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## Sales and Use Tax Collection Report – December 2018

Issued January 10, 2019

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

### DECEMBER SUMMARY OVER PRIOR YEAR

	Month	Year to Date
Net Sales Tax Collected:	2.6%	3.6%
Net Use Tax Collected:	73.6%	-4.4%
Net Sales and Use Tax Collected:	13.5%	2.2%

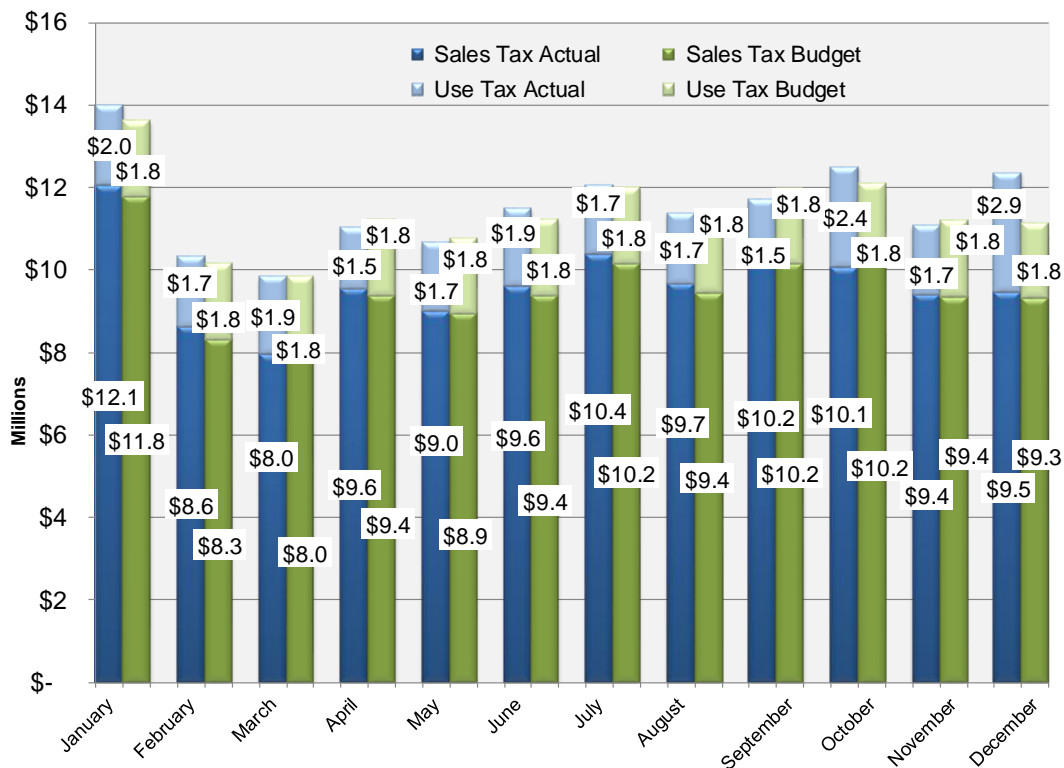
Year to date, sales and use tax collections excluding rebates are up 2.2% and total \$138.4M.

### DECEMBER SUMMARY OVER BUDGET

	Month	Year to Date
Net Sales Tax Collected:	1.5%	1.3%
Net Use Tax Collected:	57.4%	2.1%
Net Sales and Use Tax Collected:	10.8%	1.4%

Year to date, the City has collected 1.4% more sales and use tax revenue, totaling \$1.9M over budget.

Figure 1. Budget to Actual - Sales and Use Tax Collected After Rebates



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

	December			Year to Date		
	Actual 2017	Actual 2018	% Change	Actual 2017	Actual 2018	% Change
<b>SALES TAX COLLECTIONS</b>						
Grocery, Convenience, Liquor	\$1,211,617	\$1,231,892	1.7%	\$15,129,157	\$15,633,457	3.3%
Restaurants, Caterers and Bars	1,377,309	1,403,748	1.9%	17,220,460	18,085,512	5.0%
General Merchandise	923,732	997,515	8.0%	10,243,979	10,692,384	4.4%
Vehicle Sales, Parts and Repairs	729,179	730,547	0.2%	9,065,703	9,097,115	0.3%
Building Materials, Garden Equipment & Supplies	702,137	722,686	2.9%	9,289,659	9,880,766	6.4%
Sporting, Hobby, Book, Music	393,307	419,804	6.7%	5,270,752	5,132,842	-2.6%
Broadcasting and Telecommunications	379,109	408,510	7.8%	4,671,149	5,033,677	7.8%
Electronics and Appliances	584,638	426,294	-27.1%	5,863,758	5,200,651	-11.3%
Miscellaneous Retailers	730,346	756,089	3.5%	7,734,364	8,336,130	7.8%
Utilities	371,083	366,838	-1.1%	4,779,543	4,816,601	0.8%
Clothing and Accessories	322,953	350,085	8.4%	4,048,689	4,187,195	3.4%
Pharmacy, Salon and Laundry	373,128	423,128	13.4%	4,487,607	5,064,652	12.9%
Other	272,169	240,753	-11.5%	2,890,939	2,663,531	-7.9%
Rental and Leasing Services	186,688	194,434	4.1%	2,603,867	2,505,705	-3.8%
Furniture and Home Furnishings	237,265	237,889	0.3%	2,621,853	2,683,039	2.3%
Wholesale Trade	130,820	197,225	50.8%	1,610,670	2,129,375	32.2%
Lodging	136,308	175,683	28.9%	2,169,194	2,723,798	25.6%
Manufacturing	155,038	169,714	9.5%	2,411,959	2,435,684	1.0%
<b>TOTAL SALES TAX</b>	<b>9,216,826</b>	<b>9,452,834</b>	<b>2.6%</b>	<b>112,113,302</b>	<b>116,302,114</b>	<b>3.7%</b>
Less Mall Sales Tax Remittance*	0	0	0.0%	(205,255)	(339,423)	65.4%
<b>NET SALES TAX</b>	<b>9,216,826</b>	<b>9,452,834</b>	<b>2.6%</b>	<b>111,908,047</b>	<b>115,962,691</b>	<b>3.6%</b>
<b>USE TAX COLLECTIONS</b>						
Building Permits	640,664	1,747,979	172.8%	8,841,967	8,004,331	-9.5%
Car Tax	485,542	519,108	6.9%	6,423,814	6,506,458	1.3%
Return Tax	553,159	630,789	14.0%	8,379,663	7,940,270	-5.2%
<b>TOTAL USE TAX</b>	<b>1,679,365</b>	<b>2,897,876</b>	<b>72.6%</b>	<b>23,645,444</b>	<b>22,451,059</b>	<b>-5.1%</b>
Less Economic Rebates	(10,177)	0	-100.0%	(159,145)	0	-100.0%
<b>NET USE TAX</b>	<b>1,669,188</b>	<b>2,897,876</b>	<b>73.6%</b>	<b>23,486,299</b>	<b>22,451,059</b>	<b>-4.4%</b>
<b>SALES &amp; USE TAX COLLECTIONS</b>						
Total Sales & Use Tax	<b>10,896,191</b>	<b>12,350,710</b>	13.3%	<b>135,758,746</b>	<b>138,753,173</b>	2.2%
Less Mall Sales Tax Remittance*	0	0	0.0%	(205,255)	(339,423)	65.4%
Less Economic Rebates	(10,177)	0	-100.0%	(159,145)	0	-100.0%
<b>NET SALES &amp; USE TAX</b>	<b>10,886,014</b>	<b>12,350,710</b>	<b>13.5%</b>	<b>135,394,346</b>	<b>138,413,750</b>	<b>2.2%</b>
<b>SALES &amp; USE TAX DISTRIBUTION</b>						
Streets and Transportation (.25%)	656,971	750,366	14.2%	8,194,428	8,351,840	1.9%
Community Capital Improvement Program (.25%)	656,971	750,366	14.2%	8,194,428	8,351,840	1.9%
Natural Areas (.25%)	656,971	750,366	14.2%	8,194,428	8,351,840	1.9%
Keep Fort Collins Great (.85%)	2,208,768	2,513,417	13.8%	27,443,103	28,126,683	2.5%
General Fund (2.25%)	6,716,510	7,586,195	12.9%	83,732,359	85,570,970	2.2%
Less Mall Sales Tax Remittance*	0	0	0.0%	(205,255)	(339,423)	65.4%
Less General Fund Economic Rebates	(10,177)	0	-100.0%	(159,145)	0	-100.0%
<b>NET SALES &amp; USE TAX</b>	<b>\$10,886,014</b>	<b>\$12,350,710</b>	<b>13.5%</b>	<b>\$135,394,346</b>	<b>\$138,413,750</b>	<b>2.2%</b>

\* Per the Mall Redevelopment Agreement, a portion of the sales tax generated at the Mall is remitted monthly to support the Metro District Debt Service

**December Sales Tax Collected.** In December 2018, sales tax collected in Fort Collins increased 2.6% compared to December 2017. Sales tax collected totaled \$9.5M compared to \$9.2M in 2017.

**December Use Tax Collected.** The total use tax collected in December was \$2.9M, an increase of 73.6% compared to last December.

**Net Sales and Use Tax Collected.** Total tax collected of \$12.4M was 13.5% higher than December 2017.

**Figure 3. Budget to Actual - Sales Tax Collected**

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	\$ 12,052,066	11,782,121	\$ 269,945	2.3%	\$ 12,052,066	\$ 11,782,121	2.3%
February	8,632,767	8,312,751	320,016	3.8%	20,684,833	20,094,872	2.9%
March	7,960,623	8,015,049	(54,426)	-0.7%	28,645,456	28,109,921	1.9%
April	9,552,190	9,389,056	163,134	1.7%	38,197,646	37,498,977	1.9%
May	9,003,489	8,942,502	60,987	0.7%	47,201,135	46,441,479	1.6%
June	9,610,964	9,377,610	233,354	2.5%	56,812,099	55,819,089	1.8%
July	10,379,725	10,167,663	212,062	2.1%	67,191,824	65,986,752	1.8%
August	9,654,776	9,446,309	208,467	2.2%	76,846,600	75,433,061	1.9%
September	10,181,629	10,156,212	25,417	0.3%	87,028,229	85,589,273	1.7%
October	10,070,070	10,247,814	(177,744)	-1.7%	97,098,299	95,837,087	1.3%
November	9,411,558	9,354,707	56,851	0.6%	106,509,857	105,191,794	1.3%
December	9,452,834	9,308,906	143,928	1.5%	115,962,691	114,500,700	1.3%
Net Collections	115,962,691	114,500,700	1,461,991	1.3%			
YTD Rebates	339,423	0	339,423			-	
<b>Total Collections</b>	<b>\$ 116,302,114</b>	<b>\$ 114,500,700</b>	<b>\$ 1,801,414</b>	<b>1.6%</b>		<b>\$ 114,500,700</b>	

**Figure 4. Budget to Actual – Use Tax Collected**

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	\$ 1,955,504	\$ 1,832,598	\$ 122,906	6.7%	\$ 1,955,504	\$ 1,832,598	6.7%
February	1,688,330	1,832,598	(144,268)	-7.9%	3,643,834	3,665,196	-0.6%
March	1,874,037	1,832,598	41,439	2.3%	5,517,871	5,497,794	0.4%
April	1,469,936	1,832,598	(362,662)	-19.8%	6,987,807	7,330,392	-4.7%
May	1,665,697	1,832,598	(166,901)	-9.1%	8,653,504	9,162,990	-5.6%
June	1,861,284	1,832,598	28,686	1.6%	10,514,788	10,995,588	-4.4%
July	1,688,422	1,832,598	(144,176)	-7.9%	12,203,210	12,828,186	-4.9%
August	1,716,015	1,832,598	(116,583)	-6.4%	13,919,225	14,660,784	-5.1%
September	1,520,675	1,832,598	(311,923)	-17.0%	15,439,900	16,493,382	-6.4%
October	2,435,752	1,832,598	603,154	32.9%	17,875,652	18,325,980	-2.5%
November	1,677,531	1,832,598	(155,067)	-8.5%	19,553,183	20,158,578	-3.0%
December	2,897,876	1,841,422	1,056,454	57.4%	22,451,059	22,000,000	2.1%
Net Collections	22,451,059	22,000,000	451,059	2.1%			
YTD Rebates	-	0	-			-	
<b>Total Collections</b>	<b>\$ 22,451,059</b>	<b>\$ 22,000,000</b>	<b>\$ 451,059</b>	<b>2.1%</b>		<b>\$ 22,000,000</b>	

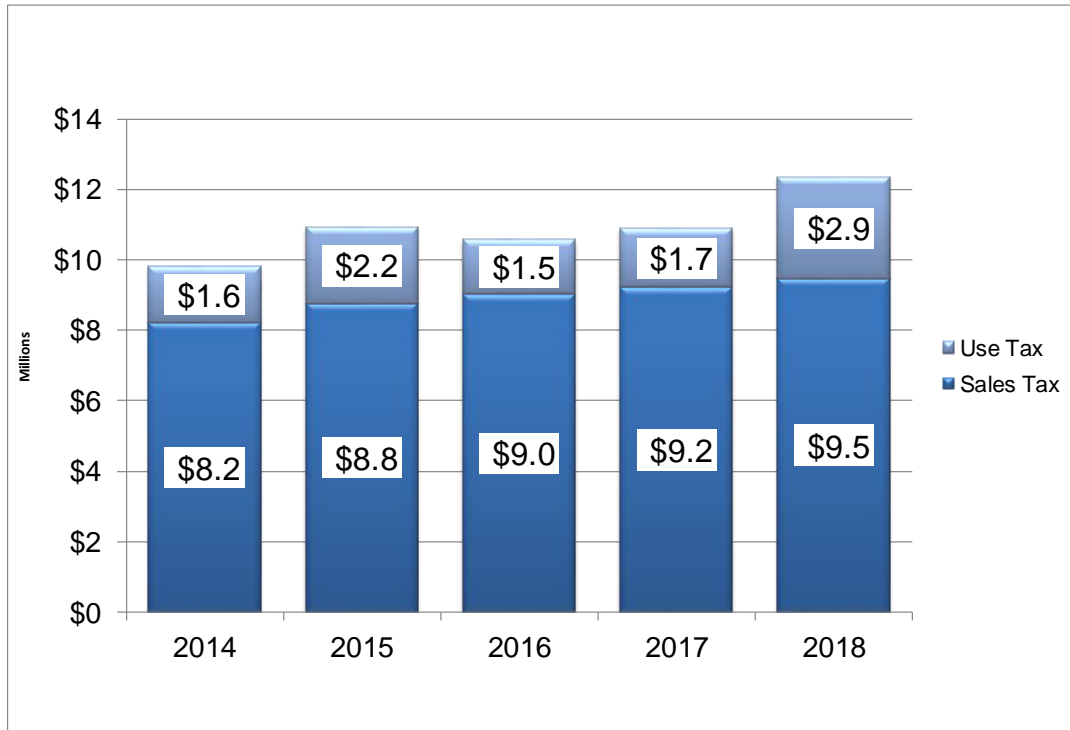
**Figure 5. Budget to Actual – Sales and Use Tax Distribution**

Fund	Actual		Over/(Under)		% Over/(Under) Budget
	Dec YTD	Budget Dec YTD	Budget Dec YTD	% Over/(Under) Budget	
Streets and Transportation (.25%)	8,351,840	8,157,300	194,540	2.4%	
Community Capital Improvement Program (.25%)	8,351,840	8,157,300	194,540	2.4%	
Natural Areas and Parks (.25%)	8,351,840	8,157,300	194,540	2.4%	
Keep Fort Collins Great (.85%)	28,126,683	27,735,200	391,483	1.4%	
General Fund (2.25%) (net of rebates)	85,231,547	84,293,600	937,947	1.1%	
General Fund Economic Rebates	339,423	0	339,423	100.0%	
<b>Total Collections</b>	<b>\$ 138,753,173</b>	<b>\$ 136,500,700</b>	<b>\$ 2,252,473</b>		

**December Sales Tax Budget to Actual.** In December 2018, sales tax collected in Fort Collins was \$144K more than budget. Year to date, sales tax collected in the City was \$1.5M more than budget.

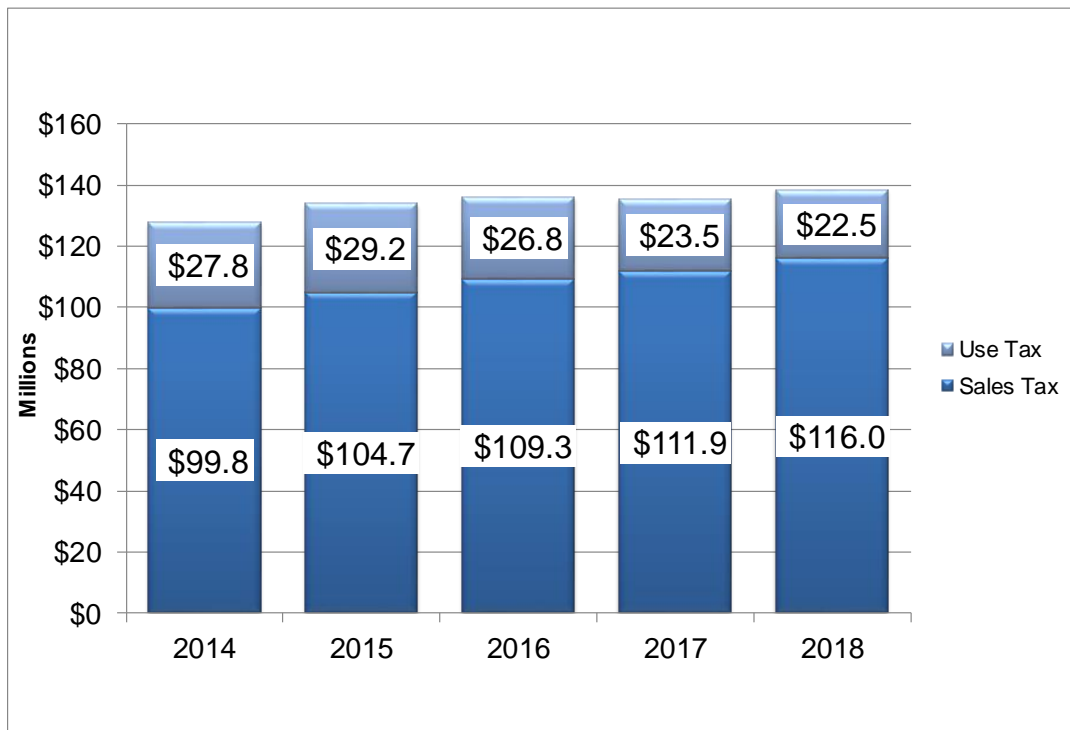
**December Use Tax Budget to Actual Excluding Rebates.** In December 2018, use tax collected in Fort Collins was \$1.1M more than budget. Year to date, use tax collected in the City was \$451K more than budget.

**Figure 6. December Collections\***



\*Total collections after rebates.

**Figure 7. Year to Date Collections\***



\*Total collections after rebates.

**Figure 8. Net Taxable**

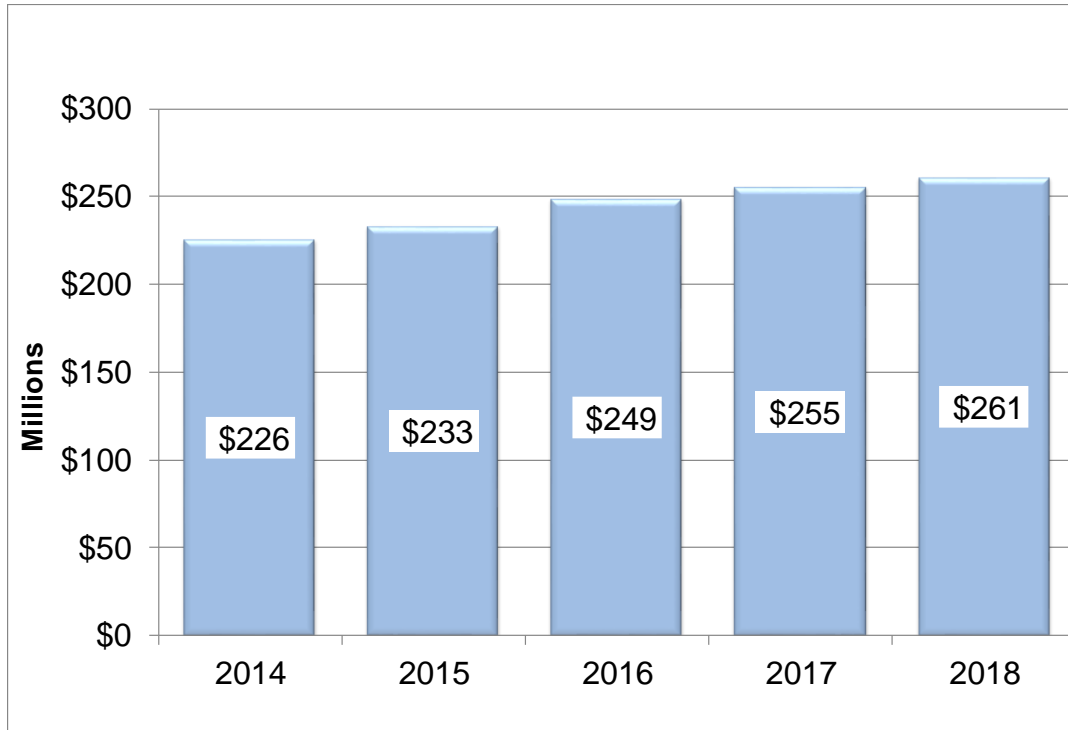
\$ in Millions	December Sales			Year to Date		
	Actual	Actual	%	Actual	Actual	%
	2017	2018	Change	2017	2018	Change
<b>SALES TAX</b>						
Grocery, Convenience, Liquor	\$42.5	\$43.5	2.2%	\$532.4	\$548.1	3.0%
Restaurants, Caterers and Bars	35.9	36.2	0.9%	448.3	470.6	5.0%
General Merchandise	27.0	29.1	7.6%	301.3	314.0	4.2%
Vehicle Sales, Parts and Repairs	18.9	18.9	0.2%	235.3	237.5	1.0%
Building Materials, Garden Equipment & Supplies	18.4	18.7	1.8%	241.8	259.7	7.4%
Sporting, Hobby, Book, Music	10.3	10.8	5.4%	137.1	137.0	0.0%
Broadcasting and Telecommunications	9.9	10.6	7.3%	121.4	130.8	7.8%
Electronics and Appliances	15.2	11.1	-27.0%	154.4	137.1	-11.2%
Miscellaneous Retailers	19.2	20.0	4.1%	202.7	218.3	7.7%
Utilities	9.6	9.5	-1.1%	124.2	127.7	2.8%
Clothing and Accessories	8.4	9.1	7.7%	105.3	109.0	3.5%
Pharmacy, Salon and Laundry	9.8	11.0	12.6%	117.9	133.6	13.3%
Other	6.9	6.4	-7.6%	75.2	72.7	-3.3%
Rental and Leasing Services	4.8	5.1	4.4%	67.6	65.6	-2.9%
Furniture and Home Furnishings	6.3	5.9	-5.8%	68.2	69.5	1.9%
Wholesale Trade	3.5	5.7	61.5%	43.4	58.9	35.8%
Lodging	3.5	4.5	27.5%	56.0	70.8	26.5%
Manufacturing	5.0	4.5	-9.7%	64.5	64.1	-0.6%
<b>NET TAXABLE SUBJECT TO SALES TAX</b>	<b>255.2</b>	<b>260.5</b>	<b>2.1%</b>	<b>3,096.8</b>	<b>3,225.1</b>	<b>4.1%</b>
<b>USE TAX</b>						
Building Permits	16.6	45.4	172.8%	229.7	207.9	-9.5%
Car Tax	12.6	13.5	6.9%	166.9	169.0	1.3%
Return Tax	14.4	16.4	14.0%	217.7	206.2	-5.2%
<b>NET TAXABLE SUBJECT TO USE TAX</b>	<b>43.6</b>	<b>75.3</b>	<b>72.6%</b>	<b>614.2</b>	<b>583.1</b>	<b>-5.1%</b>
<b>TOTAL NET TAXABLE SUBJECT TO SALES &amp; USE TAX</b>	<b>\$298.8</b>	<b>\$335.8</b>	<b>12.4%</b>	<b>\$3,711.0</b>	<b>\$3,808.2</b>	<b>2.6%</b>

**Figure 9. Local Retail Compared to National Retail**

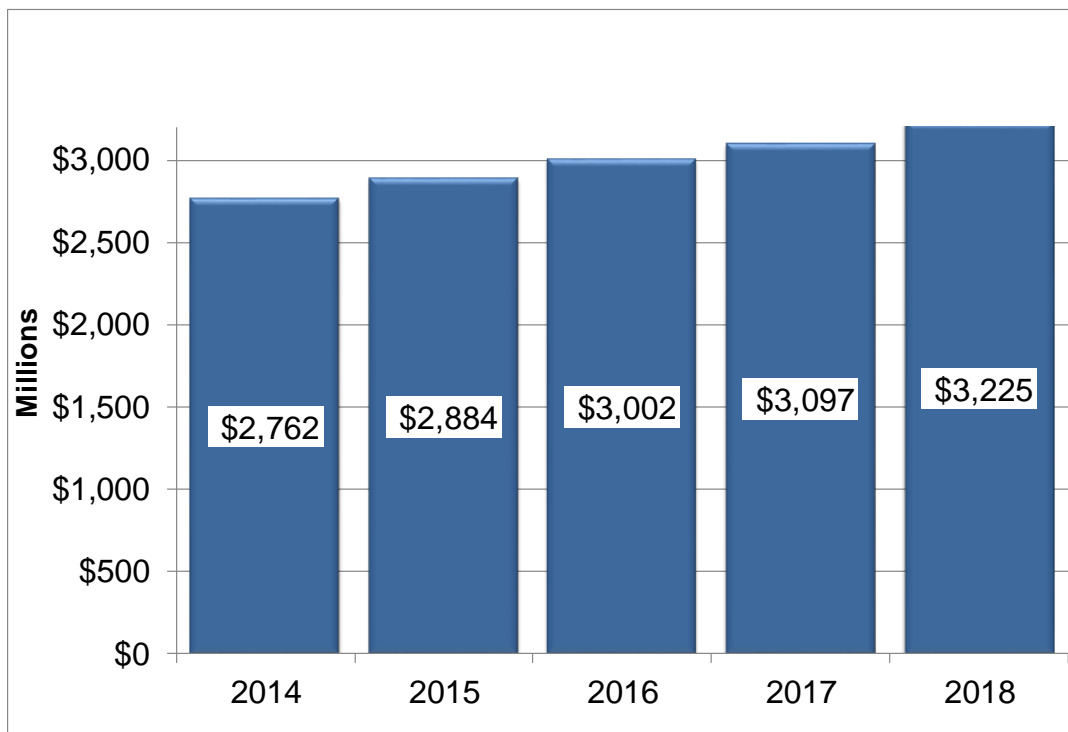
Retail Sales Category	% Change from November 2017 United States	% Change from November 2017 Fort Collins
Grocery, Convenience, Liquor	3.0	2.2
Restaurants, Caterers & Bars	5.6	0.9
General Merchandise	3.6	7.6
Vehicle Sales, Parts & Repairs	1.4	0.2
Building Materials, Garden Equipment & Supplies	3.5	1.8
Clothing & Accessories	4.1	7.7
Furniture & Home Furnishings	1.7	-5.8
<b>Total</b>	<b>4.2</b>	<b>2.1</b>

At the national level, November 2018 retail sales (as reported on December 14, 2018) increased by 4.2% compared to an increase in Fort Collins' sales of 2.1%. November 2018 sales are the basis for the City's December 2018 sales tax collections and net taxable amounts (which are included in this report).

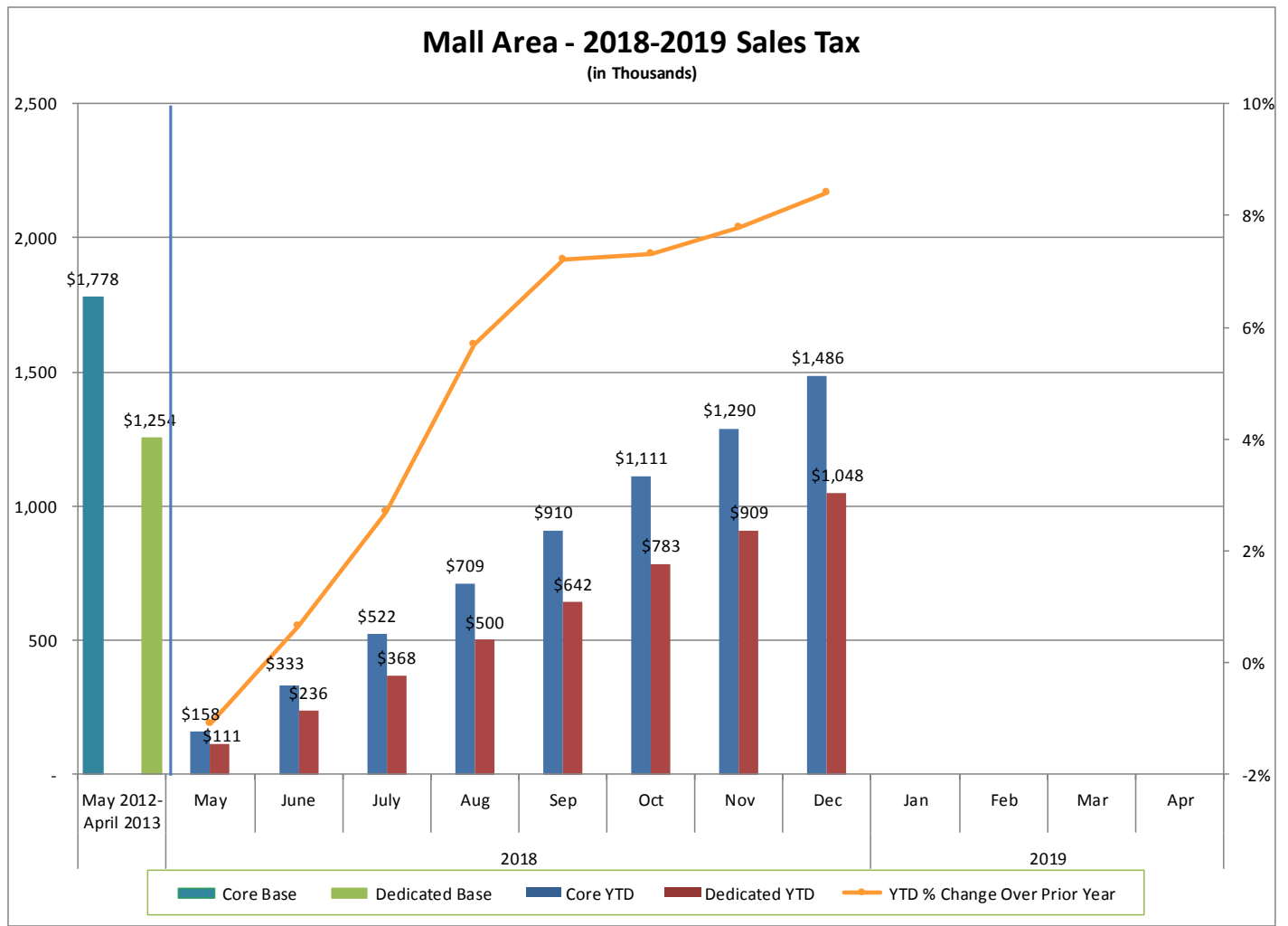
**Figure 10. December - Net Taxable Sales Subject to Sales Tax**



**Figure 11. Year to Date - Net Taxable Sales Subject to Sales Tax**



**Figure 12. 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. No tax is remitted to the Metro District until the base of \$1.8M is reached. The chart above tracks both Core and Dedicated tax receipts for the period of May to April. As of December 31, 2018, the year to date core amount collected is \$1.5M resulting in no tax being due to the Metro District.

**Sales Tax in the City’s Downtown Area.** The sales tax collected in December for the downtown area increased 13.7% from the same period in 2017.

**Lodging Tax Collections.** The City collected \$115K in lodging tax in December 2018. This was an increase of 24.2% from December 2017.

**Sales Tax Licenses.** There were 12,565 active sales tax licenses at the end of December.