



MEMORANDUM

MEMORANDUM

August 15, 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 August was \$2,364,520 compared to \$2,260,297 for the same month in 2013, an increase of \$104,223, or 4.6%. [The August remittance is for sales tax collected during the month of June, representing the twelfth month of the fiscal year on an accrual basis.] During the same period, the State of Tennessee sales tax collections were up 3.1% from the prior year.

Year-to-date, the City has received \$27.25 million compared to \$25.99 million in the previous year, a difference of \$1,259,010 or 4.8%. The State of Tennessee sales tax collections, year-to-date, are \$7.27 billion compared to \$7.02 billion in the prior year, a difference of \$248.1 million or 3.5%.

For budget comparisons, the City anticipated collections of \$27.5 million through twelve months of the fiscal year. Through June, the City is \$ 171,427 or 0.5%, below budgeted collections. As a further comparison, the June collection of \$2.36 million compares to \$1.92 million in 2008, \$1.80 million in 2009, \$1.96 million in 2010, \$2.04 million in 2011 and \$2.16 million in 2012.



TENNESSEE DEPARTMENT OF REVENUE

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

August 10, 2014
 Month of: JULY
 Tot. Collections: \$8,173,756.86
 Cost of Admin: \$91,954.76
 Net Collections: \$8,081,802.10

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	\$285,058.10	\$3,206.90	\$281,851.20
FRANKLIN	\$4,831,159.27	\$54,350.54	\$4,776,808.73
FAIRVIEW	\$206,869.93	\$2,327.29	\$204,542.64
BRENTWOOD	\$2,364,228.92	\$26,597.58	\$2,337,631.34
SPRING HILL	\$308,014.36	\$3,465.16	\$304,549.20
THOMPSON STATION	\$111,759.21	\$1,257.29	\$110,501.92
NOLENSVILLE	\$66,667.07	\$750.00	\$65,917.07

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

$$4,776,808.73 \div 2 = 2,388,404.37$$

$$F \times 1\% = 23,884.05$$

$$2,364,520.32$$



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285**

**LARRY B. MARTIN
COMMISSIONER**

FOR IMMEDIATE RELEASE
FRIDAY, AUGUST 14, 2014

CONTACT: DAVID THURMAN
615-741-4806

JULY REVENUES

NASHVILLE – Tennessee revenue collections recorded positive growth in July, but still came in less than the state budgeted. Finance and Administration Commissioner Larry Martin today announced a net positive growth of 2.39% over July collections of one year ago. Overall July revenues were \$941.8 million, which is \$3.2 million less than budgeted.

“We’ve recorded positive sales tax collection growth every month in this fiscal year, but the economic recovery is slow,” Martin said. “We’ll begin to close out the fiscal year next month, when we report sales tax collections for August, which will reflect spending that occurred in July.

“Although July is a relatively small month for corporate taxes, we saw slight growth over prior year collections. We’ll continue to closely examine corporate collections as we transition into a new fiscal year.”

On an accrual basis, July is the twelfth month in the 2013-2014 fiscal year.

The general fund was over collected by \$1.2 million, and the four other funds were under collected by \$4.4 million.

Sales tax collections were \$1.3 million more than the estimate for July. The July growth rate was 3.17%. For twelve months revenues are under collected by \$14.2 million. The year-to-date growth rate for twelve months was positive 3.53%.

Franchise and excise taxes combined were \$2.2 million below the budgeted estimate of \$70.7 million. The growth rate for July was positive 2.92%. For twelve months revenues are under collected by \$280.5 million and the year-to-date growth rate was negative 8.42%.

Inheritance and estate tax collections were \$2.0 million above the July estimate. For twelve months collections are \$21.9 million above the budgeted estimate.

Privilege tax collections were \$0.7 million below the July budgeted estimate. For twelve months collections are \$23.7 million less than the budgeted estimate, and the year-to date growth rate was positive 1.64%.

Business tax collections were \$0.6 million less than the July estimate. Year-to-date collections for twelve months are \$10.8 million below the budgeted estimate.

Tobacco tax collections were \$0.6 million above the budgeted estimate of \$24.3 million. For twelve months revenues are under collected by \$12.7 million.

Gasoline and motor fuel tax collections for July were over collected by \$0.1 million. For twelve months revenues are over collected by \$4.9 million, and the growth rate is positive 0.78%.

All other taxes for July were under collected by a net of \$3.7 million.

Year-to-date collections for twelve months were \$293.1 million less than the budgeted estimate. The general fund was under collected by \$302.4 million and the four other funds were over collected by \$9.3 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.in.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.

Year-to-date collections for 2013-2014 are subject to final accrual adjustments.

Table 1
Revenue Collections by Fund
July
2013-2014

Fund	2014				2013 Actual	2014	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
General Fund	\$776,437,000	\$775,280,000	\$1,157,000	0.15%	\$751,170,000	\$25,267,000	3.36%
Highway Fund	56,462,000	61,135,000	(4,673,000)	-7.64%	59,718,000	(3,256,000)	-5.45%
Sinking Fund	34,697,000	34,691,000	6,000	0.02%	33,952,000	745,000	2.19%
City & County Fund	71,316,000	71,045,000	271,000	0.38%	72,087,000	(771,000)	-1.07%
Earmarked Fund	2,899,000	2,900,000	(1,000)	-0.03%	2,900,000	(1,000)	-0.03%
Total	\$941,811,000	\$945,051,000	(\$3,240,000)	-0.34%	\$919,827,000	\$21,984,000	2.39%

Revenue Collections by Tax
July
2013-2014

Tax Source	2014				2013 Actual	2014	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
Franchise & Excise	\$68,476,000	\$70,700,000	(\$2,224,000)	-3.15%	\$66,530,000	\$1,946,000	2.92%
Income	1,314,000	991,000	323,000	32.59%	1,396,000	(82,000)	-5.87%
Inheritance & Estate	9,529,000	7,578,000	1,951,000	25.75%	10,017,000	(488,000)	-4.87%
Gasoline	54,759,000	53,566,000	1,193,000	2.23%	57,417,000	(2,658,000)	-4.63%
Petroleum Special	5,536,000	5,537,000	(1,000)	-0.02%	5,693,000	(157,000)	-2.76%
Tobacco	24,933,000	24,347,000	586,000	2.41%	25,985,000	(1,052,000)	-4.05%
Beer	1,686,000	1,640,000	46,000	2.80%	1,482,000	204,000	13.77%
Motor Vehicle Registration	20,273,000	21,405,000	(1,132,000)	-5.29%	21,135,000	(862,000)	-4.08%
Motor Vehicle Title	984,000	1,132,000	(148,000)	-13.07%	1,333,000	(349,000)	-26.18%
Mixed Drink	7,006,000	6,550,000	456,000	6.96%	6,327,000	679,000	10.73%
Business	4,082,000	4,661,000	(579,000)	-12.42%	4,589,000	(507,000)	-11.05%
Privilege	25,824,000	26,509,000	(685,000)	-2.58%	21,377,000	4,447,000	20.80%
Gross Receipts	14,420,000	16,446,000	(2,026,000)	-12.32%	14,103,000	317,000	2.25%
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	5,257,000	5,138,000	119,000	2.32%	4,735,000	522,000	11.02%
Sales and Use	654,992,000	653,700,000	1,292,000	0.20%	634,842,000	20,150,000	3.17%
Motor Vehicle Fuel	15,387,000	16,454,000	(1,067,000)	-6.48%	15,268,000	119,000	0.78%
Severance	185,000	192,000	(7,000)	-3.65%	192,000	(7,000)	-3.65%
Coin-operated Amusement	92,000	95,000	(3,000)	-3.16%	109,000	(17,000)	-15.60%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$941,811,000	\$945,051,000	(\$3,240,000)	-0.34%	\$919,827,000	\$21,984,000	2.39%

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

Fund	2013 - 2014				2012-2013	2013-2014		
	Actual	Budgeted	B/(W)	Percent		Actual	B/(W)	Percent
General Fund	\$9,763,386,000	\$10,065,800,000	(\$302,414,000)	-3.00%	\$9,751,484,000	\$11,902,000	0.12%	
Highway Fund	680,398,000	691,300,000	(10,902,000)	-1.58%	687,937,000	(7,539,000)	-1.10%	
Sinking Fund	411,831,000	412,200,000	(369,000)	-0.09%	402,046,000	9,785,000	2.43%	
City & County Fund	903,481,000	882,900,000	20,581,000	2.33%	885,040,000	18,441,000	2.08%	
Earmarked Fund	34,800,000	34,800,000	0	0.00%	34,799,000	1,000	0.00%	
Total	\$11,793,896,000	\$12,087,000,000	(\$293,104,000)	-2.42%	\$11,761,306,000	\$32,590,000	0.28%	

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

Tax Source	2013 - 2014				2012-2013	2013-2014		
	Actual	Budgeted	B/(W)	Percent		Actual	B/(W)	Percent
Franchise & Excise	\$1,855,396,000	\$2,135,900,000	(\$280,504,000)	-13.13%	\$2,026,015,000	(\$170,619,000)	-8.42%	
Income	239,136,000	201,800,000	37,336,000	18.50%	263,236,000	(24,100,000)	-9.16%	
Inheritance & Estate	106,853,000	85,000,000	21,853,000	25.71%	117,555,000	(10,702,000)	-9.10%	
Gasoline	617,046,000	611,800,000	5,246,000	0.86%	616,298,000	748,000	0.12%	
Petroleum Special	63,225,000	63,700,000	(475,000)	-0.75%	62,945,000	280,000	0.44%	
Tobacco	280,049,000	272,700,000	(12,651,000)	-4.64%	277,104,000	(17,055,000)	-6.15%	
Beer	17,777,000	17,800,000	(23,000)	-0.13%	17,890,000	(113,000)	-0.63%	
Motor Vehicle Registration	252,834,000	256,500,000	(3,666,000)	-1.43%	255,594,000	(2,760,000)	-1.08%	
Motor Vehicle Title	11,416,000	13,100,000	(1,684,000)	-12.85%	11,914,000	(498,000)	-4.18%	
Mixed Drink	76,729,000	72,400,000	4,329,000	5.98%	70,254,000	6,475,000	9.22%	
Business	129,836,000	140,600,000	(10,764,000)	-7.66%	136,190,000	(6,354,000)	-4.67%	
Privilege	309,320,000	333,000,000	(23,680,000)	-7.11%	304,336,000	4,984,000	1.64%	
Gross Receipts	26,674,000	31,500,000	(4,826,000)	-15.32%	25,598,000	1,076,000	4.20%	
TVA - In Lieu of Tax Payments	332,104,000	342,700,000	(10,596,000)	-3.09%	337,384,000	(5,280,000)	-1.56%	
Alcoholic Beverage	56,030,000	55,100,000	930,000	1.69%	53,269,000	2,761,000	5.18%	
Sales and Use	7,274,183,000	7,288,400,000	(14,217,000)	-0.20%	7,025,996,000	248,187,000	3.53%	
Motor Vehicle Fuel	162,428,000	162,300,000	128,000	0.08%	156,936,000	5,492,000	3.50%	
Severance	2,480,000	2,400,000	80,000	3.33%	2,497,000	(17,000)	-0.68%	
Coin-operated Amusement	359,000	300,000	59,000	19.67%	291,000	68,000	23.37%	
Unauthorized Substance	21,000	0	21,000	NA	4,000	17,000	NA	
Total	\$11,793,896,000	\$12,087,000,000	(\$293,104,000)	-2.42%	\$11,761,306,000	\$32,590,000	0.28%	