



HISTORIC
FRANKLIN
TENNESSEE

MEMORANDUM

MEMORANDUM

February 12, 2014

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 February was \$3,097,595 compared to \$3,012,759 for the same month in 2012, an increase of \$84,836, or 2.8%. [The February remittance is for sales tax collected during the month of December, representing the sixth month of the fiscal year on an accrual basis.] During the same period, the State of Tennessee sales tax collections were up 4.9% from the prior year.

Year-to-date, the City has received \$14.04 million compared to \$13.38 million in the previous year, a difference of \$655,900 or 4.9%. The State of Tennessee sales tax collections, year-to-date, are \$3.67 billion compared to \$3.54 billion in the prior year, a difference of \$129.4 million or 3.6%.

For budget comparisons, the City anticipated collections of \$14.16 million through six months of the fiscal year. Through December, the City is \$ 122,820, or 0.4%, below budgeted collections. As a further comparison, the December collection of \$3.09 million compares to \$2.49 million in 2008, \$2.48 million in 2009, \$2.67 million in 2010 and \$2.90 million in 2011.



TENNESSEE DEPARTMENT OF REVENUE

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

February 9, 2014
 Month of: JANUARY
 Tot. Collections: \$10,677,577.73
 Cost of Admin: \$120,122.75
 Net Collections: \$10,557,454.98

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	\$273,834.77	\$3,080.64	\$270,754.13
FRANKLIN	\$6,328,968.43	\$71,200.89	\$6,257,767.54
FAIRVIEW	\$157,963.36	\$1,777.09	\$156,186.27
BRENTWOOD	\$3,299,158.14	\$37,115.53	\$3,262,042.61
SPRING HILL	\$347,391.52	\$3,908.15	\$343,483.37
THOMPSON STATION	\$202,298.38	\$2,275.86	\$200,022.52
NOLENSVILLE	\$67,963.13	\$764.59	\$67,198.54

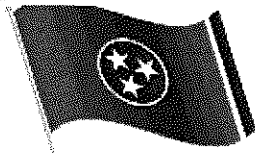
Note that we have deducted 1.125% state cost of administration leaving the net collections. The Department of Finance and Administration has been notified to issue a payment to the Trustee of your county in the amount of the net collections.

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) 741-1028 between 8:00 a.m. and 4:30 p.m., Monday through Friday, holidays excepted. If you need information concerning other matters, please see the back of this notice for our local offices and phone numbers.

c: County Trustee; City Mayor
 Director of Accounts: County, F & A

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MEDIA RELEASE

STATE OF TENNESSEE
DEPARTMENT OF FINANCE & ADMINISTRATION

FOR IMMEDIATE RELEASE
WEDNESDAY, FEB. 12, 2014

CONTACT: LOLA POTTER
615.532.8560 (OFFICE)
615.202.0701 (CELL)

JANUARY REVENUES

NASHVILLE - Tennessee's total tax collections fell below budgeted expectations in January. Finance and Administration Commissioner Larry Martin today announced that overall January revenues were \$1.1 billion, which is \$51.6 million less than the state budgeted. January represents the fifth month of negative growth in corporate tax collections this year.

"January sales tax collections reflect consumer spending that occurred during the December holiday buying season and we recorded the largest growth rate we've experienced in the past 13 months," Martin said. "Retailers were more aggressive in holiday marketing strategies.

"April is typically the biggest month for corporate tax filings, which have been volatile here and across the nation for some time. In anticipation of a revenue shortfall, we're closely monitoring state spending and revenues in order to keep the budget balanced."

On an accrual basis, January is the sixth month in the 2013-2014 fiscal year.

The general fund was under collected by \$43.8 million and the four other funds were under collected by \$7.8 million.

Sales tax collections were \$6.3 million more than the estimate for January. The January growth rate was positive 4.94%. For six months revenues are under collected by \$18.0 million. The year-to-date growth rate for six months was positive 3.65%.

Franchise and excise taxes combined were \$48.9 million below the budgeted estimate of \$188.6 million. For six months revenues are under collected by \$207.3 million.

Gasoline and motor fuel collections for January decreased by 8.57% and were \$4.9 million below the budgeted estimate of \$71.5 million. For six months revenues are under collected by \$0.6 million.

Tobacco tax collections were \$0.9 million below the budgeted estimate of \$18.5 million, and for six months they are \$6.3 million under the budgeted estimate.

Inheritance and estate taxes were over collected by \$0.1 million for the month. Year-to-date collections for six months are \$15.1 million more than the budgeted estimate.

Privilege tax collections were \$3.1 million less than the January estimate, and on a year-to-date basis, August through January, collections are \$4.4 million below the estimate.

All other taxes were under collected by a net of \$0.2 million.

The budgeted revenue estimates for 2013-2014 are based on the State Funding Board's consensus recommendation of December 19th, 2012 and adopted by the first session of the 108th General Assembly in April 2013. They are available on the state's website at <http://www.tn.gov/finance/bud/Revenues.shtml>.

The Funding Board met on December 10, 2013 to hear updated revenue projections from the state's various economists. The board met again on December 17 and adopted revised revenue ranges for 2013-2014. The revised ranges assume an under collection from the July 2013 budgeted estimate in the amount of \$111.2 million to \$134.5 million in total taxes and in the amount of \$126.1 million to \$145.6 million in general fund taxes for the current fiscal year.

[VIEW COLLECTION TABLES \(Documents/Copyof2014-1Tables.xlsx\)](#)

Table 1
Revenue Collections by Fund
January
2013-2014

Fund	2014				2013 Actual	2014	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
General Fund	\$904,424,000	\$948,269,000	(\$43,845,000)	-4.62%	\$901,443,000	\$2,981,000	0.33%
Highway Fund	51,719,000	57,256,000	(5,537,000)	-9.67%	60,766,000	(9,047,000)	-14.89%
Sinking Fund	35,324,000	35,259,000	65,000	0.18%	34,356,000	968,000	2.82%
City & County Fund	71,698,000	73,985,000	(2,287,000)	-3.09%	74,438,000	(2,740,000)	-3.68%
Earmarked Fund	2,899,000	2,900,000	(1,000)	-0.03%	2,900,000	(1,000)	-0.03%
Total	\$1,066,064,000	\$1,117,669,000	(\$51,605,000)	-4.62%	\$1,073,903,000	(\$7,839,000)	-0.73%

Revenue Collections by Tax
January
2013-2014

Tax Source	2014				2013 Actual	2014	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
Franchise & Excise	\$139,670,000	\$188,600,000	(\$48,930,000)	-25.94%	\$172,149,000	(\$32,479,000)	-18.87%
Income	2,912,000	3,459,000	(547,000)	-15.81%	5,837,000	(2,925,000)	-50.11%
Inheritance & Estate	7,192,000	7,085,000	107,000	1.51%	8,523,000	(1,331,000)	-15.62%
Gasoline	47,533,000	50,921,000	(3,388,000)	-6.65%	53,284,000	(5,751,000)	-10.79%
Petroleum Special	4,943,000	5,250,000	(307,000)	-5.85%	5,279,000	(336,000)	-6.36%
Tobacco	17,636,000	18,508,000	(872,000)	-4.71%	18,317,000	(681,000)	-3.72%
Beer	1,282,000	1,522,000	(240,000)	-15.77%	1,507,000	(225,000)	-14.93%
Motor Vehicle Registration	20,131,000	19,263,000	868,000	4.51%	20,674,000	(543,000)	-2.63%
Motor Vehicle Title	979,000	1,001,000	(22,000)	-2.20%	941,000	38,000	4.04%
Mixed Drink	6,508,000	6,438,000	70,000	1.09%	6,319,000	189,000	2.99%
Business	3,553,000	2,421,000	1,132,000	46.76%	2,324,000	1,229,000	52.88%
Privilege	22,762,000	25,851,000	(3,089,000)	-11.95%	23,021,000	(259,000)	-1.13%
Gross Receipts	14,000	83,000	(69,000)	-83.13%	(69,000)	83,000	-120.29%
TVA - In Lieu of Tax Payments	27,076,000	28,410,000	(1,334,000)	-4.70%	27,297,000	(221,000)	-0.81%
Alcoholic Beverage	6,471,000	6,562,000	(91,000)	-1.39%	5,939,000	532,000	8.96%
Sales and Use	743,107,000	736,800,000	6,307,000	0.86%	708,092,000	35,015,000	4.94%
Motor Vehicle Fuel	14,069,000	15,295,000	(1,226,000)	-8.02%	14,221,000	(152,000)	-1.07%
Severance	204,000	177,000	27,000	15.25%	218,000	(14,000)	-6.42%
Coin-operated Amusement	3,000	23,000	(20,000)	-86.96%	26,000	(23,000)	NA
Unauthorized Substance	19,000	0	19,000	NA	4,000	15,000	NA
Total	\$1,066,064,000	\$1,117,669,000	(\$51,605,000)	-4.62%	\$1,073,903,000	(\$7,839,000)	-0.73%

Table 2
Revenue Collections by Fund
Year-to-Date
August - January
2013-2014

Fund	2013 - 2014				2012-2013 Actual	2013-2014	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
General Fund	\$4,609,472,000	\$4,829,085,000	(\$219,613,000)	-4.55%	\$4,594,983,000	\$14,489,000	0.32%
Highway Fund	331,783,000	333,462,000	(1,679,000)	-0.50%	334,020,000	(2,237,000)	-0.67%
Sinking Fund	206,171,000	206,339,000	(168,000)	-0.08%	201,099,000	5,072,000	2.52%
City & County Fund	404,694,000	405,921,000	(1,227,000)	-0.30%	406,499,000	(1,805,000)	-0.44%
Earmarked Fund	17,400,000	17,400,000	0	0.00%	17,400,000	0	0.00%
Total	\$5,569,520,000	\$5,792,207,000	(\$222,687,000)	-3.84%	\$5,554,001,000	\$15,519,000	0.28%

Revenue Collections by Tax
Year-to-Date
August - January
2013-2014

Tax Source	2013 - 2014				2012-2013 Actual	2013-2014	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
Franchise & Excise	\$725,836,000	\$933,100,000	(\$207,264,000)	-22.21%	\$851,420,000	(\$125,584,000)	-14.75%
Income	11,680,000	12,893,000	(1,213,000)	-9.41%	19,176,000	(7,496,000)	-39.09%
Inheritance & Estate	56,356,000	41,254,000	15,102,000	36.61%	48,091,000	8,265,000	17.19%
Gasoline	308,343,000	308,197,000	146,000	0.05%	309,326,000	(983,000)	-0.32%
Petroleum Special	31,589,000	32,057,000	(468,000)	-1.46%	31,665,000	(76,000)	-0.24%
Tobacco	129,535,000	135,822,000	(6,287,000)	-4.63%	135,360,000	(5,825,000)	-4.30%
Beer	8,738,000	8,746,000	(8,000)	-0.09%	8,961,000	(223,000)	-2.49%
Motor Vehicle Registration	115,644,000	113,357,000	2,287,000	2.02%	113,451,000	2,193,000	1.93%
Motor Vehicle Title	5,782,000	6,081,000	(299,000)	-4.92%	5,391,000	391,000	7.25%
Mixed Drink	36,524,000	34,985,000	1,539,000	4.40%	33,884,000	2,640,000	7.79%
Business	46,671,000	45,511,000	1,160,000	2.55%	44,512,000	2,159,000	4.85%
Privilege	127,937,000	132,386,000	(4,449,000)	-3.36%	117,411,000	10,526,000	8.97%
Gross Receipts	11,880,000	14,707,000	(2,827,000)	-19.22%	11,040,000	840,000	7.61%
TVA - In Lieu of Tax Payments	169,651,000	172,238,000	(2,587,000)	-1.50%	173,600,000	(3,949,000)	-2.27%
Alcoholic Beverage	28,784,000	28,147,000	637,000	2.26%	27,251,000	1,533,000	5.63%
Sales and Use	3,673,002,000	3,691,000,000	(17,998,000)	-0.49%	3,543,622,000	129,380,000	3.65%
Motor Vehicle Fuel	80,120,000	80,426,000	(306,000)	-0.38%	78,583,000	1,537,000	1.96%
Severance	1,292,000	1,213,000	79,000	6.51%	1,169,000	123,000	10.52%
Coin-operated Amusement	137,000	87,000	50,000	57.47%	84,000	53,000	63.10%
Unauthorized Substance	19,000	0	19,000	NA	4,000	15,000	NA
Total	\$5,569,520,000	\$5,792,207,000	(\$222,687,000)	-3.84%	\$5,554,001,000	\$15,519,000	0.28%