



MEMORANDUM

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June 11, 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 June was \$2,410,499 compared to \$2,201,566 for the same month in 2014, an increase of \$208,932, or 9.5%. [The June remittance is for sales tax collected during the month of April, representing the tenth month of the fiscal year on an accrual basis.] During the same period, the State of Tennessee sales tax collections were up 9.1% from the prior year.

Year-to-date, the City has received \$23.90 million compared to \$22.56 million in the previous year, a difference of \$1,335,787 or 5.9%. The State of Tennessee sales tax collections, year-to-date, are \$6.34 billion compared to \$5.98 billion in the prior year, a difference of \$356.0 million or 5.9%.

For budget comparisons, the City anticipated collections of \$23.84 million through ten months of the fiscal year. Through April, the City is \$56,352, or 0.2%, above budgeted collections. As a further comparison, the April collection of \$1.90 million compares to \$1.92 million in 2008, \$1.68 million in 2009, \$1.81 million in 2010, \$1.97 million in 2011, \$2.19 million in 2012 and \$2.26 million in 2013.

The local sales tax collections have increased year-over-year in 60 of the last 63 months reported.



TENNESSEE DEPARTMENT OF REVENUE

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

June 8, 2015

Month of: MAY

Tot. Collections: \$8,248,832.78

Cost of Admin: \$92,799.37

Net Collections: \$8,156,033.41

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	\$257,506.88	\$2,896.95	\$254,609.93
FRANKLIN	\$4,925,101.38	\$55,407.39	\$4,869,693.99
FAIRVIEW	\$210,343.93	\$2,366.37	\$207,977.56
BRENTWOOD	\$2,324,620.26	\$26,151.98	\$2,298,468.28
SPRING HILL	\$351,196.28	\$3,950.96	\$347,245.32
THOMPSON STATION	\$116,322.36	\$1,308.63	\$115,013.73
NOLENSVILLE	\$63,741.69	\$717.09	\$63,024.60

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.



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

**LARRY B. MARTIN
COMMISSIONER**

FOR IMMEDIATE RELEASE
WEDNESDAY, JUNE 10, 2015

CONTACT: DAVID THURMAN
615-741-4806

MAY REVENUES

NASHVILLE, Tenn. – Tennessee revenue collections exceeded budgeted expectations in May. Finance and Administration Commissioner Larry Martin reported today that overall May revenues were \$974.1 million, which is \$50.5 million more than the state budgeted. May sales tax collections reflect business activity that occurred in April.

“May collections recorded significant gains in sales tax revenues as well as corporate tax payments,” Martin said. “All other taxes, in total, showed marked improvement over collections of one year ago and were more than the budgeted estimates for May,” Martin said.

On an accrual basis, May is the tenth month in the 2014-2015 fiscal year.

The general fund was over collected by \$48.5 million, and the four other funds were over collected by \$2.0 million.

Sales tax collections were \$20.5 million more than the budgeted estimate for May. The May growth rate was 9.06%. For ten months revenues are over collected by \$150.5 million. The year-to-date growth rate for ten months was 5.94%.

Franchise and excise taxes combined were \$16.1 million more than the budgeted estimate of \$50.3 million. For ten months, revenues are \$261.5 million more than the budgeted estimate and the growth rate is 21.20%, due in large part to two significant one-time tax payments. Without these two non-recurring payments the growth over last year is approximately 11%.

Inheritance and estate tax collections were \$0.8 million less than the May estimate. For ten months collections are \$13.7 million more than the budgeted estimate.

Privilege tax collections were \$8.5 million more than the May budgeted estimate, and for ten months collections are \$9.9 million more than the budgeted estimate.

Hall income tax collections for May were \$2.4 million more than the budgeted estimate. Year-to-date collections for ten months are \$38.0 million more than the budgeted estimate.

Gasoline and motor fuel collections for May decreased by 0.77% and were \$1.3 million more than the budgeted estimate. For ten months revenues are positive 2.30% and \$15.4 million more than the budgeted estimate of \$690.3 million.

Business tax collections were \$3.4 million more than the May estimate, and year-to-date collections for ten months are \$4.8 million less than the budgeted estimate.

Tobacco tax collections were \$0.5 million less than the budgeted estimate of \$21.7 million. For ten months revenues are under collected in the amount of \$5.2 million.

All other taxes in total were \$0.4 million less than the budgeted estimates for May.

Year-to-date collections for ten months were \$494.8 million more than the budgeted estimate. The general fund was over collected by \$451.6 million and the four other funds were over collected by \$43.2 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/bud/Revenues.shtml>.

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
May
2014-2015

Fund	2015				2014	2015	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
General Fund	\$808,262,000	\$759,727,000	\$48,535,000	6.39%	\$712,249,000	\$96,013,000	13.48%
Highway Fund	58,903,000	60,599,000	(1,696,000)	-2.80%	58,413,000	490,000	0.84%
Sinking Fund	31,323,000	31,188,000	135,000	0.43%	34,213,000	(2,890,000)	-8.45%
City & County Fund	72,044,000	68,525,000	3,519,000	5.14%	70,786,000	1,258,000	1.78%
Earmarked Fund	3,584,000	3,583,000	1,000	0.03%	2,900,000	684,000	23.59%
Total	\$974,116,000	\$923,622,000	\$50,494,000	5.47%	\$878,561,000	\$95,555,000	10.88%

Revenue Collections by Tax
May
2014-2015

Tax Source	2015				2014	2015	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
Franchise & Excise	\$66,387,000	\$50,300,000	\$16,087,000	31.98%	\$46,509,000	\$19,878,000	42.74%
Income	8,919,000	6,493,000	2,426,000	37.36%	6,420,000	2,499,000	38.93%
Inheritance & Estate	4,618,000	5,457,000	(839,000)	-15.37%	8,188,000	(3,570,000)	-43.60%
Gasoline	53,049,000	52,915,000	134,000	0.25%	55,012,000	(1,963,000)	-3.57%
Petroleum Special	5,420,000	5,400,000	20,000	0.37%	5,602,000	(182,000)	-3.25%
Tobacco	21,157,000	21,676,000	(519,000)	-2.39%	21,563,000	(406,000)	-1.88%
Beer	1,877,000	1,729,000	148,000	8.56%	1,523,000	354,000	23.24%
Motor Vehicle Registration	20,813,000	23,661,000	(2,848,000)	-12.04%	20,677,000	136,000	0.66%
Motor Vehicle Title	1,114,000	1,174,000	(60,000)	-5.11%	1,020,000	94,000	9.22%
Mixed Drink	7,785,000	6,804,000	981,000	14.42%	6,651,000	1,134,000	17.05%
Business	26,891,000	23,511,000	3,380,000	14.38%	20,888,000	6,003,000	28.74%
Privilege	64,144,000	55,630,000	8,514,000	15.30%	49,050,000	15,094,000	30.77%
Gross Receipts	85,000	178,000	(93,000)	-52.25%	90,000	(5,000)	-5.56%
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	5,091,000	4,918,000	173,000	3.52%	5,123,000	(32,000)	-0.62%
Sales and Use	643,705,000	623,254,000	20,451,000	3.28%	590,248,000	53,457,000	9.06%
Motor Vehicle Fuel	14,256,000	13,108,000	1,148,000	8.76%	12,679,000	1,577,000	12.44%
Severance	173,000	214,000	(41,000)	-19.16%	236,000	(63,000)	-26.69%
Coin-operated Amusement	9,000	0	9,000	NA	6,000	3,000	50.00%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$974,116,000	\$923,622,000	\$50,494,000	5.47%	\$878,561,000	\$95,555,000	10.88%

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

Fund	2014 - 2015				2013-2014	2014-2015	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
General Fund	\$8,733,865,000	\$8,282,315,000	\$451,550,000	5.45%	\$7,974,440,000	\$759,425,000	9.52%
Highway Fund	582,773,000	584,035,000	(1,262,000)	-0.22%	565,921,000	16,852,000	2.98%
Sinking Fund	312,338,000	311,242,000	1,096,000	0.35%	342,734,000	(30,396,000)	-8.87%
City & County Fund	812,453,000	769,059,000	43,394,000	5.64%	759,070,000	53,383,000	7.03%
Earmarked Fund	35,833,000	35,833,000	0	0.00%	29,000,000	6,833,000	23.56%
Total	\$10,477,262,000	\$9,982,484,000	\$494,778,000	4.96%	\$9,671,165,000	\$806,097,000	8.34%

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

Tax Source	2014 - 2015				2013-2014	2014-2015	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
Franchise & Excise	\$1,766,845,000	\$1,505,299,000	\$261,546,000	17.38%	\$1,457,812,000	\$309,033,000	21.20%
Income	298,419,000	260,454,000	37,965,000	14.58%	235,698,000	62,721,000	26.61%
Inheritance & Estate	71,479,000	57,800,000	13,679,000	23.67%	90,540,000	(19,061,000)	-21.05%
Gasoline	515,450,000	504,308,000	11,142,000	2.21%	505,267,000	10,183,000	2.02%
Petroleum Special	53,120,000	52,411,000	709,000	1.35%	51,900,000	1,220,000	2.35%
Tobacco	215,791,000	221,023,000	(5,232,000)	-2.37%	215,948,000	(157,000)	-0.07%
Beer	14,622,000	15,031,000	(409,000)	-2.72%	14,418,000	204,000	1.41%
Motor Vehicle Registration	217,694,000	219,950,000	(2,256,000)	-1.03%	215,661,000	2,033,000	0.94%
Motor Vehicle Title	9,863,000	10,055,000	(192,000)	-1.91%	9,870,000	(7,000)	-0.07%
Mixed Drink	70,160,000	62,805,000	7,355,000	11.71%	62,078,000	8,082,000	13.02%
Business	136,882,000	141,729,000	(4,847,000)	-3.42%	122,086,000	14,796,000	12.12%
Privilege	271,443,000	261,585,000	9,858,000	3.77%	229,321,000	42,122,000	18.37%
Gross Receipts	13,502,000	14,636,000	(1,134,000)	-7.75%	12,236,000	1,266,000	10.35%
TVA - In Lieu of Tax Payments	289,808,000	277,700,000	12,108,000	4.36%	277,953,000	11,855,000	4.27%
Alcoholic Beverage	47,505,000	46,801,000	704,000	1.50%	45,840,000	1,665,000	3.63%
Sales and Use	6,345,566,000	6,195,079,000	150,487,000	2.43%	5,989,549,000	356,017,000	5.94%
Motor Vehicle Fuel	137,140,000	133,546,000	3,594,000	2.69%	132,702,000	4,438,000	3.34%
Severance	1,869,000	2,272,000	(403,000)	-17.74%	2,111,000	(242,000)	-11.46%
Coin-operated Amusement	103,000	0	103,000	NA	155,000	(52,000)	-33.55%
Unauthorized Substance	1,000	0	1,000	NA	20,000	(19,000)	NA
Total	\$10,477,262,000	\$9,982,484,000	\$494,778,000	4.96%	\$9,671,165,000	\$806,097,000	8.34%