



MEMORANDUM

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October 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 October was \$2,420,111 compared to \$2,296,081 for the same month in 2014, an increase of \$124,030, or 5.4%. [The October remittance is for sales tax collected during the month of August, representing the second month of the fiscal year on an accrual basis.] During the same period, the State of Tennessee sales tax collections were up 6.4% from the prior year.

Year-to-date, the City has received \$4.89 million compared to \$4.58 million in the previous year, a difference of \$313,220 or 6.8%. The State of Tennessee sales tax collections, year-to-date, are \$1.34 billion compared to \$1.25 billion in the prior year, a difference of \$92.1 million or 7.3%.

For budget comparisons, the City anticipated collections of \$4.86 million through two months of the fiscal year. Through the month of August, the City is \$28,078, or 0.6%, above budgeted collections. As a further comparison, the August collection of \$2.42 million compares to \$1.74 million in 2008, \$1.71 million in 2009, \$1.77 million in 2010, \$1.84 million in 2011, \$2.10 million in 2012 and \$2.11 million in 2013.

The local sales tax collections have increased year-over-year in 63 of the last 66 months reported.



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TENNESSEE DEPARTMENT OF REVENUE

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

October 10, 2015

Month of: SEPTEMBER
Tot. Collections: \$8,704,523.75
Cost of Admin: \$97,925.89
Net Collections: \$8,606,597.86

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	\$304,956.44	\$3,430.76	\$301,525.68
FRANKLIN	\$4,944,740.84	\$55,628.33	\$4,889,112.51
FAIRVIEW	\$208,939.08	\$2,350.56	\$206,588.52
BRENTWOOD	\$2,722,953.60	\$30,633.23	\$2,692,320.37
SPRING HILL	\$329,662.35	\$3,708.70	\$325,953.65
THOMPSON STATION	\$127,373.21	\$1,432.95	\$125,940.26
NOLANSVILLE	\$65,898.23	\$741.36	\$65,156.87

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.

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

**LARRY B. MARTIN
COMMISSIONER**

**FOR IMMEDIATE RELEASE
WEDNESDAY, OCTOBER 14, 2015**

**CONTACT: DAVID THURMAN
615-741-4806**

SEPTEMBER REVENUES

NASHVILLE, Tenn. – Tennessee’s revenue collections exceeded budgeted estimates for the second month of the state’s fiscal year. Finance and Administration Commissioner Larry Martin today reported that overall September’s revenues were \$1.2 billion, which is \$82.2 million more than September 2014 collections and \$113.4 million more than the budgeted estimate. The growth rate for September was 7.14%.

“Sales tax collections reflecting August consumer activity show growing consumer confidence in our economy,” Martin said. “While corporate tax collections posted positive double digit growth for the month we need to be cautious about the sustainability of our franchise and excise tax growth for the remainder of the year.

“We’re also watching national and global economic indicators with concern about economic uncertainty surrounding the European and Asian markets. As always, we need to continue to monitor revenue collections and manage our spending.”

On an accrual basis, September is the second month in the 2015-2016 fiscal year.

For September, the general fund was over collected by \$106.2 million and the four other funds were over collected by \$7.2 million.

Sales tax collections were \$24.4 million more than the estimate for September. The September growth rate was positive 6.45%. Year-to-date collections are 7.36% above this time last year.

Franchise and excise taxes combined were \$70.9 million more than the September budgeted estimate of \$289.9 million. The September growth rate was positive 13.27%, and on a year-to-date basis is 5.52%.

Gasoline and motor fuel collections for September increased by 4.16% and were \$4.5 million more than the budgeted estimate of \$72.3 million.

Tobacco tax collections for the month were over collected by \$2.4 million, and the growth rate was positive 6.38%.

Privilege tax collections were \$2.8 million more than the budgeted estimate of \$20.5 million.

Business Tax collections were \$0.8 million above the budgeted estimate for September.

Inheritance and estate tax collections were \$4.6 million more than the budgeted estimate.

All other taxes were over collected by a net of \$3.0 million.

Year-to date collections for two months were \$132.5 million more than the budgeted estimate. The general fund was over collected by \$116.8 million and the four other funds that share in state tax revenues were over collected by \$15.7 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>.

Table 1
Revenue Collections by Fund
September
2015-2016

Fund	2015				2014	2015	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
General Fund	\$1,060,668,000	\$954,436,000	\$106,232,000	11.13%	\$987,528,000	\$73,140,000	7.41%
Highway Fund	60,872,000	57,766,000	3,106,000	5.38%	59,014,000	1,858,000	3.15%
Sinking Fund	34,156,000	33,931,000	225,000	0.66%	31,136,000	3,020,000	9.70%
City & County Fund	74,025,000	70,187,000	3,838,000	5.47%	69,819,000	4,206,000	6.02%
Earmarked Fund	3,584,000	3,582,000	2,000	0.06%	3,583,000	1,000	0.03%
Total	\$1,233,305,000	\$1,119,902,000	\$113,403,000	10.13%	\$1,151,080,000	\$82,225,000	7.14%

Revenue Collections by Tax
September
2015-2016

Tax Source	2015				2014	2015	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
Franchise & Excise	\$360,754,000	\$289,900,000	\$70,854,000	24.44%	\$318,497,000	\$42,257,000	13.27%
Income	2,627,000	1,651,000	976,000	59.12%	1,796,000	831,000	46.27%
Inheritance & Estate	9,539,000	4,931,000	4,608,000	93.45%	8,678,000	861,000	9.92%
Gasoline	56,502,000	53,356,000	3,146,000	5.90%	53,852,000	2,650,000	4.92%
Petroleum Special	5,747,000	5,637,000	110,000	1.95%	5,583,000	164,000	2.94%
Tobacco	22,641,000	20,199,000	2,442,000	12.09%	21,283,000	1,358,000	6.38%
Beer	1,531,000	1,580,000	(49,000)	-3.10%	1,548,000	(17,000)	-1.10%
Motor Vehicle Registration	20,104,000	19,645,000	459,000	2.34%	19,983,000	121,000	0.61%
Motor Vehicle Title	1,778,000	1,431,000	347,000	24.25%	969,000	809,000	83.49%
Mixed Drink	7,830,000	7,132,000	698,000	9.79%	7,033,000	797,000	11.33%
Business	3,476,000	2,725,000	751,000	27.56%	8,956,000	(5,480,000)	-61.19%
Privilege	23,287,000	20,482,000	2,805,000	13.69%	27,268,000	(3,981,000)	-14.60%
Gross Receipts	187,000	203,000	(16,000)	-7.88%	802,000	(615,000)	-76.68%
TVA - In Lieu of Tax Payments	35,750,000	34,761,000	989,000	2.85%	33,749,000	2,001,000	5.93%
Alcoholic Beverage	4,524,000	4,805,000	(281,000)	-5.85%	4,404,000	120,000	2.72%
Sales and Use	662,239,000	637,862,000	24,377,000	3.82%	622,114,000	40,125,000	6.45%
Motor Vehicle Fuel	14,616,000	13,358,000	1,258,000	9.42%	14,361,000	255,000	1.78%
Severance	160,000	233,000	(73,000)	-31.33%	191,000	(31,000)	-16.23%
Coin-operated Amusement	13,000	11,000	2,000	18.18%	13,000	0	0.00%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$1,233,305,000	\$1,119,902,000	\$113,403,000	10.13%	\$1,151,080,000	\$82,225,000	7.14%

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

Fund	2015 - 2016				2014-2015	2015-2016	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
General Fund	\$1,751,654,000	\$1,634,834,000	\$116,820,000	7.15%	\$1,675,381,000	\$76,273,000	4.55%
Highway Fund	122,157,000	114,922,000	7,235,000	6.30%	116,624,000	5,533,000	4.74%
Sinking Fund	68,376,000	67,923,000	453,000	0.67%	62,349,000	6,027,000	9.67%
City & County Fund	182,379,000	174,353,000	8,026,000	4.60%	159,518,000	22,861,000	14.33%
Earmarked Fund	7,166,000	7,167,000	(1,000)	-0.01%	7,167,000	(1,000)	-0.01%
Total	\$2,131,732,000	\$1,999,199,000	\$132,533,000	6.63%	\$2,021,039,000	\$110,693,000	5.48%

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

Tax Source	2015 - 2016				2014-2015	2015-2016	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
Franchise & Excise	\$372,589,000	\$328,300,000	\$44,289,000	13.49%	\$353,083,000	\$19,506,000	5.52%
Income	4,577,000	2,905,000	1,672,000	57.56%	3,180,000	1,397,000	43.93%
Inheritance & Estate	13,551,000	9,095,000	4,456,000	48.99%	17,789,000	(4,238,000)	-23.82%
Gasoline	113,010,000	106,260,000	6,750,000	6.35%	107,226,000	5,784,000	5.39%
Petroleum Special	11,439,000	11,141,000	298,000	2.67%	11,031,000	408,000	3.70%
Tobacco	44,183,000	41,848,000	2,335,000	5.58%	44,401,000	(218,000)	-0.49%
Beer	3,191,000	3,082,000	109,000	3.54%	3,154,000	37,000	1.17%
Motor Vehicle Registration	42,675,000	40,213,000	2,462,000	6.12%	40,969,000	1,706,000	4.16%
Motor Vehicle Title	3,051,000	3,076,000	(25,000)	-0.81%	2,038,000	1,013,000	49.71%
Mixed Drink	15,446,000	13,926,000	1,520,000	10.91%	13,587,000	1,859,000	13.68%
Business	6,291,000	6,527,000	(236,000)	-3.62%	12,800,000	(6,509,000)	-50.85%
Privilege	48,516,000	41,545,000	6,971,000	16.78%	50,439,000	(1,923,000)	-3.81%
Gross Receipts	8,487,000	13,168,000	(4,681,000)	-35.55%	13,656,000	(5,169,000)	-37.85%
TVA - In Lieu of Tax Payments	64,373,000	63,384,000	989,000	1.56%	60,824,000	3,549,000	5.83%
Alcoholic Beverage	8,978,000	9,018,000	(40,000)	-0.44%	8,569,000	409,000	4.77%
Sales and Use	1,343,981,000	1,279,938,000	64,043,000	5.00%	1,251,848,000	92,133,000	7.36%
Motor Vehicle Fuel	27,062,000	25,249,000	1,813,000	7.18%	25,989,000	1,073,000	4.13%
Severance	299,000	482,000	(183,000)	-37.97%	414,000	(115,000)	-27.78%
Com-operated Amusement	33,000	42,000	(9,000)	-21.43%	42,000	(9,000)	-21.43%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$2,131,732,000	\$1,999,199,000	\$132,533,000	6.63%	\$2,021,039,000	\$110,693,000	5.48%