



HISTORIC
FRANKLIN
TENNESSEE

MEMORANDUM

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April 19, 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 April was \$2,181,227 compared to \$1,900,629 for the same month in 2015, an increase of \$280,599 or 14.8%. [The April remittance is for sales tax collected during the month of February, representing the eighth month of the fiscal year on an accrual basis.] During the same period, the State of Tennessee sales tax collections were up 15.4% from the prior year.

Year-to-date, the City has received \$20.62 million compared to \$19.01 million in the previous year, a difference of \$1,608,526 or 8.5%. The State of Tennessee sales tax collections, year-to-date, are \$5.42 billion compared to \$5.03 billion in the prior year, a difference of \$396.9 million or 7.8%.

For budget comparisons, the City anticipated collections of \$20.19 million through eight months of the fiscal year. Through the month of February, the City is \$426,070, or 2.1%, above budgeted collections. As a further comparison, the February collection of \$2.18 million compares to \$1.52 million in 2010, \$1.62 million in 2011, \$1.72 million in 2012, \$1.85 million in 2013 and \$1.97 million in 2014.

The local sales tax collections have increased year-over-year in 69 of the last 72 months reported.



TENNESSEE DEPARTMENT OF REVENUE

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

April 9, 2016
Month of: MARCH
Tot. Collections: \$7,645,512.78
Cost of Admin: \$86,012.02
Net Collections: \$7,559,500.76

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	\$244,527.58	\$2,750.94	\$241,776.64
FRANKLIN	\$4,456,657.50	\$50,137.40	\$4,406,520.10
FAIRVIEW	\$198,191.67	\$2,229.66	\$195,962.01
BRENTWOOD	\$2,222,394.72	\$25,001.94	\$2,197,392.78
SPRING HILL	\$330,252.76	\$3,715.34	\$326,537.42
THOMPSON STATION	\$129,784.13	\$1,460.07	\$128,324.06
NOLANSVILLE	\$63,704.42	\$716.67	\$62,987.75

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.

$$4406520.10 \div 2 = 2,203,260.05$$

$$(-) \times 1\% \quad 22032.60$$

$$2,181,227.45$$



March Revenues

Monday, April 18, 2016 | 3:14pm

NASHVILLE, Tenn. – Tennessee tax revenues exceeded budgeted estimates in March. Department of Finance and Administration Commissioner Larry Martin today announced that overall March revenues were \$1.1 billion, which is \$133.0 million more than the state budgeted. March revenues reflect business activity that occurred in February.

“The sales tax growth rate for March was the highest we’ve seen this year, due in part to negative growth in March of last year, and also having one additional day of business activity in the leap year,” Martin said. “Franchise and Excise taxes recorded strong growth for the month and were also significantly higher than the budgeted estimate. All other taxes, taken as a group, exceeded the March estimate as well.

“We continue to be pleased with the overall growth in total taxes this fiscal year, but we also have concerns about slowing global growth and volatile financial markets.”

On an accrual basis, March is the eighth month in the 2015-2016 fiscal year.

General fund revenues were more than the budgeted estimates in the amount of \$125.5 million, while the four other funds that share in state tax revenues were \$7.5 million more than the estimates.

Sales taxes were \$47.6 million more than the estimate for March and were 15.46% more than March 2015. For eight months, revenues are \$273.9 million higher than estimated. The year-to-date growth rate for eight months was 7.89%.

Franchise and excise taxes combined were \$70.0 million more than the budgeted estimate in March, and the growth rate over March 2015 was positive 27.46%. For eight months, revenues are \$211.1 million more than the estimate and the year-to-date growth rate is 5.73%. However, adjusting for last year’s one-time payment the underlying growth rate is positive 21.05%.

Gasoline and motor fuel revenues for March increased by 4.10% compared to March 2015 and \$3.3 million more than the budgeted estimate of \$60.1 million. For eight months, revenues have exceeded estimates by \$23.2 million.

Tobacco taxes were \$3.6 million above the March budgeted estimate of \$18.7 million. For eight months, they are \$12.0 million more than the budgeted estimate.

Inheritance and estate taxes were \$0.9 million less than the March estimate. On a year-to-date basis, revenues for eight months are \$8.4 million more than the budgeted estimate.

Privilege taxes were \$1.9 million more than the March estimate, and on a year-to-date basis, August through March, revenues are \$16.8 million more than the estimate.



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Business taxes were \$3.7 million more than the March estimate. For eight months, revenues are \$6.6 million more than the budgeted estimate.

All other taxes were above estimates by a net of \$3.8 million.

Year-to-date revenues for eight months were \$572.1 million more than the budgeted estimate. The general fund recorded \$532.5 million above budgeted estimates and the four other funds \$39.6 million.

The budgeted revenue estimates for 2015-2016 are based on the State Funding Board's consensus recommendation of December 16, 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>.

- See more at: <http://www.tn.gov/finance/news/39696#sthash.e5ze0Sy3.dpuf>

Table 1
Revenue Collections by Fund
March
2015-2016

Fund	2016				2015 Actual	2016	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
General Fund	\$927,634,000	\$802,172,000	\$125,462,000	15.64%	\$789,846,000	\$137,788,000	17.44%
Highway Fund	60,451,000	57,075,000	3,376,000	5.92%	55,958,000	4,493,000	8.03%
Sinking Fund	33,996,000	33,604,000	392,000	1.17%	30,606,000	3,390,000	11.08%
City & County Fund	68,837,000	65,027,000	3,810,000	5.86%	63,751,000	5,086,000	7.98%
Earmarked Fund	3,583,000	3,583,000	0	0.00%	3,583,000	0	0.00%
Total	\$1,094,501,000	\$961,461,000	\$133,040,000	13.84%	\$943,744,000	\$150,757,000	15.97%

Revenue Collections by Tax
March
2015-2016

Tax Source	2016				2015 Actual	2016	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
Franchise & Excise	\$250,270,000	\$180,300,000	\$69,970,000	38.81%	\$196,346,000	\$53,924,000	27.46%
Income	16,414,000	14,806,000	1,608,000	10.86%	14,565,000	1,849,000	12.69%
Inheritance & Estate	3,091,000	3,972,000	(881,000)	-22.18%	9,297,000	(6,206,000)	-66.75%
Gasoline	45,138,000	43,571,000	1,567,000	3.60%	44,651,000	487,000	1.09%
Petroleum Special	4,930,000	4,633,000	297,000	6.41%	4,631,000	299,000	6.46%
Tobacco	22,324,000	18,706,000	3,618,000	19.34%	21,103,000	1,221,000	5.79%
Beer	1,458,000	1,389,000	69,000	4.97%	1,522,000	(64,000)	-4.20%
Motor Vehicle Registration	27,738,000	26,318,000	1,420,000	5.40%	24,341,000	3,397,000	13.96%
Motor Vehicle Title	1,988,000	1,641,000	347,000	21.15%	898,000	1,090,000	121.38%
Mixed Drink	7,732,000	7,167,000	565,000	7.88%	6,570,000	1,162,000	17.69%
Business	12,227,000	8,486,000	3,741,000	44.08%	8,581,000	3,646,000	42.49%
Privilege	19,155,000	17,257,000	1,898,000	11.00%	16,280,000	2,875,000	17.66%
Gross Receipts	5,000	26,000	(21,000)	-80.77%	26,000	(21,000)	-80.77%
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	4,842,000	4,441,000	401,000	9.03%	4,352,000	490,000	11.26%
Sales and Use	635,260,000	587,627,000	47,633,000	8.11%	550,199,000	85,061,000	15.46%
Motor Vehicle Fuel	13,341,000	11,870,000	1,471,000	12.39%	11,630,000	1,711,000	14.71%
Severance	108,000	187,000	(79,000)	-42.25%	127,000	(19,000)	-14.96%
Coin-operated Amusement	26,000	2,000	24,000	1200.00%	2,000	24,000	1200.00%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$1,094,501,000	\$961,461,000	\$133,040,000	13.84%	\$943,744,000	\$150,757,000	15.97%

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

Fund	2015 - 2016				2014-2015 Actual	2015-2016	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
General Fund	\$6,884,492,000	\$6,351,977,000	\$532,515,000	8.38%	\$6,474,284,000	\$410,208,000	6.34%
Highway Fund	467,761,000	459,089,000	8,672,000	1.89%	461,793,000	5,968,000	1.29%
Sinking Fund	274,264,000	271,811,000	2,453,000	0.90%	249,450,000	24,814,000	9.95%
City & County Fund	632,232,000	603,810,000	28,422,000	4.71%	583,659,000	48,573,000	8.32%
Earmarked Fund	28,666,000	28,666,000	0	0.00%	28,666,000	0	0.00%
Total	\$8,287,415,000	\$7,715,353,000	\$572,062,000	7.41%	\$7,797,852,000	\$489,563,000	6.28%

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

Tax Source	2015 - 2016				2014-2015 Actual	2015-2016	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
Franchise & Excise	\$1,252,868,000	\$1,041,800,000	\$211,068,000	20.26%	\$1,184,991,000	\$67,877,000	5.73%
Income	39,842,000	31,015,000	8,827,000	28.46%	33,584,000	6,258,000	18.63%
Inheritance & Estate	35,939,000	27,501,000	8,438,000	30.68%	61,894,000	(25,955,000)	-41.93%
Gasoline	428,008,000	410,730,000	17,278,000	4.21%	415,604,000	12,404,000	2.98%
Petroleum Special	43,920,000	42,981,000	939,000	2.18%	42,678,000	1,242,000	2.91%
Tobacco	171,371,000	159,377,000	11,994,000	7.53%	170,335,000	1,036,000	0.61%
Beer	11,680,000	11,323,000	357,000	3.15%	11,366,000	314,000	2.76%
Motor Vehicle Registration	171,827,000	162,164,000	9,663,000	5.96%	165,369,000	6,458,000	3.91%
Motor Vehicle Title	14,208,000	11,474,000	2,734,000	23.83%	7,580,000	6,628,000	87.44%
Mixed Drink	61,551,000	56,557,000	4,994,000	8.83%	54,765,000	6,786,000	12.39%
Business	47,384,000	40,782,000	6,602,000	16.19%	47,439,000	(55,000)	-0.12%
Privilege	183,452,000	166,639,000	16,813,000	10.09%	179,916,000	3,536,000	1.97%
Gross Receipts	8,780,000	13,490,000	(4,710,000)	-34.91%	13,388,000	(4,608,000)	-34.42%
TVA - In Lieu of Tax Payments	235,096,000	237,754,000	(2,658,000)	-1.12%	232,562,000	2,534,000	1.09%
Alcoholic Beverage	40,295,000	38,625,000	1,670,000	4.32%	37,397,000	2,898,000	7.75%
Sales and Use	5,427,582,000	5,153,716,000	273,866,000	5.31%	5,030,665,000	396,917,000	7.89%
Motor Vehicle Fuel	112,543,000	107,539,000	5,004,000	4.65%	106,650,000	5,893,000	5.53%
Severance	1,002,000	1,790,000	(788,000)	-44.02%	1,580,000	(578,000)	-36.58%
Coin-operated Amusement	67,000	96,000	(29,000)	-30.21%	89,000	(22,000)	-24.72%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$8,287,415,000	\$7,715,353,000	\$572,062,000	7.41%	\$7,797,852,000	\$489,563,000	6.28%