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Sales and Use Tax Report – October 2011

Issued November 10, 2011

September 2011 transactions are the basis for the October report. Please note that payments received in October are predominately from September 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.

OCTOBER SUMMARY

	October	Year to Date
Net Taxable Subject to Sales Tax:	6.9%	5.4%
Net Taxable Subject to Use Tax:	-5.5%	-2.2%
Total Net Taxable:	4.7%	4.4%

Year to date, net taxable sales are up 5.4% and all but one 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 October was \$1.8 million.

October Net Taxable Subject to Sales Tax. In October 2011, net taxable sales in Fort Collins increased 6.9% over October 2010. Net taxable sales totaled \$200.9 million compared to \$187.9 million in 2010.

October Net Taxable Subject to Use Tax. The net taxable amount reported of \$37.9 million decreased 5.5% compared to last October. The net taxable amount subject to use tax on vehicles increased 10.4%. The amount subject to use tax related to building permits decreased 33.8%. The net taxable amount reported on tax returns for use tax decreased 3.9% from 2010.

Total Net Taxable. Total net taxable (based on the 3.85% tax rate) of \$238.8 million was 4.7% higher than last October.

Retail Sales in the City's Downtown Area. The net taxable sales reported in October in the downtown area increased 4.7% from the same period in 2010.

Lodging Tax Collections. The City collected \$78,709 in lodging taxes in October. This was a decrease of 6.2% from October 2010.

Sales Tax Licenses. The City received 89 applications for sales tax licenses for new businesses and 80 businesses terminated their license in October. There were 10,721 active sales tax licenses at the end of October.

Figure 1. Net Taxable

	October			Year to Date		
	Actual 2010	Actual 2011	% Change	Actual 2010	Actual 2011	% Change
\$ in millions						
SALES TAX						
Grocery, Convenience, Liquor	\$30.2	\$33.3	10.0%	\$301.5	\$325.3	7.9%
Restaurants, Caterers and Bars	25.5	28.2	10.5%	246.3	264.1	7.2%
General Merchandise	24.4	25.0	2.3%	247.5	251.5	1.6%
Vehicle Sales, Parts and Repairs	13.4	14.5	8.0%	132.8	135.6	2.1%
Building Materials, Garden Equipment & Supplies	12.5	16.4	30.4%	120.5	129.7	7.6%
Sporting, Hobby, Book, Music	10.2	11.1	8.6%	109.8	115.5	5.2%
Broadcasting and Telecommunications	9.9	9.7	-1.7%	95.5	97.1	1.7%
Electronics and Appliances	11.4	8.9	-21.7%	97.6	99.6	2.1%
Miscellaneous Retailers	10.1	10.1	0.7%	90.3	98.4	9.0%
Utilities	6.8	7.9	16.7%	89.6	90.7	1.2%
Clothing and Accessories	6.8	7.8	15.3%	63.7	69.2	8.7%
Pharmacy, Salon and Laundry	4.9	5.3	7.9%	45.4	51.3	13.0%
Other	5.1	5.1	-1.0%	37.4	39.6	5.9%
Rental and Leasing Services	3.6	4.3	17.1%	36.4	36.4	-0.1%
Furniture and Home Furnishings	3.4	3.5	3.9%	34.2	35.4	3.5%
Wholesale Trade	3.5	3.4	-0.1%	29.5	31.6	7.1%
Lodging	3.3	3.1	-7.6%	27.3	29.7	8.7%
Manufacturing	2.7	3.2	19.8%	25.9	29.2	12.8%
NET TAXABLE SUBJECT TO SALES TAX	187.9	200.9	6.9%	1,831.2	1,930.0	5.4%
USE TAX						
Building Permits	5.7	3.8	-33.8%	47.9	65.1	35.8%
Car Tax	7.4	8.2	10.4%	67.7	68.8	1.6%
Return Tax	27.0	26.0	-3.9%	172.4	147.7	-14.3%
NET TAXABLE SUBJECT TO USE TAX	40.2	37.9	-5.5%	288.1	281.6	-2.2%
TOTAL NET TAXABLE SUBJECT TO SALES & USE TAX	\$228.0	\$238.8	4.7%	\$2,119.3	\$2,211.6	4.4%

Figure 2. Local Retail Compared to National Retail

Retail Sales Category	% Change from September 2010 United States	% Change from September 2010 Fort Collins
Grocery, Convenience, Liquor	5.5	10.0
Restaurants, Caterers & Bars	6.9	10.5
General Merchandise	4.5	2.3
Vehicle Sales, Parts & Repairs	8.5	8.0
Building Materials, Garden Equipment & Supplies	6.5	30.4
Clothing & Accessories	7.6	15.3
Furniture & Home Furnishings	3.2	3.9

At the national level, September retail sales (as reported on October 14th) increased 7.9% compared to the increase in Fort Collins' sales of 6.9%. September sales are the basis for the City's October sales tax collections and net taxable amounts (which are included in this report).

Figure 3. October 2011 - Net Taxable Sales Subject to Sales Tax

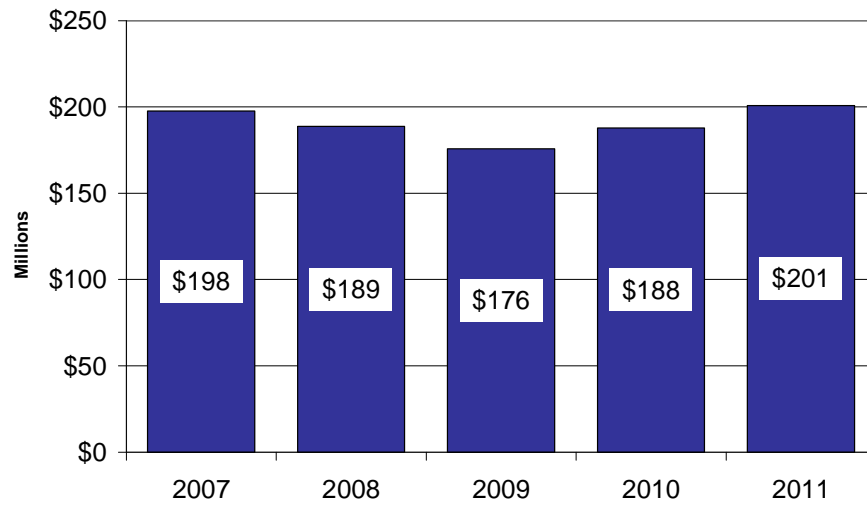


Figure 4. Year to Date - Net Taxable Sales Subject to Sales Tax

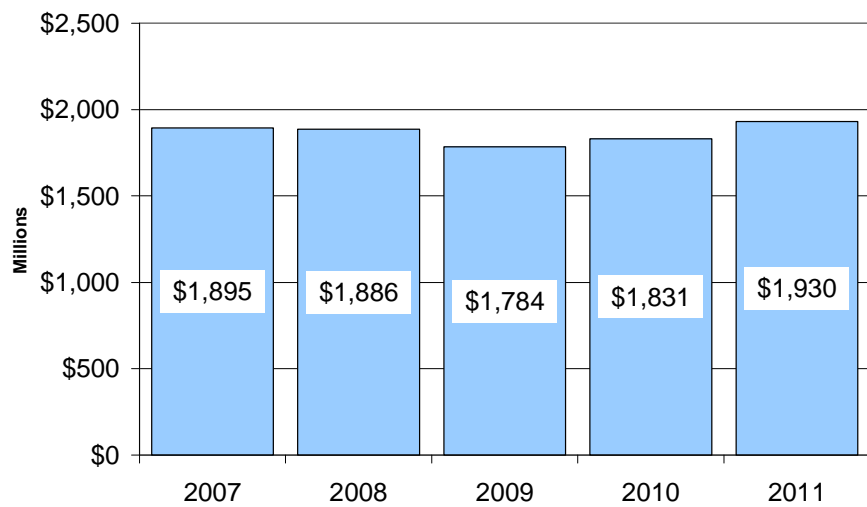
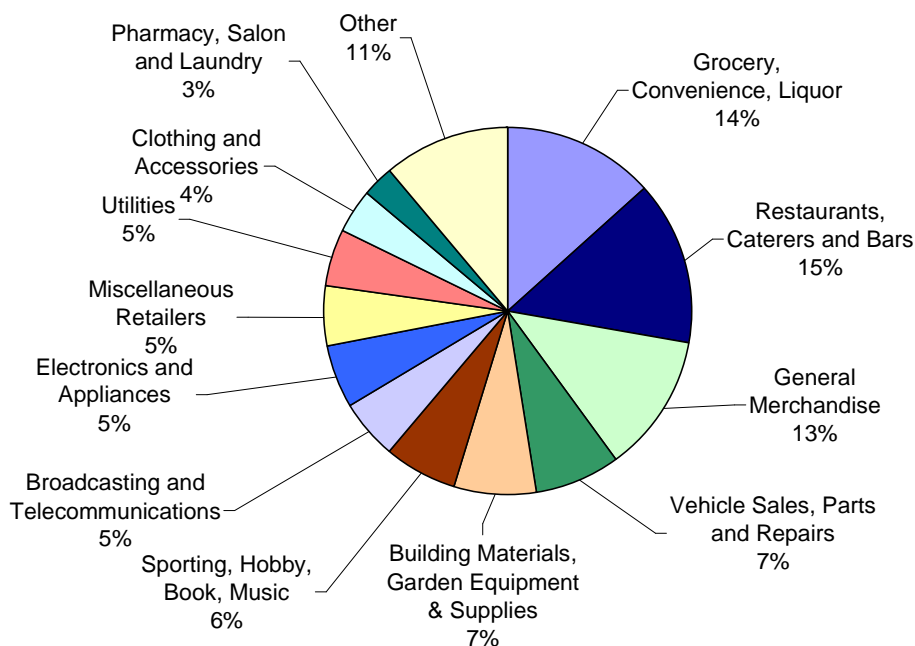


Figure 5. Sales and Use Tax

	October			Year to Date		
	Actual 2010	Actual 2011	% Change	Actual 2010	Actual 2011	% Change
SALES TAX RECEIPTS						
Grocery, Convenience, Liquor	\$764,463	\$948,166	24.0%	\$7,615,002	\$9,116,404	19.7%
Restaurants, Caterers and Bars	766,626	1,077,378	40.5%	7,395,276	9,885,652	33.7%
General Merchandise	700,627	846,387	20.8%	6,928,689	8,317,776	20.0%
Vehicle Sales, Parts and Repairs	404,161	560,666	38.7%	3,999,135	5,111,596	27.8%
Building Materials, Garden Equipment & Supplies	376,985	629,519	67.0%	3,603,436	4,965,740	37.8%
Sporting, Hobby, Book, Music	306,036	427,027	39.5%	3,301,846	4,300,520	30.2%
Broadcasting and Telecommunications	293,204	374,182	27.6%	2,862,153	3,639,487	27.2%
Electronics and Appliances	344,272	373,990	8.6%	2,945,899	3,718,450	26.2%
Miscellaneous Retailers	301,953	388,561	28.7%	2,701,057	3,646,198	35.0%
Utilities	203,673	306,427	50.5%	2,688,209	3,463,144	28.8%
Clothing and Accessories	204,714	302,061	47.6%	1,907,688	2,573,544	34.9%
Pharmacy, Salon and Laundry	146,913	197,553	34.5%	1,360,304	1,908,919	40.3%
Other	151,169	197,747	30.8%	1,142,691	1,471,231	28.8%
Rental and Leasing Services	108,791	164,115	50.9%	1,088,720	1,366,069	25.5%
Furniture and Home Furnishings	102,282	135,257	32.2%	1,226,776	1,362,257	11.0%
Wholesale Trade	102,865	128,487	24.9%	881,422	1,163,578	32.0%
Lodging	100,252	118,590	18.3%	817,808	1,126,354	37.7%
Manufacturing	84,347	123,804	46.8%	766,479	1,131,129	47.6%
TOTAL SALES TAX	5,463,333	7,299,917	33.6%	53,232,590	68,268,048	28.2%
USE TAX RECEIPTS						
Building Permits	170,774	145,159	-15.0%	1,437,567	2,488,750	73.1%
Car Tax	222,936	315,982	41.7%	2,031,775	2,600,595	28.0%
Return Tax	810,861	999,741	23.3%	5,172,423	5,533,826	7.0%
TOTAL USE TAX	1,204,571	1,460,882	21.3%	8,641,765	10,623,171	22.9%
SALES & USE TAX DISTRIBUTION						
Streets and Transportation (.25%)	504,721	525,746	4.2%	4,645,848	4,827,784	3.9%
Building on Basics Projects (.25%)	504,721	525,746	4.2%	4,645,848	4,827,784	3.9%
Natural Areas and Parks (.25%)	504,721	525,746	4.2%	4,645,848	4,827,784	3.9%
Keep Fort Collins Great (.85%)	0	1,787,539	100.0%	0	14,459,314	100.0%
General Fund (2.25%)	5,153,741	5,396,022	4.7%	47,936,811	49,948,553	4.2%
TOTAL SALES & USE TAX	\$6,667,904	\$8,760,799	31.4%	\$61,874,355	\$78,891,219	27.5%

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.

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

Month			% Over/(Under)				Year to Date % Over/(Under)	
	Actual	Budget	Over/(Under) Budget	Over/(Under) Budget	Year to Date Actual	Year to Date Budget	Over/(Under) 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	8,902,313	7,960,808	941,505	11.8%	53,429,397	51,756,267		3.2%
August	7,955,210	7,531,831	423,379	5.6%	61,384,607	59,288,098		3.5%
September	8,745,813	7,917,211	828,602	10.5%	70,130,420	67,205,309		4.4%
October	8,760,799	8,109,874	650,925	8.0%	78,891,219	75,315,183		4.7%
November	-	7,464,103	-	0.0%	-	82,779,286		0.0%
December	-	7,379,177	-	0.0%	-	90,158,462		0.0%
	\$ 78,891,219	\$ 90,158,462	\$ 3,576,036					

Figure 8. Historical Collections

October 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	\$7,299,917	33.6%	\$1,460,882	21.3%	\$8,760,799	31.4%
2010	5,463,333	-2.4%	1,204,571	58.3%	6,667,904	4.9%
2009	5,594,997	0.5%	761,046	-8.4%	6,356,043	-0.6%
2008	5,566,487	-1.3%	830,548	-22.8%	6,397,035	-4.7%
2007	5,638,142	4.1%	1,075,560	-18.5%	6,713,702	-0.3%
2006	5,416,904	3.4%	1,319,963	35.6%	6,736,867	8.5%
2005	5,238,027	5.5%	973,509	-17.9%	6,211,536	1.0%
2004	4,963,305	1.7%	1,186,421	31.4%	6,149,726	6.4%
2003	4,879,570	3.6%	902,901	-7.4%	5,782,472	1.7%
2002	4,711,409		975,140		5,686,550	

October 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	\$68,268,048	28.2%	\$10,623,171	22.9%	\$78,891,219	27.5%
2010	53,232,590	1.8%	8,641,765	18.8%	61,874,355	3.8%
2009	52,307,010	-4.2%	7,274,539	-21.4%	59,581,550	-6.7%
2008	54,600,390	0.7%	9,258,648	-17.4%	63,859,039	-2.4%
2007	54,226,209	0.7%	11,214,365	22.5%	65,440,574	3.8%
2006	53,860,679	6.9%	9,154,255	-18.4%	63,014,933	2.3%
2005	50,378,068	2.9%	11,222,489	4.0%	61,600,557	3.1%
2004	48,974,614	3.7%	10,790,541	8.9%	59,765,154	4.6%
2003	47,210,211	-1.0%	9,906,317	-1.1%	57,116,528	-1.0%
2002	47,668,015		10,012,600		57,680,615	

Figure 9. October Collections

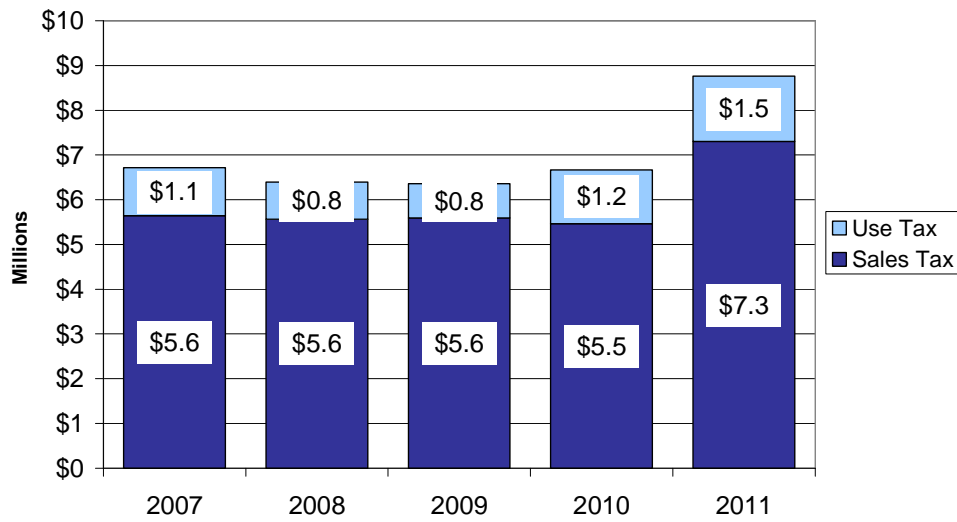


Figure 10. Year to Date Collections

