

Memorandum

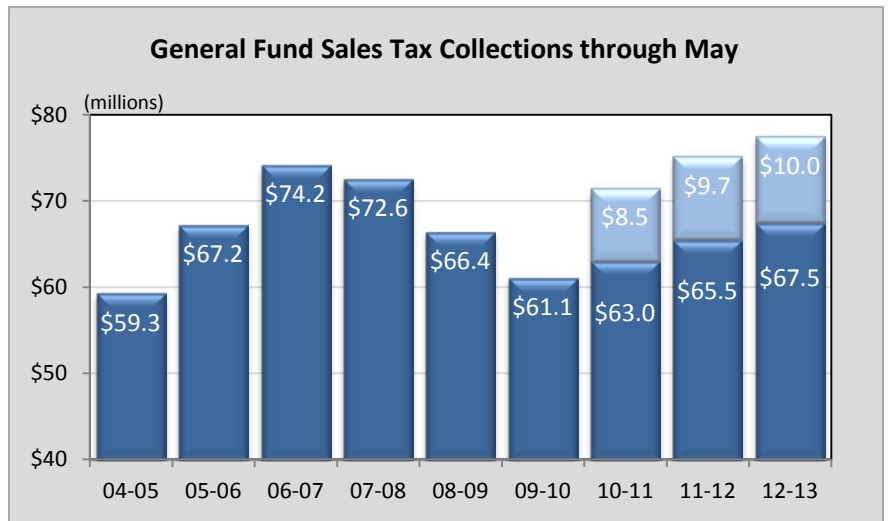


Finance and Technology Department

Date: June 14, 2013
To: Mayor and Council
From: Ken Jones, Finance and Technology Director (350-8504)
Subject: Tax Revenue Statistical Report – **May 2013**

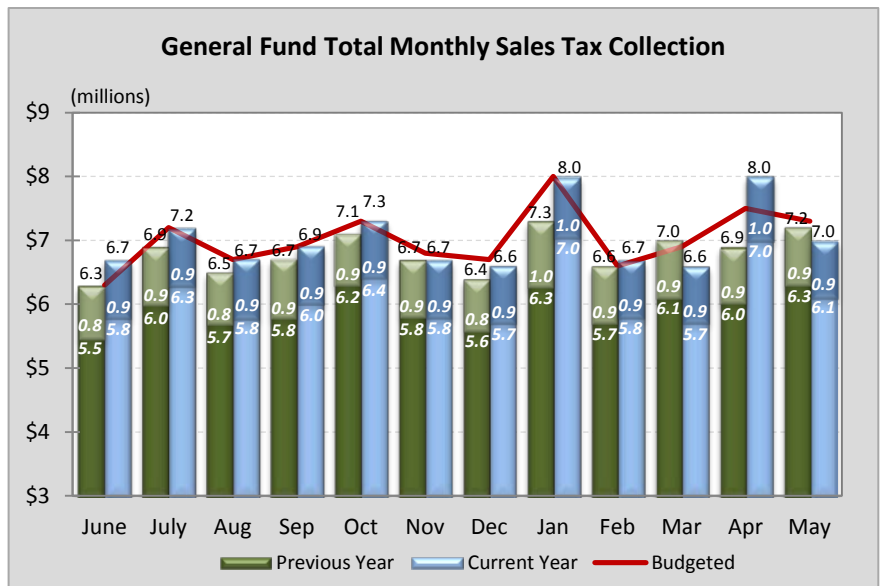
Attached is the Executive Summary of the Tax Revenue Statistical Report for May 2013 covering April sales activity reported to our Tax and License Division in May.

The graph to the right depicts year-to-date General Fund historical privilege tax revenue from FY 2004-05 through FY 2012-13. General Fund Sales Tax revenue collected for 2012-13 is up 3.1% from the same period in the prior fiscal year. In terms of actual dollars received (\$77.5 million), we are \$2.3 million ahead of last fiscal year (\$75.2 million). Of the total amount collected through May, \$10.0 million was from the temporary sales tax, which expires in June 2014. The leading category of growth in terms of dollars received was Retail, which grew by 4.2%. Gains were partially offset by declines in Amusements and Contracting sales tax collections through May.



The graph to the right represents twelve months of activity, comparing current year General Fund monthly sales tax collections to the previous year. Current and previous years' collections are broken into two components: the 1.2% permanent tax and the 0.2% temporary tax.

Though sales taxes are not budgeted on a monthly basis, it is possible to apply historical collection percentages to the annual budget number to gain insight into sales tax performance. Using this approach, sales tax collections in the General Fund are 1.0%, or \$760 thousand below forecast through May.



Executive Summary

Current Month -May

Fiscal Year to Date through May

	2008-09	2009-10	Change	2010-11	Change	2011-12	Change	2012-13	Change	2009-10	Change	2010-11	Change	2011-12	Change	2012-13	Change
Taxable Sales																	
Total Taxable Sales	470,832,000	462,588,000	-1.8%	503,243,000	8.8%	550,891,000	9.5%	533,149,000	-3.2%	5,449,977,000	-8.9%	5,573,141,000	2.3%	5,725,516,000	2.7%	5,907,176,000	3.2%
Retail Taxable Sales	228,947,000	232,656,000	1.6%	265,012,000	13.9%	278,732,000	5.2%	270,970,000	-2.8%	2,649,569,000	-3.9%	2,862,311,000	8.0%	2,907,232,000	1.6%	3,036,000,000	4.4%
Tax Revenues by Funds																	
Privilege Tax - General Fund (1.2%)	5,380,000	5,225,000	-2.9%	5,784,000	10.7%	6,251,000	8.1%	6,058,000	-3.1%	61,149,000	-7.9%	62,981,000	3.0%	65,492,000	4.0%	67,502,000	3.1%
Temporary Privilege Tax - General Fund				861,000		923,000	7.2%	896,000	-2.9%			8,498,000		9,694,000	14.1%	10,014,000	3.3%
Transit Tax Fund (.5%)	2,252,000	2,186,000	-2.9%	2,410,000	10.2%	2,608,000	8.2%	2,533,000	-2.9%	25,498,000	-8.4%	26,252,000	3.0%	27,312,000	4.0%	28,154,000	3.1%
Arts Tax Fund (.1%)	465,000	451,000	-3.0%	496,000	10.0%	537,000	8.3%	522,000	-2.8%	5,269,000	-8.3%	5,418,000	2.8%	5,643,000	4.2%	5,817,000	3.1%
Privilege Tax - Rebates Fund	353,000	349,000	-1.1%	250,000	-28.4%	312,000	24.8%	316,000	1.3%	3,993,000	-9.3%	3,877,000	-2.9%	3,501,000	-9.7%	3,608,000	3.1%
Bed Tax Fund	245,000	241,000	-1.6%	442,000	83.4%	468,000	5.9%	533,000	13.9%	2,328,000	-12.7%	3,919,000	68.3%	4,156,000	6.0%	4,330,000	4.2%
Totals	8,695,000	8,452,000	-2.8%	10,243,000	21.2%	11,099,000	8.4%	10,858,000	-2.2%	98,237,000	-8.2%	110,945,000	12.9%	115,798,000	4.4%	119,425,000	3.1%

Tax Revenues - Business Activities

Retail	4,188,000	4,336,000	3.5%	5,391,000	24.3%	5,636,000	4.5%	5,576,000	-1.1%	49,116,000	-2.9%	57,279,000	16.6%	59,621,000	4.1%	62,124,000	4.2%
Rentals	1,653,000	1,606,000	-2.8%	1,829,000	13.9%	2,028,000	10.9%	1,915,000	-5.6%	18,935,000	-5.3%	20,905,000	10.4%	21,660,000	3.6%	22,150,000	2.3%
Utilities/Communication	652,000	671,000	2.9%	714,000	6.4%	732,000	2.5%	715,000	-2.3%	8,790,000	-11.2%	9,501,000	8.1%	9,545,000	0.5%	9,764,000	2.3%
Restaurants	745,000	734,000	-1.5%	891,000	21.4%	1,086,000	21.9%	957,000	-11.9%	7,779,000	-6.5%	8,753,000	12.5%	9,445,000	7.9%	9,602,000	1.7%
Contracting	775,000	430,000	-44.5%	524,000	21.9%	603,000	15.1%	617,000	2.3%	6,754,000	-36.1%	5,578,000	-17.4%	6,283,000	12.6%	6,239,000	-0.7%
Hotel/Motel	193,000	185,000	-4.1%	226,000	22.2%	248,000	9.7%	317,000	27.8%	1,840,000	-11.8%	2,068,000	12.4%	2,282,000	10.3%	2,283,000	0.0%
Transient (Bed Tax)	245,000	240,000	-2.0%	441,000		467,000	5.9%	532,000	13.9%	2,328,000	-12.7%	3,919,000	68.3%	4,155,000	6.0%	4,329,000	4.2%
Amusements	127,000	144,000	13.4%	122,000	-15.3%	113,000	-7.4%	130,000	15.0%	1,596,000	9.8%	1,661,000	4.1%	1,591,000	-4.2%	1,431,000	-10.1%
All Other	117,000	106,000	-9.4%	105,000	-0.9%	186,000	77.1%	99,000	-46.8%	1,099,000	-26.3%	1,281,000	16.6%	1,216,000	-5.1%	1,503,000	23.6%
Totals	8,695,000	8,452,000	-2.8%	10,243,000	21.2%	11,099,000	8.4%	10,858,000	-2.2%	98,237,000	-8.2%	110,945,000	12.9%	115,798,000	4.4%	119,425,000	3.1%

Tax Revenues - Retail Activities Breakdown

Automotive	555,000	603,000	8.6%	787,000	30.5%	963,000	22.4%	938,000	-2.6%	6,494,000	-6.7%	7,967,000	22.7%	8,940,000	12.2%	9,849,000	10.2%
Furniture/Equipment/Electronics	799,000	890,000	11.4%	1,126,000	26.5%	1,073,000	-4.7%	1,233,000	14.9%	10,251,000	-12.3%	12,040,000	17.5%	12,671,000	5.2%	13,500,000	6.5%
Department Stores	775,000	782,000	0.9%	945,000	20.8%	1,007,000	6.6%	921,000	-8.5%	9,267,000	-5.7%	10,591,000	14.3%	11,201,000	5.8%	11,427,000	2.0%
Grocery Stores	564,000	529,000	-6.2%	580,000	9.6%	680,000	17.2%	630,000	-7.4%	5,913,000	-5.0%	6,352,000	7.4%	6,692,000	5.4%	6,985,000	4.4%
Drugs/Small Stores	440,000	476,000	8.2%	563,000	18.3%	629,000	11.7%	558,000	-11.3%	5,437,000	3.9%	6,111,000	12.4%	6,562,000	7.4%	6,560,000	0.0%
Manufacturing Firms	349,000	267,000	-23.5%	324,000	21.3%	290,000	-10.5%	325,000	12.1%	3,369,000	-17.1%	3,494,000	3.7%	3,818,000	9.3%	3,852,000	0.9%
Building Supply Stores	176,000	188,000	6.8%	198,000	5.3%	256,000	29.3%	288,000	12.5%	1,787,000	-0.7%	1,938,000	8.4%	2,001,000	3.3%	2,065,000	3.2%
All Other Retail	529,000	601,000	13.6%	868,000	44.4%	738,000	-15.0%	683,000	-7.5%	6,598,000	38.3%	8,786,000	33.2%	7,736,000	-12.0%	7,886,000	1.9%
Totals	4,187,000	4,336,000	3.6%	5,391,000	24.3%	5,636,000	4.5%	5,576,000	-1.1%	49,116,000	-2.9%	57,279,000	16.6%	59,621,000	4.1%	62,124,000	4.2%

Tax Revenues - Business Districts

Elliot Corridor	1,004,000	1,078,000	7.4%	1,292,000	19.9%	1,467,000	13.5%	1,563,000	6.5%	11,926,000	-6.7%	14,016,000	17.5%	14,962,000	6.7%	16,997,000	13.6%
Autoplex (included in Elliot Corridor)	349,000	396,000	13.5%	510,000	28.8%	668,000	31.0%	648,000	-3.0%	4,230,000	-10.0%	5,236,000	23.8%	6,009,000	14.8%	6,896,000	14.8%
Market Place	363,000	356,000	-1.9%	363,000	2.0%	461,000	27.0%	445,000	-3.5%	4,269,000	-0.4%	4,628,000	8.4%	5,118,000	10.6%	5,297,000	3.5%
Mills Mall	432,000	409,000	-5.3%	530,000	29.6%	575,000	8.5%	473,000	-17.7%	4,990,000	-4.3%	5,865,000	17.5%	6,195,000	5.6%	6,011,000	-3.0%
Downtown Tempe	291,000	266,000	-8.6%	349,000	31.2%	401,000	14.9%	407,000	1.5%	2,683,000	-10.1%	3,145,000	17.2%	3,601,000	14.5%	3,625,000	0.7%
Apache Blvd.	165,000	175,000	6.1%	200,000	14.3%	277,000	38.5%	288,000	4.0%	1,885,000	-3.0%	2,166,000	14.9%	2,262,000	4.4%	2,294,000	1.4%
ASU Properties	116,000	132,000	13.8%	136,000	3.0%	198,000	45.6%	152,000	-23.2%	1,197,000	-10.1%	1,592,000	33.0%	1,983,000	24.6%	2,011,000	1.4%
Rio Salado (1.8% and 3.0% Bed Tax)	227,000	225,000	-0.9%	279,000	24.0%	288,000	3.2%	267,000	-7.3%	2,258,000	2.6%	2,746,000	21.6%	2,853,000	3.9%	2,836,000	-0.6%
All Other Areas	6,097,000	5,811,000	-4.7%	7,094,000	22.1%	7,432,000	4.8%	7,263,000	-2.3%	69,029,000	-9.5%	76,787,000	11.2%	78,824,000	2.7%	80,354,000	1.9%

Executive Summary

Year-to-Date Comparison - May

	2009-10	Change	2010-11	Change	2011-12	Change	2012-13	Change
Taxable Sales								
Total Taxable Sales	5,449,977,000	-8.9%	5,573,141,000	2.3%	5,725,516,000	2.7%	5,907,176,000	3.2%
Retail Taxable Sales	2,649,569,000	-3.9%	2,862,311,000	8.0%	2,907,232,000	1.6%	3,036,000,000	4.4%

Tax Revenues by Funds

Privilege Tax - General Fund (1.2%)	61,149,000	-7.9%	62,981,000	3.0%	65,492,000	4.0%	67,502,000	3.1%
Temporary Privilege Tax (.2%)			8,498,000		9,694,000	14.1%	10,014,000	3.3%
Transit Tax Fund (.5%)	25,498,000	-8.4%	26,252,000	3.0%	27,312,000	4.0%	28,154,000	3.1%
Arts Tax Fund (.1%)	5,269,000	-8.3%	5,418,000	2.8%	5,643,000	4.2%	5,817,000	3.1%
Privilege Tax - Rebates Fund	3,993,000	-9.3%	3,877,000	-2.9%	3,501,000	-9.7%	3,608,000	3.1%
Bed Tax Fund	2,328,000	-12.7%	3,919,000	68.3%	4,156,000	6.0%	4,330,000	4.2%
Totals	98,237,000	-8.2%	110,945,000	12.9%	115,798,000	4.4%	119,425,000	3.1%

Tax Revenues - Business Activities

Retail	49,116,000	-2.9%	57,279,000	16.6%	59,621,000	4.1%	62,124,000	4.2%
Rentals	18,935,000	-5.3%	20,905,000	10.4%	21,660,000	3.6%	22,150,000	2.3%
Utilities/Communication	8,790,000	-11.2%	9,501,000	8.1%	9,545,000	0.5%	9,764,000	2.3%
Restaurants	7,779,000	-6.5%	8,753,000	12.5%	9,445,000	7.9%	9,602,000	1.7%
Contracting	6,754,000	-36.1%	5,578,000	-17.4%	6,283,000	12.6%	6,239,000	-0.7%
Hotel/Motel	1,840,000	-11.8%	2,068,000	12.4%	2,282,000	10.3%	2,283,000	0.0%
Transient (Bed Tax)	2,328,000	-12.7%	3,919,000	68.3%	4,155,000	6.0%	4,329,000	4.2%
Amusements	1,596,000	9.8%	1,661,000	4.1%	1,591,000	-4.2%	1,431,000	-10.1%
All Other	1,099,000	-26.3%	1,281,000	16.6%	1,216,000	-5.1%	1,503,000	23.6%
Totals	98,237,000	-8.2%	110,945,000	12.9%	115,798,000	4.4%	119,425,000	3.1%

Tax Revenues - Retail Activities Breakdown

Automotive	6,494,000	-6.7%	7,967,000	22.7%	8,940,000	12.2%	9,849,000	10.2%
Furniture/Equipment/Electronics	10,251,000	-12.3%	12,040,000	17.5%	12,671,000	5.2%	13,500,000	6.5%
Department Stores	9,267,000	-5.7%	10,591,000	14.3%	11,201,000	5.8%	11,427,000	2.0%
Grocery Stores	5,913,000	-5.0%	6,352,000	7.4%	6,692,000	5.4%	6,985,000	4.4%
Drugs/Small Stores	5,437,000	3.9%	6,111,000	12.4%	6,562,000	7.4%	6,560,000	0.0%
Manufacturing Firms	3,369,000	-17.1%	3,494,000	3.7%	3,818,000	9.3%	3,852,000	0.9%
Building Supply Stores	1,787,000	-0.7%	1,938,000	8.4%	2,001,000	3.3%	2,065,000	3.2%
All Other Retail	6,598,000	38.3%	8,786,000	33.2%	7,736,000	-12.0%	7,886,000	1.9%
Totals	49,116,000	-2.9%	57,279,000	16.6%	59,621,000	4.1%	62,124,000	4.2%

Tax Revenues - Business Districts

Elliot Corridor	11,926,000	-6.7%	14,016,000	17.5%	14,962,000	6.7%	16,997,000	13.6%
Autoplex (included in Elliot Corridor)	4,230,000	-10.0%	5,236,000	23.8%	6,009,000	14.8%	6,896,000	14.8%
Market Place	4,269,000	-0.4%	4,628,000	8.4%	5,118,000	10.6%	5,297,000	3.5%
Mills Mall	4,990,000	-4.3%	5,865,000	17.5%	6,195,000	5.6%	6,011,000	-3.0%
Downtown Tempe	2,683,000	-10.1%	3,145,000	17.2%	3,601,000	14.5%	3,625,000	0.7%
Apache Blvd.	1,885,000	-3.0%	2,166,000	14.9%	2,262,000	4.4%	2,294,000	1.4%
ASU Properties	1,197,000	-10.1%	1,592,000	33.0%	1,983,000	24.6%	2,011,000	1.4%
Rio Salado	2,258,000	2.6%	2,746,000	21.6%	2,853,000	3.9%	2,836,000	-0.6%
All Other Areas	69,029,000	-9.5%	76,787,000	11.2%	78,824,000	2.7%	80,354,000	1.9%

Temporary Privilege Tax Revenue - General Fund

Year-to-Date Comparison - May

Monthly Amounts

	<u>2009-10</u>	<u>%</u>	<u>2010-11</u>	<u>%</u>	<u>2011-12</u>	<u>%</u>	<u>2012-13</u>	<u>%</u>
Jul			-	-	874,000		933,000	6.8%
Aug			784,000		848,000	8.2%	868,000	2.4%
Sep			823,000		854,000	3.8%	892,000	4.4%
Oct			847,000		876,000	7.2%	928,000	5.9%
Nov			801,000		870,000	8.6%	865,000	-0.6%
Dec			799,000		838,000	4.9%	853,000	1.8%
Jan			1,003,000		961,000	-4.2%	1,025,000	6.7%
Feb			850,000		844,000	-0.7%	861,000	2.0%
Mar			796,000		910,000	14.3%	865,000	-4.9%
Apr			934,000		897,000	-4.0%	1,027,000	14.5%
May			861,000		922,000	7.1%	897,000	-2.7%
Jun			827,000		868,000	5.0%		
Totals			<u>9,325,000</u>		<u>10,562,000</u>	<u>13.3%</u>	<u>10,014,000</u>	

Cumulative Amounts

	<u>2009-10</u>	<u>%</u>	<u>2010-11</u>	<u>%</u>	<u>2011-12</u>	<u>%</u>	<u>2012-13</u>	<u>%</u>
Jul			-		874,000		933,000	6.8%
Jul-Aug			784,000		1,722,000	119.6%	1,801,000	4.6%
Jul-Sep			1,607,000		2,576,000	60.3%	2,693,000	4.5%
Jul-Oct			2,454,000		3,452,000	40.7%	3,621,000	4.9%
Jul-Nov			3,255,000		4,322,000	32.8%	4,486,000	3.8%
Jul-Dec			4,054,000		5,160,000	27.3%	5,339,000	3.5%
Jul-Jan			5,057,000		6,121,000	21.0%	6,364,000	4.0%
Jul-Feb			5,907,000		6,965,000	17.9%	7,225,000	3.7%
Jul-Mar			6,703,000		7,875,000	17.5%	8,090,000	2.7%
Jul-Apr			7,637,000		8,772,000	14.9%	9,117,000	3.9%
Jul-May			8,498,000		9,694,000	14.1%	10,014,000	3.3%
Jul-Jun			9,325,000		10,562,000	13.3%		