net Taxable**

	June			Year to Date		
	Actual 2015	Actual 2016	% Change	Actual 2015	Actual 2016	% Change
\$ in millions						
<b>SALES TAX</b>						
Grocery, Convenience, Liquor	\$41.6	\$42.6	2.3%	\$258.4	\$273.7	5.9%
Restaurants, Caterers and Bars	37.0	37.8	2.2%	200.7	208.9	4.1%
General Merchandise	23.8	23.7	-0.2%	147.1	148.1	0.7%
Vehicle Sales, Parts and Repairs	18.0	18.6	3.7%	107.8	111.0	3.0%
Building Materials, Garden Equipment & Supplies	20.7	23.5	13.1%	105.0	105.3	0.3%
Sporting, Hobby, Book, Music	11.2	11.3	0.4%	73.3	73.5	0.3%
Broadcasting and Telecommunications	9.4	9.5	1.7%	56.6	60.7	7.2%
Electronics and Appliances	12.5	13.3	7.0%	82.3	84.2	2.3%
Miscellaneous Retailers	10.7	14.8	38.4%	74.8	79.2	5.8%
Utilities	7.7	8.5	9.9%	65.2	63.8	-2.1%
Clothing and Accessories	6.0	8.2	36.5%	39.1	51.2	30.9%
Pharmacy, Salon and Laundry	6.8	8.1	19.9%	41.0	48.5	18.4%
Other	4.4	6.0	37.4%	32.6	36.9	13.4%
Rental and Leasing Services	4.6	5.7	23.9%	27.8	31.4	12.8%
Furniture and Home Furnishings	5.2	6.1	16.3%	31.2	32.5	4.2%
Wholesale Trade	4.3	3.6	-15.9%	29.3	24.2	-17.3%
Lodging	5.2	4.9	-4.3%	23.2	22.3	-3.8%
Manufacturing	4.0	3.7	-6.2%	24.3	23.9	-1.9%
<b>NET TAXABLE SUBJECT TO SALES TAX</b>	<b>233.2</b>	<b>250.3</b>	<b>7.3%</b>	<b>1,419.6</b>	<b>1,479.3</b>	<b>4.2%</b>
<b>USE TAX</b>						
Building Permits	34.3	15.1	-56.0%	115.9	99.2	-14.4%
Car Tax	11.6	10.9	-5.8%	67.5	73.1	8.2%
Return Tax	23.0	16.2	-29.6%	199.0	168.5	-15.3%
<b>NET TAXABLE SUBJECT TO USE TAX</b>	<b>68.9</b>	<b>42.2</b>	<b>-38.7%</b>	<b>382.5</b>	<b>340.8</b>	<b>-10.9%</b>
<b>TOTAL NET TAXABLE SUBJECT TO SALES &amp; USE TAX</b>	<b>\$302.1</b>	<b>\$292.5</b>	<b>-3.2%</b>	<b>\$1,802.1</b>	<b>\$1,820.1</b>	<b>1.0%</b>

**Figure 12. Local Retail Compared to National Retail**

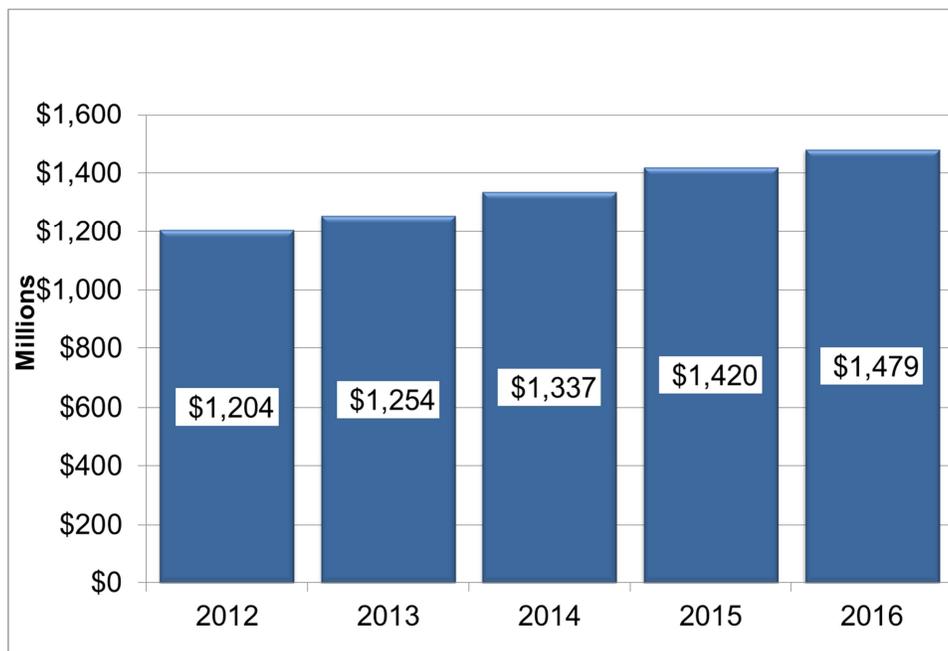
Retail Sales Category	% Change from May 2015 United States	% Change from May 2015 Fort Collins
Grocery, Convenience, Liquor	2.6	2.3
Restaurants, Caterers & Bars	6.5	2.2
General Merchandise	-0.7	-0.2
Vehicle Sales, Parts & Repairs	2.1	3.7
Building Materials, Garden Equipment & Supplies	3.6	13.1
Clothing & Accessories	-0.5	36.5
Furniture & Home Furnishings	0.2	16.3
<b>Total</b>	<b>2.5</b>	<b>7.3</b>

At the national level, May 2016 retail sales (as reported on June 14, 2016) increased 2.5% compared to an increase in Fort Collins' sales of 7.3%. May 2016 sales are the basis for the City's June 2016 sales tax collections and net taxable amounts (which are included in this report).

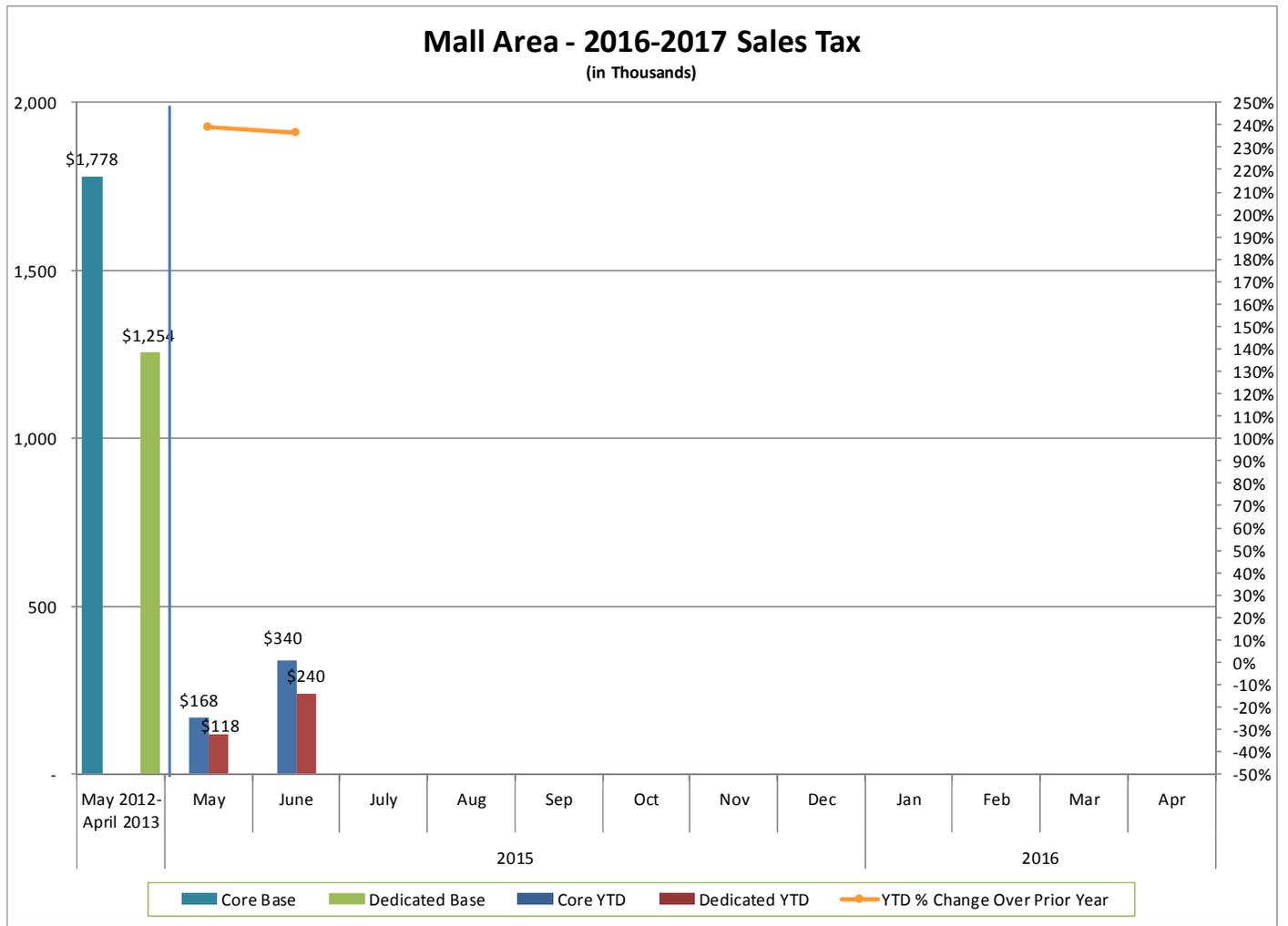
**Figure 13. June - Net Taxable Sales Subject to Sales Tax**



**Figure 14. Year to Date - Net Taxable Sales Subject to Sales Tax**



**Figure 15. 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 June 30, 2016, the core amount collected is \$340K. No tax is remitted to the Metro District until the base of \$1.8M is reached.

**Figure 16. Supplementary Information**

**Sales Tax in the City's Downtown Area.** The sales tax collected in June for the downtown area increased 7.8% from the same period in 2015.

**Lodging Tax Collections.** The City collected \$ \$137,250 in lodging taxes in June 2016. This was a decrease of 2.1% from June 2015.

**Sales Tax Licenses.** There were 11,136 active sales tax licenses at the end of June.