



HISTORIC
FRANKLIN
TENNESSEE

MEMORANDUM

MEMORANDUM

February 12, 2015

TO: Eric Stuckey, City Administrator

FROM: Russ Truell, ACA/CFO

RE: Local Sales Tax Report

The local sales tax remittance from the State of Tennessee for February was \$3,345,841 compared to \$3,097,595 for the same month in 2014, an increase of \$248,246, or 8.0%. [The February remittance is for sales tax collected during the month of December, representing the sixth month of the fiscal year on an accrual basis.] During the same period, the State of Tennessee sales tax collections were up 7.8% from the prior year.

Year-to-date, the City has received \$15.03 million compared to \$14.04 million in the previous year, a difference of \$989,383 or 7.0%. The State of Tennessee sales tax collections, year-to-date, are \$3.92 billion compared to \$3.67 billion in the prior year, a difference of \$248.1 million or 6.7%.

For budget comparisons, the City anticipated collections of \$14.83 million through six months of the fiscal year. Through December, the City is \$193,215, or 0.7%, above budgeted collections. As a further comparison, the December collection of \$3.34 million compares to \$2.73 million in 2008, \$2.49 million in 2009, \$2.47 million in 2010, \$2.67 million in 2011, \$2.90 million in 2012 and \$3.01 million in 2013.



TENNESSEE DEPARTMENT OF REVENUE

COUNTY EXECUTIVE/MAYOR
 WILLIAMSON COUNTY
 1320 W MAIN ST STE 125
 FRANKLIN TN 37064-3700

February 8, 2015
 Month of: JANUARY
 Tot. Collections: \$11,573,926.27
 Cost of Admin: \$130,206.68
 Net Collections: \$11,443,719.59

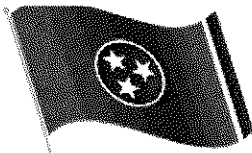
The Department of Revenue has collected and allocated the above total during the month indicated from Local Option Sales Tax as follows:

COUNTY/CITY NAME	TOTAL COLLECTIONS	LESS ADMIN. COSTS	NET COLLECTIONS
WILLIAMSON COUNTY	\$536,829.05	\$6,039.33	\$530,789.72
FRANKLIN	\$6,836,181.00	\$76,907.04	\$6,759,273.96
FAIR VIEW	\$241,446.06	\$2,716.27	\$238,729.79
BRENTWOOD	\$3,246,883.27	\$36,527.44	\$3,210,355.83
SPRING HILL	\$391,848.62	\$4,408.30	\$387,440.32
THOMPSON STATION	\$217,909.72	\$2,451.48	\$215,458.24
NOLENSVILLE	\$102,828.55	\$1,156.82	\$101,671.73

Note that we have deducted 1.125% state cost of administration leaving the net collections. The Department of Finance and Administration has been notified to issue a payment to the Trustee of your county in the amount of the net collections.

Please be aware that normal Local Option Sales Tax collections may fluctuate. This could be due to additional collections on assessments or reductions as a result of taxpayer refunds or returned checks. Should your collection amount increase significantly, it might be the result of an audit assessment.

For additional information regarding the allocation you may call the Division of Fiscal Services at (615) 532-8944 between 8:00 a.m. and 4:30 p.m., Monday through Friday, holidays excepted.



MEDIA RELEASE

STATE OF TENNESSEE
DEPARTMENT OF FINANCE & ADMINISTRATION

FOR IMMEDIATE RELEASE
FRIDAY, FEB. 13, 2015

CONTACT: LOLA POTTER
615.532.8560 (OFFICE)
615.202.0701 (CELL)

JANUARY REVENUES

NASHVILLE, Tenn. – Tennessee’s total tax collections exceeded budgeted expectations in January, driven by strong holiday consumer spending and unexpected one-time collections in corporate taxes. Finance and Administration Commissioner Larry Martin today announced that overall January revenues were \$1.3 billion, which is \$219.5 million more than the state budgeted.

“January sales tax collections, reflecting consumer spending that occurred during December, posted the largest monthly growth rate we’ve experienced for the past 33 months, and we recorded our strongest second quarter growth since 2006,” Martin said. “We believe this month’s growth was heavily influenced by several factors, including aggressive holiday retail marketing, continued reduction in the unemployment rate, lower gasoline prices, and an overall improving economy.”

“It’s important to note that all corporate payments, including one-time payments, are received throughout the year based on estimates, and reconciled at a later point with their final corporate filings. Although good news, one-time payments, when identified, are separated from our recurring tax base and used only to support one-time expenditures and uses. As always, the state will keep the budget in balance by working closely with the legislature.”

On an accrual basis, January is the sixth month in the 2014-2015 fiscal year.

The general fund was over collected by \$214.1 million and the four other funds were over collected by \$5.4 million.

Sales tax collections were \$34.2 million more than the estimate for January. The January growth rate was positive 7.80%. For six months revenues are over collected by \$132.4 million. The year-to-date growth rate for six months was positive 6.76%.

Franchise and excise taxes combined were \$171.4 million more than the budgeted estimate of \$151.9 million. For six months revenues are over collected by \$158.0 million.

Gasoline and motor fuel collections for January increased by 10.68% and were \$2.4 million above the budgeted estimate of \$71.3 million. For six months revenues are over collected by \$10.7 million.

Motor Vehicle Registration Tax collections were \$3.0 million more than the budgeted estimate for January and the growth rate was positive 5.56%.

Tobacco tax collections were \$2.7 million more than the budgeted estimate of \$18.1 million, and for six months they are \$2.6 million under the budgeted estimate.

Inheritance and estate taxes were over collected by \$4.5 million for the month. Year-to-date collections for six months are \$13.9 million more than the budgeted estimate.

Privilege tax collections were \$1.9 million less than the January estimate, and on a year-to-date basis, August

Business tax collections were \$0.7 million more than the January estimate. For six months revenues are \$13.8 million more than the budgeted estimate.

All other taxes were over collected by a net of \$2.5 million.

Year-to-date collections for six months were \$343.9 million more than the budgeted estimate. The general fund was over collected by \$323.4 million and the four other funds were over collected by \$20.5 million.

The budgeted revenue estimates for 2014-2015 are based on the State Funding Board's consensus recommendation of December 17th, 2013 and adopted by the second session of the 108th General Assembly in April 2014. They are available on the state's website at <http://www.tn.gov/finance/bud/Revenues.shtml> ([../bud/Revenues.shtml](http://www.tn.gov/finance/bud/Revenues.shtml)).

The Funding Board met on December 11, 2014 to hear updated revenue projections from the state's various economists. The board met again on December 16 and adopted revised revenue ranges for 2014-2015. The revised ranges assume an over collection from the July 2014 budgeted estimate in the amount of \$32.3 million to \$73.4 million in total taxes. The revised ranges for the general fund recognize a negative growth in the amount of \$6.6 million up to a positive growth of \$27.5 million for the current fiscal year.

[COLLECTION TABLES \(Documents/2015-01Tables.xls\)](#)

Table 1
Revenue Collections by Fund
January
2014-2015

Fund	2015				2014 Actual	2015	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
General Fund	\$1,159,897,000	\$945,769,000	\$214,128,000	22.64%	\$904,424,000	\$255,473,000	28.25%
Highway Fund	58,596,000	57,047,000	1,549,000	2.72%	51,719,000	6,877,000	13.30%
Sinking Fund	32,406,000	32,138,000	268,000	0.83%	35,324,000	(2,918,000)	-8.26%
City & County Fund	76,321,000	72,761,000	3,560,000	4.89%	71,698,000	4,623,000	6.45%
Earmarked Fund	3,582,000	3,582,000	0	0.00%	2,899,000	683,000	23.56%
Total	\$1,330,802,000	\$1,111,297,000	\$219,505,000	19.75%	\$1,066,064,000	\$264,738,000	24.83%

Revenue Collections by Tax
January
2014-2015

Tax Source	2015				2014 Actual	2015	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
Franchise & Excise	\$323,279,000	\$151,900,000	\$171,379,000	112.82%	\$139,670,000	\$183,609,000	131.46%
Income	4,392,000	3,824,000	568,000	14.85%	2,912,000	1,480,000	50.82%
Inheritance & Estate	9,648,000	5,099,000	4,549,000	89.21%	7,192,000	2,456,000	34.15%
Gasoline	53,280,000	51,012,000	2,268,000	4.45%	47,533,000	5,747,000	12.09%
Petroleum Special	5,419,000	5,236,000	183,000	3.50%	4,943,000	476,000	9.63%
Tobacco	20,737,000	18,080,000	2,657,000	14.70%	17,636,000	3,101,000	17.58%
Beer	1,336,000	1,464,000	(128,000)	-8.74%	1,282,000	54,000	4.21%
Motor Vehicle Registration	21,250,000	18,210,000	3,040,000	16.69%	20,131,000	1,119,000	5.56%
Motor Vehicle Title	856,000	824,000	32,000	3.88%	979,000	(123,000)	-12.56%
Mixed Drink	7,306,000	6,820,000	486,000	7.13%	6,508,000	798,000	12.26%
Business	5,490,000	4,742,000	748,000	15.77%	3,553,000	1,937,000	54.52%
Privilege	26,249,000	28,105,000	(1,856,000)	-6.60%	22,762,000	3,487,000	15.32%
Gross Receipts	20,000	33,000	(13,000)	-39.39%	14,000	6,000	42.86%
TVA - In Lieu of Tax Payments	28,623,000	27,200,000	1,423,000	5.23%	27,076,000	1,547,000	5.71%
Alcoholic Beverage	6,719,000	6,660,000	59,000	0.89%	6,471,000	248,000	3.83%
Sales and Use	801,043,000	766,823,000	34,220,000	4.46%	743,107,000	57,936,000	7.80%
Motor Vehicle Fuel	14,950,000	15,050,000	(100,000)	-0.66%	14,069,000	881,000	6.26%
Severance	199,000	215,000	(16,000)	-7.44%	204,000	(5,000)	-2.45%
Coin-operated Amusement	6,000	0	6,000	NA	3,000	3,000	NA
Unauthorized Substance	0	0	0	NA	19,000	(19,000)	NA
Total	\$1,330,802,000	\$1,111,297,000	\$219,505,000	19.75%	\$1,066,064,000	\$264,738,000	24.83%

Table 2
Revenue Collections by Fund
Year-to-Date
August - January
2014-2015

Fund	2014 - 2015				2013-2014	2014-2015	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
General Fund	\$5,072,225,000	\$4,748,792,000	\$323,433,000	6.81%	\$4,609,472,000	\$462,753,000	10.04%
Highway Fund	347,265,000	343,795,000	3,470,000	1.01%	331,783,000	15,482,000	4.67%
Sinking Fund	188,180,000	187,207,000	973,000	0.52%	206,171,000	(17,991,000)	-8.73%
City & County Fund	437,787,000	421,744,000	16,043,000	3.80%	404,694,000	33,093,000	8.18%
Earmarked Fund	21,500,000	21,500,000	0	0.00%	17,400,000	4,100,000	23.56%
Total	\$6,066,957,000	\$5,723,038,000	\$343,919,000	6.01%	\$5,569,520,000	\$497,437,000	8.93%

Revenue Collections by Tax
Year-to-Date
August - January
2014-2015

Tax Source	2014 - 2015				2013-2014	2014-2015	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
Franchise & Excise	\$938,588,000	\$780,602,000	\$157,986,000	20.24%	\$725,836,000	\$212,752,000	29.31%
Income	17,176,000	15,563,000	1,613,000	10.36%	11,680,000	5,496,000	47.05%
Inheritance & Estate	49,044,000	35,154,000	13,890,000	39.51%	56,356,000	(7,312,000)	-12.97%
Gasoline	318,138,000	309,519,000	8,619,000	2.78%	308,343,000	9,795,000	3.18%
Petroleum Special	32,704,000	32,170,000	534,000	1.66%	31,589,000	1,115,000	3.53%
Tobacco	131,055,000	133,662,000	(2,607,000)	-1.95%	129,535,000	1,520,000	1.17%
Beer	8,865,000	9,038,000	(173,000)	-1.91%	8,738,000	127,000	1.45%
Motor Vehicle Registration	119,275,000	118,934,000	341,000	0.29%	115,644,000	3,631,000	3.14%
Motor Vehicle Title	5,816,000	5,801,000	15,000	0.26%	5,782,000	34,000	0.59%
Mixed Drink	41,818,000	36,929,000	4,889,000	13.24%	36,524,000	5,294,000	14.49%
Business	33,119,000	19,369,000	13,750,000	70.99%	46,671,000	(13,552,000)	-29.04%
Privilege	147,286,000	142,218,000	5,068,000	3.56%	127,937,000	19,349,000	15.12%
Gross Receipts	13,522,000	14,196,000	(674,000)	-4.75%	11,880,000	1,642,000	13.82%
TVA - In Lieu of Tax Payments	175,316,000	168,900,000	6,416,000	3.80%	169,651,000	5,665,000	3.34%
Alcoholic Beverage	29,640,000	29,277,000	363,000	1.24%	28,784,000	856,000	2.97%
Sales and Use	3,921,176,000	3,788,784,000	132,392,000	3.49%	3,673,002,000	248,174,000	6.76%
Motor Vehicle Fuel	83,058,000	81,525,000	1,533,000	1.88%	80,120,000	2,938,000	3.67%
Severance	1,284,000	1,397,000	(113,000)	-8.09%	1,292,000	(8,000)	-0.62%
Coin-operated Amusement	77,000	0	77,000	NA	137,000	(60,000)	-43.80%
Unauthorized Substance	0	0	0	NA	19,000	(19,000)	NA
Total	\$6,066,957,000	\$5,723,038,000	\$343,919,000	6.01%	\$5,569,520,000	\$497,437,000	8.93%