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## Sales and Use Tax Report – August 2012

Issued September 10, 2012

July 2012 transactions are the basis for the August report. Please note that payments received in August are predominately from July 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.

**AUGUST SUMMARY**

| | August | Year to Date |
|---|---|---|
| **Net Taxable Subject to Sales Tax:** | **4.5%** | **6.2%** |
| **Net Taxable Subject to Use Tax:** | **64.4%** | **52.8%** |
| **Total Net Taxable:** | **12.6%** | **11.9%** |

Year to date, net taxable sales are up 6.2% and all but four 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 August was $1.8 million.

**August Net Taxable Subject to Sales Tax.** In August 2012, net taxable sales in Fort Collins increased 4.5% over August 2011. Net taxable sales totaled $196.8 million compared to $188.3 million in 2011.

**August Net Taxable Subject to Use Tax.** The net taxable amount reported of $48.6 million increased 64.4% compared to last August. The net taxable amount subject to use tax on vehicles increased 19.2%. The amount subject to use tax related to building permits increased 58.9%. The net taxable amount reported on tax returns for use tax increased 91.4% from 2011.

**Total Net Taxable.** Total net taxable (based on the 3.85% tax rate) of $245.4 million was 12.6% higher than last August.

**Retail Sales in the City's Downtown Area.** The net taxable sales reported in August in the downtown area increased 1.5% from the same period in 2011.

**Lodging Tax Collections.** The City collected $15,366 in lodging taxes in August. This was an increase of 10.0% from August 2011.

**Sales Tax Licenses.** The City received 106 applications for sales tax licenses for new businesses and 32 businesses terminated their license in August. There were 10,905 active sales tax licenses at the end of August.

**Figure 1. Net Taxable**

| $ in millions | August Actual 2011 | August Actual 2012 | August % Change | Year to Date Actual 2011 | Year to Date Actual 2012 | Year to Date % Change |
|---|---|---|---|---|---|---|
| **SALES TAX** | | | | | | |
| Grocery, Convenience, Liquor | $32.6 | $34.3 | 5.4% | $256.3 | $283.4 | 10.6% |
| Restaurants, Caterers and Bars | 27.5 | 28.0 | 1.6% | 208.3 | 223.2 | 7.2% |
| General Merchandise | 23.1 | 22.9 | -1.2% | 199.8 | 201.1 | 0.6% |
| Vehicle Sales, Parts and Repairs | 13.7 | 15.2 | 10.8% | 105.6 | 117.6 | 11.3% |
| Building Materials, Garden Equipment & Supplies | 15.1 | 16.1 | 6.4% | 99.2 | 110.9 | 11.8% |
| Sporting, Hobby, Book, Music | 9.1 | 9.0 | -1.6% | 86.8 | 86.6 | -0.2% |
| Broadcasting and Telecommunications | 9.6 | 10.2 | 6.1% | 77.5 | 81.1 | 4.6% |
| Electronics and Appliances | 10.3 | 9.7 | -5.4% | 81.5 | 81.4 | -0.1% |
| Miscellaneous Retailers | 8.5 | 8.3 | -1.6% | 79.3 | 79.5 | 0.3% |
| Utilities | 7.5 | 9.6 | 27.7% | 74.3 | 76.8 | 3.2% |
| Clothing and Accessories | 6.1 | 6.2 | 1.1% | 54.1 | 58.1 | 7.4% |
| Pharmacy, Salon and Laundry | 4.7 | 3.8 | -18.6% | 41.1 | 37.3 | -9.2% |
| Other | 3.3 | 3.2 | -4.1% | 31.4 | 36.1 | 14.7% |
| Rental and Leasing Services | 3.7 | 3.9 | 5.6% | 28.3 | 27.8 | -1.8% |
| Furniture and Home Furnishings | 3.6 | 4.8 | 33.5% | 27.3 | 30.5 | 11.7% |
| Wholesale Trade | 2.8 | 3.5 | 24.4% | 25.2 | 27.9 | 10.7% |
| Lodging | 4.0 | 4.7 | 17.3% | 21.8 | 26.0 | 19.6% |
| Manufacturing | 3.0 | 3.5 | 14.8% | 23.0 | 29.2 | 26.9% |
| **NET TAXABLE SUBJECT TO SALES TAX** | **188.3** | **196.8** | **4.5%** | **1,520.8** | **1,614.5** | **6.2%** |
| **USE TAX** | | | | | | |
| Building Permits | 7.6 | 12.1 | 58.9% | 53.4 | 72.8 | 36.4% |
| Car Tax | 7.6 | 9.1 | 19.2% | 52.8 | 62.2 | 17.9% |
| Return Tax | 14.3 | 27.4 | 91.4% | 107.3 | 191.1 | 78.1% |
| **NET TAXABLE SUBJECT TO USE TAX** | **29.5** | **48.6** | **64.4%** | **213.4** | **326.1** | **52.8%** |
| **TOTAL NET TAXABLE SUBJECT TO SALES & USE TAX** | **$217.8** | **$245.4** | **12.6%** | **$1,734.3** | **$1,940.6** | **11.9%** |

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

| Retail Sales Category | % Change from July 2011 United States | % Change from July 2011 Fort Collins |
|---|---|---|
| Grocery, Convenience, Liquor | 2.5 | 5.4 |
| Restaurants, Caterers & Bars | 7.3 | 1.6 |
| General Merchandise | 0.6 | -1.2 |
| Vehicle Sales, Parts & Repairs | 8.2 | 10.8 |
| Building Materials, Garden Equipment & Supplies | 1.0 | 6.4 |
| Clothing & Accessories | 5.0 | 1.1 |
| Furniture & Home Furnishings | 9.9 | 33.5 |

At the national level, July retail sales (as reported on August 14th) increased 4.1% compared to the increase in Fort Collins' sales of 4.5%. July sales are the basis for the City's August sales tax collections and net taxable amounts (which are included in this report).

**Figure 3. August 2012 - Net Taxable Sales Subject to Sales Tax**

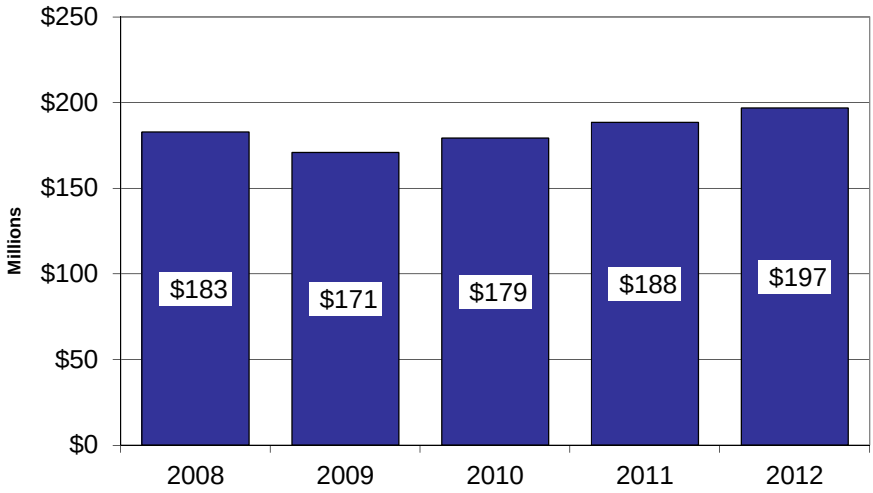
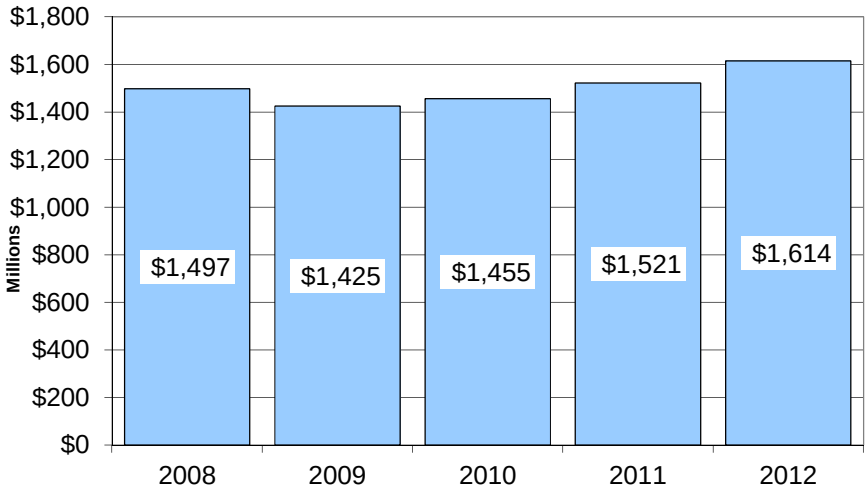


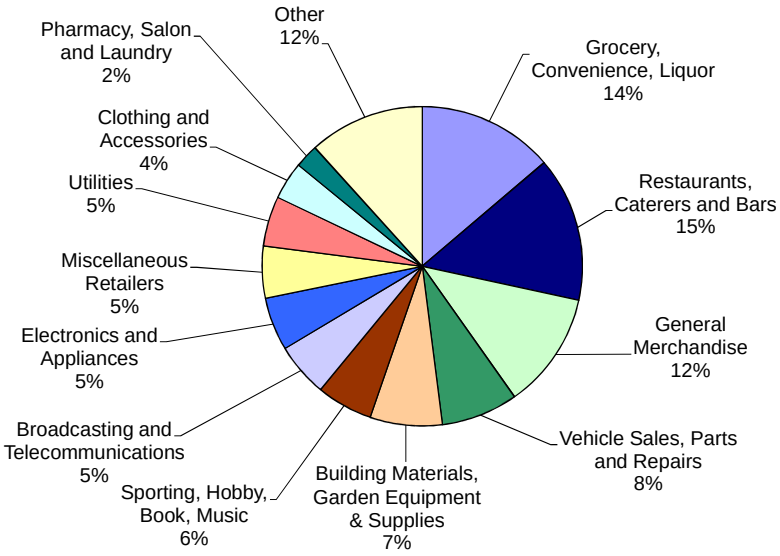

**Figure 4. Year to Date - Net Taxable Sales Subject to Sales Tax**



## Figure 5. Sales and Use Tax

| | August | | | Year to Date | | |
|---|---|---|---|---|---|---|
| | Actual 2011 | Actual 2012 | % Change | Actual 2011 | Actual 2012 | % Change |
| **SALES TAX RECEIPTS** | | | | | | |
| Grocery, Convenience, Liquor | $946,058 | $980,761 | 3.7% | $7,154,891 | $8,045,967 | 12.5% |
| Restaurants, Caterers and Bars | 1,057,696 | 1,080,521 | 2.2% | 7,743,657 | 8,566,005 | 10.6% |
| General Merchandise | 780,041 | 770,208 | -1.3% | 6,560,512 | 6,906,326 | 5.3% |
| Vehicle Sales, Parts and Repairs | 529,512 | 585,020 | 10.5% | 3,954,593 | 4,532,719 | 14.6% |
| Building Materials, Garden Equipment & Supplies | 581,988 | 619,843 | 6.5% | 3,790,185 | 4,262,736 | 12.5% |
| Sporting, Hobby, Book, Music | 353,414 | 345,058 | -2.4% | 3,192,505 | 3,319,263 | 4.0% |
| Broadcasting and Telecommunications | 369,471 | 391,793 | 6.0% | 2,883,109 | 3,184,923 | 10.5% |
| Electronics and Appliances | 396,470 | 374,554 | -5.5% | 2,992,902 | 3,139,647 | 4.9% |
| Miscellaneous Retailers | 314,000 | 318,135 | 1.3% | 2,913,387 | 3,083,190 | 5.8% |
| Utilities | 289,062 | 369,457 | 27.8% | 2,778,353 | 2,956,328 | 6.4% |
| Clothing and Accessories | 238,169 | 232,359 | -2.4% | 1,991,572 | 2,239,473 | 12.4% |
| Pharmacy, Salon and Laundry | 176,193 | 142,873 | -18.9% | 1,520,662 | 1,400,343 | -7.9% |
| Other | 127,222 | 126,293 | -0.7% | 1,156,431 | 1,401,758 | 21.2% |
| Rental and Leasing Services | 144,088 | 151,777 | 5.3% | 1,053,960 | 1,067,751 | 1.3% |
| Furniture and Home Furnishings | 140,774 | 183,042 | 30.0% | 1,054,535 | 1,170,468 | 11.0% |
| Wholesale Trade | 108,252 | 131,454 | 21.4% | 922,908 | 1,094,683 | 18.6% |
| Lodging | 152,282 | 179,804 | 18.1% | 821,464 | 1,002,782 | 22.1% |
| Manufacturing | 113,208 | 129,912 | 14.8% | 899,050 | 1,085,823 | 20.8% |
| **TOTAL SALES TAX** | **6,817,900** | **7,112,864** | **4.3%** | **53,384,676** | **58,460,185** | **9.5%** |
| **USE TAX RECEIPTS** | | | | | | |
| Building Permits | 292,408 | 464,723 | 58.9% | 2,038,075 | 2,803,103 | 37.5% |
| Car Tax | 293,403 | 349,617 | 19.2% | 1,983,200 | 2,394,513 | 20.7% |
| Return Tax | 551,499 | 1,055,710 | 91.4% | 3,978,656 | 7,358,872 | 85.0% |
| **TOTAL USE TAX** | **1,137,310** | **1,870,050** | **64.4%** | **7,999,931** | **12,556,488** | **57.0%** |
| **SALES & USE TAX DISTRIBUTION** | | | | | | |
| Streets and Transportation (.25%) | 475,687 | 540,223 | 13.6% | 3,779,745 | 4,250,249 | 12.4% |
| Building on Basics Projects (.25%) | 475,687 | 540,223 | 13.6% | 3,779,745 | 4,250,249 | 12.4% |
| Natural Areas and Parks (.25%) | 475,687 | 540,223 | 13.6% | 3,779,745 | 4,250,249 | 12.4% |
| Keep Fort Collins Great (.85%) | 1,617,336 | 1,836,757 | 13.6% | 10,895,980 | 14,450,839 | 32.6% |
| General Fund (2.25%) | 4,910,813 | 5,525,488 | 12.5% | 39,149,392 | 43,815,087 | 11.9% |
| **TOTAL SALES & USE TAX** | **$7,955,210** | **$8,982,914** | **12.9%** | **$61,384,607** | **$71,016,673** | **15.7%** |

## 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**

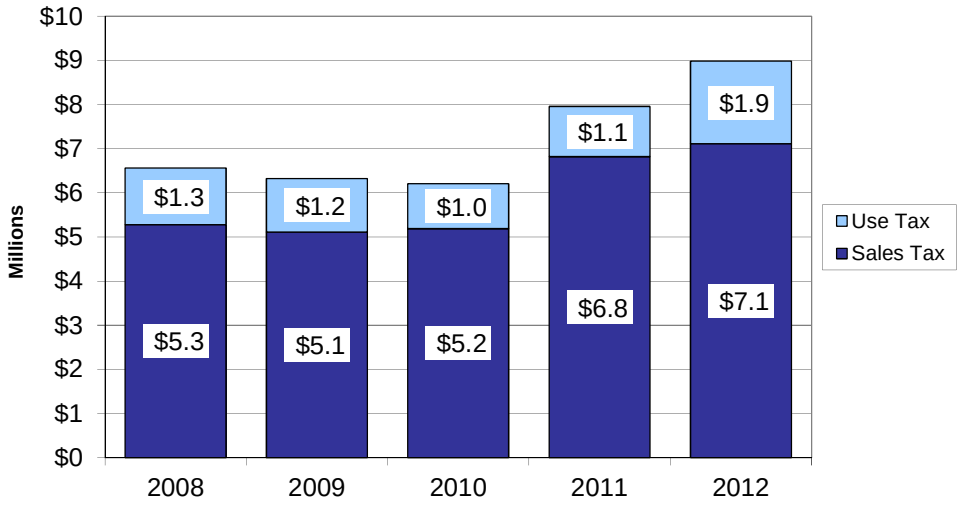
| Month | Actual | Budget | Over/(Under) Budget | % Over/(Under) Budget | Year to Date Actual | Year to Date Budget | Year to Date % Over/(Under) Budget |
|---|---|---|---|---|---|---|---|
| January | $ 10,413,723 | $ 10,696,555 | $ (282,832) | -2.6% | $ 10,413,723 | $ 10,696,555 | -2.6% |
| February | 7,468,813 | 7,995,074 | (526,261) | -6.6% | 17,882,536 | 18,691,629 | -4.3% |
| March | 7,978,448 | 7,599,974 | 378,473 | 5.0% | 25,860,984 | 26,291,604 | -1.6% |
| April | 9,025,853 | 8,555,152 | 470,701 | 5.5% | 34,886,837 | 34,846,756 | 0.1% |
| May | 8,650,151 | 8,291,489 | 358,662 | 4.3% | 43,536,988 | 43,138,245 | 0.9% |
| June | 9,046,851 | 8,333,838 | 713,013 | 8.6% | 52,583,839 | 51,472,083 | 2.2% |
| July | 9,449,920 | 9,034,166 | 415,754 | 4.6% | 62,033,759 | 60,506,248 | 2.5% |
| August | 8,982,914 | 8,535,790 | 447,124 | 5.2% | 71,016,673 | 69,042,038 | 2.9% |
| September | - | 8,970,199 | - | 0.0% | - | 78,012,238 | 0.0% |
| October | - | 9,177,550 | - | 0.0% | - | 87,189,788 | 0.0% |
| November | - | 8,444,368 | - | 0.0% | - | 95,634,156 | 0.0% |
| December | - | 8,342,367 | - | 0.0% | - | 103,976,524 | 0.0% |
| | $ 71,016,673 | $ 103,976,524 | $ 1,974,634 | | | | |

**Figure 8. Historical Collections**

| **August Monthly** Year | **Sales Tax Collections** Month | Compared to Prior Year | **Use Tax Collections** Month | Compared to Prior Year | **Combined Tax Collections** Month | Compared to Prior Year |
|---|---|---|---|---|---|---|
| 2012 | $7,112,864 | 4.3% | $1,870,050 | 64.4% | $8,982,914 | 12.9% |
| 2011 | 6,817,900 | 31.5% | 1,137,310 | 11.6% | 7,955,210 | 28.2% |
| 2010 | 5,186,134 | 1.5% | 1,019,477 | -15.8% | 6,205,611 | -1.8% |
| 2009 | 5,111,272 | -3.1% | 1,210,355 | -5.7% | 6,321,626 | -3.6% |
| 2008 | 5,275,312 | -2.6% | 1,283,398 | 4.9% | 6,558,710 | -1.2% |
| 2007 | 5,415,219 | 11.2% | 1,222,965 | 30.3% | 6,638,184 | 14.3% |
| 2006 | 4,871,136 | -1.9% | 938,910 | -7.6% | 5,810,046 | -2.8% |
| 2005 | 4,963,804 | 5.2% | 1,015,851 | -2.4% | 5,979,655 | 3.8% |
| 2004 | 4,717,044 | 2.4% | 1,040,994 | 10.1% | 5,758,038 | 3.7% |
| 2003 | 4,607,279 | | 945,612 | | 5,552,891 | |

| **August Year to Date** Year | **Sales Tax Collections** Year to Date | Compared to Prior Year | **Use Tax Collections** Year to Date | Compared to Prior Year | **Combined Tax Collections** Year to Date | Compared to Prior Year |
|---|---|---|---|---|---|---|
| 2012 | $58,460,185 | 9.5% | $12,556,488 | 57.0% | $71,016,673 | 15.7% |
| 2011 | 53,384,676 | 26.2% | 7,999,931 | 19.3% | 61,384,607 | 25.3% |
| 2010 | 42,289,916 | 2.2% | 6,703,473 | 12.1% | 48,993,389 | 3.4% |
| 2009 | 41,384,944 | -4.2% | 5,982,535 | -22.1% | 47,367,479 | -6.9% |
| 2008 | 43,215,373 | 0.4% | 7,684,280 | -17.4% | 50,899,653 | -2.8% |
| 2007 | 43,055,356 | -0.4% | 9,300,469 | 36.1% | 52,355,826 | 4.5% |
| 2006 | 43,249,366 | 8.2% | 6,833,110 | -21.3% | 50,082,476 | 2.9% |
| 2005 | 39,969,571 | 2.5% | 8,685,470 | 1.9% | 48,655,041 | 2.4% |
| 2004 | 39,004,079 | 4.8% | 8,521,221 | 5.8% | 47,525,300 | 4.9% |
| 2003 | 37,231,921 | | 8,054,578 | | 45,286,499 | |

**Figure 9. August Collections**



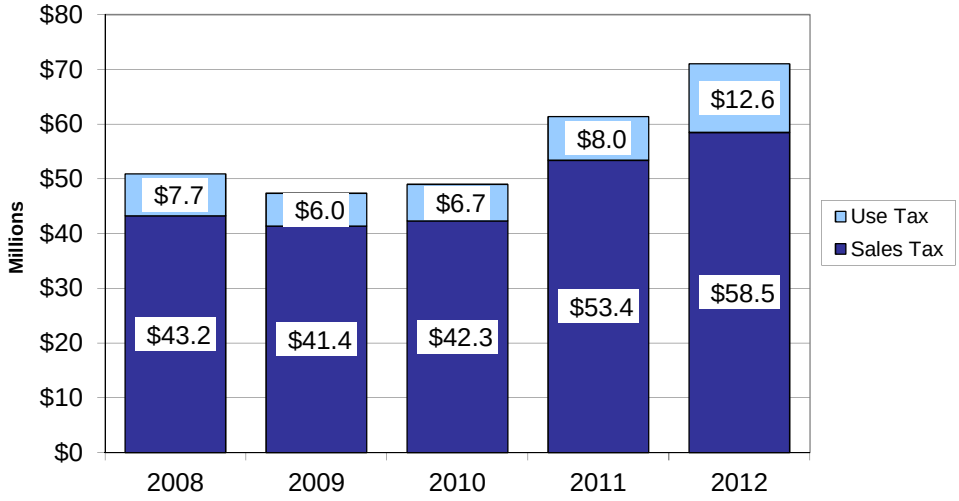


**Figure 10. Year to Date Collections**