



**Sales and Use Tax
Fiscal Year to Date as of May 2014**

	2012 Actual	2013 Actual	2014 Actual	2014 Budget	\$ Variance	% Variance
General Fund						
Big Box / Automobiles	7,405,864	8,351,416	9,181,033	9,600,822	(419,789)	-4%
All Other Retail	4,155,323	4,331,688	4,933,015	4,402,261	530,754	12%
Subtotal - Retail	11,561,187	12,683,104	14,114,048	14,003,083	110,965	1%
Communications/Utilities	4,359,050	4,568,693	4,748,219	4,520,493	227,726	5%
Contracting	1,250,000	1,250,000	1,250,000	1,250,000	0	0%
Restaurant/Bar	3,904,027	4,474,657	4,817,954	4,312,002	505,952	12%
Real Estate/Rental & Leasing	2,869,250	3,232,299	3,533,747	3,312,339	221,408	7%
Service Related	987,943	1,044,017	1,024,399	1,004,987	19,411	2%
Arts/Entertainment	496,458	619,315	674,991	737,970	(62,979)	-9%
Hotel/Motel	402,532	405,740	414,389	436,972	(22,583)	-5%
Transient Lodging	104,692	101,439	110,352	106,984	3,368	3%
Auditing	379,284	341,679	89,805	314,787	(224,982)	-71%
Use Tax	543,305	560,365	685,399	560,551	124,848	22%
Total General Fund	26,857,728	29,281,308	31,463,302	30,560,167	903,135	3%
Percentage of change from prior period		9%	7%			
Transportation Improvement Fund (1.5% tax rate)						
Percentage of change from prior period		46%	-19%			
General Capital Fund (2.2% tax rate)						
Percentage of change from prior period		87%	-28%			
Tourism Fund - Bed Tax (1.52% tax rate)						
Percentage of change from prior period		-3%	9%			

General Fund

Retail – Big Box/Auto (2.2% tax rate) - tax collections from large department stores, discount department stores, warehouse clubs, supercenters, and automotive dealerships

All Other Retail (2.2% tax rate) - tax collections from smaller retail stores, (e.g., drug, clothing, specialty, jewelry, sporting goods stores)

Communication/Utilities (2.2% tax rate) - tax collections from businesses that provide telecommunications (landlines and cellular), electricity, gas, and water services.

Current year variance is the result of utility rate increases not being included in budget forecast.

Contracting (3.7% tax rate) - tax collections from businesses engaging in construction activity, (e.g., landscaping, painting, flooring installation, siding, roofing, concrete, plumbing, heating, framing, drywall, infrastructure, masonry, finish carpentry)

Restaurant and Bar (3.2% tax rate) - tax collections from restaurants, bars and caterers

Variance is due to the improved economy and consumer confidence.

Real Estate, Rental & Leasing (2.2% tax rate) - tax collections from rental income of commercial and residential real property, and personal property rentals (e.g., rentals of formal wear, DVD's, home health equipment, recreational goods, electronics, appliances)

Service Related (2.2% tax rate) - tax collections from businesses whose primary business activities are generally not subject to tax, for example wholesalers, and providers of personal and professional services

Arts and Entertainment (2.2% tax rate) - tax collections from businesses that charge admission for exhibition, amusement, or entertainment, (e.g., gym memberships, golf courses, athletic and dance instruction, movie theatres)

Hotel/Motel (2.2% tax rate) - tax collections from the activity of renting lodging space on a short-term basis and other activities provided at the hotel/motel

Transient Lodging (2.52% tax rate) - tax collections from the activity of charging for lodging and/or lodging space furnished to any transient for less than thirty consecutive days, and is in addition to the hotel/motel tax rate of 2.2%

Auditing - payments from tax audits conducted by in house and contract auditors

Variance is the result of not utilizing an external contractor due to the change in legislature for transaction privilege tax simplification.

Use Tax (2.2% tax rate) - tax collections from goods and products that are used or stored in the City where sales tax was not paid when purchased

Dedicated Funds

Transportation Improvement (1.5% of the 3.7% contracting tax rate)

The transportation improvement fund is established to provide for the collection and expenditure of the dedicated 1.5% local construction transaction tax adopted by the Mayor and Council through ordinance 05-13. This tax is dedicated for the improvement of existing roadway corridors and the related costs of the construction of new roadways.

General Capital (2.2% of the 3.7% contracting tax rate)

The first \$1.25 million received in revenues from the 2.2% transaction privilege tax on construction will be retained in the General Fund. Any additional amount will be recorded in the General Capital Fund and will be used to fund the Capital Improvement Plan.

Tourism (1.52% of the 2.52% transient lodging tax rate)

Of the 1.52% recorded in the Tourism Fund, 0.52% is restricted by A.R.S. §9-500.06 and 1.0% has been committed by City Council to be used for promoting tourism. Of the amount recorded in the Tourism Fund the Tourism Advisory Board has designated that 60% is spent for special events and 40% is spent for marketing, planning and capital.