

# **TOWN OF PRESCOTT VALLEY, ARIZONA QUARTERLY SALES TAX REPORT**

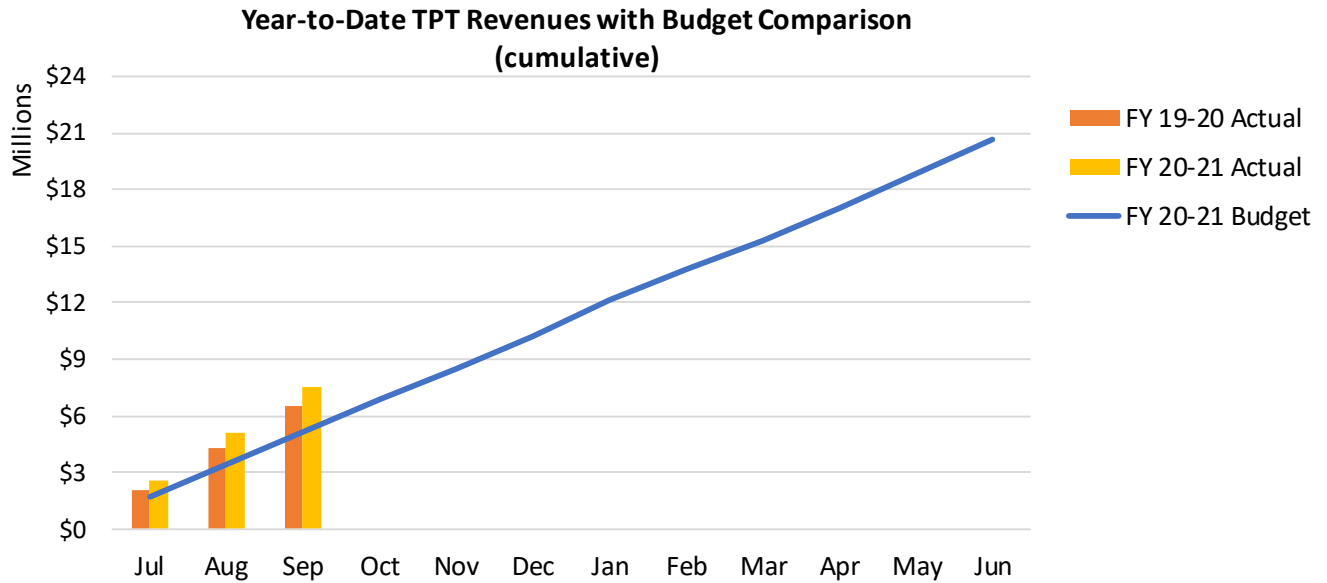


**QUARTER ENDED:  
SEPTEMBER 30, 2020  
PRESENTED TO THE TOWN COUNCIL  
ON NOVEMBER 12, 2020**

**PREPARED BY THE TOWN OF PRESCOTT VALLEY FINANCE DEPARTMENT**

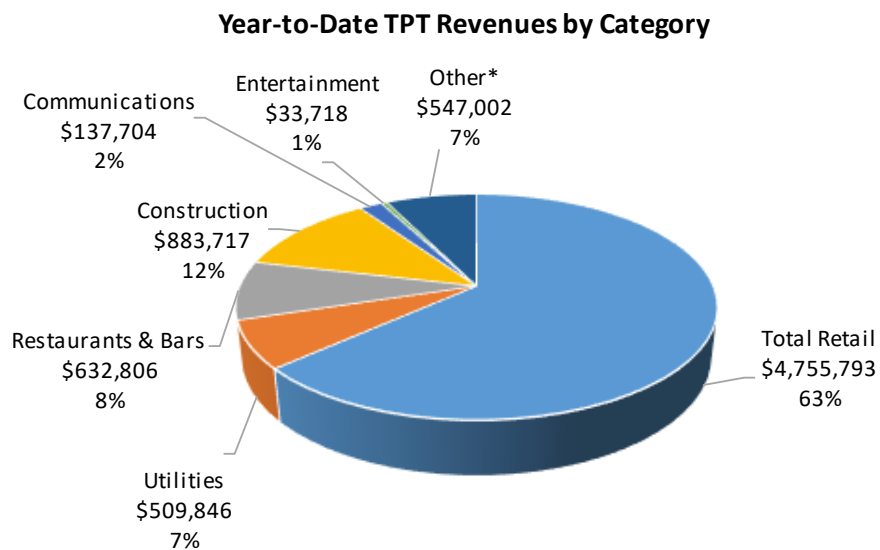
# Transaction Privilege Tax Revenues

Total transaction privilege tax (TPT) revenues are up by 15% for the same period compared to last fiscal year and 46% compared to budget. The rise in sales tax collections is primarily due to retail and restaurant & bar revenue. The following graph represents cumulative performance through the first quarter of fiscal year 2021 when compared to budget and to the prior fiscal year.



For the current fiscal year, the most significant changes are:

- ⇒ **Retail** — Largest tax category at 63% of total TPT revenues which includes big box stores, grocery, auto and all other retail, exhibiting an overall increase of 29% compared to the prior year.
- ⇒ **Restaurants & Bars** — Comprise 8% of total TPT revenues and includes fast food chains, restaurants, and bars. An increasing variety of new restaurant establishments have contributed to the 6% increase over the prior year.

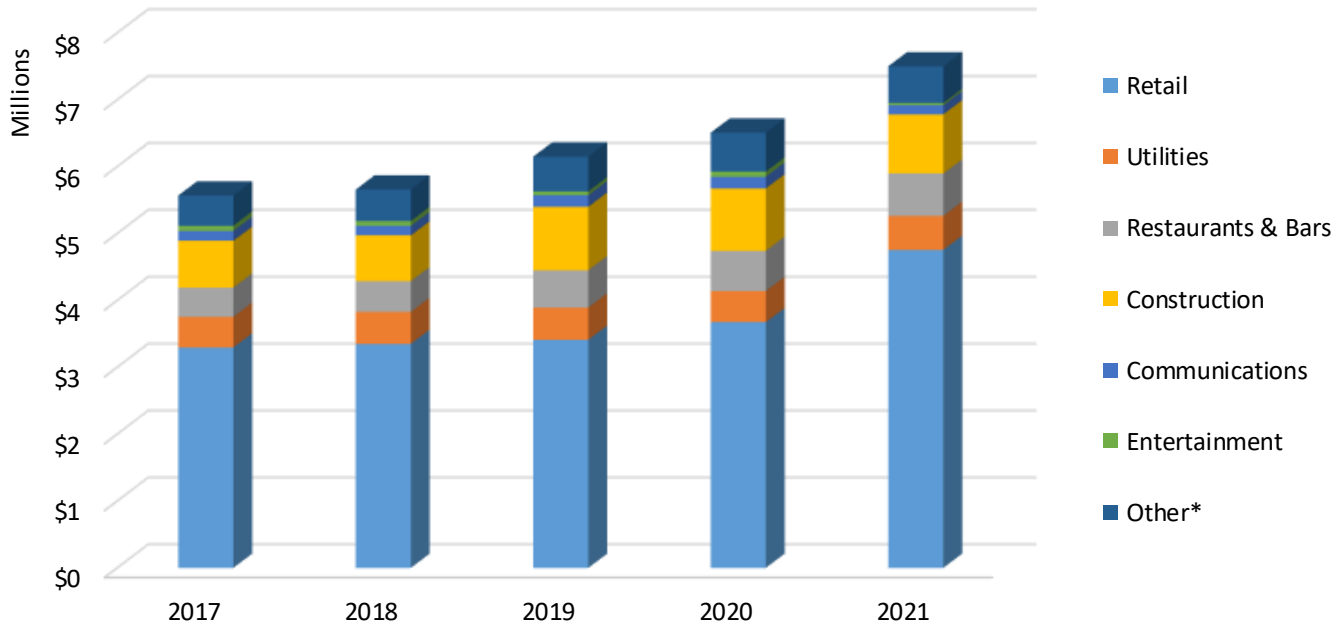


\*Job Printing, Hotel/Motel, TPP Rental, Publication, Transportation, and Use Tax

# 5 Year Comparison

Total TPT revenues are up by 35% compared to the same period four years ago. The rise in sales tax collections is partially due to the 0.50% increase in transaction privilege tax that went into effect January 1, 2016 as well as an increase in retail and restaurant & bar revenue. The following graph represents data through the first quarter of fiscal year 2021 compared to the four preceding years.

**Year-to-Date TPT Collections by Category**



**Year-to-Date TPT Collections by Category**

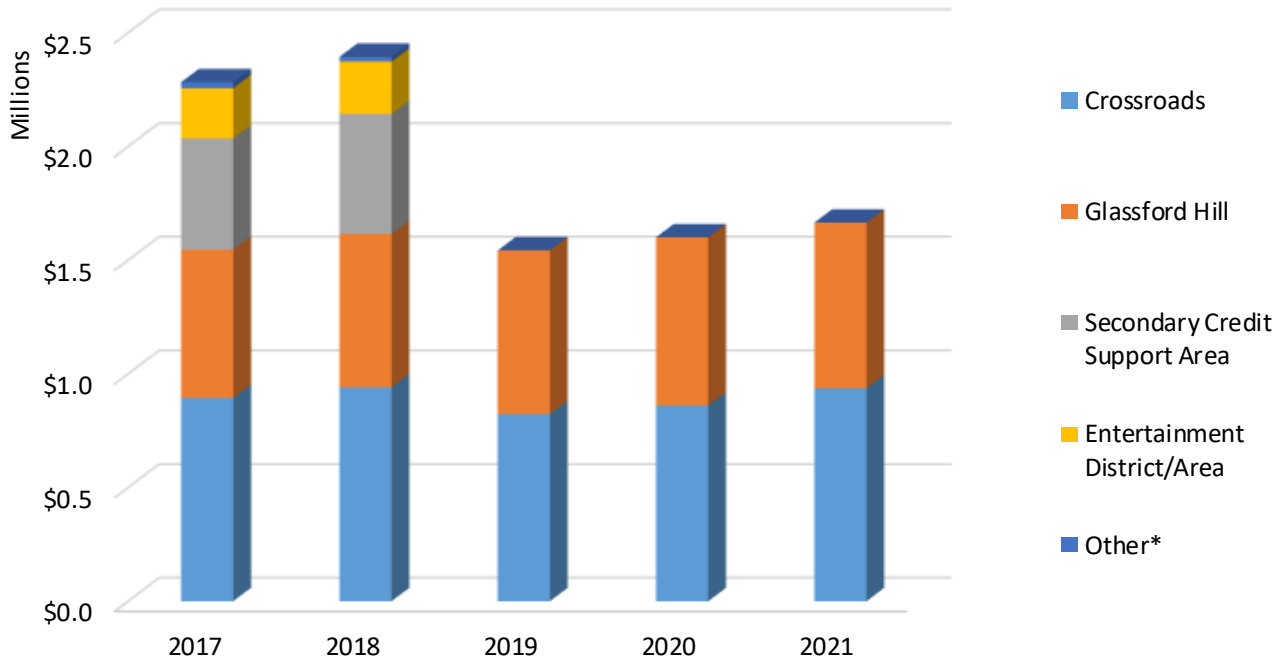
Category	2017	2018	2019	2020	2021
Retail					
Stores	\$ 1,914,032	\$ 2,044,465	\$ 2,020,310	\$ 2,319,464	\$ 2,987,153
Grocery	741,545	703,119	753,419	784,263	908,403
Automotive	581,268	535,348	550,228	489,597	717,516
Other	59,540	68,638	87,559	83,533	142,721
Total Retail	3,296,385	3,351,570	3,411,516	3,676,857	4,755,793
Utilities	457,454	477,143	483,180	464,483	509,846
Restaurants & Bars	438,272	461,218	556,469	599,564	632,806
Construction	700,003	683,294	949,821	933,656	883,717
Communications	147,609	141,544	173,300	176,139	137,704
Entertainment	77,568	71,495	56,220	75,792	33,718
Other*	450,768	472,843	520,373	582,700	547,002
Total	<u>\$ 5,568,059</u>	<u>\$ 5,659,107</u>	<u>\$ 6,150,879</u>	<u>\$ 6,509,191</u>	<u>\$ 7,500,586</u>

\*Job Printing, Hotel/Motel, TPP Rental, Publication, Transportation, and Use Tax

# TPT Within Designated Boundaries

During the first quarter of fiscal year 2021, tax revenue from the businesses within designated boundaries represents 22% of overall tax revenues collected compared to 25% the prior year. Retail within the designated boundaries represents 30% of total retail tax revenue and restaurants & bars represent 21% of the total restaurant & bar tax revenue.

## Year-to-Date TPT Collections by Designated Boundaries



## Year-to-Date TPT Within Designated Boundaries

Designated Boundary	2017	2018	2019	2020	2021
Crossroads	\$ 893,868	\$ 940,972	\$ 822,596	\$ 860,926	\$ 936,418
Glassford Hill	651,953	675,029	720,583	739,577	728,691
Secondary Credit Support Area	489,521	527,326	-	-	-
Entertainment District/Area	221,639	230,440	-	-	-
Other*	25,943	20,869	-	-	-
<b>Total</b>	<b>\$ 2,282,924</b>	<b>\$ 2,394,636</b>	<b>\$ 1,543,179</b>	<b>\$ 1,600,503</b>	<b>\$ 1,665,109</b>
% of Total Revenues	41%	42%	25%	25%	22%

## Year-to-Date TPT Within Designated Boundaries by Category

Category	2017	2018	2019	2020	2021
Retail	\$ 1,832,997	\$ 1,959,691	\$ 1,339,451	\$ 1,393,497	\$ 1,448,002
Restaurants and Bars	190,605	206,459	126,962	116,688	130,083
Other**	259,322	228,486	76,766	90,318	87,024
<b>Total</b>	<b>\$ 2,282,924</b>	<b>\$ 2,394,636</b>	<b>\$ 1,543,179</b>	<b>\$ 1,600,503</b>	<b>\$ 1,665,109</b>

\*Smaller development areas excluded in 2019, 2020 & 2021 to preserve proprietary taxpayer information

\*\*Includes Construction, Job Printing, Hotel/Motel, TPP Rental, Publication, Entertainment, Utilities, Transportation and Use Tax