



**Sales and Use Tax
Fiscal Year to Date as of July 2018**

General Fund	2017 Actual	2018 Actual	2019 Actual	Actual 2019 to 2018		2019 Budget	Actual to Budget 2019	
				\$ Variance	% Variance		\$ Variance	% Variance
Retail	1,097,491	1,171,254	1,283,885	112,632	10%	1,196,400	87,485	7%
Vehicles	523,032	651,614	640,106	(11,508)	-2%	665,500	(25,394)	-4%
Communications/Utilities	541,849	577,316	543,708	(33,608)	-6%	589,600	(45,892)	-8%
Contracting	264,730	259,672	441,115	181,443	70%	259,700	181,415	70%
Restaurant/Bar	502,873	517,688	602,501	84,813	16%	528,700	73,801	14%
Real Estate/Rental & Leasing	358,904	401,286	454,222	52,936	13%	409,800	44,422	11%
Arts/Entertainment	36,753	32,055	37,964	5,909	18%	32,700	5,264	16%
Hotel/Motel	21,297	31,513	28,647	(2,866)	-9%	32,200	(3,553)	-11%
Transient Lodging	7,814	11,149	8,842	(2,308)	-21%	11,100	(2,258)	-20%
Auditing	0	0	125	125	0%	0	125	0%
Use Tax	51,023	82,530	117,380	34,850	42%	84,300	33,080	39%
Other Tax Activity	25,743	9,813	16,644	6,831	70%	10,000	6,644	66%
Total General Fund	3,431,508	3,745,889	4,175,140	429,251	11%	3,820,000	355,140	9%
Percentage of change from prior period		9%	11%					
Transportation Improvement Fund (1.5% tax rate)	180,498	177,049	300,760	123,711	70%	122,700	178,060	145%
Percentage of change from prior period		-2%	70%					
General Capital Fund (2.2% tax rate)	0	0	0	0	0%	0	0	0%
Percentage of change from prior period		0%	0%					
Tourism Fund - Bed Tax (3.52% tax rate)	27,507	39,246	31,124	(8,123)	-21%	39,000	(7,876)	-20%
Percentage of change from prior period		43%	-21%					
Total All Funds	3,639,513	3,962,185	4,507,024	544,839	14%	3,981,700	525,324	13%

FY2017 amounts for General Fund categories, excluding contracting and transient lodging, were updated to include ADOR's implementation of location based and business code reporting.

General Fund

Retail (2.2% tax rate) - tax collections from large and small retail stores, discount department stores, warehouse clubs, and supercenters.

Vehicles (2.2% tax rate) - tax collections from vehicle sales.

Communication/Utilities (2.2% tax rate) - tax collections from businesses that provide telecommunications (landlines and cellular), electricity, gas, and water services.

Contracting (2.2% of the 3.7% contracting tax rate is dedicated to the General Fund) - tax collections from businesses engaging in contracting activity, (e.g., landscaping, painting, flooring installation, siding, roofing, concrete, plumbing, heating, framing, drywall, infrastructure, masonry, finish carpentry). The first \$1.25 million received in revenues from the 2.2% transaction privilege tax on construction will be retained in the General Fund. Any additional amount will be recorded in the General Capital Fund and will be used to fund the Capital Improvement Plan.

Restaurant and Bar (3.2% tax rate) - tax collections from restaurants, bars and caterers.

Real Estate, Rental & Leasing (2.2% tax rate) - tax collections from rental income of commercial and residential real property, and personal property rentals (e.g., rentals of formal wear, DVD's, home health equipment, recreational goods, electronics, appliances).

Arts and Entertainment (2.2% tax rate) - tax collections from businesses that charge admission for exhibition, amusement, or entertainment, (e.g., gym memberships, golf courses, athletic and dance instruction, movie theatres).

Hotel/Motel (2.2% tax rate) - tax collections from the activity of renting lodging space for any length of time and other activities provided at the hotel/motel.

Transient Lodging (1% of the 4.52% transient lodging tax rate is dedicated to the General Fund) - tax collections from the activity of charging for lodging and/or lodging space furnished to any transient for less than thirty consecutive days, and is in addition to the hotel/motel tax rate of 2.2%.

Auditing - payments from tax audits conducted by the Revenue Division of the City of Surprise Finance Department.

Use Tax (2.2% tax rate) - tax collections from goods and products that are used or stored in the City where sales tax was not paid when purchased.

Other Tax Activity (2.2% tax rate) - tax collections from business license fees, advertising, feed at wholesale, job printing, manufactured buildings, old business codes, and maintenance, repair, replacement or alteration projects (MRRA).

Dedicated Funds

Transportation Improvement (1.5% of the 3.7% contracting tax rate is dedicated to the Transportation Improvement Fund)

The transportation improvement fund is established to provide for the collection and expenditure of the dedicated 1.5% local construction transaction tax adopted by the Mayor and Council through ordinance 05-13. This tax is dedicated for the improvement of existing roadway corridors and the related costs of the construction of new roadways.

General Capital (2.2% of the 3.7% contracting tax rate)

The first \$1.25 million received in revenues from the 2.2% transaction privilege tax on construction will be retained in the General Fund. Any additional amount will be recorded in the General Capital Fund and will be used to fund the Capital Improvement Plan.

Tourism (3.52% of the 4.52% transient lodging tax rate is dedicated to the Tourism Fund)

Ordinance No. 2015-10 increased the tax rate to 4.52% with 3.52% recorded in the Tourism Fund. Mayor and City Council has designated that 75% will be allocated to Sports Tourism Facility Development/Facility Improvement and 25% will be allocated to Special Events/Marketing/Studies.



Transaction Privilege Tax Report

Hotel Motel

Tax Collected	Reported to State	Reported to City	FY2015	FY2016	*FY2017	FY2018	FY2019	5 YR Average FY2015 - FY2019
Jul	Aug	Sep	\$ 17,682	\$ 16,928	\$ 21,297	\$ 31,513	\$ 28,647	\$ 23,213
Aug	Sep	Oct	\$ 24,363	\$ 24,829	\$ 23,264	\$ 26,213		\$ 24,667
Sep	Oct	Nov	\$ 30,945	\$ 31,473	\$ 35,342	\$ 38,405		\$ 34,041
Oct	Nov	Dec	\$ 52,349	\$ 59,506	\$ 58,393	\$ 55,171		\$ 56,355
Nov	Dec	Jan	\$ 41,435	\$ 44,780	\$ 46,760	\$ 48,603		\$ 45,395
Dec	Jan	Feb	\$ 43,753	\$ 49,646	\$ 36,930	\$ 43,340		\$ 43,417
Jan	Feb	Mar	\$ 23,111	\$ 50,389	\$ 33,947	\$ 53,287		\$ 40,183
Feb	Mar	Apr	\$ 85,180	\$ 67,284	\$ 77,765	\$ 73,472		\$ 75,925
Mar	Apr	May	\$ 80,525	\$ 90,729	\$ 91,488	\$ 78,265		\$ 85,252
Apr	May	Jun	\$ 32,169	\$ 39,894	\$ 44,009	\$ 39,450		\$ 38,880
May	Jun	Jul	\$ 28,916	\$ 26,763	\$ 29,185	\$ 39,484		\$ 31,087
Jun	Jul	Aug	\$ 20,246	\$ 22,958	\$ 23,917	\$ 39,727		\$ 26,712
TOTAL			\$ 480,674	\$ 525,179	\$ 522,296	\$ 566,929	\$ 28,647	\$ 525,128

*Hotel and Motel amounts for FY2017 were updated to include AZ Dept. of Revenue's implementation of location based and business code reporting

Transient Lodging

Tax Collected	Reported to State	Reported to City	¹ FY2015	FY2016	FY2017	FY2018	FY2019	5 YR Average FY2015 - FY2019
Jul	Aug	Sep	\$ 11,744	\$ 31,002	\$ 35,321	\$ 50,396	\$ 39,965	\$ 33,686
Aug	Sep	Oct	\$ 16,747	\$ 9,222	\$ 24,356	\$ 37,041		\$ 21,842
Sep	Oct	Nov	\$ 17,452	\$ 18,222	\$ 38,396	\$ 44,062		\$ 29,533
Oct	Nov	Dec	\$ 25,420	\$ 29,903	\$ 71,136	\$ 52,360		\$ 44,705
Nov	Dec	Jan	\$ 24,210	\$ 42,957	\$ 56,159	\$ 55,496		\$ 44,706
Dec	Jan	Feb	\$ 23,112	\$ 52,789	\$ 43,260	\$ 51,399		\$ 42,640
Jan	Feb	Mar	\$ 55,130	\$ 63,003	\$ 67,301	\$ 78,493		\$ 65,982
Feb	Mar	Apr	\$ 53,564	\$ 86,084	\$ 98,560	\$ 104,735		\$ 85,736
Mar	Apr	May	\$ 65,790	\$ 131,787	\$ 150,918	\$ 119,914		\$ 117,102
Apr	May	Jun	\$ 22,092	\$ 55,825	\$ 69,245	\$ 56,034		\$ 50,799
May	Jun	Jul	\$ 24,125	\$ 35,250	\$ 47,870	\$ 60,163		\$ 41,852
Jun	Jul	Aug	\$ 21,607	\$ 41,187	\$ 36,092	\$ 62,355		\$ 40,310
TOTAL			\$ 360,993	\$ 597,231	\$ 738,613	\$ 772,449	\$ 39,965	\$ 618,891

¹Transient Lodging tax rate increased from 2.52% to 4.52% effective 11/01/2015, Ordinance No. 2015-10 (3.52% of the 4.52% is recorded to the Tourism Fund)



Transaction Privilege Tax Report

Restaurant and Bar

Tax Collected	Reported to State	Reported to City	FY2015	FY2016	*FY2017	FY2018	FY2019	5 YR Average FY2015 - FY2019
Jul	Aug	Sep	\$ 370,435	\$ 402,510	\$ 502,873	\$ 517,688	\$ 602,501	\$ 479,202
Aug	Sep	Oct	\$ 393,533	\$ 430,056	\$ 482,560	\$ 551,570		\$ 464,430
Sep	Oct	Nov	\$ 433,656	\$ 434,876	\$ 496,508	\$ 588,019		\$ 488,265
Oct	Nov	Dec	\$ 410,955	\$ 481,198	\$ 531,487	\$ 595,474		\$ 504,779
Nov	Dec	Jan	\$ 473,106	\$ 487,777	\$ 545,694	\$ 600,545		\$ 526,780
Dec	Jan	Feb	\$ 469,465	\$ 522,687	\$ 602,045	\$ 651,071		\$ 561,317
Jan	Feb	Mar	\$ 460,847	\$ 491,380	\$ 621,598	\$ 676,521		\$ 562,587
Feb	Mar	Apr	\$ 532,431	\$ 547,841	\$ 614,354	\$ 681,549		\$ 594,044
Mar	Apr	May	\$ 607,926	\$ 675,027	\$ 800,846	\$ 860,495		\$ 736,074
Apr	May	Jun	\$ 506,791	\$ 545,300	\$ 650,128	\$ 673,602		\$ 593,955
May	Jun	Jul	\$ 510,135	\$ 481,777	\$ 597,185	\$ 649,784		\$ 559,720
Jun	Jul	Aug	\$ 431,220	\$ 436,037	\$ 540,675	\$ 626,876		\$ 508,702
TOTAL			\$ 5,600,500	\$ 5,936,467	\$ 6,985,953	\$ 7,673,195	\$ 602,501	\$ 6,579,854

*Restaurant and Bar amounts for FY2017 were updated to include AZ Dept. of Revenue's implementation of location based and business code reporting