



MEMORANDUM

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March 11, 2016

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 March was \$2,151,378 compared to \$2,079,073 for the same month in 2015, an increase of \$72,306, or 3.5%. [The March remittance is for sales tax collected during the month of January, representing the seventh month of the fiscal year on an accrual basis.] During the same period, the State of Tennessee sales tax collections were up 3.6% from the prior year.

Year-to-date, the City has received \$18.43 million compared to \$17.11 million in the previous year, a difference of \$1,327,927 or 7.8%. The State of Tennessee sales tax collections, year-to-date, are \$4.79 billion compared to \$4.48 billion in the prior year, a difference of \$311.8 million or 6.9%.

For budget comparisons, the City anticipated collections of \$18.17 million through seven months of the fiscal year. Through the month of January, the City is \$263,684, or 1.5%, above budgeted collections. As a further comparison, the January collection of \$2.15 million compares to \$1.40 million in 2010, \$1.55 million in 2011, \$1.66 million in 2012, \$1.94 million in 2013 and \$1.92 million in 2014.

The local sales tax collections have increased year-over-year in 68 of the last 71 months reported.



TENNESSEE DEPARTMENT OF REVENUE

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

March 7, 2016
 Month of: FEBRUARY
 Tot. Collections: \$7,698,811.52
 Cost of Admin: \$86,611.64
 Net Collections: \$7,612,199.88

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	\$215,964.15	\$2,429.60	\$213,534.55
FRANKLIN	\$4,395,669.90	\$49,451.29	\$4,346,218.61
FAIRVIEW	\$207,310.41	\$2,332.24	\$204,978.17
BRENTWOOD	\$2,321,230.68	\$26,113.85	\$2,295,116.83
SPRING HILL	\$351,668.24	\$3,956.27	\$347,711.97
THOMPSON STATION	\$124,464.10	\$1,400.22	\$123,063.88
NOLANSVILLE	\$82,504.04	\$928.17	\$81,575.87

Net of 1 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.

$$4,346,218.61 \div 2 = 2,173,109.30$$

$$(-) \times 1\% \quad 21,731.09$$

2,151,378.21



FOR IMMEDIATE RELEASE
Friday, March 11, 2016

CONTACT: Lola Potter
OFFICE: 615-532-8560

FEBRUARY REVENUES

NASHVILLE, Tenn. – Tennessee tax revenues exceeded the state’s budgeted estimates for the month of February. Department of Finance and Administration Commissioner Larry Martin today announced that overall February revenues were \$818.2 million, which is \$20.0 million more than the state budgeted.

“February’s sales tax growth rate was the lowest we’ve seen in the past year, but receipts still managed to come in a little over the budgeted estimate,” Martin said. “Franchise and Excise taxes recorded negative growth for the month, but were marginally higher than the budgeted estimate for the month.

“Typically, more than half of our annual corporate revenues are realized in the months of April through June, so we’ll be watching corporate taxes closely through the remainder of the fiscal year.”

On an accrual basis, February is the seventh month in the 2015-2016 fiscal year.

General fund revenues were more than the budgeted estimate in the amount of \$11.8 million while the four other funds that share in state tax revenues were \$8.2 million more than the estimates.

Sales taxes were \$8.6 million more than the estimate for February and 3.60% more than February of last year. For seven months, revenues are \$226.2 million higher than estimated. The year-to-date growth rate for seven months was 6.96%.

Franchise and excise taxes combined were \$0.2 million higher than the budgeted estimate in February, and the growth rate over the same month last year was negative 0.84%. For seven months, revenues are \$141.1million more than the estimate and the year-to-date growth rate is 1.41%. However, adjusting for an unexpected one-time payment received last year, the underlying growth rate is 19.55%.

Gasoline and motor fuel revenues for February increased by 3.58% compared to February 2015 and were \$5.2 million more than the budgeted estimate of \$67.5 million. For seven months revenues have exceeded estimates by \$19.9 million.

Tobacco taxes were \$0.8 million less than the February budgeted estimate of \$19.5 million. For seven months they are \$8.4 million more than the budgeted estimate.

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Inheritance and estate taxes were \$1.2 million more than the February estimate. On a year-to-date basis revenues are \$9.3 million more than the budgeted estimate.

Privilege taxes were \$2.3 million more than the February estimate, and on a year-to-date basis, August through February, revenues are \$14.9 million more than the estimate.

Business taxes were \$2.3 million more than the February estimate. For seven months revenues are \$2.9 million more than the budgeted estimate.

All other taxes exceeded estimates by a net of \$1.0 million.

Year-to-date revenues for seven months were \$439.0 million more than the budgeted estimate. The general fund recorded \$407.1 million more than budgeted estimates and the four other funds \$31.9 million.

The budgeted revenue estimates for 2015-2016 are based on the State Funding Board's consensus recommendation of December 16th, 2014 and adopted by the first session of the 109th General Assembly in April 2015. Also incorporated in the estimates are any changes in revenue enacted during the 2015 session of the General Assembly. These estimates are available on the state's website at <http://www.tn.gov/finance/article/fa-budget-rev>.

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Table 1
Revenue Collections by Fund
February
2015-2016

Fund	2016				2015 Actual	2016	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
General Fund	\$631,444,000	\$619,663,000	\$11,781,000	1.90%	\$612,212,000	\$19,232,000	3.14%
Highway Fund	59,624,000	57,079,000	2,545,000	4.46%	58,570,000	1,054,000	1.80%
Sinking Fund	33,555,000	33,435,000	120,000	0.36%	30,664,000	2,891,000	9.43%
City & County Fund	90,042,000	84,504,000	5,538,000	6.55%	82,120,000	7,922,000	9.65%
Earmarked Fund	3,582,000	3,585,000	(3,000)	-0.08%	3,585,000	(3,000)	-0.08%
Total	\$818,247,000	\$798,266,000	\$19,981,000	2.50%	\$787,151,000	\$31,096,000	3.95%

Revenue Collections by Tax
February
2015-2016

Tax Source	2016				2015 Actual	2016	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
Franchise & Excise	\$49,637,000	\$49,400,000	\$237,000	0.48%	\$50,058,000	(\$421,000)	-0.84%
Income	3,077,000	1,952,000	1,125,000	57.63%	1,843,000	1,234,000	66.96%
Inheritance & Estate	4,042,000	2,808,000	1,234,000	43.95%	3,551,000	491,000	13.83%
Gasoline	55,417,000	50,223,000	5,194,000	10.34%	52,815,000	2,602,000	4.93%
Petroleum Special	5,461,000	5,194,000	267,000	5.14%	5,343,000	118,000	2.21%
Tobacco	18,715,000	19,465,000	(750,000)	-3.85%	18,176,000	539,000	2.97%
Beer	1,335,000	1,362,000	(27,000)	-1.98%	979,000	356,000	36.36%
Motor Vehicle Registration	21,337,000	21,670,000	(333,000)	-1.54%	21,754,000	(417,000)	-1.92%
Motor Vehicle Title	1,701,000	1,314,000	387,000	29.45%	866,000	835,000	96.42%
Mixed Drink	7,143,000	6,606,000	537,000	8.13%	6,377,000	766,000	12.01%
Business	7,953,000	5,676,000	2,277,000	40.12%	5,739,000	2,214,000	38.58%
Privilege	19,106,000	16,767,000	2,339,000	13.95%	16,349,000	2,757,000	16.86%
Gross Receipts	31,000	168,000	(137,000)	-81.55%	(160,000)	191,000	-119.38%
TVA - In Lieu of Tax Payments	28,454,000	29,062,000	(608,000)	-2.09%	28,623,000	(169,000)	-0.59%
Alcoholic Beverage	3,554,000	3,478,000	76,000	2.19%	3,405,000	149,000	4.38%
Sales and Use	579,441,000	570,853,000	8,588,000	1.50%	559,291,000	20,150,000	3.60%
Motor Vehicle Fuel	11,749,000	12,046,000	(297,000)	-2.47%	11,962,000	(213,000)	-1.78%
Severance	93,000	216,000	(123,000)	-56.94%	170,000	(77,000)	-45.29%
Coin-operated Amusement	1,000	6,000	(5,000)	-83.33%	10,000	(9,000)	-90.00%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$818,247,000	\$798,266,000	\$19,981,000	2.50%	\$787,151,000	\$31,096,000	3.95%

Table 2
Revenue Collections by Fund
Year-to-Date
August - February
2015-2016

Fund	2015 - 2016				2014-2015 Actual	2015-2016	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
General Fund	\$5,956,858,000	\$5,549,805,000	\$407,053,000	7.33%	\$5,684,437,000	\$272,421,000	4.79%
Highway Fund	407,310,000	402,014,000	5,296,000	1.32%	405,835,000	1,475,000	0.36%
Sinking Fund	240,268,000	238,206,000	2,062,000	0.87%	218,844,000	21,424,000	9.79%
City & County Fund	563,396,000	538,783,000	24,613,000	4.57%	519,908,000	43,488,000	8.36%
Earmarked Fund	25,083,000	25,084,000	(1,000)	0.00%	25,084,000	(1,000)	0.00%
Total	\$7,192,915,000	\$6,753,892,000	\$439,023,000	6.50%	\$6,854,108,000	\$338,807,000	4.94%

Revenue Collections by Tax
Year-to-Date
August - February
2015-2016

Tax Source	2015 - 2016				2014-2015 Actual	2015-2016	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
Franchise & Excise	\$1,002,599,000	\$861,500,000	\$141,099,000	16.38%	\$988,646,000	\$13,953,000	1.41%
Income	23,428,000	16,209,000	7,219,000	44.54%	19,019,000	4,409,000	23.18%
Inheritance & Estate	32,848,000	23,528,000	9,320,000	39.61%	52,597,000	(19,749,000)	-37.55%
Gasoline	382,870,000	367,159,000	15,711,000	4.28%	370,953,000	11,917,000	3.21%
Petroleum Special	38,991,000	38,348,000	643,000	1.68%	38,047,000	944,000	2.48%
Tobacco	149,047,000	140,671,000	8,376,000	5.95%	149,232,000	(185,000)	-0.12%
Beer	10,222,000	9,934,000	288,000	2.90%	9,844,000	378,000	3.84%
Motor Vehicle Registration	144,090,000	135,845,000	8,245,000	6.07%	141,028,000	3,062,000	2.17%
Motor Vehicle Title	12,220,000	9,834,000	2,386,000	24.26%	6,682,000	5,538,000	82.88%
Mixed Drink	53,819,000	49,390,000	4,429,000	8.97%	48,195,000	5,624,000	11.67%
Business	35,157,000	32,297,000	2,860,000	8.86%	38,858,000	(3,701,000)	-9.52%
Privilege	164,296,000	149,382,000	14,914,000	9.98%	163,635,000	661,000	0.40%
Gross Receipts	8,774,000	13,464,000	(4,690,000)	-34.83%	13,362,000	(4,588,000)	-34.34%
TVA - In Lieu of Tax Payments	206,642,000	208,692,000	(2,050,000)	-0.98%	203,939,000	2,703,000	1.33%
Alcoholic Beverage	35,453,000	34,183,000	1,270,000	3.72%	33,044,000	2,409,000	7.29%
Sales and Use	4,792,322,000	4,566,089,000	226,233,000	4.95%	4,480,466,000	311,856,000	6.96%
Motor Vehicle Fuel	99,201,000	95,669,000	3,532,000	3.69%	95,020,000	4,181,000	4.40%
Severance	895,000	1,604,000	(709,000)	-44.20%	1,454,000	(559,000)	-38.45%
Coin-operated Amusement	41,000	94,000	(53,000)	-56.38%	87,000	(46,000)	-52.87%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$7,192,915,000	\$6,753,892,000	\$439,023,000	6.50%	\$6,854,108,000	\$338,807,000	4.94%