



HISTORIC  
FRANKLIN  
TENNESSEE

# MEMORANDUM

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## MEMORANDUM

December 12, 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 December was \$2,616,784 compared to \$2,485,462 for the same month in 2015, an increase of \$131,322 or 5.3%. [The December remittance is for sales tax collected during the month of October, representing the fourth month of the fiscal year on an accrual basis.] During the same period, the State of Tennessee sales tax collections were up 3.5% from the prior year.

Year-to-date, the City has received \$10.5 million compared to \$9.9 million in the previous year, a difference of \$573,307 or 5.8%. The State of Tennessee sales tax collections, year-to-date, are \$2.79 billion compared to \$2.69 billion in the prior year, a difference of \$98 million or 3.7%.

For budget comparisons, the City originally anticipated collections of \$10.6 million through four months of the fiscal year. Through the month of October, the City is \$120,616, or 1.1%, below budgeted collections. As a further comparison, the October collection of \$2.61 million compares to \$1.76 million in 2010, \$1.88 million in 2011, \$2.02 million in 2012, \$2.11 million in 2013 and \$2.32 million in 2014.

The local sales tax collections have increased year-over-year in 78 of the last 81 months reported.



# TENNESSEE DEPARTMENT OF REVENUE

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

December 9, 2016  
Month of: NOVEMBER  
Tot. Collections: \$9,061,069.53  
Cost of Admin: \$101,937.03  
Net Collections: \$8,959,132.50

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	\$354,986.88	\$3,993.60	\$350,993.28
FRANKLIN	\$5,346,581.86	\$60,149.05	\$5,286,432.81
FAIRVIEW	\$231,259.91	\$2,601.67	\$228,658.24
BRENTWOOD	\$2,506,265.04	\$28,195.48	\$2,478,069.56
SPRING HILL	\$397,627.90	\$4,473.31	\$393,154.59
THOMPSON STATION	\$136,486.16	\$1,535.47	\$134,950.69
NOLENSVILLE	\$87,861.78	\$988.45	\$86,873.33

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.

$$5286432.81 \div 2 = 2,643,216.40$$

$$\times 1\% (-) \quad 26,432.16$$

2,616,784.24



FOR IMMEDIATE RELEASE  
Friday, December 9, 2016

CONTACT: Lola Potter  
OFFICE: 615-532-8560

## NOVEMBER REVENUES

NASHVILLE, Tenn. – Tennessee revenues for November slightly exceeded revenues from the same month last year. Finance and Administration Commissioner Larry Martin today reported that revenues for November were \$907.0 million, which is 0.48% more than November 2015, and \$6.8 million in excess of the budgeted estimate. November revenues represent consumer spending which occurred in October.

“Our sales tax revenues recorded relatively moderate growth for November,” Martin said. “Franchise and excise taxes recorded negative growth for the month which is not alarming since November is a very small collection month for corporate revenues.”

On an accrual basis, November is the fourth month in the 2016-2017 fiscal year.

General fund revenues for November were \$7.7 million less than the budgeted estimate, and the four other funds that share in state tax revenues were \$14.5 more than the budgeted estimate.

Sales tax revenues were \$27.8 million more than the estimate for November. The November growth rate was 3.53%. The year-to-date growth rate was 3.67%.

Franchise and excise combined revenues for November were \$10.7 million, which is \$40.6 million less than the budgeted estimate of \$51.3 million. The growth rate for November was negative 73.95%. The year-to-date growth rate was 6.67%.

Gasoline and motor fuel revenues increased by 9.46% and they were \$10.5 million more than the budgeted estimate of \$73.0 million.

Motor Vehicle Registration revenues increased by 4.43% and they were \$2.5 million more than the November estimate.

Tobacco tax revenues for the month were \$1.5 million more than the budgeted estimate.

Privilege tax revenues were \$1.2 million more than the budgeted estimate of \$23.8 million.

Inheritance and Estate taxes were \$0.6 million more than the November estimate.

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Business tax revenues were \$0.8 million more than the November estimate.

Hall income taxes were \$1.9 million more than the November estimate.

All other tax revenues exceeded estimates by a net of \$0.6 million.

Year-to-date revenues for four months were \$205.4 million more than the budgeted estimate. The general fund was over estimates by \$176.2 million and the four other funds that share in state tax revenues exceeded estimates by \$29.2 million.

The budgeted revenue estimates for 2016-2017 are based on the State Funding Board's consensus recommendation of November 23, 2015 and adopted by the second session of the 109th General Assembly in April 2016. Also incorporated in the estimates are any changes in revenue enacted during the 2016 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**  
**November**  
**2016-2017**

Fund	2016				2015 Actual	2016	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
General Fund	\$731,340,000	\$739,070,000	(\$7,730,000)	-1.05%	\$733,345,000	(\$2,005,000)	-0.27%
Highway Fund	63,673,000	56,144,000	7,529,000	13.41%	60,715,000	2,958,000	4.87%
Sinking Fund	33,979,000	33,719,000	260,000	0.77%	34,200,000	(221,000)	-0.65%
City & County Fund	74,385,000	67,660,000	6,725,000	9.94%	70,750,000	3,635,000	5.14%
Earmarked Fund	3,583,000	3,583,000	0	0.00%	3,584,000	(1,000)	-0.03%
<b>Total</b>	<b>\$906,960,000</b>	<b>\$900,176,000</b>	<b>\$6,784,000</b>	<b>0.75%</b>	<b>\$902,594,000</b>	<b>\$4,366,000</b>	<b>0.48%</b>

**Revenue Collections by Tax**  
**November**  
**2016-2017**

Tax Source	2016				2015 Actual	2016	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
Franchise & Excise	\$10,711,000	\$51,300,000	(\$40,589,000)	-79.12%	\$41,110,000	(\$30,399,000)	-73.95%
Income	3,135,000	1,191,000	1,944,000	163.22%	1,437,000	1,698,000	118.16%
Inheritance & Estate	1,691,000	1,076,000	615,000	57.16%	5,043,000	(3,352,000)	-66.47%
Gasoline	64,485,000	54,010,000	10,475,000	19.39%	56,689,000	7,796,000	13.75%
Petroleum Special	6,387,000	5,725,000	662,000	11.56%	5,862,000	525,000	8.96%
Tobacco	23,674,000	22,190,000	1,484,000	6.69%	23,816,000	(142,000)	-0.60%
Beer	1,499,000	1,405,000	94,000	6.69%	1,491,000	8,000	0.54%
Motor Vehicle Registration	21,487,000	19,012,000	2,475,000	13.02%	20,575,000	912,000	4.43%
Motor Vehicle Title	1,849,000	1,387,000	462,000	33.31%	1,919,000	(70,000)	-3.65%
Mixed Drink	9,366,000	7,874,000	1,492,000	18.95%	8,441,000	925,000	10.96%
Business	3,485,000	2,648,000	837,000	31.61%	2,631,000	854,000	32.46%
Privilege	25,014,000	23,833,000	1,181,000	4.96%	21,078,000	3,936,000	18.67%
Gross Receipts	(315,000)	(185,000)	(130,000)	70.27%	(198,000)	(117,000)	59.09%
TVA - In Lieu of Tax Payments	27,827,000	29,016,000	(1,189,000)	-4.10%	28,454,000	(627,000)	-2.20%
Alcoholic Beverage	5,033,000	5,165,000	(132,000)	-2.56%	5,021,000	12,000	0.24%
Sales and Use	688,893,000	661,138,000	27,755,000	4.20%	665,383,000	23,510,000	3.53%
Motor Vehicle Fuel	12,634,000	13,225,000	(591,000)	-4.47%	13,737,000	(1,103,000)	-8.03%
Severance	95,000	158,000	(63,000)	-39.87%	105,000	(10,000)	-9.52%
Coin-operated Amusement	5,000	8,000	(3,000)	-37.50%	0	5,000	NA
Unauthorized Substance	5,000	0	5,000	NA	0	5,000	NA
<b>Total</b>	<b>\$906,960,000</b>	<b>\$900,176,000</b>	<b>\$6,784,000</b>	<b>0.75%</b>	<b>\$902,594,000</b>	<b>\$4,366,000</b>	<b>0.48%</b>

**Table 2**  
**Revenue Collections by Fund**  
**Year-to-Date**  
**August - November**  
**2016-2017**

Fund	2016 - 2017				2015-2016 Actual	2016-2017	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
General Fund	3,403,091,000	\$3,226,919,000	\$176,172,000	5.46%	\$3,290,971,000	\$112,120,000	3.41%
Highway Fund	242,794,000	228,072,000	14,722,000	6.45%	237,206,000	5,588,000	2.36%
Sinking Fund	136,269,000	135,197,000	1,072,000	0.79%	136,960,000	(691,000)	-0.50%
City & County Fund	354,041,000	340,603,000	13,438,000	3.95%	325,622,000	28,419,000	8.73%
Earmarked Fund	14,333,000	14,333,000	0	0.00%	14,333,000	0	0.00%
<b>Total</b>	<b>\$4,150,528,000</b>	<b>\$3,945,124,000</b>	<b>\$205,404,000</b>	<b>5.21%</b>	<b>\$4,005,092,000</b>	<b>\$145,436,000</b>	<b>3.63%</b>

**Revenue Collections by Tax**  
**Year-to-Date**  
**August - November**  
**2016-2017**

Tax Source	2016 - 2017				2015-2016 Actual	2016-2017	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
Franchise & Excise	\$523,850,000	\$471,600,000	\$52,250,000	11.08%	\$491,085,000	\$32,765,000	6.67%
Income	7,141,000	9,530,000	(2,389,000)	-25.07%	12,468,000	(5,327,000)	-42.73%
Inheritance & Estate	9,833,000	5,342,000	4,491,000	84.07%	22,082,000	(12,249,000)	-55.47%
Gasoline	229,429,000	212,689,000	16,740,000	7.87%	223,270,000	6,159,000	2.76%
Petroleum Special	23,362,000	22,382,000	980,000	4.38%	22,814,000	548,000	2.40%
Tobacco	90,379,000	89,023,000	1,356,000	1.52%	89,892,000	487,000	0.54%
Beer	6,245,000	5,914,000	331,000	5.60%	6,277,000	(32,000)	-0.51%
Motor Vehicle Registration	87,492,000	80,401,000	7,091,000	8.82%	84,458,000	3,034,000	3.59%
Motor Vehicle Title	7,963,000	6,144,000	1,819,000	29.61%	6,890,000	1,073,000	15.57%
Mixed Drink	34,549,000	30,153,000	4,396,000	14.58%	31,441,000	3,108,000	9.89%
Business	20,791,000	15,771,000	5,020,000	31.83%	15,670,000	5,121,000	32.68%
Privilege	104,344,000	103,196,000	1,148,000	1.11%	98,380,000	5,964,000	6.06%
Gross Receipts	14,059,000	16,121,000	(2,062,000)	-12.79%	8,576,000	5,483,000	63.93%
TVA - In Lieu of Tax Payments	119,566,000	122,873,000	(3,307,000)	-2.69%	121,280,000	(1,714,000)	-1.41%
Alcoholic Beverage	20,352,000	19,036,000	1,316,000	6.91%	19,221,000	1,131,000	5.88%
Sales and Use	2,792,521,000	2,678,281,000	114,240,000	4.27%	2,693,559,000	98,962,000	3.67%
Motor Vehicle Fuel	58,190,000	55,877,000	2,313,000	4.14%	57,153,000	1,037,000	1.81%
Severance	427,000	732,000	(305,000)	-41.67%	540,000	(113,000)	-20.93%
Coin-operated Amusement	30,000	59,000	(29,000)	-49.15%	36,000	(6,000)	-16.67%
Unauthorized Substance	5,000	0	5,000	NA	0	5,000	NA
<b>Total</b>	<b>\$4,150,528,000</b>	<b>\$3,945,124,000</b>	<b>\$205,404,000</b>	<b>5.21%</b>	<b>\$4,005,092,000</b>	<b>\$145,436,000</b>	<b>3.63%</b>