

City of Boulder

Sales & Use Tax Revenue Report

December, 2014

Issued February 24, 2015

This report provides information and analysis related to December 2014 year-to-date sales and use tax collections. Results are for actual sales activity through the month of December, the tax on which is received by the city in the subsequent month. For clarification of any information in this report, please contact Cheryl Pattelli, Director of Finance, at (303) 441-3246 or pattellc@bouldercolorado.gov.

PLEASE NOTE: Pursuant to a vote in November of 2013, the sales and use tax rate changed on January 1, 2014 from 3.41% to 3.56%. Therefore, actual dollars collected in the report may show as being higher in 2014 solely because of the tax rate increase. However, the actual percentages changes included in this report have been normalized to be able to compare the actual increase or decrease for this year compared to the same period in 2013 as if the rates were the same. This normalized percentage better reflects the underlying economic activity in the city and enables city staff to readily determine if revenue targets are being met.

REVENUE COMPARISONS TO COMPARABLE PERIOD IN PRIOR YEAR

As reflected in Table 1, YTD “normalized” Sales and Use Tax has increased from the comparable 2013 base by 6.24%.

TABLE 1

ACTUAL SALES AND USE TAX REVENUE

TAX CATEGORY	% CHANGE IN REVENUE Increase/(Decrease)	% OF TOTAL
Sales Tax	5.76%	78.47%
Business/Consumer Use Tax	25.38%	10.56%
Construction Use Tax	(9.11%)	8.18%
Motor Vehicle Use Tax	11.14%	2.79%
Total Sales & Use Tax	6.24%	100.00%

Retail sales tax from recreational marijuana is a new revenue source in 2014. Therefore, adjusted numbers are provided in Table 2 to better illustrate underlying retail sales and related tax, excluding revenue from recreational marijuana. Further, due to a number of uncertainties in costs related to the sale of this new commodity, a portion of this revenue is being dedicated to pay for costs associated with this new business segment, and is not available for other purposes in 2014.

TABLE 2

SALES AND USE TAX REVENUE ADJUSTED TO EXCLUDE RECREATIONAL MARIJUANA

TAX CATEGORY	% CHANGE IN REVENUE Increase/(Decrease)	% OF TOTAL
Sales Tax	4.03%	78.02%
Business/Consumer Use Tax	24.98%	10.77%
Construction Use Tax	(9.11%)	8.36%
Motor Vehicle Use Tax	11.14%	2.85%
Total Sales & Use Tax	4.85%	100.00%

MACRO ISSUES TO CONSIDER

Contrary to recent trends, Retail Sales Tax was negative for the month of December. Certain categories, while relatively strong from a historical perspective, are less strong when calculating the percent change versus the prior year because they have a higher comparative base.

Although total Sales and Use Tax revenue is up in total by 6.24%, some of this revenue is for newly taxable retail commodities and may not show similar rates of increase in the future. Excluding revenues from sales of both medical and recreational marijuana for both 2014 and 2013 reflects that our traditional retail sales tax revenue source from brick and mortar stores in the city is up by a more modest 4.85%.

Other tax components (Business Use Tax and Motor Vehicle Use Tax) have been trending upward and may continue to be strong for the short term as we recover from the recession, but they will ultimately settle back down to lower rates of increase or even decrease somewhat from current levels. Motor Vehicle Use Tax may have already reached that inflection point as both November and December results have been negative (down 17.88% and 12.16% respectively when compared to the very strong sales in the comparative months of 2013).

The next question, when considering committing revenue to on-going expenditures might be, what do the 2014 trends portend for the future? Although difficult to quantify, other trends impacting spending on taxable goods in the city follow:

- Unemployment continues to decline, increasing earned income and consumer confidence.
- Housing prices continue to increase. The U.S. stock market is also up significantly. These factors contribute to what is often called "the wealth effect" where people with increased assets feel more comfortable spending money on both taxable and non-taxable items and services.
- Recent declines in the cost of gasoline should increase disposable income, at least until next summer or fall when gasoline prices are expected to rise again.
- Housing prices for new purchasers (with associated higher mortgage payments) and rents continue to increase, possibly decreasing disposal income available for the type of retail purchases that we rely on as our retail sales tax revenue base.
- Paying off large student loans may reduce disposable income for a relatively large segment of our population.
- Increasing internet sales (those upon which retail sales tax is not collected by the vendor) will continue to divert some of the disposable income that was previously a part of the retail sales tax base for the City of Boulder. For 2014 this amount is estimated to be four million dollars in lost tax collections.
- Business spending on new capital equipment tends to occur in cycles and the end of the recession may have triggered a high point in this cycle.
- Auto purchases were relatively slow during the recession with the average age of the vehicle fleet in the country approaching eleven years. When new purchases decrease the age of the fleet, replacements may slow.

DETAILED ANALYSIS OF MAJOR CATEGORIES

The following monthly information is provided to identify trends in the various categories. While this information is useful, it is important to remember that relatively small aberrations (like the timing of remittances by certain vendors) can make relatively large monthly variances.

Retail Sales Tax – December YTD retail sales tax revenue was up by 5.76% from that received in 2013. Without the tax revenue from the sale of recreational marijuana (which was not in the comparative 2013 base) the YTD increase would have been 5.03%. Also, beginning in April, the sale of recreational marijuana has improved the variance as there is no comparative revenue in the prior year. The negative percentage change in June is due primarily to revenue from a very large business computer provider in

2013 that was not duplicated in 2014. The negative percent change in December is due partially due to timing in certain Food Tax revenue but primarily due to flat to negative sales in many other categories.

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2.83%	5.87%	2.92%	11.09%	8.05%	(0.19%)	9.16%	8.87%	9.64%	8.30%	13.50%	(3.82%)

Food Stores - Retail sales tax revenue for food stores is 4.67% YTD. A portion of the variable performance in this category is due to timing issues where the vendor files 13 tax returns per year and the extra return does not occur in the same month each year.

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
3.70%	(11.10%)	8.47%	12.32%	13.68%	0.83%	8.76%	10.08%	15.65%	5.44%	28.40%	(21.83%)

Sales at **Eating Places** are both an important revenue source (Eating Places comprise approximately 13.00% of sales/use tax) and are often an indicator of the health of the economy in the city. This discretionary category is often correlated with disposable income and consumer confidence. Total December YTD retail tax at Eating Places is up by 5.13%.

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1.47%	7.57%	(1.30%)	6.34%	10.01%	0.13%	4.71%	4.52%	16.72%	4.44%	2.57%	4.64%

Apparel Store retail sales are up by 8.09% YTD. A portion of the monthly fluctuations is due to the timing of receipt of certain remittances.

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
(1.35%)	13.85%	15.64%	(18.70%)	(0.60%)	9.12%	8.99%	36.31%	4.42%	(1.14%)	17.33%	8.09%

General Retail is down by 2.97% YTD. This downward trend appears to be consistent with retail trends on the national level, timing also impacts the results in October because certain remittances did not make the cut-off for the prior month.

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
(16.62%)	6.07%	3.91%	4.62%	(2.89%)	(4.09%)	3.83%	(7.83%)	(6.28%)	16.30%	(14.18%)	(15.17%)

Public Utilities (primarily retail sales tax on natural gas and electricity) are up by 1.54% YTD. Tax on Public Utilities comprises approximately 5.00% of total sales and use tax revenue. Even as natural gas prices and rates increase, the direction for this category may be uncertain if conservation strategies are successful and businesses significantly cut their energy use. According to a 2006 study by the City of Boulder, commercial and industrial sector energy use makes up 83% of Boulder's energy use.

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
5.63%	9.85%	9.89%	(0.98%)	(0.31%)	9.27%	4.59%	0.13%	5.82%	(0.77%)	2.71%	6.11%

TOTAL MARIJUANA REVENUE

The combined sales of medical and recreational marijuana have become an increasing percentage of sales and use tax for the City of Boulder. For 2014 medical and recreational marijuana revenue represents 2.21% of the total Sales/Use Tax collected.

The sale of medical marijuana generates:

- 3.56% base sales tax on product sales paid by the purchaser.
- 3.56% base use tax on cost of any construction materials and the purchase of furniture, fixtures, or equipment paid by the business.

The sale of recreational marijuana generates:

- 3.56% base sales tax on product sales paid by the purchaser.

- 3.56% base use tax on the cost of any construction materials and the purchase of furniture, fixtures, or equipment paid by the business.
- An additional 3.50% in sales tax on product sales paid by the purchaser
- An additional 3.50% in use tax on the cost of any construction materials and the purchase of furniture, fixtures, or equipment paid by the business.
- A 5.00% excise tax paid by the grow facility when shipping product to dispensaries and/or marijuana infused product facilities.
- A "share-back" of certain State of Colorado revenue. The State collects a 10.00% tax on recreational marijuana sales and "shares back" 15.00% of that 10.00% to each city where such revenue is generated.

A summary of all year-to-date 2014 marijuana related revenue follows:

Total December YTD Marijuana Related Revenue			
Medical marijuana:			
3.56% Base Sales/Use Tax	\$1,223,712		
Sub-total Medical marijuana revenue		1,223,712	
Recreational marijuana			
3.56% Base Sales/Use Tax	691,292		
3.50% Additional Sales/Use Tax	618,602		
5.00% Excise Tax	430,243		
State Share-back	294,944		
Sub-total Recreational Marijuana revenue		2,035,081	
TOTAL MARIJUANA RELATED REVENUE			\$3,258,793

While the City's base 3.56% sales/use tax is distributed to City funds based upon various past voter decisions, certain other revenue has been dedicated to cover incremental costs related to the sale and use of marijuana in the City of Boulder. Year-to-date collections for these dedicated revenue sources follow:

Total December YTD "Incremental" Recreational Marijuana Related Revenue		
3.50% Additional Sales/Use Tax	\$618,602	
5.00% Excise Tax	430,243	
State "Share-back"	294,944	
TOTAL "INCREMENTAL" RECREATIONAL MARIJUANA REVENUE		\$1,343,789

Medical Marijuana Retail Sales Tax

Total YTD retail sales tax revenue collected in this category is \$1,198,318 up by 22.32% from the same period in 2013. Monthly sales tax revenue and the percentage change by month, is presented below. This industry segment represents approximately one percent of total sales/use tax collections.

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
\$86,993	\$110,174	\$75,274	\$63,256	\$79,663	\$85,190	\$91,897	\$144,791	\$112,625	\$123,069	\$104,876	\$120,510
25.13%	50.58%	(11.38%)	(17.65%)	9.92%	10.70%	17.22%	60.98%	32.64%	26.93%	24.16%	32.37%

Recreational Marijuana Retail Sales Tax

The first remittances related to sales of recreational marijuana were received in the month of February. The Municipal Code prohibits providing any information that would identify sales by individual vendors. Beginning with April data, enough vendors reported to obscure individual data. Therefore, we began reporting year-to-date revenue related to the sale of recreational marijuana. December YTD retail sales tax collections for the sale of recreational marijuana were \$1,296,921.

Significant YTD increases / decreases by sales/use tax category are summarized in Table 3.

TABLE 3

2014 YTD RETAIL SALES TAX (% Change in Comparable YTD Collections)	
STRENGTHS: <ul style="list-style-type: none"> ▪ Food stores up by 4.67% ▪ Eating Places up by 5.13% ▪ Apparel Stores up by 8.09% ▪ Home Furnishings up by 8.86% ▪ Transportation/Utilities up by 5.35% ▪ Automotive Trade up by 6.53% ▪ Building Material Retail up by 2.04% ▪ Consumer Electronics up by 18.45% ▪ All Other (including marijuana sales) up by 36.14% ▪ Downtown up by 11.22% ▪ University of Colorado up by 1.17% ▪ Basemar up by 2.36% ▪ UHGID up by 10.10% ▪ N. 28th St. Commercial up by 6.83% ▪ BVRC (excl 29th St) up by 12.72% ▪ Table Mesa up by 4.34% ▪ The Meadows up by 8.36% ▪ All Other Boulder up by 8.29% ▪ Metro Denver up by 14.13% ▪ Gunbarrel Commercial up by 0.04 % ▪ Pearl Street Mall up by 11.48% ▪ Boulder Industrial up by 11.67% ▪ Public Utilities up by 1.54% 	WEAKNESSES: <ul style="list-style-type: none"> ▪ General Retail down by 2.97% ▪ Computer Related Business down by 26.52% (Use Tax in this category up by 12.04%) ▪ Twenty-Ninth St down by 0.01% ▪ Boulder County down by 7.52% ▪ Out of State down by 3.67% ▪ Gunbarrel Industrial down by 17.58%

2014 USE TAX (% Change in YTD Comparable Collections)	
STRENGTHS: <ul style="list-style-type: none"> ▪ Business Use Tax up by 25.38% ▪ Motor Vehicle Use Tax up by 11.14% 	WEAKNESSES <ul style="list-style-type: none"> ▪ Construction Use Tax down by 9.11% (when adjusted to exclude dedicated Boulder Junction tax, down by 8.29%)

BUSINESS USE TAX

YTD Business Use Tax is up significantly (25.38%) through the month of December. This tax category can be very volatile as it is associated primarily with the amount and timing of purchase of capital assets by businesses in the city and the amount and timing of audit revenue. 2014 YTD audit revenue was over \$2 million. While we expect this revenue category to be up for the year due to increasing business confidence and related spending, it may be unrealistic to expect this high rate of increase to continue.

MOTOR VEHICLE USE TAX

December YTD Motor Vehicle Use Tax is up by 11.14%. This tax category applies to the purchase of vehicles registered in the city. As individuals and businesses become more confident about jobs and the economy, they have replaced their vehicles and thus reduced the average age of their fleet. 2014 has been a strong year for motor vehicle sales, but at some point the rate of increase will slow as the average age of the total vehicle fleet in the city declines and the comparative numbers from the prior year become more difficult to meet or exceed. Motor Vehicle Use Tax may have already reached that inflection point as both November and December results have been negative (down 17.88% and 12.16% respectively when compared to the very strong sales in the comparative months of 2013).

ACCOMMODATION TAX

YTD 2014 Accommodation Tax revenue is up by 20.21% from the same period in 2013. The hotel industry in Boulder is in a state of flux. The Hampton Inn in Gunbarrel opened in June of 2013 so increases from the comparative 2013 revenue base will be more difficult to achieve in November and December of 2014. It is uncertain if/when other new properties in the pipeline will open. Some upward adjustment in room and occupancy rates is possible during the transition when the total number of rooms available in the City is down slightly but many define actual collections. Some of the changes follow:

- America Best Value – closed March 2014 (to be converted to student housing)
- Golden Buff – closed October 2014 (to be redeveloped into two hotels)
- Boulder Outlook – proposed to close November 2014
- Hampton Inn, Gunbarrel – opened June 2013
- Hyatt Place Depot Square – broke ground, projected opening January, 2015
- Other Planned Properties – in concept or site review

ADMISSIONS TAX

Year-to-date 2014 Admission Tax revenue is up by 2.86% from the same period in 2013. Admissions Tax collections are dependent on the number of taxable productions and events held in the City and the level of attendance at such events.

TRASH TAX

Year-to-date 2014 Trash Tax receipts are up by 0.94%. Trash Tax remittances are due on a quarterly basis. Occasionally, smaller vendors or trash haulers will remit outside that quarterly cycle, resulting in large variances.

REVIEW OF VARIOUS ECONOMIC DATA & PREDICTIONS FOR THE FUTURE

According to economists speaking at the Boulder Economic Council's annual economic forecast event, as reported by BizWest on January 14, 2015, lagging sales tax may threaten Colorado's future budgets:

Phyllis Resnick, lead economist at CSU's Colorado Futures Center, stated ... the rates of retail sales tax growth are starting to fall in Colorado for a variety of reasons. E-commerce has been cutting into retail sales tax collected locally for years as people shop online rather than in local stores. The United States as a whole is also becoming increasingly unmarried, with single people traditionally spending less on goods and services than married individuals. Resnick also said there's evidence mounting that as income inequality rises, the nation will see further decline in sales tax collections. When you concentrate income up high...you have fewer people buying those things that contribute to the tax base.

Perhaps the greatest threat to sales tax revenues, though, is the fact that physical taxable goods are becoming a smaller share of consumption as more and more people hire for services like lawn care or other household services that don't bring in sales tax revenue. Especially among younger segments of the population, the trend is steering toward spending on experiences and services and away from goods. And things like smartphones have already replaced the need for several other devices that individuals used to buy. The shift away from purchasing goods will also be magnified by the aging population, as those 65 and older also tend not to spend a lot of money on goods but rather on experiences like travel. We're going to have to start to acknowledge the new way of consuming," Resnick said. "It's going to take a lot of work to start thinking about the ways we generate public revenues off a system of consumption that is changing quite rapidly.

While Resnick was the self-proclaimed bearer of bad news, Rickard Wobbekind, executive director of the Business Research Division at the CU Boulder's School of Business, got to deliver more encouraging news. Colorado will continue to outperform the nation in employment and population growth, with home prices continuing to appreciate. On a more local level, Boulder, he told the crowd, continues to outperform not just the nation's but Colorado's strong recovery metrics.

As Colorado is forming more households than it is producing new housing units, he said the state appears to be under building, a sign that bodes well for the construction industry going forward. On the flip side, that bodes poorly for the increase in cost of housing. In Boulder, where the median price of a single family home was nearly \$700,000 in 2014, housing prices will continue to stress not only first-time homebuyers' ability to break into the market but also things like the transportation system as the number of the city's in-commuters continues to climb.

Colorado business leaders bullish on 2015 according to a report published in BizWest on January 5, 2015:

BOULDER – The confidence of Colorado business leaders has increased slightly entering the New Year according to the latest index released Monday by the University of Colorado Boulder's Leeds School of Business. The Leeds School releases the index each quarter, with expectations measuring positive at 50 or higher.

Entering the first quarter of 2015, the Leeds Business Confidence Index registered an overall mark of 60.8, up from 59.5 last quarter. Expectations were positive for all of the metrics measured, including national economy, state economy, industry profits, capital expenditures and hiring plans. The state's business leaders were most enthusiastic about the state's economy, with that metric coming in at 66.2, up from 63.9 last quarter. But optimism about the national economy also rose from 56.4 to 60. Their outlook on hiring also improved slightly, from 57.9 to 58.2.

The Conference Board Consumer Confidence Index rose sharply in January

The Conference Board ***Consumer Confidence Index***[®], which had increased in December, rose sharply in January. The Index now stands at 102.9 (1985=100), up from 93.1 in December. The Present Situation Index rose to 112.6 from 99.9, while the Expectations Index increased to 96.4 from 88.5 in December.

Lynn Franco, Director of Economic Indicators at The Conference Board, said: "Consumer confidence rose sharply in January, and is now at its highest level since August 2007 (Index, 105.6). A more positive assessment of current business and labor market conditions contributed to the improvement in consumers' view of the present situation. Consumers also expressed a considerably higher degree of optimism regarding the short-term outlook for the economy and labor market, as well as their earnings."

Consumers' assessment of present-day conditions was considerably more favorable in January than in December. Those saying business conditions are "good" increased from 24.7 percent to 28.1 percent, while those claiming business conditions are "bad" decreased from 18.9 percent to 16.8 percent. Consumers were also much more positive in their assessment of the job market. Those stating jobs are "plentiful" increased from 17.2 percent to 20.5 percent. Those claiming jobs are "hard to get" decreased from 27.3 percent to 25.7 percent.

Consumers' optimism about the short-term outlook improved in January. The percentage of consumers expecting business conditions to improve over the next six months rose from 17.8

percent to 18.4 percent, while those expecting business conditions to worsen declined from 9.9 percent to 7.7 percent.

Consumers' outlook for the labor market was also more optimistic. Those anticipating more jobs in the months ahead increased from 14.6 percent to 16.7 percent, while those anticipating fewer jobs declined from 16.5 percent to 15.0 percent. The proportion of consumers expecting growth in their incomes improved from 16.2 percent to 20.0 percent. However, the proportion expecting a decrease increased marginally, from 10.2 percent to 11.3 percent.

Total Net Sales/Use Tax Receipts by Tax Category	DECEMBER YTD Actual			
	2013	2014	% Change	% of Total
Sales Tax	81,485,022	89,973,310	5.76%	78.47%
Business Use Tax	9,251,454	12,109,817	25.38%	10.56%
Construction Sales/Use Tax	9,879,257	9,374,372	-9.11%	8.18%
Motor Vehicle Use Tax	2,757,267	3,199,297	11.14%	2.79%
Total Sales and Use Tax	103,373,001	114,656,795	6.24%	100.00%

Total Net Sales/Use Tax Receipts by Industry Type	DECEMBER YTD Actual			
	2013	2014	% Change	% of Total
Food Stores	13,454,838	14,681,607	4.52%	12.80%
Eating Places	13,174,730	14,447,798	5.04%	12.60%
Apparel Stores	3,774,426	4,180,365	6.09%	3.65%
Home Furnishings	2,710,604	3,092,193	9.27%	2.70%
General Retail	20,776,166	22,124,094	2.00%	19.30%
Transportation/Utilities	7,714,987	8,579,033	6.51%	7.48%
Automotive Trade	6,979,769	7,868,494	7.98%	6.86%
Building Material-Retail	3,694,286	3,922,515	1.70%	3.42%
Construction Firms Sales/Use Tax	9,046,281	8,860,368	-6.18%	7.73%
Consumer Electronics	1,981,666	2,383,393	15.20%	2.08%
Computer Related Business Sector	7,082,053	7,061,420	-4.49%	6.16%
All Other	12,983,195	17,455,515	28.78%	15.22%
Total Sales and Use Tax	103,373,001	114,656,795	6.24%	100.00%

Total Net Sales/Use Tax Receipts by Geographic Area	DECEMBER YTD Actual			
	2013	2014	% Change	% of Total
North Broadway	1,412,272	1,381,928	-6.27%	1.21%
Downtown	6,527,958	8,724,628	28.02%	7.61%
Downtown Extension	776,616	764,494	-5.71%	0.67%
UHGID (the "hill")	1,042,370	1,213,812	11.54%	1.06%
East Downtown	703,113	911,578	24.19%	0.80%
N. 28th St. Commercial	4,861,434	5,113,751	0.76%	4.46%
N. Broadway Annex	702,410	465,512	-36.52%	0.41%
University of Colorado	974,151	1,170,727	15.12%	1.02%
Basemar	2,573,540	2,652,379	-1.28%	2.31%
BVRC-Boulder Valley Regional Center	19,401,650	22,784,847	12.49%	19.87%
29th Street	8,105,236	8,358,316	-1.22%	7.29%
Table Mesa	2,537,405	2,755,473	4.02%	2.40%
The Meadows	847,771	991,492	12.03%	0.86%
All Other Boulder	6,191,614	6,781,554	4.91%	5.91%
Boulder County	1,209,766	1,245,709	-1.37%	1.09%
Metro Denver	3,725,221	3,911,275	0.57%	3.41%
Colorado All Other	321,703	387,276	15.31%	0.34%
Out of State	11,540,647	12,113,461	0.54%	10.56%
Airport	93,188	68,443	-29.65%	0.06%
Gunbarrel Industrial	6,261,854	7,818,546	19.60%	6.82%
Gunbarrel Commercial	1,267,930	1,280,707	-3.25%	1.12%
Pearl Street Mall	2,858,347	3,317,937	11.19%	2.89%
Boulder Industrial	9,921,949	10,772,985	4.00%	9.40%
Unlicensed Receipts	1,932,108	1,346,349	-33.25%	1.17%
County Clerk	2,757,267	3,199,297	11.14%	2.79%
Public Utilities	4,825,482	5,124,320	1.72%	4.47%
Total Sales and Use Tax	103,373,001	114,656,795	6.24%	100.00%

Miscellaneous Tax Statistics	DECEMBER YTD Actual		
	2013	2014	% Change in Taxable Sales
Total Food Service Tax	557,375	631,701	13.34%
Accommodations Tax	4,905,937	5,897,602	20.21%
Admissions Tax	530,427	545,592	2.86%
Trash Tax	1,757,807	1,774,365	0.94%
Disposable Bag Fee	67,613	280,930	315.50%

COMPARISON OF YEAR-TO-DATE ACTUAL REVENUE FOR THE YEAR 2014 TO COMPARABLE PERIOD IN 2013

USE TAX BY CATEGORY			SALES TAX BY CATEGORY			
DECEMBER YTD Actual			Standard Industrial Code	DECEMBER YTD Actual		
2013	2014	% Change		2013	2014	% Change
162,628	156,075	-8.07%	Food Stores	13,292,211	14,525,532	4.67%
172,318	177,128	-1.54%	Eating Places	13,002,411	14,270,670	5.13%
59,678	-11,676	-118.74%	Apparel Stores	3,714,749	4,192,041	8.09%
18,372	32,571	69.82%	Home Furnishings	2,692,232	3,059,622	8.86%
1,448,849	2,545,889	68.31%	General Retail	19,327,316	19,578,205	-2.97%
251,334	370,096	41.05%	Transportation/Utilities	7,463,654	8,208,937	5.35%
2,851,583	3,277,148	10.08%	Automotive Trade	4,128,185	4,591,346	6.53%
26,230	15,154	-44.66%	Building Material-Retail	3,668,056	3,907,362	2.04%
8,616,554	8,452,710	-6.03%	Construction Sales/ Use Tax	429,727	407,658	-9.13%
96,167	51,802	-48.40%	Consumer Electronics	1,885,500	2,331,591	18.45%
4,046,081	4,732,552	12.04%	Computer Related Business	3,035,972	2,328,868	-26.52%
4,138,184	4,884,036	13.05%	All Other	8,845,011	12,571,478	36.14%
21,887,979	24,683,485	8.02%	Total Sales and Use Tax	81,485,022	89,973,310	5.76%

USE TAX BY CATEGORY			SALES TAX BY CATEGORY			
DECEMBER YTD Actual			Geographic Code	DECEMBER YTD Actual		
2013	2014	% Change		2013	2014	% Change
118,719	74,795	-39.65%	North Broadway	1,293,552	1,307,132	-3.21%
528,205	1,758,459	218.89%	Downtown	5,999,753	6,966,168	11.22%
93,403	54,987	-43.61%	Downtown Extension	683,213	709,507	-0.53%
17,368	35,592	96.29%	UHGID (the "hill")	1,025,002	1,178,220	10.10%
83,846	205,555	134.83%	East Downtown	619,266	706,023	9.21%
365,185	99,090	-74.01%	N. 28th St. Commercial	4,496,250	5,014,661	6.83%
247,299	14,574	-94.36%	N. Broadway Annex	455,111	450,938	-5.09%
503	142,381	27013.68%	University of Colorado	973,647	1,028,346	1.17%
641,710	588,009	-12.23%	Basemar	1,931,830	2,064,370	2.36%
365,597	383,689	0.53%	BVRC	19,036,053	22,401,158	12.72%
178,071	83,584	-55.04%	29th Street	7,927,165	8,274,732	-0.01%
40,166	35,354	-15.69%	Table Mesa	2,497,238	2,720,118	4.34%
39,196	76,762	87.59%	The Meadows	808,576	914,730	8.36%
2,878,126	3,035,506	1.02%	All Other Boulder	3,313,488	3,746,047	8.29%
160,138	232,362	38.99%	Boulder County	1,049,629	1,013,347	-7.52%
1,004,052	669,031	-36.17%	Metro Denver	2,721,168	3,242,244	14.13%
16,795	116,823	566.27%	Colorado All Other	304,909	270,453	-15.04%
1,749,713	2,266,852	24.10%	Out of State	9,790,933	9,846,610	-3.67%
63,798	32,655	-50.97%	Airport	29,390	35,788	16.64%
4,948,291	6,688,322	29.47%	Gunbarrel Industrial	1,313,563	1,130,224	-17.58%
72,258	31,928	-57.68%	Gunbarrel Commercial	1,195,672	1,248,780	0.04%
44,193	42,673	-7.51%	Pearl Street Mall	2,814,154	3,275,264	11.48%
3,908,371	3,762,511	-7.79%	Boulder Industrial	6,013,578	7,010,474	11.67%
1,425,380	894,869	-39.86%	Unlicensed Receipts	506,728	451,480	-14.66%
2,757,267	3,199,297	11.14%	County Clerk	0	0	0.00%
140,329	157,826	7.73%	Public Utilities	4,685,152	4,966,494	1.54%
21,887,979	24,683,485	8.02%	Total Sales and Use Tax	81,485,022	89,973,310	5.76%

Tax by Mo & Category

TOTAL CITY SALES AND USE TAX COLLECTIONS

REVENUE CATEGORY	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	% Change in Taxable Sales
RETAIL SALES TAX	2007	5,118,353	5,014,615	6,918,421	4,965,981	5,500,701	6,712,841	5,565,371	6,393,028	6,954,377	5,747,963	5,695,703	8,411,484	72,998,838	9.34%
Rate Chg 3.56%>3.41%	2008	5,197,400	5,105,109	6,005,946	5,331,447	5,488,450	6,572,335	5,508,796	6,258,640	6,620,535	5,382,779	5,255,155	7,443,455	70,170,045	0.35%
Rate 3.41%	2009	4,919,570	4,659,632	5,850,038	5,077,648	5,131,444	6,428,343	5,206,770	5,790,533	6,093,314	5,170,325	4,735,769	7,814,230	66,877,613	-4.69%
	2010	4,576,034	5,386,190	6,196,697	5,320,225	5,470,595	6,895,283	5,522,076	5,943,315	6,855,385	5,652,938	5,240,211	8,414,157	71,473,106	6.87%
	2011	5,394,367	5,132,437	6,692,597	5,630,200	5,708,608	7,016,826	5,580,953	6,531,707	7,286,644	5,765,805	5,830,545	8,390,145	74,960,833	4.88%
	2012	5,363,541	5,129,096	6,754,740	5,599,150	5,988,770	7,304,270	5,551,489	7,062,958	7,502,227	6,188,194	5,693,025	9,604,529	77,741,989	3.71%
	2013	5,557,163	5,824,808	7,171,949	5,707,649	6,197,302	7,968,604	6,161,076	6,944,797	7,500,133	6,591,707	5,934,326	9,925,508	81,485,022	4.81%
Rate 3.56%	2014	5,965,991	6,438,048	7,706,036	6,619,759	6,990,628	8,303,288	7,020,977	7,893,039	8,584,506	7,452,664	7,031,634	9,966,741	89,973,310	5.76%
Change from prior year (Month)		2.83%	5.87%	2.92%	11.09%	8.05%	-0.19%	9.16%	8.87%	8.30%	13.50%				
Change from prior year (YTD)		2.83%	4.39%	3.82%	5.53%	6.04%	4.75%	5.36%	5.83%	6.32%	6.51%	7.09%	5.76%		
CONSUMER USE TAX (includes Motor Vehicle)	2007	763,650	574,006	975,178	888,726	733,196	858,072	975,456	652,501	923,667	732,463	716,317	1,575,908	10,369,140	-6.63%
Rate 3.41%	2008	818,034	991,472	1,109,160	669,214	736,901	1,067,769	732,334	596,399	899,934	989,683	599,876	1,253,267	10,464,043	5.35%
	2009	909,558	657,250	1,062,587	997,891	531,724	790,819	858,325	1,299,767	989,089	741,578	698,452	1,600,457	11,137,947	6.44%
	2010	687,502	778,796	913,223	701,931	662,382	945,800	620,328	633,593	909,315	752,143	618,493	1,366,131	9,589,636	-13.90%
	2011	1,247,135	650,595	1,034,670	727,395	850,561	1,166,185	958,724	771,357	1,044,032	703,092	903,665	1,410,793	11,468,205	19.59%
	2012	763,425	768,580	859,971	976,451	1,212,071	1,033,899	729,829	940,127	957,894	1,417,818	737,310	1,469,940	11,867,314	3.48%
	2013	1,132,015	762,369	979,120	866,143	911,993	963,938	835,063	768,003	1,338,726	1,121,736	807,130	1,522,486	12,008,722	1.19%
Rate 3.56%	2014	924,895	901,234	1,328,607	1,727,986	666,706	2,541,847	1,056,846	1,297,348	1,409,960	1,012,343	1,011,907	1,429,435	15,309,114	22.11%
Change from prior year (Month)		-21.74%	13.23%	29.98%	91.10%	-29.98%	152.58%	21.23%	61.81%	0.88%	-13.55%	20.09%	-10.07%		
Change from prior year (YTD)		-21.74%	-7.66%	5.16%	25.06%	14.27%	38.02%	35.84%	38.60%	32.70%	27.34%	26.78%	22.11%		
CONSTRUCTION USE TAX	2007	293,078	347,860	112,016	293,061	621,413	430,207	1,119,425	259,226	421,376	286,524	376,978	253,590	4,814,755	-13.02%
Rate Chg 3.56%>3.41%	2008	330,080	347,219	748,549	454,797	327,855	241,649	100,759	442,652	347,954	217,885	107,831	381,753	4,048,982	-12.21%
Rate 3.41%	2009	944,905	111,907	425,028	776,511	279,761	995,132	721,209	676,301	235,485	223,169	591,970	1,467,798	7,449,176	83.98%
	2010	591,599	242,591	245,829	362,619	226,230	1,921,675	1,075,078	467,423	245,361	234,021	406,866	531,670	6,550,964	-12.06%
	2011	622,872	281,210	274,661	240,970	2,150,036	352,336	352,846	455,211	478,988	314,958	177,137	471,157	6,172,383	-5.78%
	2012	385,392	1,697,323	315,856	503,719	342,448	375,499	595,334	214,896	422,866	473,523	799,552	371,254	6,497,662	5.27%
	2013	732,539	941,380	298,613	577,351	366,959	728,141	845,123	1,182,131	1,196,147	876,749	622,491	1,511,632	9,879,257	52.04%
	2014	716,119	1,110,714	600,580	430,524	571,269	1,688,472	373,129	397,130	713,014	908,032	325,754	1,557,635	9,374,372	-9.11%
Change from prior year (Month)		-6.36%	13.02%	92.65%	-28.57%	49.12%	122.12%	-57.71%	-69.28%	-42.90%	-0.80%	-49.87%	-1.30%		
Change from prior year (YTD)		-6.36%	4.54%	17.88%	7.36%	12.61%	34.49%	17.13%	-0.87%	-8.19%	-7.36%	-10.52%	-9.11%		
TOTAL FOR MONTH & CHANGE FROM PREVIOUS YEAR (MONTH & YTD)															
Rate Chg 3.41%>3.56%	2007	6,175,081	5,936,481	8,005,615	6,147,768	6,855,311	8,001,120	7,660,252	7,304,754	8,299,420	6,766,951	6,788,999	10,240,982	88,182,732	5.73%
Rate Chg 3.56%>3.41%	2008	6,345,513	6,443,800	7,863,654	6,455,459	6,553,206	7,881,753	6,341,889	7,297,691	7,868,423	6,590,347	5,962,862	9,078,475	84,683,070	0.26%
Rate 3.41%	2009	6,774,033	5,428,789	7,337,653	6,852,049	5,942,929	8,214,294	6,786,304	7,766,601	7,317,887	6,135,072	6,026,191	10,882,485	85,464,286	0.92%
	2010	5,855,134	6,407,577	7,355,749	6,384,774	6,359,207	9,762,758	7,217,482	7,044,332	8,010,061	6,639,102	6,265,572	10,311,957	87,613,706	2.51%
	2011	7,264,374	6,064,242	8,001,928	6,598,565	8,709,205	8,535,347	6,892,523	7,758,275	8,809,664	6,783,855	6,911,348	10,272,096	92,601,421	5.69%
	2012	6,512,359	7,594,999	7,930,567	7,079,320	7,543,289	8,713,668	6,876,652	8,217,981	8,882,987	8,079,535	7,229,887	11,445,723	96,106,966	3.79%
	2013	7,421,717	7,528,557	8,449,682	7,151,142	7,476,254	9,660,683	7,841,262	8,894,931	10,035,006	8,590,192	7,363,947	12,959,626	103,373,001	7.56%
	2014	7,607,004	8,449,996	9,635,223	8,778,269	8,228,603	12,533,607	8,450,951	9,569,517	10,707,479	9,373,039	8,369,295	12,953,810	114,656,795	6.24%
Less Refunds	2006	-40,302	-5,272	-22,761	-363	-5,099	0	0	-7,568	-806	-5,947	-406	-16,773	-105,296	
	2007	0	-38,291	-2,013	-729	-9,326	-14,547	-14,440	-677	0	-5,963	0	-5,015	-91,001	
	2008	-978	0	-46,974	-1,409	0	-2,375	-445	-9,493	-1,429	0	-48,521	-500	-112,123	
	2009	-3,335	0	0	-1,111	-602	-692	-967	-3,520	-2,747	-179,087	-65,331	-26,376	-283,770	
	2010	-3,469	-68,130	-35,924	-1,444	-43,920	-3,832	-1,648	-4,204	-7,969	0	-12,480	-214	-183,234	
	2011	-8,569	-2,479	-1,188	-2,918	0	-7,175	0	0	0	-162	0	-140,199	-162,690	
Adjusted total	2007	6,175,081	5,898,190	8,003,602	6,147,039	6,845,984	7,986,572	7,645,812	7,304,077	8,299,420	6,760,988	6,788,999	10,235,967	88,091,731	5.76%
Rate 3.41%	2008	6,344,536	6,443,800	7,816,680	6,454,050	6,553,206	7,879,378	6,341,444	7,288,198	7,866,995	6,590,347	5,914,341	9,077,975	84,570,947	0.23%
	2009	6,770,698	5,428,789	7,337,653	6,850,938	5,942,327	8,213,602	6,785,337	7,763,080	7,315,140	5,955,985	5,960,860	10,866,109	85,180,517	0.72%
	2010	5,851,665	6,339,447	7,319,826	6,383,330	6,315,288	9,758,926	7,215,834	7,040,127	8,002,092	6,639,102	6,253,092	10,311,744	87,430,472	2.64%
	2011	7,255,806	6,061,763	8,000,739	6,595,647	8,709,205	8,535,347	6,885,348	7,758,275	8,809,664	6,783,693	6,911,348	10,131,897	92,438,731	5.73%
	2012	6,512,359	7,594,999	7,930,567	7,079,320	7,543,289	8,713,668	6,876,652	8,217,981	8,882,987	8,079,535	7,229,887	11,445,723	96,106,966	3.97%
	2013	7,421,717	7,528,557	8,449,682	7,151,142	7,476,254	9,660,683	7,841,262	8,894,931	10,035,006	8,590,192	7,363,947	12,959,626	103,373,001	7.56%
	2014	7,607,004	8,449,996	9,635,223	8,778,269	8,228,603	12,533,607	8,450,951	9,569,517	10,707,479	9,373,039	8,369,295	12,953,810	114,656,795	6.24%
% Change (month)		-1.82%	7.51%	9.23%	17.58%	5.43%	24.27%	3.23%	3.05%	2.21%	4.52%	8.86%	-4.26%		
% Change (YTD)		-1.82%	2.88%	5.17%	8.07%	7.55%	10.94%	9.85%	8.91%	8.01%	7.65%	7.75%	6.24%		