

To: Aspen City Council
From: Anthony Lewin, Senior Tax Auditor
Date: February 11, 2020
Re: December 2020 Consumption Tax Report

Attached is the City of Aspen's monthly report for consumption-based tax collections. This includes analysis of the City's sales tax and lodging tax collections for December 2020, Aspen's portion of Pitkin County's 3.6% sales tax collections for November 2020, and real estate transfer tax (RETT) collections for January 2021.

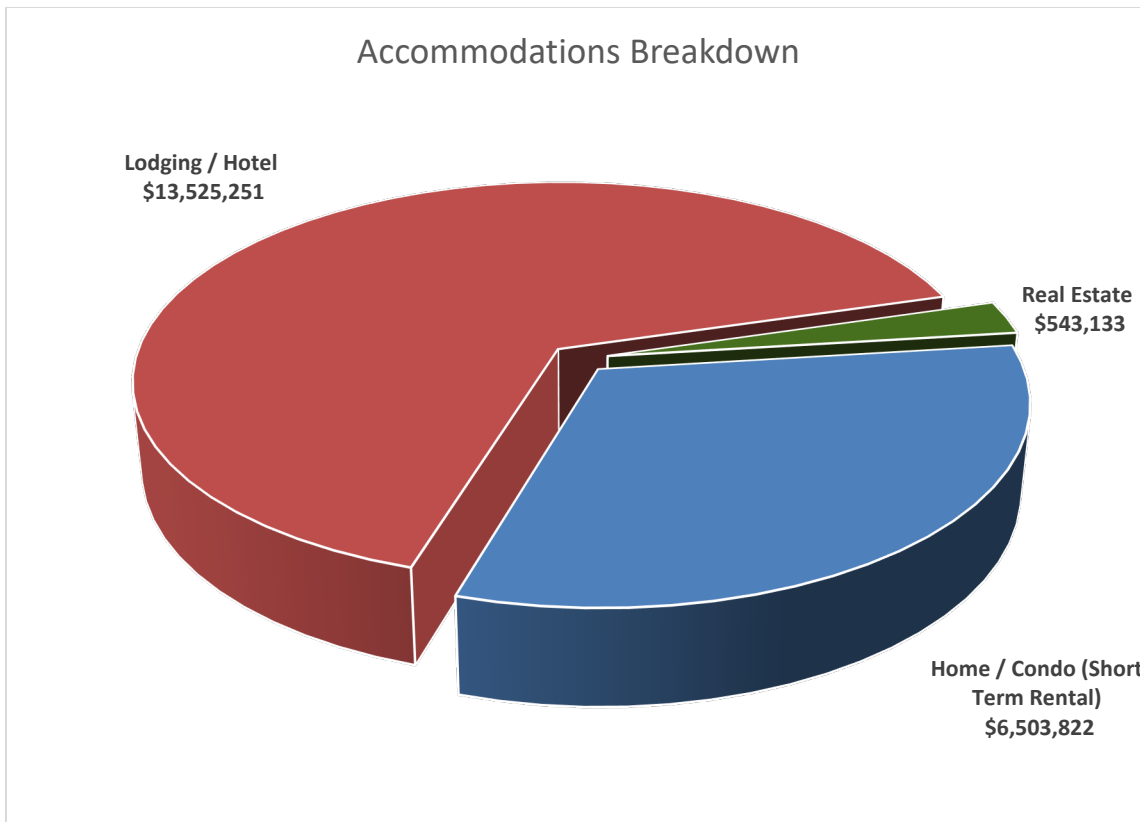
Taxable Sales:

In obvious contrast to the recent rollout of vaccinations across the globe, the local economy continues to experience the effects of Covid-19. With the Board of Public Health decision to move into level red restrictions on December 21, Aspen's December tourism-centric economy experienced a one-third drop in local spend. This drop was again felt most pointedly in the lodging and restaurant industries and was reflective of occupancy figures in traditional lodge offerings hovering just over 40% vs. historical norms of 60-62% experienced in each of the last five years. While a handful of other industries also saw soft figures in this final month of the calendar year; overall, these same industries saw aggregate growth in 2020 taxable sales relative to 2019.

Actual Sales and Lodging Tax:

December's sales tax collections were down 18.8%, respectively from the same period last year; 6.6% down in total for the year. Lodging tax collections were down 40.7% in contrast to last year's monthly revenues; 22.2% down for the year.

The stark variance between these two tax streams again reflects how the accommodations industry has struggled during the pandemic. To explore the accommodations sector in more detail, taxable sales for the lodging industry have now been segregated into offering type, including traditional lodges and short-term rental offerings that includes private home and condominium rentals. Reviewing December accommodations by these subgroups has highlighted how less traditional lodging options made up roughly one-third of total taxable sales during the holiday month. This experience is believed to be influenced by the pandemic with tourists desiring their own space; but is also anticipated to reflect how changes within the municipal code have resulted in greater compliance in registering and tax remittance by these less traditional offerings.



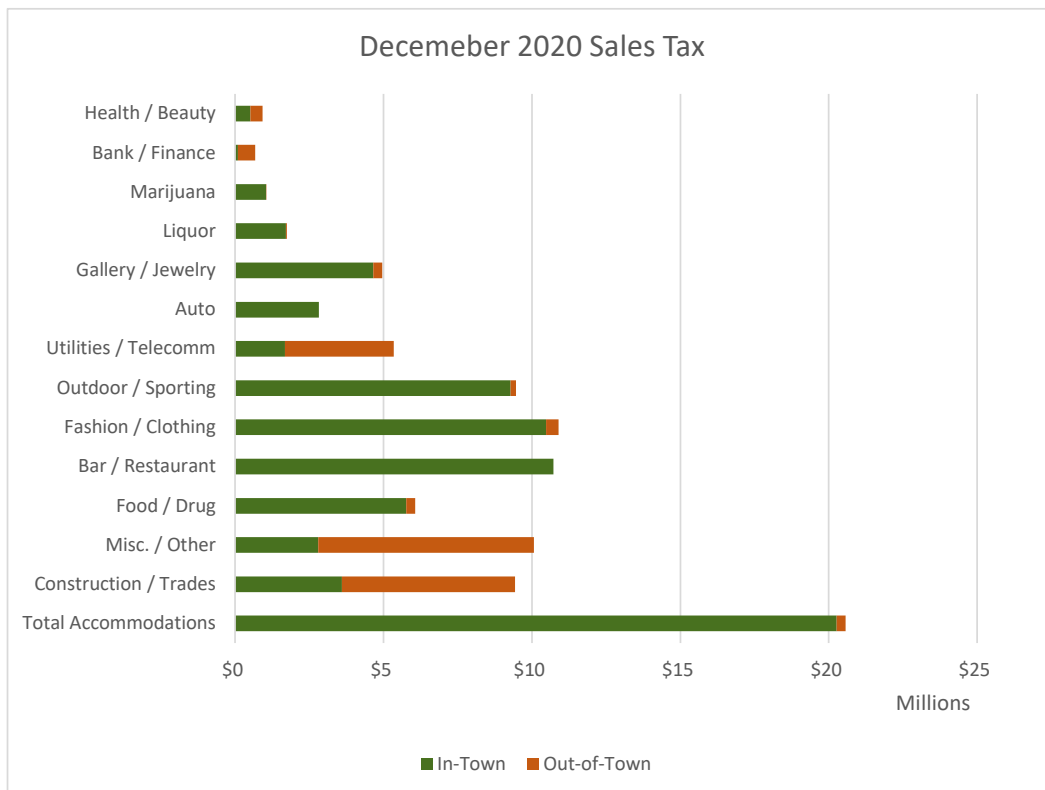
City Share of County Sales Tax:

Aspen’s portion of Pitkin County’s sales tax collections (one month behind City collection statistics because they are collected at the State level) for November were down 24.2%. On a year-to-date basis, Aspen’s portion of Pitkin County’s sales tax is down 1.4%.

Real Estate Transfer Taxes:

Housing real estate transfer tax collections for January were up 45.9%. Wheeler real estate transfer tax collections for January were up 46.5%. Elevated market activity continues despite the record setting 2020 year, though staff believes this cannot continue indefinitely as inventory has been significantly reduced and as price per square foot has risen to unprecedented levels.

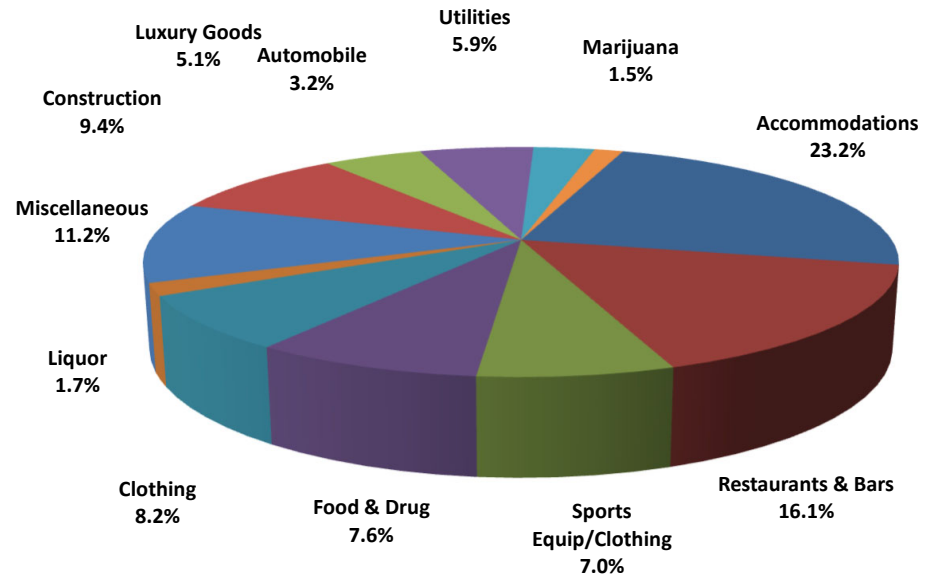
Category	In-Town	Out-of-Town	Grand Total
Total Accommodations	\$20,264,503	\$307,702	\$20,572,206
Construction / Trades	\$3,593,573	\$5,832,555	\$9,426,128
Misc. / Other	\$2,796,571	\$7,268,418	\$10,064,989
Food / Drug	\$5,767,435	\$296,232	\$6,063,668
Bar / Restaurant	\$10,722,408	\$0	\$10,722,408
Fashion / Clothing	\$10,481,208	\$410,277	\$10,891,484
Outdoor / Sporting	\$9,283,823	\$176,958	\$9,460,781
Utilities / Telecomm	\$1,683,058	\$3,663,628	\$5,346,686
Auto	\$2,821,597	\$0	\$2,821,597
Gallery / Jewelry	\$4,656,214	\$300,895	\$4,957,109
Liquor	\$1,709,184	\$33,071	\$1,742,254
Marijuana	\$1,041,768	\$139	\$1,041,907
Bank / Finance	\$96,344	\$574,958	\$671,302
Health / Beauty	\$509,610	\$413,483	\$923,093
Grand Total	\$75,427,296	\$19,278,315	\$94,705,611
Percentage	79.6%	20.4%	



**City of Aspen Retail Sales by Industry
December 2020**

Year To Date Retail Sales

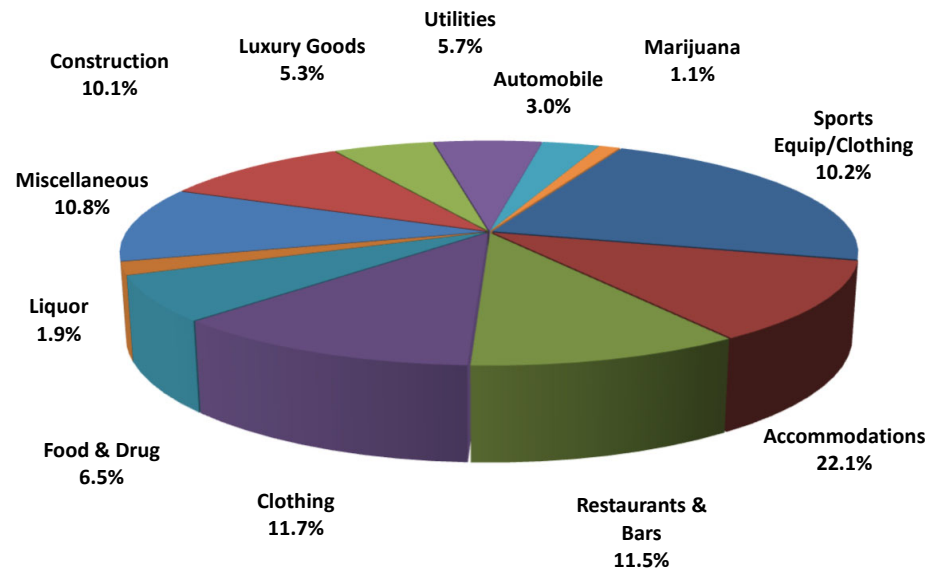
Category	YTD Retail Sales	% Change Prior Year	% YTD Retail Sales
Accommodations	\$177,049,623	(25.3%)	23.1%
Restaurants & Bars	\$122,853,349	(11.6%)	16.0%
Sports Equip/Clothing	\$53,554,273	1.0%	7.0%
Clothing	\$62,831,254	(1.8%)	8.2%
Food & Drug	\$57,746,453	(3.1%)	7.5%
Liquor	\$13,275,389	21.4%	1.7%
Miscellaneous	\$85,578,777	17.0%	11.2%
Construction	\$71,744,962	2.2%	9.4%
Luxury Goods	\$38,630,406	(0.0%)	5.0%
Utilities	\$44,901,090	(1.6%)	5.9%
Automobile	\$24,140,324	24.2%	3.2%
Marijuana	\$11,317,311	(5.3%)	1.5%
Bank / Finance (new)	\$1,204,639	0.0%	0.2%
Health / Beauty (new)	\$1,394,812	0.0%	0.2%
Total	\$766,222,659	(6.9%)	100.0%



Beginning October 2020, industries were assessed and revised. This includes Luxury Goods which no longer reflects high end clothing which now is captured within Clothing. Additionally, two new categories (Bank / Finance and Health / Beauty) were added to reflect items previous reported within Miscellaneous. These adjustments will ultimately skew the annual percentage change in these industries and is therefore important to note - industry contraction or expansion cannot be gauged by these percentages until a full year's worth of data has been compiled with the new categorizations.

December Monthly Retail Sales

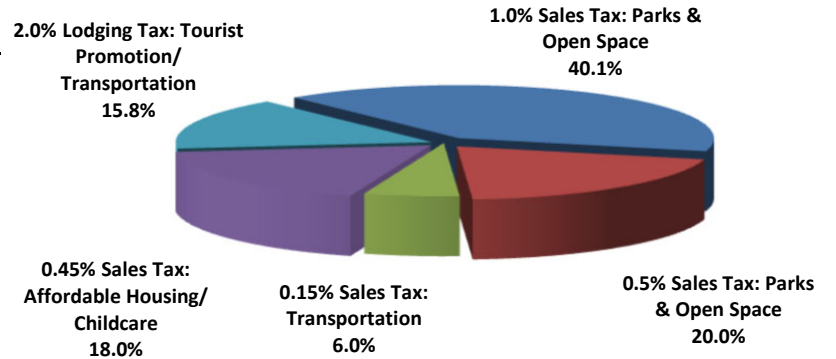
Category	Monthly Retail Sales	% Change Prior Year	% Monthly Retail Sales
Accommodations	\$20,572,206	(43.7%)	21.7%
Restaurants & Bars	\$10,722,408	(33.0%)	11.3%
Sports Equip/Clothing	\$9,460,781	(17.8%)	10.0%
Clothing	\$10,891,484	14.8%	11.5%
Food & Drug	\$6,063,668	(26.7%)	6.4%
Liquor	\$1,742,254	9.4%	1.8%
Miscellaneous	\$10,064,989	(17.5%)	10.6%
Construction	\$9,426,128	(7.0%)	10.0%
Luxury Goods	\$4,957,109	(37.3%)	5.2%
Utilities	\$5,346,686	6.2%	5.6%
Automobile	\$2,821,597	146.3%	3.0%
Marijuana	\$1,041,907	(5.1%)	1.1%
Bank / Finance (new)	\$676,899	0.0%	0.7%
Health / Beauty (new)	\$927,112	0.0%	1.0%
Total	\$94,715,227	(37.3%)	100.0%



**City of Aspen Sales and Lodging Tax
December 2020**

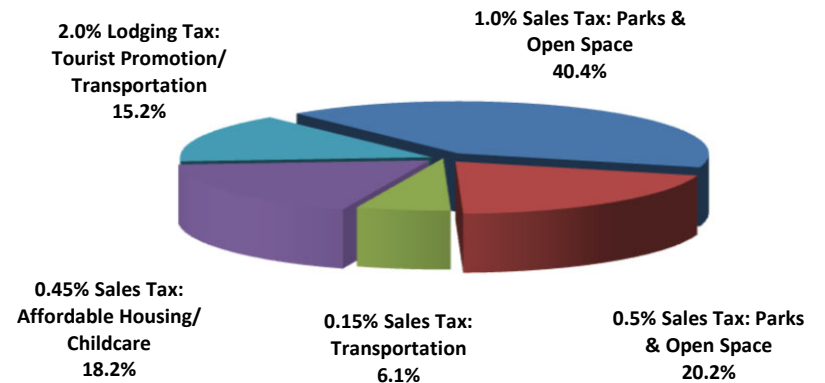
Year To Date Tax Collections

Tax Type	YTD Taxes Collected	% YTD Taxes
1.0% Sales Tax: Parks & Open Space	\$7,650,903	40.1%
0.5% Sales Tax: Parks & Open Space	\$3,824,031	20.0%
0.15% Sales Tax: Transportation	\$1,146,678	6.0%
0.45% Sales Tax: Affordable Housing/ Childcare	\$3,442,019	18.0%
2.0% Lodging Tax: Tourist Promotion/ Transportation	<u>\$3,023,343</u>	<u>15.8%</u>
Total	\$19,086,973	100%



December Monthly Tax Collections

Tax Type	Monthly Taxes Collected	% Monthly Taxes
1.0% Sales Tax: Parks & Open Space	\$953,647	40.4%
0.5% Sales Tax: Parks & Open Space	\$476,175	20.2%
0.15% Sales Tax: Transportation	\$142,848	6.1%
0.45% Sales Tax: Affordable Housing/ Childcare	\$428,527	18.2%
2.0% Lodging Tax: Tourist Promotion/ Transportation	<u>\$357,456</u>	<u>15.2%</u>
Total	\$2,358,652	100%

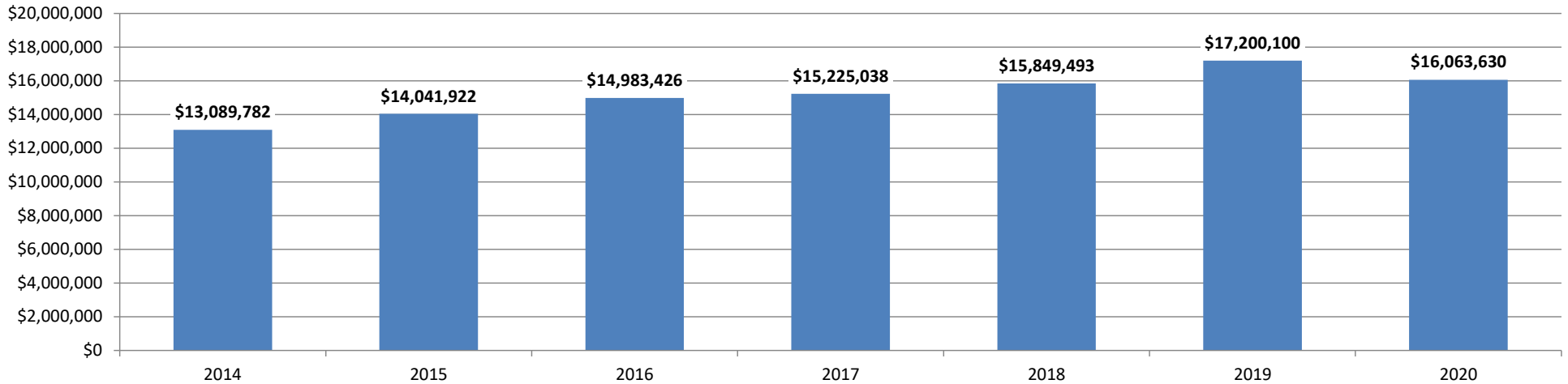


**City of Aspen Sales Tax 2.1%
December 2020**

Current Month Revenues are (18.8%) below last year's Monthly Revenues.
Year To Date Revenues are (5.8%) below Year To Date Budgeted Revenues.
Year To Date Revenues are (6.6%) below last year's Actual Year To Date Revenues.

Month	2020 Monthly Budget vs. 2020 Actual			2020 YTD Budget vs. 2020 Actual			2020 vs. 2019			
	Budget	Actual	Variance	Budget	Actual	Variance	2019 Monthly	Variance	2019 YTD	Variance
Jan	\$1,991,690	\$1,991,690	0.0%	\$1,991,690	\$1,991,690	0.0%	\$1,862,971	6.9%	\$1,862,971	6.9%
Feb	\$1,736,100	\$1,857,466	7.0%	\$3,727,790	\$3,849,156	3.3%	\$1,737,770	6.9%	\$3,600,741	6.9%
Mar	\$1,982,200	\$1,087,955	(45.1%)	\$5,709,990	\$4,937,111	(13.5%)	\$2,010,993	(45.9%)	\$5,611,734	(12.0%)
Apr	\$676,600	\$458,858	(32.2%)	\$6,386,590	\$5,395,969	(15.5%)	\$757,958	(39.5%)	\$6,369,692	(15.3%)
May	\$570,600	\$496,175	(13.0%)	\$6,957,190	\$5,892,144	(15.3%)	\$646,709	(23.3%)	\$7,016,401	(16.0%)
June	\$1,422,000	\$1,151,068	(19.1%)	\$8,379,190	\$7,043,212	(15.9%)	\$1,382,830	(16.8%)	\$8,399,231	(16.1%)
July	\$1,849,000	\$1,736,692	(6.1%)	\$10,228,190	\$8,779,904	(14.2%)	\$1,920,481	(9.6%)	\$10,319,712	(14.9%)
Aug	\$1,575,800	\$1,560,293	(1.0%)	\$11,803,990	\$10,340,197	(12.4%)	\$1,568,118	(0.5%)	\$11,887,829	(13.0%)
Sept	\$1,287,100	\$1,937,430	50.5%	\$13,091,090	\$12,277,626	(6.2%)	\$1,339,131	44.7%	\$13,226,960	(7.2%)
Oct	\$756,200	\$933,598	23.5%	\$13,847,290	\$13,211,224	(4.6%)	\$813,092	14.8%	\$14,040,052	(5.9%)
Nov	\$654,800	\$851,210	30.0%	\$14,502,090	\$14,062,433	(3.0%)	\$694,364	22.6%	\$14,734,416	(4.6%)
Dec	\$2,548,500	\$2,001,196	(21.5%)	\$17,050,590	\$16,063,630	(5.8%)	\$2,465,684	(18.8%)	\$17,200,100	(6.6%)

Actual Collections Year To Date Through December



**City of Aspen Tourist Promotion 1.5% Lodging Tax (0.5% Rate for 2010 and Prior)
December 2020**

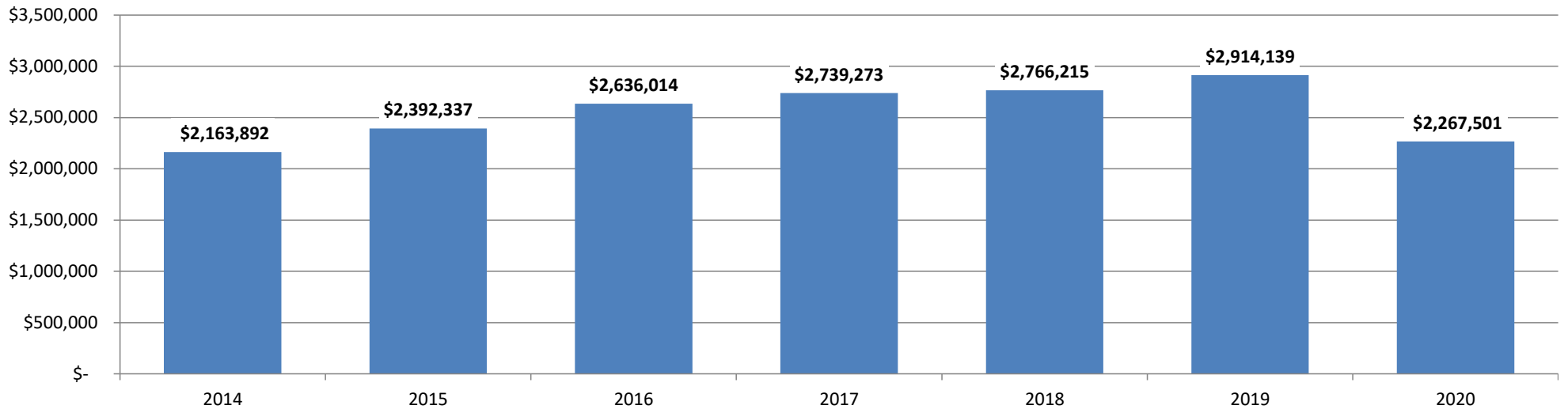
Current Month Revenues are (40.7%) below last year's Monthly Revenues adjusted for rate increase.

Year To Date Revenues are (21.6%) below Year To Date Budgeted Revenues.

Year To Date Revenues are (22.2%) below last year's Actual Year To Date Revenues adjusted for rate increase.

Month	2020 Monthly Budget vs. 2020 Actual			2020 YTD Budget vs. 2020 Actual			2020 vs. 2019			
	Budget	Actual	Variance	Budget	Actual	Variance	2019 Monthly	Variance	2019 YTD	Variance
Jan	\$412,500	\$423,412	2.6%	\$412,500	\$423,412	2.6%	\$435,183	(2.7%)	\$435,183	(2.7%)
Feb	\$390,000	\$417,502	7.1%	\$802,500	\$840,914	4.8%	\$386,172	8.1%	\$821,355	2.4%
Mar	\$420,000	\$197,251	(53.0%)	\$1,222,500	\$1,038,165	(15.1%)	\$441,407	(55.3%)	\$1,262,762	(17.8%)
Apr	\$60,000	\$5,581	(90.7%)	\$1,282,500	\$1,043,746	(18.6%)	\$72,042	(92.3%)	\$1,334,804	(21.8%)
May	\$45,000	\$8,770	(80.5%)	\$1,327,500	\$1,052,516	(20.7%)	\$55,183	(84.1%)	\$1,389,987	(24.3%)
June	\$217,500	\$99,543	(54.2%)	\$1,545,000	\$1,152,059	(25.4%)	\$207,585	(52.0%)	\$1,597,572	(27.9%)
July	\$300,000	\$263,959	(12.0%)	\$1,845,000	\$1,416,018	(23.3%)	\$312,072	(15.4%)	\$1,909,644	(25.8%)
Aug	\$255,000	\$227,695	(10.7%)	\$2,100,000	\$1,643,713	(21.7%)	\$236,486	(3.7%)	\$2,146,131	(23.4%)
Sept	\$157,500	\$206,067	30.8%	\$2,257,500	\$1,849,780	(18.1%)	\$168,611	22.2%	\$2,314,741	(20.1%)
Oct	\$82,500	\$71,598	(13.2%)	\$2,340,000	\$1,921,378	(17.9%)	\$87,775	(18.4%)	\$2,402,516	(20.0%)
Nov	\$60,000	\$78,030	30.1%	\$2,400,000	\$1,999,408	(16.7%)	\$59,637	30.8%	\$2,462,153	(18.8%)
Dec	\$490,500	\$268,092	(45.3%)	\$2,890,500	\$2,267,501	(21.6%)	\$451,985	(40.7%)	\$2,914,139	(22.2%)

Actual Collections Year To Date Through December

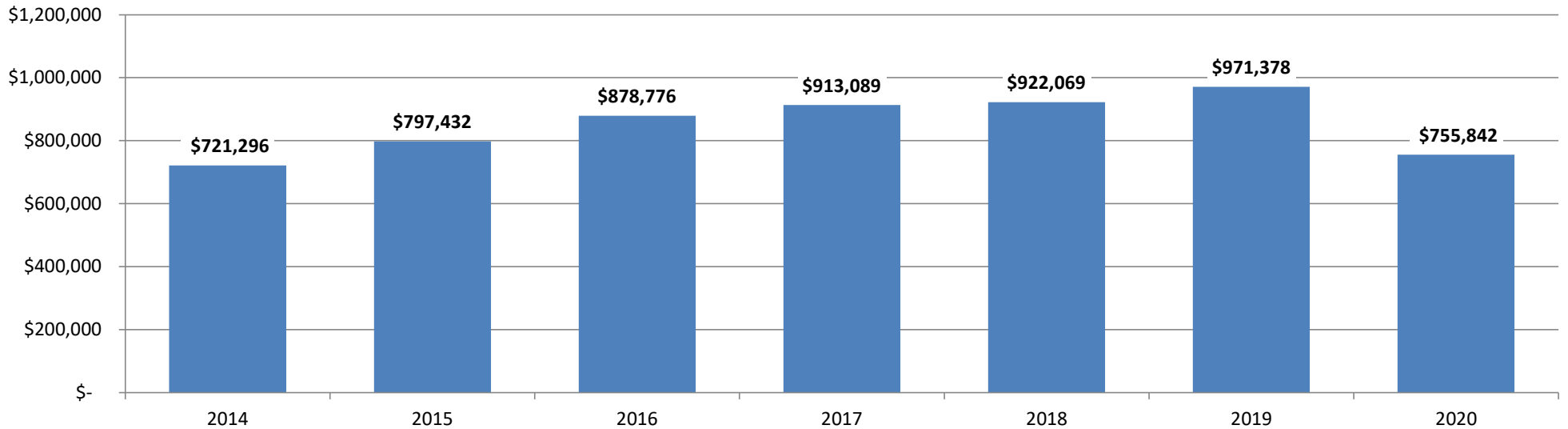


**City of Aspen Transportation 0.5% Lodging Tax
December 2020**

Current Month Revenues are (40.7%) below last year's Monthly Revenues
Year To Date Revenues are (21.6%) below Year To Date Budgeted Revenues.
Year To Date Revenues are (22.2%) below last year's Actual Year To Date Revenues.

Month	2020 Monthly Budget vs. 2020 Actual			2020 YTD Budget vs. 2020 Actual			2020 vs. 2019			
	Budget	Actual	Variance	Budget	Actual	Variance	2019 Monthly	Variance	2019 YTD	Variance
Jan	\$137,500	\$141,137	2.6%	\$137,500	\$141,137	2.6%	\$145,061	(2.7%)	\$145,061	(2.7%)
Feb	\$130,000	\$139,167	7.1%	\$267,500	\$280,304	4.8%	\$128,724	8.1%	\$273,785	2.4%
Mar	\$140,000	\$65,750	(53.0%)	\$407,500	\$346,054	(15.1%)	\$147,136	(55.3%)	\$420,920	(17.8%)
Apr	\$20,000	\$1,860	(90.7%)	\$427,500	\$347,915	(18.6%)	\$24,014	(92.3%)	\$444,934	(21.8%)
May	\$15,000	\$2,923	(80.5%)	\$442,500	\$350,838	(20.7%)	\$18,394	(84.1%)	\$463,328	(24.3%)
June	\$72,500	\$33,181	(54.2%)	\$515,000	\$384,019	(25.4%)	\$69,195	(52.0%)	\$532,523	(27.9%)
July	\$100,000	\$87,986	(12.0%)	\$615,000	\$472,005	(23.3%)	\$104,024	(15.4%)	\$636,547	(25.8%)
Aug	\$85,000	\$75,898	(10.7%)	\$700,000	\$547,903	(21.7%)	\$78,829	(3.7%)	\$715,376	(23.4%)
Sept	\$52,500	\$68,700	30.9%	\$752,500	\$616,603	(18.1%)	\$56,203	22.2%	\$771,579	(20.1%)
Oct	\$27,500	\$23,866	(13.2%)	\$780,000	\$640,469	(17.9%)	\$29,258	(18.4%)	\$800,837	(20.0%)
Nov	\$20,000	\$26,010	30.0%	\$800,000	\$666,479	(16.7%)	\$19,879	30.8%	\$820,716	(18.8%)
Dec	\$163,500	\$89,364	(45.3%)	\$963,500	\$755,842	(21.6%)	\$150,662	(40.7%)	\$971,378	(22.2%)

Actual Collections Year To Date Through December

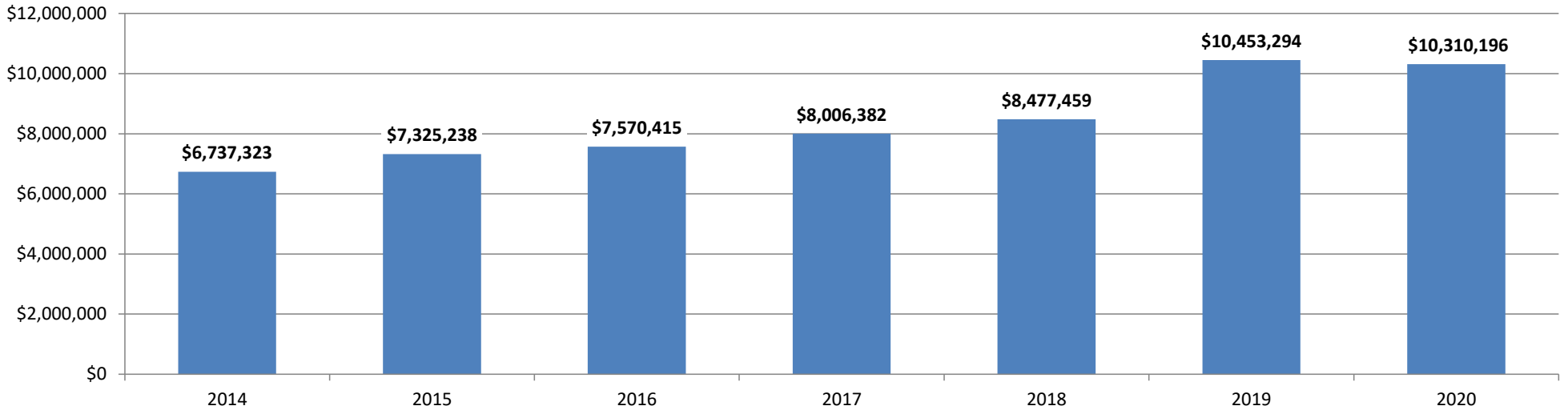


**City of Aspen Portion of Pitkin County 3.6% Sales Tax
November 2020**

Current Month Revenues are **(24.2%)** below last year's Monthly Revenues.
 Year To Date Revenues are **9.4%** above Year To Date Budgeted Revenues.
 Year To Date Revenues are **(1.4%)** below last year's Actual Year To Date Revenues.

Month	2020 Monthly Budget vs. 2020 Actual			2020 YTD Budget vs. 2020 Actual			2020 vs. 2019			
	Budget	Actual	Variance	Budget	Actual	Variance	2019 Monthly	Variance	2019 YTD	Variance
Jan	\$1,357,000	\$1,512,709	11.5%	\$1,357,000	\$1,512,709	11.5%	\$1,332,368	13.5%	\$ 1,332,368	13.5%
Feb	\$1,277,000	\$1,449,548	13.5%	\$2,634,000	\$2,962,257	12.5%	\$1,195,264	21.3%	\$ 2,527,633	17.2%
Mar	\$1,293,000	\$708,210	(45.2%)	\$3,927,000	\$3,670,467	(6.5%)	\$1,460,126	(51.5%)	\$ 3,987,758	(8.0%)
Apr	\$484,000	\$498,211	2.9%	\$4,411,000	\$4,168,678	(5.5%)	\$543,209	(8.3%)	\$ 4,530,968	(8.0%)
May	\$398,000	\$430,729	8.2%	\$4,809,000	\$4,599,408	(4.4%)	\$423,901	1.6%	\$ 4,954,869	(7.2%)
June	\$822,000	\$713,217	(13.2%)	\$5,631,000	\$5,312,624	(5.7%)	\$867,745	(17.8%)	\$ 5,822,613	(8.8%)
July	\$1,097,000	\$1,164,095	6.1%	\$6,728,000	\$6,476,719	(3.7%)	\$1,149,462	1.3%	\$ 6,972,075	(7.1%)
Aug	\$917,000	\$1,117,891	21.9%	\$7,645,000	\$7,594,610	(0.7%)	\$1,059,020	5.6%	\$ 8,031,094	(5.4%)
Sept	\$801,000	\$1,181,742	47.5%	\$8,446,000	\$8,776,352	3.9%	\$867,293	36.3%	\$ 8,898,387	(1.4%)
Oct	\$498,000	\$845,122	69.7%	\$8,944,000	\$9,621,474	7.6%	\$646,501	30.7%	\$ 9,544,889	0.8%
Nov	\$484,000	\$688,722	42.3%	\$9,428,000	\$10,310,196	9.4%	\$908,405	(24.2%)	\$ 10,453,294	(1.4%)
Dec	\$1,461,000			\$10,889,000			\$1,627,600		\$ 12,080,894	

Actual Collections Year To Date Through November

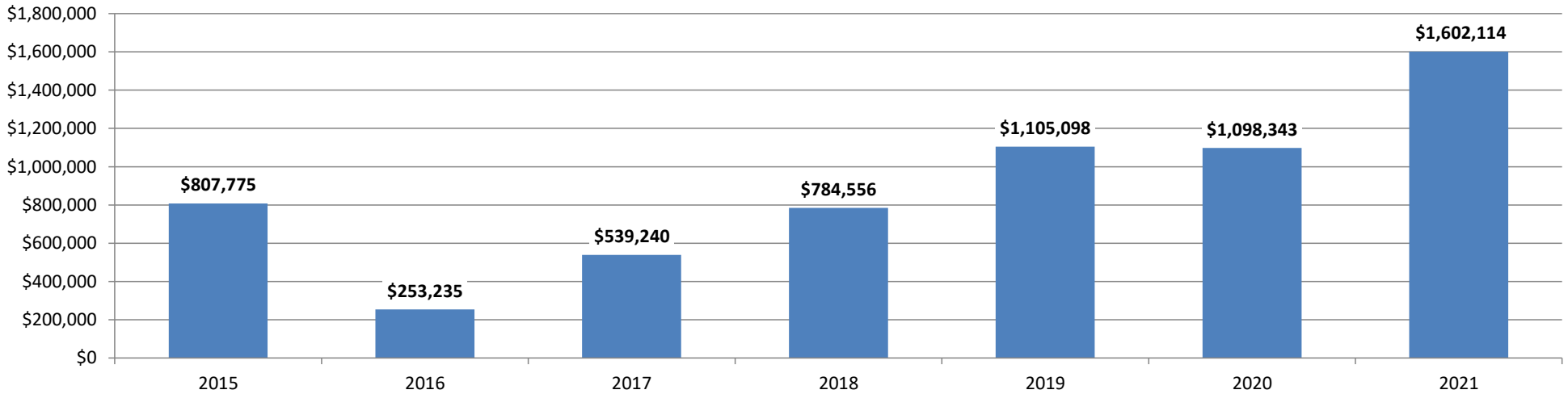


**Housing Real Estate Transfer Tax
January 2021**

Current Month Revenues are **45.9%** above last year's Monthly Revenues.
 Year To Date Revenues are **263.8%** above Year To Date Budgeted Revenues.
 Year To Date Revenues are **45.9%** above last year's Actual Year To Date Revenues.

Month	2021 Monthly Budget vs. 2021 Actual			2021 YTD Budget vs. 2021 Actual			2021 vs. 2020			
	Budget	Actual	Variance	Budget	Actual	Variance	2020 Monthly	Variance	2020 YTD	Variance
Jan	\$440,400	\$1,602,114	263.8%	\$440,400	\$1,602,114	263.8%	\$1,098,343	45.9%	\$1,098,343	45.9%
Feb	\$412,600			\$853,000			\$496,350		\$1,594,693	
Mar	\$432,900			\$1,285,900			\$598,199		\$2,192,893	
Apr	\$560,000			\$1,845,900			\$505,915		\$2,698,808	
May	\$566,200			\$2,412,100			\$110,180		\$2,808,988	
June	\$537,300			\$2,949,400			\$477,350		\$3,286,338	
July	\$384,200			\$3,333,600			\$885,546		\$4,171,884	
Aug	\$524,800			\$3,858,400			\$2,542,417		\$6,714,301	
Sept	\$746,400			\$4,604,800			\$3,947,332		\$10,661,632	
Oct	\$644,600			\$5,249,400			\$2,928,865		\$13,590,497	
Nov	\$439,200			\$5,688,600			\$1,717,838		\$15,308,335	
Dec	\$511,400			\$6,200,000			\$2,281,317		\$17,589,652	

Actual Collections Year To Date Through January



**Wheeler Opera House Real Estate Transfer Tax
January 2021**

Current Month Revenues are 46.5% above last year's Monthly Revenues.
Year To Date Revenues are 252.1% above Year To Date Budgeted Revenues.
Year To Date Revenues are 46.5% above last year's Actual Year To Date Revenues.

<u>Month</u>	<u>2021 Monthly Budget vs. 2021 Actual</u>			<u>2021 YTD Budget vs. 2021 Actual</u>			<u>2021 vs. 2020</u>			
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>2020 Monthly</u>	<u>Variance</u>	<u>2020 YTD</u>	<u>Variance</u>
Jan	\$235,400	\$828,882	252.1%	\$235,400	\$828,882	252.1%	\$565,600	46.5%	\$565,600	46.5%
Feb	\$213,800			\$449,200			\$262,833		\$828,432	
Mar	\$221,500			\$670,700			\$567,936		\$1,396,369	
Apr	\$291,700			\$962,400			\$448,184		\$1,844,552	
May	\$298,400			\$1,260,800			\$58,875		\$1,903,427	
June	\$228,300			\$1,489,100			\$248,150		\$2,151,577	
July	\$185,600			\$1,674,700			\$464,915		\$2,616,492	
Aug	\$272,200			\$1,946,900			\$1,298,686		\$3,915,178	
Sept	\$411,300			\$2,358,200			\$2,027,283		\$5,942,461	
Oct	\$355,100			\$2,713,300			\$1,495,710		\$7,438,171	
Nov	\$230,300			\$2,943,600			\$882,569		\$8,320,741	
Dec	\$289,400			\$3,233,000			\$1,161,524		\$9,482,264	

Actual Collections Year To Date Through January

