



HISTORIC
FRANKLIN
TENNESSEE

MEMORANDUM

MEMORANDUM

August 14, 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 August was \$2,552,236 compared to \$2,364,520 for the same month in 2014, an increase of \$187,716, or 7.9%. [The August remittance is for sales tax collected during the month of June, representing the final month of the fiscal year on an accrual basis.] During the same period, the State of Tennessee sales tax collections were up 7.0% from the prior year.

Year-to-date, the City has received \$28.94 million compared to \$27.25 million in the previous year, a difference of \$1,689,282 or 6.2%. The State of Tennessee sales tax collections, year-to-date, are \$7.72 billion compared to \$7.27 billion in the prior year, a difference of \$449.8 million or 6.2%.

For budget comparisons, the City anticipated collections of \$28.80 million through twelve months of the fiscal year. Through the month of June, the City is \$143,994, or 0.5%, above budgeted collections. As a further comparison, the June collection of \$2.55 million compares to \$1.92 million in 2008, \$1.80 million in 2009, \$1.96 million in 2010, \$2.04 million in 2011, \$2.16 million in 2012 and \$2.26 million in 2013.

The local sales tax collections have increased year-over-year in 62 of the last 65 months reported.



TENNESSEE DEPARTMENT OF REVENUE

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

August 9, 2015

Month of: JULY

Tot. Collections: \$8,846,068.47

Cost of Admin: \$99,518.28

Net Collections: \$8,746,550.19

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	\$355,203.18	\$3,996.04	\$351,207.14
FRANKLIN	\$5,214,698.30	\$58,665.36	\$5,156,032.94
FAIRVIEW	\$214,247.69	\$2,410.29	\$211,837.40
BRENTWOOD	\$2,501,827.32	\$28,145.56	\$2,473,681.76
SPRING HILL	\$360,154.74	\$4,051.74	\$356,103.00
THOMPSON STATION	\$120,584.35	\$1,356.57	\$119,227.78
NOLENSVILLE	\$79,352.89	\$892.72	\$78,460.17

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.

July Revenues

Thursday, August 13, 2015 | 12:54pm

NASHVILLE – Tennessee revenue collections recorded positive growth in July. Finance and Administration Commissioner Larry Martin today announced a net positive growth of 8.51% over July collections of one year ago. Overall July revenues were \$1.0 billion, which is \$54.4 million more than the state budgeted.

“Year-end collections recorded strong growth, but were significantly impacted by two one-time corporate tax payments,” Martin said. “Franchise and excise taxes were also strong, but we must remember that some of the collections are based on estimates and final collections may be less than recorded, resulting in the discounting of future payments.”

July marks the 12th consecutive month, on an accrual year basis, in which sales tax collections have experienced positive growth. July sales tax collections represent consumer spending that took place in the month of June.

On an accrual basis, July is the twelfth month in the 2014-2015 fiscal year.

The general fund was over collected by \$50.2 million, and the four other funds were over collected by \$4.2 million.

Sales tax collections were \$23.6 million more than the estimate for July. The July growth rate was 7.01%. For twelve months revenues are over collected by \$209.0 million. The year-to-date growth rate for twelve months was positive 6.18%.

Franchise and excise taxes combined were \$10.0 million above the budgeted estimate of \$70.5 million. The growth rate for July was positive 17.56%. For twelve months revenues are over collected by \$299.3 million and the year-to-date growth rate was positive 18.76%. Factoring out the one-time tax payments, the year-over-year recurring growth rate is approximately 10.7%.

Inheritance and estate tax collections were \$0.3 million below the estimate for July. For twelve months collections are \$10.4 million above the budgeted estimate.

Privilege tax collections were \$5.5 million above the July budgeted estimate. For twelve months collections are \$7.3 million more than the budgeted estimate, and the year-to-date growth rate was positive 16.44%.

Gross Receipts Tax collections were \$1.4 million above the budgeted estimate of \$15.8 million. For twelve months collections are \$1.7 million below the budgeted estimate and the year-to-date growth rate is 8.15%.

Business tax collections were \$3.2 million more than the July estimate. Year-to-date collections for twelve months are \$1.6 million above the budgeted estimate. For twelve months the year-to-date growth rate is 15.91%.

Tobacco tax collections were \$1.0 million above the budgeted estimate of \$24.5 million. For twelve months revenues are under collected by \$5.0 million.

Gasoline and motor fuel tax collections for July were over collected by \$5.0 million. For twelve months revenues are over collected by \$21.5 million, and the growth rate is positive 2.47%.

Motor vehicle registration tax collections were \$2.4 million more than what was budgeted and the July growth rate was 21.24%.

All other taxes for July were over collected by a net of \$2.6 million.

Year-to-date collections for twelve months were \$605.7 million more than the budgeted estimate. The general fund was over collected by \$552.7 million and the four other funds were over collected by \$53.0 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.

Year-to-date collections for 2014-2015 are subject to final accrual adjustments.

- See more at: <http://www.tn.gov/finance/news/16951#sthash.WwzKCKhz.dpuf>

Table 1
Revenue Collections by Fund
July
2014-2015

Fund	2015				2014 Actual	2015	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
General Fund	\$849,579,000	\$799,349,000	\$50,230,000	6.28%	\$776,437,000	\$73,142,000	9.42%
Highway Fund	62,613,000	63,041,000	(428,000)	-0.68%	56,462,000	6,151,000	10.89%
Sinking Fund	31,769,000	31,549,000	220,000	0.70%	34,697,000	(2,928,000)	-8.44%
City & County Fund	74,446,000	70,067,000	4,379,000	6.25%	71,316,000	3,130,000	4.39%
Earmarked Fund	3,582,000	3,584,000	(2,000)	-0.06%	2,899,000	683,000	23.56%
Total	\$1,021,989,000	\$967,590,000	\$54,399,000	5.62%	\$941,811,000	\$80,178,000	8.51%

Revenue Collections by Tax
July
2014-2015

Tax Source	2015				2014 Actual	2015	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
Franchise & Excise	\$80,502,000	\$70,500,000	\$10,002,000	14.19%	\$68,476,000	\$12,026,000	17.56%
Income	1,944,000	1,421,000	523,000	36.81%	1,314,000	630,000	47.95%
Inheritance & Estate	5,686,000	5,962,000	(276,000)	-4.63%	9,529,000	(3,843,000)	-40.33%
Gasoline	59,507,000	54,861,000	4,646,000	8.47%	54,759,000	4,748,000	8.67%
Petroleum Special	5,944,000	5,579,000	365,000	6.54%	5,536,000	408,000	7.37%
Tobacco	25,504,000	24,539,000	965,000	3.93%	24,933,000	571,000	2.29%
Beer	1,637,000	1,704,000	(67,000)	-3.93%	1,686,000	(49,000)	-2.91%
Motor Vehicle Registration	24,579,000	22,216,000	2,363,000	10.64%	20,273,000	4,306,000	21.24%
Motor Vehicle Title	1,119,000	1,055,000	64,000	6.07%	984,000	135,000	13.72%
Mixed Drink	7,538,000	6,986,000	552,000	7.90%	7,006,000	532,000	7.59%
Business	5,663,000	2,513,000	3,150,000	125.35%	4,082,000	1,581,000	38.73%
Privilege	33,612,000	28,156,000	5,456,000	19.38%	25,824,000	7,788,000	30.16%
Gross Receipts	17,257,000	15,841,000	1,416,000	8.94%	14,420,000	2,837,000	19.67%
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	5,560,000	5,358,000	202,000	3.77%	5,257,000	303,000	5.76%
Sales and Use	700,901,000	677,343,000	23,558,000	3.48%	654,992,000	45,909,000	7.01%
Motor Vehicle Fuel	16,100,000	16,138,000	(38,000)	-0.24%	15,387,000	713,000	4.63%
Severance	151,000	218,000	(67,000)	-30.73%	185,000	(34,000)	-18.38%
Coin-operated Amusement	82,000	0	82,000	NA	92,000	(10,000)	-10.87%
Unauthorized Substance	80,000	0	80,000	NA	0	80,000	NA
Total	\$1,021,989,000	\$967,590,000	\$54,399,000	5.62%	\$941,811,000	\$80,178,000	8.51%

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

Fund	2014 - 2015				2013-2014	2014-2015	
	Actual	Budgeted	B/(W)	Percent		Actual	B/(W)
General Fund	\$10,678,862,000	\$10,126,200,000	\$552,662,000	5.46%	\$9,763,386,000	\$915,476,000	9.38%
Highway Fund	709,211,000	708,600,000	611,000	0.09%	680,398,000	28,813,000	4.23%
Sinking Fund	375,661,000	374,100,000	1,561,000	0.42%	411,831,000	(36,170,000)	-8.78%
City & County Fund	959,553,000	908,700,000	50,853,000	5.60%	903,481,000	56,072,000	6.21%
Earmarked Fund	43,000,000	43,000,000	0	0.00%	34,800,000	8,200,000	23.56%
Total	\$12,766,287,000	\$12,160,600,000	\$605,687,000	4.98%	\$11,793,896,000	\$972,391,000	8.24%

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

Tax Source	2014 - 2015				2013-2014	2014-2015	
	Actual	Budgeted	B/(W)	Percent		Actual	B/(W)
Franchise & Excise	\$2,203,555,000	\$1,904,300,000	\$299,255,000	15.71%	\$1,855,396,000	\$348,159,000	18.76%
Income	302,826,000	264,100,000	38,726,000	14.66%	239,136,000	63,690,000	26.63%
Inheritance & Estate	80,367,000	70,000,000	10,367,000	14.81%	106,853,000	(26,486,000)	-24.79%
Gasoline	631,888,000	614,800,000	17,088,000	2.78%	617,046,000	14,842,000	2.41%
Petroleum Special	64,820,000	63,700,000	1,120,000	1.76%	63,225,000	1,595,000	2.52%
Tobacco	264,137,000	269,100,000	(4,963,000)	-1.84%	260,049,000	4,088,000	1.57%
Beer	17,860,000	18,500,000	(640,000)	-3.46%	17,777,000	83,000	0.47%
Motor Vehicle Registration	264,634,000	264,100,000	534,000	0.20%	252,834,000	11,800,000	4.67%
Motor Vehicle Title	12,098,000	12,200,000	(102,000)	-0.84%	11,416,000	682,000	5.97%
Mixed Drink	85,912,000	76,700,000	9,212,000	12.01%	76,729,000	9,183,000	11.97%
Business	150,499,000	148,900,000	1,599,000	1.07%	129,836,000	20,663,000	15.91%
Privilege	360,179,000	352,900,000	7,279,000	2.06%	309,320,000	50,859,000	16.44%
Gross Receipts	28,849,000	30,500,000	(1,651,000)	-5.41%	26,674,000	2,175,000	8.15%
TVA - In Lieu of Tax Payments	347,054,000	332,100,000	14,954,000	4.50%	332,104,000	14,950,000	4.50%
Alcoholic Beverage	58,228,000	57,400,000	828,000	1.44%	56,030,000	2,198,000	3.92%
Sales and Use	7,724,058,000	7,515,100,000	208,958,000	2.78%	7,274,183,000	449,875,000	6.18%
Motor Vehicle Fuel	166,766,000	163,500,000	3,266,000	2.00%	162,428,000	4,338,000	2.67%
Severance	2,162,000	2,700,000	(538,000)	-19.93%	2,480,000	(318,000)	-12.82%
Coin-operated Amusement	314,000	0	314,000	NA	359,000	(45,000)	-12.53%
Unauthorized Substance	81,000	0	81,000	NA	21,000	60,000	NA
Total	\$12,766,287,000	\$12,160,600,000	\$605,687,000	4.98%	\$11,793,896,000	\$972,391,000	8.24%