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DECEMBER SALES AND USE TAX COLLECTIONS

(December sales tax collections are based on retail sales that occurred in November)

Total Sales Tax: + 0.5%
Total Use Tax: + 2.3%
Total Combined Collections: + 0.8%

2008 SALES AND USE TAX:

Total Sales Tax: + 0.4%
Total Use Tax: - 18.0%
Total Combined Collections: - 2.8%

Retail Sales Summary. In November 2008, net taxable retail sales in Fort Collins increased 0.02% over November 2007 (December sales taxes are based on November retail sales). Net taxable retail sales totaled \$173.9 million compared to \$173.8 million a year ago.

December Sales Tax Summary. Actual sales tax collections of \$4,997,745 increased by 0.5% compared to December 2007. Collections ended ahead of budget projections by \$2,356,774 in 2008.

December 2008 Sales Tax Categories	
<p>STRENGTHS:</p> <ul style="list-style-type: none"> • Seven of the 16 retail categories were positive, and one reached a double-digit growth level. • General Merchandise went up 13.3%. • Eating & Drinking Places rose 5.6%. • Home Furnishings & Consumer Electronics increased 4.7%. 	<p>WEAKNESSES:</p> <ul style="list-style-type: none"> • Monthly collections were down in nine categories. • Auto Dealers & Service Stations decreased 17.6%. • Hotel & Other Lodging Places fell 8.1%. • Apparel & Accessory Stores went down 3.2%

December Use Tax Summary. Use Tax receipts totaled \$972,140 in December. The growth rate increased compared to last December, up 2.3%. Car tax receipts decreased 43.7%. Building Permits receipts decreased 61.1%. Return Tax increased 145.8% from 2007. Collections ended behind budget projections for the year by \$854,448.

Total Sales and Use Tax Collections. Total collections (based on the 3.0% tax rate) of \$5,969,885 were 0.8% higher than last December.

Taxes for General Government Use. In December, the total sales and use taxes for general government use, \$4,534,567 were up 0.4%, with sales tax increasing 0.1% and use tax increasing 2.3%. Collections ended ahead of the amount budgeted by \$590,469 in 2008.

Retail Sales in the City's Downtown Area. The net taxable retail sales collected in December in the downtown area decreased 2.7% from the same period in 2007. Net taxable retail sales in the downtown area ended the year 1.0% higher than 2007.

Dedicated Sales and Use Taxes. In December, each of the three dedicated quarter-cent taxes received \$435,675, a decrease of 0.7%.

Proceeds from the vendor fee savings to general purposes were \$93,602 compared to \$62,689 last December. The City received \$34,691 from vendor fee savings to economic vitality.

Lodging Tax Receipts. The City collected \$47,891.35 in lodging taxes in December. This was a decrease of 12.1% from December 2007. Lodging Tax collections ended the year 0.5% lower than 2007.

Spotlight on Retail Sales. At the national level, November retail sales (as reported on December 12th) declined 8.5% compared to the increase in Fort Collins' sales of 0.5%. November sales are the basis for the City's December sales tax collections (which are included in this report). Comparisons for the nation and Fort Collins for selected retail sectors are as follows:

Retail Sales Category	% Change from December 2007 United States	% Change from December 2007 Fort Collins
Durable Goods:		
Building Materials	- 5.3	+ 4.4
Auto Dealers	- 25.2	- 17.6
Furniture	- 10.9	+ 4.7
Non-Durable Goods:		
General Merchandise	+ 2.6	+ 13.3
Food Stores	+ 3.9	+ 4.2
Apparel	- 5.8	- 3.2
Restaurants	+ 2.8	+ 5.6

Building and Construction. Building Permit use tax receipts were down in December, 61.1% below 2007. The Neighborhood & Building Services Department reported the following summary of activity for select permit types in December:

Type of Permit	Issued in December 2008	Valuation	Issued in December 2007	Valuation
Single Family Detached	11	\$2,816,075	11	\$3,257,439
Single Family Attached	1	184,031	3	383,777
Multi-Family # of Units	2 2	160,661	1 6	628,081
Residential Remodel	44	993,021	37	1,145,972
Office/Bank/Professional	2	790,000	1	1,063,500
Mercantile/Retail	2	2,031,000	2	6,574,000
Commercial Remodel/Addition	22	5,030,302	13	1,655,788

Sales Tax Licenses. The City received 128 applications for sales tax licenses for new businesses and 170 businesses terminated their licenses in December.

Collections for 2008 Compared to Prior Years.

December Data Monthly	<u>Sales Tax Receipts</u>		<u>Use Tax Receipts</u>		<u>Combined Tax Receipts</u>	
	Monthly Amount Collected	Compared to Same Month of Prior Year	Monthly Amount Collected	Compared to Same Month of Prior Year	Monthly Amount Collected	Compared to Same Month of Prior Year
Year						
2008	4,997,745	0.5%	972,140	2.3%	5,969,885	0.8%
2007	4,973,742	5.1%	950,004	22.5%	5,923,747	7.5%
2006	4,732,633	3.4%	775,694	3.3%	5,508,327	3.4%
2005	4,577,371	-2.1%	750,599	-14.2%	5,327,970	-4.0%
2004	4,677,313	2.3%	874,795	27.8%	5,552,108	5.6%
2003	4,573,093	2.0%	684,540	-1.9%	5,257,632	1.4%
2002	4,485,601	-2.4%	697,513	-6.8%	5,183,114	-3.0%
2001	4,597,629		748,457		5,346,086	

December Data Year-to-Date	<u>Sales Tax Receipts</u>		<u>Use Tax Receipts</u>		<u>Combined Tax Receipts</u>	
	Year-to-Date Amount Collected	Compared to Same Period of Prior Year	Year-to-Date Amount Collected	Compared to Same Period of Prior Year	Year-to-Date Amount Collected	Compared to Same Period of Prior Year
Year						
2008	64,656,447	0.4%	10,852,819	-18.0%	75,509,265	-2.8%
2007	64,402,853	1.6%	13,242,173	15.5%	77,645,025	3.7%
2006	63,385,570	6.3%	11,464,982	-10.1%	74,850,552	3.4%
2005	59,616,916	2.5%	12,754,709	1.7%	72,371,625	2.3%
2004	58,185,755	3.3%	12,539,106	10.2%	70,724,861	4.5%
2003	56,313,789	-0.4%	11,380,513	-2.2%	67,694,302	-0.7%
2002	56,564,972	-0.5%	11,635,571	-18.7%	68,200,543	-4.2%
2001	56,857,422		14,310,664		71,168,086	

**City of Fort Collins
Sales and Use Tax Summary
December 2008**

	December			Year-to-Date		
	Actual 2007	Actual 2008	Actual % Increase	Actual 2007	Actual 2008	Actual % Increase
SALES TAX RECEIPTS						
Miscellaneous Retail	573,247	579,033	1.0%	7,165,903	7,299,993	1.9%
General Merchandise Stores	729,057	826,221	13.3%	9,446,436	8,883,324	-6.0%
Apparel & Accessory Stores	196,880	190,552	-3.2%	2,499,387	2,379,570	-4.8%
Food Stores	695,463	724,363	4.2%	8,716,934	9,057,007	3.9%
Eating & Drinking Places	626,904	662,010	5.6%	8,012,417	8,456,027	5.5%
Hotel & Other Lodging Places	65,402	60,130	-8.1%	1,017,719	1,013,699	-0.4%
Home Furnishings & Consumer Electronics	424,665	444,479	4.7%	5,247,917	5,208,598	-0.7%
Building & Construction	271,597	283,441	4.4%	3,941,297	4,131,542	4.8%
Auto Dealers & Service Stations	363,671	299,696	-17.6%	4,616,194	4,297,305	-6.9%
Garages & Misc. Repairs	42,105	42,024	-0.2%	632,949	608,244	-3.9%
Transportation & Public Utilities	482,533	480,284	-0.5%	6,356,988	6,505,011	2.3%
Manufacturing & Wholesale Trade	232,362	169,140	-27.2%	2,871,228	2,596,416	-9.6%
Business Services	182,776	154,957	-15.2%	2,402,867	2,604,390	8.4%
Personal Services	36,704	33,505	-8.7%	448,426	492,447	9.8%
Service Industries	44,885	42,078	-6.3%	949,446	1,033,091	8.8%
Amusement & Recreation Services	5,491	5,832	6.2%	76,745	89,784	17.0%
TOTAL SALES TAX	4,973,742	4,997,745	0.5%	64,402,853	64,656,447	0.4%
Less:						
Streets and Transportation	(359,401)	(354,664)	-1.3%	(4,663,684)	(4,624,725)	-0.8%
Building on Basics Projects	(359,401)	(354,664)	-1.3%	(4,663,684)	(4,624,725)	-0.8%
Natural Areas and Parks	(359,401)	(354,664)	-1.3%	(4,663,684)	(4,624,725)	-0.8%
Vendor Fee Savings for General Purposes	(62,689)	(93,602)	49.3%	(821,091)	(1,162,547)	41.6%
Vendor Fee Savings to Economic Vitality	(30,182)	(34,691)	14.9%	(388,443)	(441,479)	13.7%
TOTAL GENERAL SALES TAX	3,802,670	3,805,461	0.1%	49,202,266	49,178,245	0.0%
USE TAX RECEIPTS						
Building Permits	448,388	174,457	-61.1%	3,722,593	2,588,551	-30.5%
Car Tax	229,678	129,363	-43.7%	2,866,938	2,522,799	-12.0%
Return Tax	271,938	668,320	145.8%	6,652,641	5,741,469	-13.7%
TOTAL USE TAX	950,004	972,140	2.3%	13,242,173	10,852,819	-18.0%
Less:						
Streets and Transportation	(79,167)	(81,012)	2.3%	(1,103,514)	(904,402)	-18.0%
Building on Basics Projects	(79,167)	(81,012)	2.3%	(1,103,514)	(904,402)	-18.0%
Natural Areas and Parks	(79,167)	(81,012)	2.3%	(1,103,514)	(904,402)	-18.0%
TOTAL GENERAL USE TAX	712,503	729,105	2.3%	9,931,629	8,139,614	-18.0%
COMBINED RECEIPTS						
SALES	4,973,742	4,997,745	0.5%	64,402,853	64,656,447	0.4%
USE	950,004	972,140	2.3%	13,242,173	10,852,819	-18.0%
COMBINED TOTAL	5,923,747	5,969,885	0.8%	77,645,025	75,509,265	-2.8%
Less:						
Streets and Transportation	(438,568)	(435,675)	-0.7%	(5,767,199)	(5,529,127)	-4.1%
Building on Basics Projects	(438,568)	(435,675)	-0.7%	(5,767,199)	(5,529,127)	-4.1%
Natural Areas and Parks	(438,568)	(435,675)	-0.7%	(5,767,199)	(5,529,127)	-4.1%
Vendor Fee Savings for General Purposes	(62,689)	(93,602)	49.3%	(821,091)	(1,162,547)	41.6%
Vendor Fee Savings to Economic Vitality	(30,182)	(34,691)	14.9%	(388,443)	(441,479)	13.7%
TOTAL DEDUCTIONS	(1,408,574)	(1,435,318)	1.9%	(18,511,130)	(18,191,406)	-1.7%
TOTAL GENERAL TAX	4,515,173	4,534,567	0.4%	59,133,895	57,317,859	-3.1%

**City of Fort Collins
Total Sales and Use Tax Collections
Summary**

2008 Budget **\$ 74,006,940**
Projected Surplus/(Deficiency) based on
Historical Collections: **\$ 1,502,325**

Month	Actual Receipts	Summary of Historical Collections	Over/(Under)	% of 2008 Amount Collected	Cumulative
January	\$ 7,750,457	\$ 7,761,280	\$ (10,824)	10.47%	10.47%
February	6,033,350	5,745,991	\$ 287,359	8.15%	18.63%
March	5,702,300	5,344,304	\$ 357,996	7.71%	26.33%
April	6,327,736	6,082,576	\$ 245,160	8.55%	34.88%
May	6,010,939	5,911,732	\$ 99,207	8.12%	43.00%
June	6,117,031	5,919,426	\$ 197,605	8.27%	51.27%
July	6,399,131	6,405,489	\$ (6,358)	8.65%	59.91%
August	6,558,710	6,002,088	\$ 556,622	8.86%	68.78%
September	6,562,351	6,374,674	\$ 187,678	8.87%	77.64%
October	6,397,035	6,514,492	\$ (117,458)	8.64%	86.29%
November	5,680,342	6,032,778	\$ (352,436)	7.68%	93.96%
December	5,969,885	5,912,110	\$ 57,775	8.07%	102.03%
	\$ 75,509,265	\$ 74,006,940	\$ 1,502,325	102.03%	



