



MEMORANDUM

MEMORANDUM

July 15, 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 July was \$2,489,723 compared to \$2,323,975 for the same month in 2014, an increase of \$165,749, or 7.1%. [The July remittance is for sales tax collected during the month of May, representing the eleventh month of the fiscal year on an accrual basis.] During the same period, the State of Tennessee sales tax collections were up 7.6% from the prior year.

Year-to-date, the City has received \$26.39 million compared to \$24.89 million in the previous year, a difference of \$1,501,536 or 6.0%. The State of Tennessee sales tax collections, year-to-date, are \$7.02 billion compared to \$6.61 billion in the prior year, a difference of \$403.9 million or 6.1%.

For budget comparisons, the City anticipated collections of \$26.30 million through eleven months of the fiscal year. Through the month of May, the City is \$90,339, or 0.3%, above budgeted collections. As a further comparison, the May collection of \$1.90 million compares to \$1.82 million in 2008, \$1.64 million in 2009, \$1.68 million in 2010, \$1.84 million in 2011, \$1.98 million in 2012 and \$2.10 million in 2013.

The local sales tax collections have increased year-over-year in 61 of the last 64 months reported.



N0005001

7015027150707

TENNESSEE DEPARTMENT OF REVENUE

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

July 10, 2015

Month of: JUNE
Tot. Collections: \$8,652,416.36
Cost of Admin: \$97,339.69
Net Collections: \$8,555,076.67

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	\$301,661.13	\$3,393.69	\$298,267.44
FRANKLIN	\$5,086,973.23	\$57,228.45	\$5,029,744.78
FAIRVIEW	\$212,313.27	\$2,388.52	\$209,924.75
BRENTWOOD	\$2,495,718.74	\$28,076.84	\$2,467,641.90
SPRING HILL	\$361,526.68	\$4,067.18	\$357,459.50
THOMPSON STATION	\$123,194.54	\$1,385.94	\$121,808.60
NOLENSVILLE	\$71,028.77	\$799.07	\$70,229.70

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.

$$5029744.78 \div 2 = 2514872.39$$

1860 25148.72

2,489,723.67



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285**

**LARRY B. MARTIN
COMMISSIONER**

FOR IMMEDIATE RELEASE
FRIDAY, JULY 14, 2015

CONTACT: DAVID THURMAN
615-741-4806

JUNE REVENUES

NASHVILLE, Tenn. – Tennessee’s total tax collections for June were above budgeted expectations. Finance and Administration Commissioner Larry Martin reported today that June ended with a net positive growth of 7.29%, compared to collections in the same month one year ago. Overall June revenues were \$1.3 billion, which is \$56.5 million more than the state budgeted.

“While the year-to-date growth rate for all taxes remains strong, we are cautious,” Martin said. “Franchise and excise tax collections were impacted by two significant one-time corporate tax payments. F&E taxes are also based on estimated payments made throughout the year, before taxpayers finalize how much they owe on their tax returns several months later. Because of this, later this year, there could be refunds in some cases where estimated payments exceed the amount of tax actually owed.

“The state experienced similar growth in fiscal year 2012-13, but there was a significant drop in collections in the following year when corporate taxpayers reported their actual liability.”

On an accrual basis, June is the eleventh month in the 2014-2015 fiscal year.

The general fund was over collected by \$52.3 million, and the four other funds were over collected by \$4.2 million.

Sales tax collections were \$34.9 million more than the estimate for June. The June growth rate was positive 7.62%. For eleven months revenues are over collected by \$185.4 million. The year-to-date growth rate for eleven months was positive 6.10%.

Franchise and excise taxes combined were \$27.7 million above the budgeted estimate of \$328.5 million. The growth rate for June was positive 8.23%.

Privilege tax collections were \$8.0 million below the June estimate. For eleven months collections are \$1.8 million above the budgeted estimate.

Business tax collections were \$3.3 million more than the June estimate. Year-to-date collections for eleven months are \$1.6 million below the budgeted estimate.

Inheritance and estate tax collections were \$3.0 million below the June estimate. For eleven months collections are \$10.6 million above the budgeted estimate.

Tobacco tax collections were \$0.7 million below the budgeted estimate of \$23.5 million. For eleven months revenues are under collected by \$5.9 million.

Gasoline and motor fuel collections for June were over collected by \$1.1 million. For eleven months revenues are over collected by \$16.5 million.

All other taxes for June were over collected by a net of \$1.2 million.

Year-to-date collections for eleven months were \$551.3 million more than the budgeted estimate. The general fund was over collected by \$502.4 million and the four other funds were over collected by \$48.9 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/article/fa-budget-rev>.

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.

Table 1
Revenue Collections by Fund
June
2014-2015

Fund	2015				2014	2015	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
General Fund	\$1,096,803,000	\$1,044,536,000	\$52,267,000	5.00%	\$1,012,510,000	\$84,293,000	8.33%
Highway Fund	62,369,000	61,524,000	845,000	1.37%	58,014,000	4,355,000	7.51%
Sinking Fund	31,564,000	31,309,000	255,000	0.81%	34,401,000	(2,837,000)	-8.25%
City & County Fund	72,716,000	69,573,000	3,143,000	4.52%	73,095,000	(379,000)	-0.52%
Earmarked Fund	3,584,000	3,584,000	0	0.00%	2,900,000	684,000	23.59%
Total	\$1,267,036,000	\$1,210,526,000	\$56,510,000	4.67%	\$1,180,920,000	\$86,116,000	7.29%

Revenue Collections by Tax
June
2014-2015

Tax Source	2015				2014	2015	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
Franchise & Excise	\$356,209,000	\$328,500,000	\$27,709,000	8.44%	\$329,108,000	\$27,101,000	8.23%
Income	2,463,000	2,226,000	237,000	10.65%	2,124,000	339,000	15.96%
Inheritance & Estate	3,203,000	6,237,000	(3,034,000)	-48.65%	6,783,000	(3,580,000)	-52.78%
Gasoline	56,932,000	55,630,000	1,302,000	2.34%	57,020,000	(88,000)	-0.15%
Petroleum Special	5,756,000	5,710,000	46,000	0.81%	5,789,000	(33,000)	-0.57%
Tobacco	22,842,000	23,538,000	(696,000)	-2.96%	19,168,000	3,674,000	19.17%
Beer	1,601,000	1,765,000	(164,000)	-9.29%	1,673,000	(72,000)	-4.30%
Motor Vehicle Registration	22,358,000	21,939,000	419,000	1.91%	16,897,000	5,461,000	32.32%
Motor Vehicle Title	1,116,000	1,090,000	26,000	2.39%	563,000	553,000	98.22%
Mixed Drink	8,214,000	6,908,000	1,306,000	18.91%	7,645,000	569,000	7.44%
Business	7,953,000	4,657,000	3,296,000	70.78%	3,669,000	4,284,000	116.76%
Privilege	55,124,000	63,159,000	(8,035,000)	-12.72%	54,175,000	949,000	1.75%
Gross Receipts	(1,910,000)	22,000	(1,932,000)	-8781.82%	18,000	(1,928,000)	-10711.11%
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	5,164,000	5,241,000	(77,000)	-1.47%	4,933,000	231,000	4.68%
Sales and Use	677,591,000	642,678,000	34,913,000	5.43%	629,643,000	47,948,000	7.62%
Motor Vehicle Fuel	13,526,000	13,816,000	(290,000)	-2.10%	14,338,000	(812,000)	-5.66%
Severance	142,000	210,000	(68,000)	-32.38%	184,000	(42,000)	-22.83%
Coin-operated Amusement	129,000	0	129,000	NA	113,000	16,000	14.16%
Unauthorized Substance	0	0	0	NA	1,000	(1,000)	NA
Total	\$1,267,036,000	\$1,210,526,000	\$56,510,000	4.67%	\$1,180,920,000	\$86,116,000	7.29%

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

Fund	2014 - 2015				2013-2014	2014-2015	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
General Fund	\$9,829,283,000	\$9,326,851,000	\$502,432,000	5.39%	\$8,986,949,000	\$842,334,000	9.37%
Highway Fund	646,599,000	645,559,000	1,040,000	0.16%	623,935,000	22,664,000	3.63%
Sinking Fund	343,892,000	342,551,000	1,341,000	0.39%	377,135,000	(33,243,000)	-8.81%
City & County Fund	885,108,000	838,632,000	46,476,000	5.54%	832,166,000	52,942,000	6.36%
Earmarked Fund	39,416,000	39,417,000	(1,000)	0.00%	31,900,000	7,516,000	23.56%
Total	\$11,744,298,000	\$11,193,010,000	\$551,288,000	4.93%	\$10,852,085,000	\$892,213,000	8.22%

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

Tax Source	2014 - 2015				2013-2014	2014-2015	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
Franchise & Excise	\$2,123,054,000	\$1,833,800,000	\$289,254,000	15.77%	\$1,786,920,000	\$336,134,000	18.81%
Income	300,882,000	262,679,000	38,203,000	14.54%	237,822,000	63,060,000	26.52%
Inheritance & Estate	74,682,000	64,038,000	10,644,000	16.62%	97,324,000	(22,642,000)	-23.26%
Gasoline	572,381,000	559,939,000	12,442,000	2.22%	562,287,000	10,094,000	1.80%
Petroleum Special	58,876,000	58,121,000	755,000	1.30%	57,689,000	1,187,000	2.06%
Tobacco	238,633,000	244,561,000	(5,928,000)	-2.42%	235,116,000	3,517,000	1.50%
Beer	16,223,000	16,796,000	(573,000)	-3.41%	16,091,000	132,000	0.82%
Motor Vehicle Registration	240,054,000	241,884,000	(1,830,000)	-0.76%	232,557,000	7,497,000	3.22%
Motor Vehicle Title	10,979,000	11,145,000	(166,000)	-1.49%	10,433,000	546,000	5.23%
Mixed Drink	78,374,000	69,714,000	8,660,000	12.42%	69,723,000	8,651,000	12.41%
Business	144,836,000	146,387,000	(1,551,000)	-1.06%	125,754,000	19,082,000	15.17%
Privilege	326,568,000	324,744,000	1,824,000	0.56%	283,496,000	43,072,000	15.19%
Gross Receipts	11,592,000	14,659,000	(3,067,000)	-20.92%	12,254,000	(662,000)	-5.40%
TVA - In Lieu of Tax Payments	318,431,000	304,900,000	13,531,000	4.44%	305,029,000	13,402,000	4.39%
Alcoholic Beverage	52,668,000	52,042,000	626,000	1.20%	50,773,000	1,895,000	3.73%
Sales and Use	7,023,157,000	6,837,757,000	185,400,000	2.71%	6,619,192,000	403,965,000	6.10%
Motor Vehicle Fuel	150,666,000	147,362,000	3,304,000	2.24%	147,041,000	3,625,000	2.47%
Severance	2,010,000	2,482,000	(472,000)	-19.02%	2,295,000	(285,000)	-12.42%
Coin-operated Amusement	231,000	0	231,000	NA	268,000	(37,000)	-13.81%
Unauthorized Substance	1,000	0	1,000	NA	21,000	(20,000)	NA
Total	\$11,744,298,000	\$11,193,010,000	\$551,288,000	4.93%	\$10,852,085,000	\$892,213,000	8.22%