

**Town of Prescott Valley  
Transaction Privilege/Use Tax Revenues  
September 30, 2012**

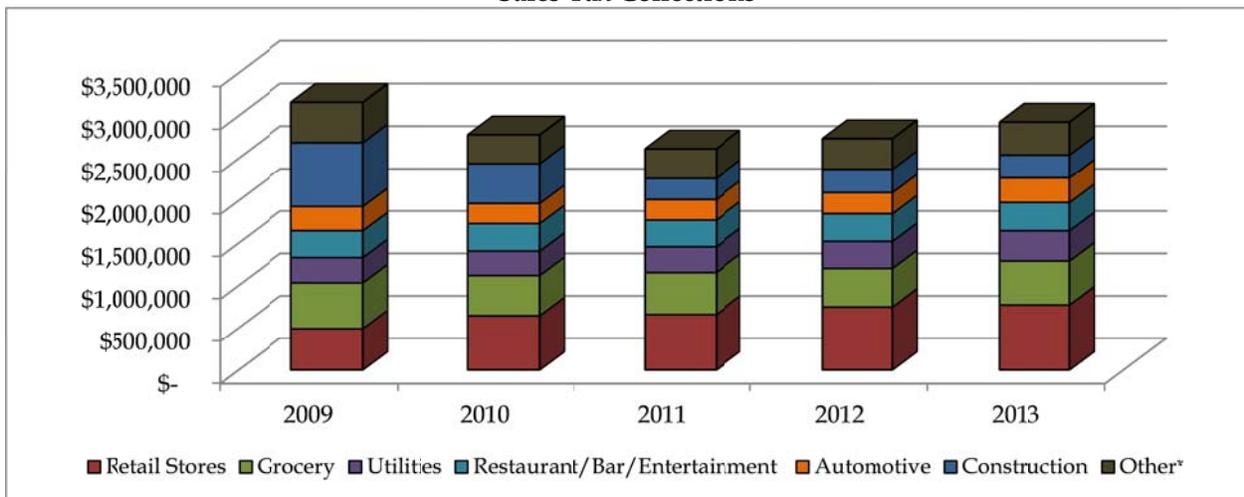
This report represents the transaction privilege/use tax revenues (sales tax) collected by the Town through the first quarter of fiscal year ending June 30, 2013. Total sales tax revenues are up 7.08% compared to the first quarter of last fiscal year, 0.72% favorable to the current year budget and are down 7.33% compared to four years ago. Sales tax collections are showing a positive trend in many areas including retail, grocery, utilities and automotive. New businesses in the area and improvements to the local economy have led to improved sales tax collections for the Town.

**Sales Tax Collections**

Category	2009	2010	2011	2012	2013
Retail Stores	\$ 490,730	\$ 643,315	\$ 657,748	\$ 746,156	\$ 770,611
Grocery	540,096	474,636	494,113	454,557	517,715
Utilities	297,328	286,729	303,402	319,061	355,921
Restaurant/Bar/Entertainment	316,778	324,239	315,140	326,008	333,011
Automotive	285,326	237,387	242,476	248,196	290,549
Construction	753,485	471,286	248,760	277,580	271,665
Other*	473,108	338,564	349,518	360,469	385,848
<b>Total</b>	<b>\$ 3,156,850</b>	<b>\$ 2,776,156</b>	<b>\$ 2,611,156</b>	<b>\$ 2,732,027</b>	<b>\$ 2,925,321</b>

\*Use Tax, Communications, Transient Lodging, Publication/Job Printing and Rental of Personal Property

**Sales Tax Collections**



\*Use Tax, Communications, Transient Lodging, Publication/Job Printing and Rental of Personal Property

Retail Stores encompass a variety of businesses including big box stores (i.e., Home Depot and Sam's Club), department stores (i.e., Kohl's), hardware (i.e., Ace Hardware), painting, furniture and service businesses that sell retail items. Retail stores tax collections are favorable to prior year by 3.28% or \$24,455 and 57.03% or \$279,881 compared to four years ago. New businesses and an improved economy have led the retail stores category to increase each year over the last five years.

Grocery includes large food chains, small mom and pop stores and convenience stores. An increase of 13.89% or \$63,158 was seen over last year and a decrease of 4.14% or \$22,381 compared to four years ago. Grocery sales have rebounded in the last year as the economy has showed signs of improvement.

Restaurant/Bar/Entertainment includes fast food chains, restaurants and bars. This category is favorable to last fiscal year by 2.15% or \$7,003 and favorable to four years ago by 5.12% or \$16,233. This favorability is mainly due to a slowly improving economy as well as the opening of new businesses.

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Construction tax revenues include residential and commercial projects. Construction tax revenues are unfavorable to last year by 2.13% or \$5,915 and are unfavorable to 2009 by 63.95% or \$481,820. These tax revenues remain low as the economy continues to struggle to recover from the recent recession. Permit activity in residential as well as commercial projects are increasing during the early months of this fiscal year, a promising sign of recovery.

**Sales Tax within Designated Boundaries**

Designated Boundary	2009	2010	2011	2012	2013
Secondary Credit Support Area	\$ 384,793	\$ 294,384	\$ 234,338	\$ 274,598	\$ 279,738
Entertainment District/ Area	187,338	187,682	184,969	205,077	205,475
Other*	67,356	333,932	419,244	443,822	495,073
<b>Total</b>	<b>\$ 639,487</b>	<b>\$ 815,998</b>	<b>\$ 838,551</b>	<b>\$ 923,497</b>	<b>\$ 980,286</b>

\*Glassford Hill Marketplace, Crossroads, Eastridge, Quailwood

During the first quarter of 2009, tax revenue from the businesses within designated boundaries represented 20.26% of overall tax revenues collected. In the first quarter of 2013, tax revenues collected in designated boundaries represents 33.51% of overall tax revenues collected. This increase is primarily due to the increased number of retail businesses which have located within the designated boundary areas.

**Sales Tax within Designated Boundaries by Category**

Category	2009	2010	2011	2012	2013
Retail, Grocery	\$ 352,510	\$ 585,030	\$ 600,678	\$ 650,569	\$ 677,726
Restaurant/Bar/Entertainment	107,973	113,175	103,329	119,683	123,388
Other*	179,004	117,793	134,544	153,245	179,172
<b>Total</b>	<b>\$ 639,487</b>	<b>\$ 815,998</b>	<b>\$ 838,551</b>	<b>\$ 923,497</b>	<b>\$ 980,286</b>

\*Utilities, Automotive, Construction, Use Tax, Communications, Transient Lodging, Publication/Job Printing and Rental of Personal Property

For fiscal year 2013, retail and grocery within the designated boundaries represents 58.63% of the total for those categories and restaurant/bar/entertainment is 37.05% of total.

The following graph illustrates sales tax collections for the quarter as compared to the prior four fiscal years. Total sales tax collections for each fiscal year are represented by the line graph on the chart. For the current fiscal year, total sales tax collections are the amount budgeted for the fiscal year.

**Sales Tax Collections by Quarter**

