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## **Sales and Use Tax Report – June 2011**

Issued July 11, 2011

May 2011 transactions are the basis for the June report. Please note that payments received in June are predominately from May sales but also include delinquent collections from prior periods.

Due to the .85% tax increase, tax collections are not a meaningful comparison for year to year business activity. To allow for analysis of activity, the monthly sales and use tax report now includes additional information on net taxable amounts, which are the amount of goods sold or purchased that are subject to sales or use tax.

### **JUNE SUMMARY**

	<b>June</b>	<b>Year to Date</b>
<b>Net Taxable Subject to Sales Tax:</b>	<b>3.1%</b>	<b>3.9%</b>
<b>Net Taxable Subject to Use Tax:</b>	<b>-29.7%</b>	<b>-11.2%</b>
<b>Total Net Taxable:</b>	<b>-1.5%</b>	<b>1.9%</b>

Year to date, net taxable sales are up 3.9% and all but three of the eighteen categories are up.

The collections related to the 2B election are tracked in Figure 5 - Sales and Use Tax under the distribution section and labeled as Keep Fort Collins Great. The amount received in June was \$1.5 million.

**June Net Taxable Subject to Sales Tax.** In June 2011, net taxable sales in Fort Collins increased 3.1% over June 2010. Net taxable sales totaled \$185.4 million compared to \$179.9 million in 2010.

**June Net Taxable Subject to Use Tax.** The net taxable amount reported of \$20.7 million decreased 29.7% compared to last June. The net taxable amount subject to use tax on vehicles decreased 17.1%. The amount subject to use tax related to building permits decreased 18.7%. The net taxable amount reported on tax returns for use tax decreased 38.6% from 2010.

**Total Net Taxable.** Total net taxable (based on the 3.85% tax rate) of \$206.1 million was 1.5% lower than last June.

**Retail Sales in the City's Downtown Area.** The net taxable sales reported in June in the downtown area decreased 2.4% from the same period in 2010.

**Lodging Tax Collections.** The City collected \$84,765 in lodging taxes in June. This was an increase of 8.6% from June 2010.

**Sales Tax Licenses.** The City received 73 applications for sales tax licenses for new businesses and 32 businesses terminated their license in May. There were 10,506 active sales tax licenses at the end of June.

**Figure 1. Net Taxable**

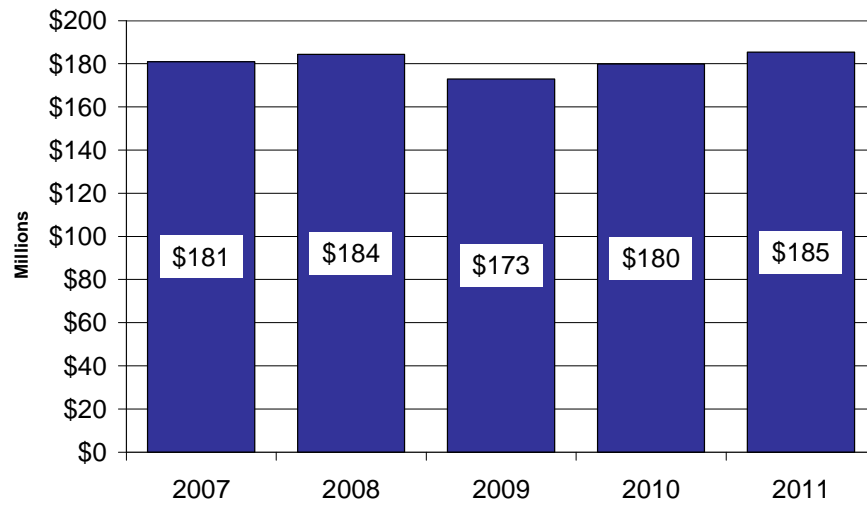
	June			Year to Date		
	Actual 2010	Actual 2011	% Change	Actual 2010	Actual 2011	% Change
\$ in millions						
<b>SALES TAX</b>						
Grocery, Convenience, Liquor	\$29.7	\$31.2	5.1%	\$183.5	\$191.4	4.3%
Restaurants, Caterers and Bars	26.1	27.3	4.6%	144.4	153.3	6.2%
General Merchandise	24.3	24.6	1.2%	148.5	150.9	1.6%
Vehicle Sales, Parts and Repairs	12.7	13.0	2.7%	76.5	77.9	1.8%
Building Materials, Garden Equipment & Supplies	16.2	15.0	-7.1%	66.0	66.4	0.6%
Sporting, Hobby, Book, Music	9.1	9.9	8.9%	62.2	66.4	6.7%
Broadcasting and Telecommunications	9.6	9.8	2.2%	56.8	57.9	2.1%
Electronics and Appliances	9.6	8.1	-15.4%	59.2	61.6	4.1%
Miscellaneous Retailers	7.9	8.4	6.5%	54.9	59.4	8.1%
Utilities	6.5	7.3	12.2%	61.8	59.5	-3.6%
Clothing and Accessories	6.1	6.2	2.0%	38.2	40.3	5.7%
Pharmacy, Salon and Laundry	4.4	4.8	10.3%	27.0	31.0	14.9%
Other	2.6	3.6	38.9%	21.8	22.5	3.4%
Rental and Leasing Services	3.4	3.8	11.1%	21.3	20.6	-3.1%
Furniture and Home Furnishings	3.5	3.4	-2.9%	19.7	19.7	-0.2%
Wholesale Trade	2.9	2.7	-5.0%	17.0	18.8	10.4%
Lodging	3.2	3.4	5.8%	12.8	14.3	12.3%
Manufacturing	2.1	2.8	28.7%	14.7	16.5	12.7%
<b>NET TAXABLE SUBJECT TO SALES TAX</b>	<b>179.9</b>	<b>185.4</b>	<b>3.1%</b>	<b>1,086.4</b>	<b>1,128.7</b>	<b>3.9%</b>
<b>USE TAX</b>						
Building Permits	5.8	4.7	-18.7%	30.1	29.1	-3.3%
Car Tax	6.9	5.7	-17.1%	37.8	37.0	-2.1%
Return Tax	16.8	10.3	-38.6%	95.9	79.3	-17.3%
<b>NET TAXABLE SUBJECT TO USE TAX</b>	<b>29.4</b>	<b>20.7</b>	<b>-29.7%</b>	<b>163.8</b>	<b>145.5</b>	<b>-11.2%</b>
<b>TOTAL NET TAXABLE SUBJECT TO SALES &amp; USE TAX</b>	<b>\$209.3</b>	<b>\$206.1</b>	<b>-1.5%</b>	<b>\$1,250.2</b>	<b>\$1,274.2</b>	<b>1.9%</b>

**Figure 2. Local Retail Compared to National Retail**

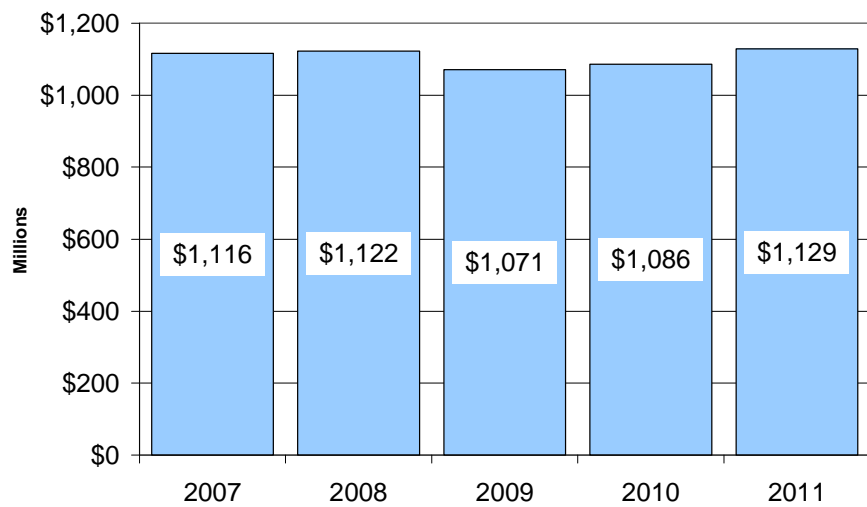
Retail Sales Category	% Change from May 2010 United States	% Change from May 2010 Fort Collins
Grocery, Convenience, Liquor	5.5	5.1
Restaurants, Caterers & Bars	5.3	4.6
General Merchandise	4.1	1.2
Vehicle Sales, Parts & Repairs	5.4	2.7
Building Materials, Garden Equipment & Supplies	7.0	-7.1
Clothing & Accessories	6.0	2.0
Furniture & Home Furnishings	0.4	-2.9

At the national level, May retail sales (as reported on June 14th) increased 7.7% compared to the increase in Fort Collins' sales of 3.1%. May sales are the basis for the City's June sales tax collections and net taxable amounts (which are included in this report).

**Figure 3. June 2011 - Net Taxable Sales Subject to Sales Tax**



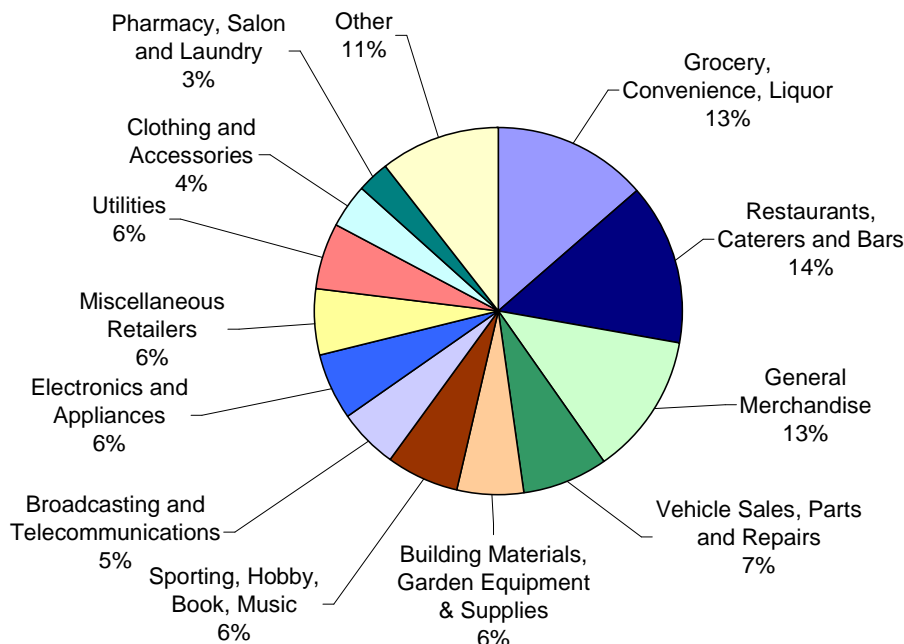
**Figure 4. Year to Date - Net Taxable Sales Subject to Sales Tax**



**Figure 5. Sales and Use Tax**

	June			Year to Date		
	Actual 2010	Actual 2011	% Change	Actual 2010	Actual 2011	% Change
<b>SALES TAX RECEIPTS</b>						
Grocery, Convenience, Liquor	\$752,880	\$891,741	18.4%	\$4,622,271	\$5,292,466	14.5%
Restaurants, Caterers and Bars	783,588	1,051,422	34.2%	4,326,650	5,652,905	30.7%
General Merchandise	677,602	833,099	22.9%	4,146,099	4,898,192	18.1%
Vehicle Sales, Parts and Repairs	389,967	502,179	28.8%	2,306,038	2,879,277	24.9%
Building Materials, Garden Equipment & Supplies	485,669	580,153	19.5%	1,979,873	2,506,684	26.6%
Sporting, Hobby, Book, Music	276,211	380,703	37.8%	1,872,010	2,409,736	28.7%
Broadcasting and Telecommunications	287,772	376,989	31.0%	1,704,238	2,143,363	25.8%
Electronics and Appliances	291,361	316,345	8.6%	1,781,548	2,225,587	24.9%
Miscellaneous Retailers	236,521	322,371	36.3%	1,635,925	2,158,841	32.0%
Utilities	196,090	282,418	44.0%	1,852,699	2,207,523	19.2%
Clothing and Accessories	182,743	237,596	30.0%	1,143,229	1,462,946	28.0%
Pharmacy, Salon and Laundry	131,380	180,746	37.6%	807,998	1,101,034	36.3%
Other	78,941	139,636	76.9%	662,316	814,959	23.0%
Rental and Leasing Services	102,554	146,505	42.9%	638,157	759,793	19.1%
Furniture and Home Furnishings	106,004	174,239	64.4%	791,771	756,472	-4.5%
Wholesale Trade	85,260	103,225	21.1%	508,481	682,046	34.1%
Lodging	96,902	130,726	34.9%	386,200	536,483	38.9%
Manufacturing	64,007	102,381	60.0%	430,368	656,350	52.5%
<b>TOTAL SALES TAX</b>	<b>5,225,452</b>	<b>6,752,474</b>	<b>29.2%</b>	<b>31,595,871</b>	<b>39,144,657</b>	<b>23.9%</b>
<b>USE TAX RECEIPTS</b>						
Building Permits	172,899	180,285	4.3%	903,483	1,103,893	22.2%
Car Tax	205,813	218,851	6.3%	1,134,699	1,377,479	21.4%
Return Tax	504,449	397,734	-21.2%	2,877,289	2,901,055	0.8%
<b>TOTAL USE TAX</b>	<b>883,161</b>	<b>796,870</b>	<b>-9.8%</b>	<b>4,915,471</b>	<b>5,382,427</b>	<b>9.5%</b>
<b>SALES &amp; USE TAX DISTRIBUTION</b>						
Streets and Transportation (.25%)	460,245	449,926	-2.2%	2,729,357	2,767,696	1.4%
Building on Basics Projects (.25%)	460,245	449,926	-2.2%	2,729,357	2,767,696	1.4%
Natural Areas and Parks (.25%)	460,245	449,926	-2.2%	2,729,357	2,767,696	1.4%
Keep Fort Collins Great (.85%)	0	1,529,747	100.0%	0	7,455,012	100.0%
General Fund (2.25%)	4,727,878	4,669,819	-1.2%	28,323,271	28,768,984	1.6%
<b>TOTAL SALES &amp; USE TAX</b>	<b>\$6,108,613</b>	<b>\$7,549,344</b>	<b>23.6%</b>	<b>\$36,511,342</b>	<b>\$44,527,084</b>	<b>22.0%</b>

**Figure 6. Year to Date Sales Tax by Business Type**



Information on the various business type categories can be found at [www.fcgov.com/salestax/salesreport.php](http://www.fcgov.com/salestax/salesreport.php).

**Figure 7. Budget to Actual - Sales and Use Tax Collections**

Month			% Over/(Under)				Year to Date %	
	Actual	Budget	Over/(Under) Budget	Over/(Under) Budget	Year to Date Actual	Year to Date Budget	Over/(Under) Budget	
January	\$ 7,722,870	\$ 7,700,995	\$ 21,875	0.3%	\$ 7,722,870	\$ 7,700,995		0.3%
February	6,338,124	7,152,650	(814,526)	-11.4%	14,060,994	14,853,645		-5.3%
March	7,485,078	6,677,176	807,902	12.1%	21,546,072	21,530,821		0.1%
April	8,099,576	7,562,475	537,101	7.1%	29,645,648	29,093,295		1.9%
May	7,332,092	7,316,345	15,747	0.2%	36,977,740	36,409,640		1.6%
June	7,549,344	7,385,818	163,526	2.2%	44,527,084	43,795,458		1.7%
July	-	7,960,808	-	0.0%	-	51,756,267		0.0%
August	-	7,531,831	-	0.0%	-	59,288,098		0.0%
September	-	7,917,211	-	0.0%	-	67,205,309		0.0%
October	-	8,109,874	-	0.0%	-	75,315,183		0.0%
November	-	7,464,103	-	0.0%	-	82,779,286		0.0%
December	-	7,379,177	-	0.0%	-	90,158,462		0.0%
	\$ 44,527,084	\$ 90,158,462	\$ 731,625					

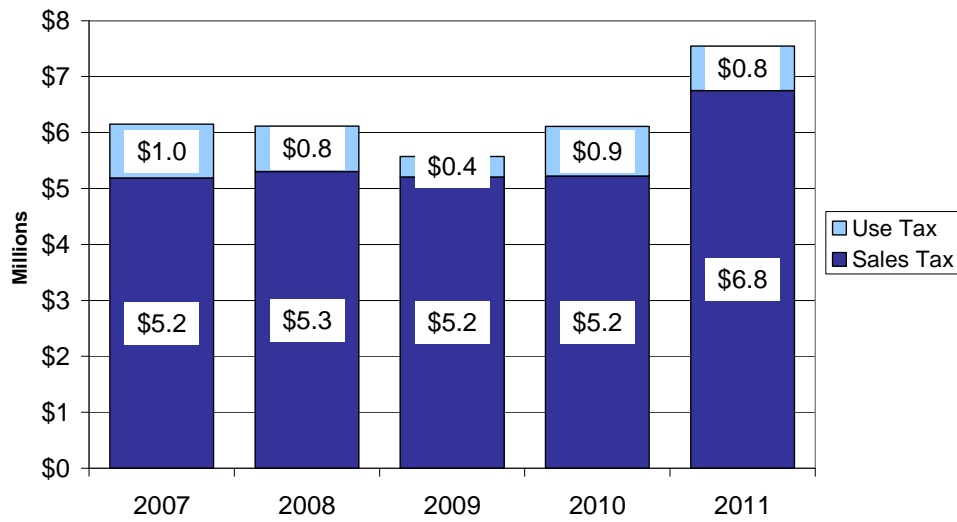
**Figure 8. Historical Collections**

June Monthly Year	<u>Sales Tax Collections</u>		<u>Use Tax Collections</u>		<u>Combined Tax Collections</u>	
	Month	Compared to Prior Year	Month	Compared to Prior Year	Month	Compared to Prior Year
2011	\$6,752,474	29.2%	\$796,870	-9.8%	\$7,549,344	23.6%
2010	5,225,452	0.3%	883,161	141.4%	6,108,613	9.6%
2009	5,207,396	-1.8%	365,843	-55.1%	5,573,238	-8.9%
2008	5,302,812	2.2%	814,219	-15.8%	6,117,031	-0.6%
2007	5,186,464	5.5%	966,658	26.9%	6,153,121	8.4%
2006	4,916,011	2.7%	761,831	-18.8%	5,677,842	-0.8%
2005	4,787,147	2.0%	937,757	-3.8%	5,724,905	1.0%
2004	4,692,786	1.6%	975,045	22.1%	5,667,831	4.6%
2003	4,620,132	0.2%	798,835	-16.9%	5,418,967	-2.8%
2002	4,612,507		960,909		5,573,416	

June Year to Date Year	<u>Sales Tax Collections</u>		<u>Use Tax Collections</u>		<u>Combined Tax Collections</u>	
	Year to Date	Compared to Prior Year	Year to Date	Compared to Prior Year	Year to Date	Compared to Prior Year
2011	\$39,144,657	23.9%	\$5,382,427	9.5%	\$44,527,084	22.0%
2010	31,595,871	2.0%	4,915,471	28.0%	36,511,342	4.8%
2009	30,987,017	-4.3%	3,838,967	-30.8%	34,825,984	-8.2%
2008	32,393,523	1.2%	5,548,289	-20.3%	37,941,812	-2.6%
2007	32,014,165	-3.4%	6,959,090	34.7%	38,973,256	1.7%
2006	33,148,932	10.7%	5,166,090	-22.4%	38,315,022	4.6%
2005	29,957,424	2.6%	6,657,731	3.6%	36,615,155	2.8%
2004	29,204,169	5.0%	6,426,646	5.3%	35,630,815	5.0%
2003	27,816,621	-1.9%	6,104,113	5.6%	33,920,734	-0.6%
2002	28,343,410		5,777,692		34,121,101	

**Figure 9. June Collections**



**Figure 10. Year to Date Collections**

