

To: Aspen City Council
From: Anthony Lewin, Senior Tax Auditor
Date: July 14, 2020
Re: May 2021 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 May 2021, Aspen’s portion of Pitkin County’s 3.6% sales tax collections for April 2021, and real estate transfer tax (RETT) collections for June 2021. As with last month’s report, the comparisons made in this release will reflect 2021 activity relative to 2019’s pre-pandemic figures, to better communicate the state of the recovery. Thus, statistics within this cover memo will not correlate to those found in the subsequent charts of this communication, as they compare to 2020.

Taxable Sales:

Overall economic activity has returned to or exceeded “normal” levels in most industries as we continue to progress into and through the Summer season. This is in reflection of 2021 collections relative to a typical year such as 2019, where most industries are experiencing double-digit growth today relative to just two years earlier and pre-pandemic. The real exception to this overarching statement continues to be within the accommodations and restaurants/bars sectors of the economy, with typically robust January and February ski months starting the 2021 year in lackluster fashion after red level restrictions limited tourism in the valley. Two additional industries that are down slightly include marijuana and jewelry/gallery.

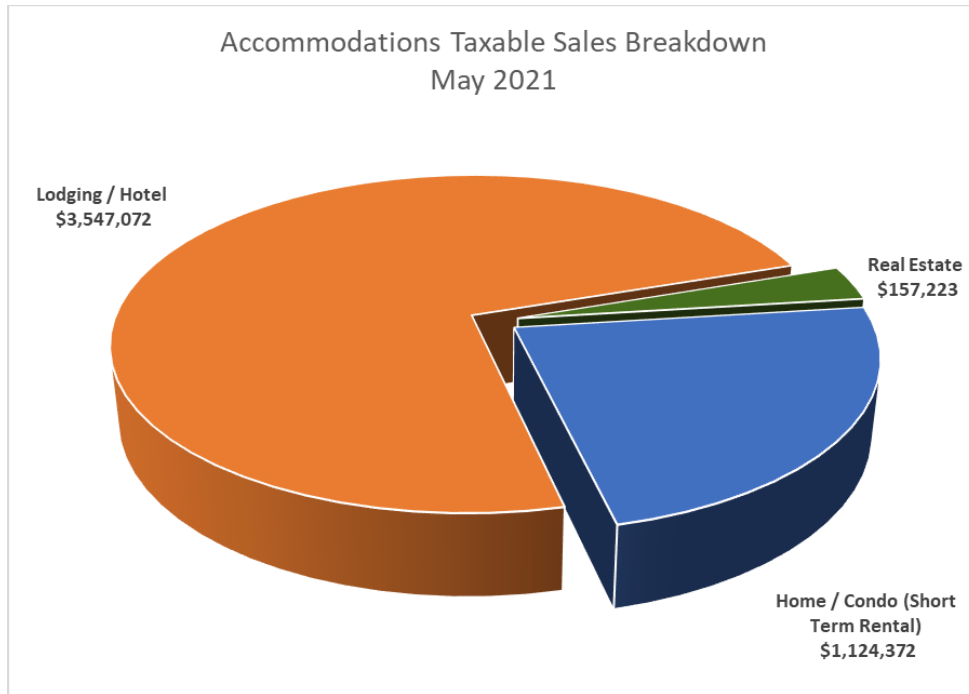
For May, taxable sales are up 46% relative to 2019 (with all sectors reflecting gains relative to pre-pandemic collections), and on a year-to-date basis when compared to two years prior, aggregate taxable sales are tracking just 2% below 2019.

Actual Sales and Lodging Tax:

Overall, May’s sales tax collections were up 32% from the same period in 2019 and on a year-to-date basis are nearly equivalent to collections from two years prior. Lodging tax collections were down 8% to the same month and are currently 36% below collects on a year-to-date basis to 2019’s pre-pandemic collection levels. Despite the strong return in visitation in March through May, occupancy was cut nearly in half in the first two months of the year and created a sizable drop in tax remittance for the year that is slowly being remedied over time.

Short-Term Rentals

In addition to traditional lodging operations, the City is also continuing to see an increase in home / condo (short-term rentals), reflecting an increase in compliance with municipal code and travelers desiring their own space. The percentage of lodge options from the short-term rental market can be seen on the subsequent graphic which depicts these offerings at roughly 25% of the total market – this percentage can fluctuate with room rate changes during high and low seasons. For reference, a short-term rental is a rental that is less than 30 days in duration and in which case both City sales and lodging taxes are due. Rentals longer than this duration are not taxed, but are still considered a business and therefore require a business license with the City.



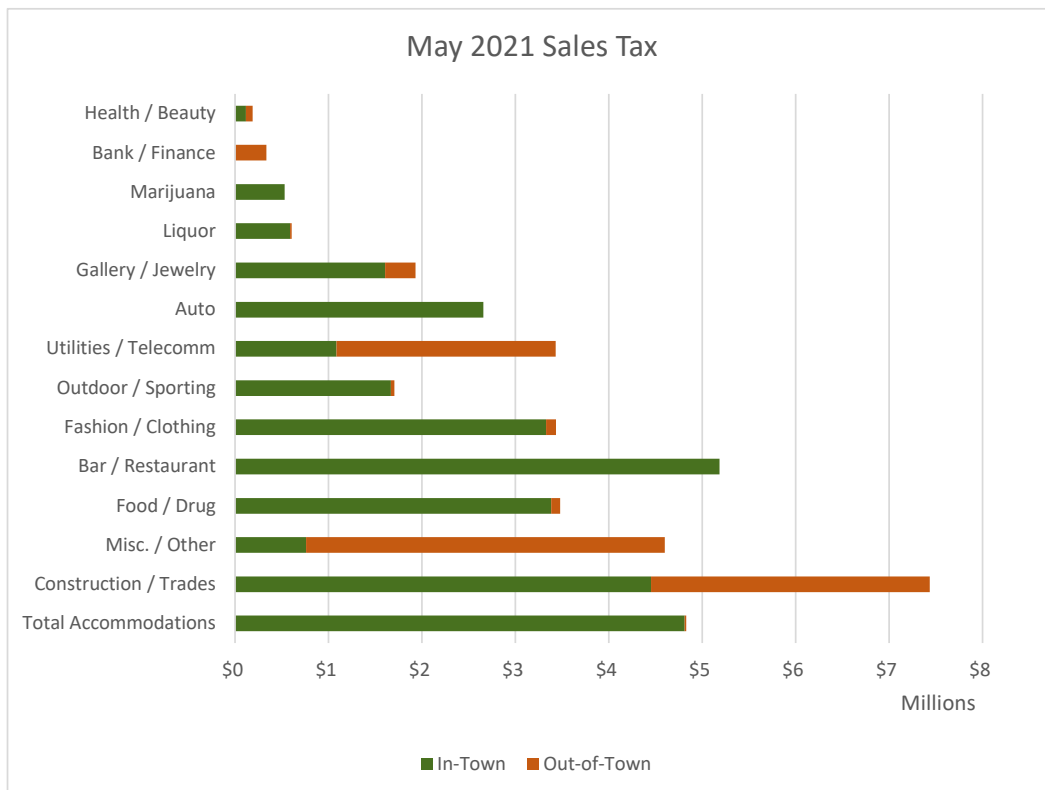
City Share of County Sales Tax:

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 April were up 51% to pre-pandemic collections in 2019. Year-to-date revenues relative to 2019 collections are up 2%.

Real Estate Transfer Taxes (comparison to 2020):

Housing real estate transfer tax collections for June were up 188.6% and 152.8% on the year. Wheeler real estate transfer tax collections for May were up 185.2% and up 99.5% on the year. Sales continue to be strong but as the year progresses, some growth is anticipated to be mitigated as the surge in sales initially began in mid to late 2020. This, plus reduced inventory, is likely to slow the growth in collections going forward.

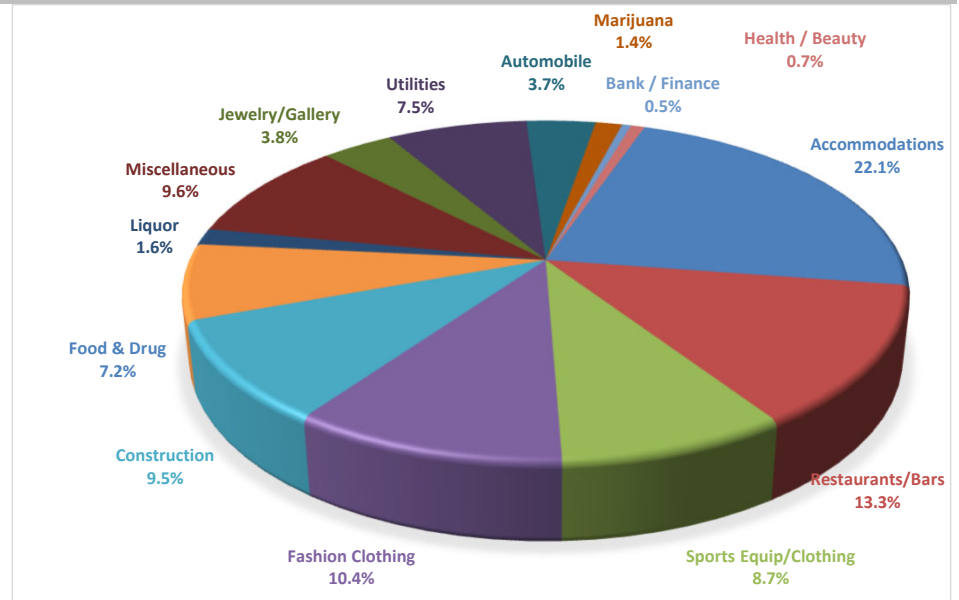
Category	In-Town	Out-of-Town	Grand Total
Total Accommodations	\$4,812,852	\$15,815	\$4,828,667
Construction / Trades	\$4,453,401	\$2,981,513	\$7,434,913
Misc. / Other	\$758,448	\$3,840,296	\$4,598,744
Food / Drug	\$3,382,795	\$96,637	\$3,479,431
Bar / Restaurant	\$5,186,738	\$0	\$5,186,738
Fashion / Clothing	\$3,330,340	\$105,456	\$3,435,796
Outdoor / Sporting	\$1,668,418	\$37,145	\$1,705,563
Utilities / Telecomm	\$1,086,521	\$2,344,512	\$3,431,033
Auto	\$2,656,595	\$0	\$2,656,595
Gallery / Jewelry	\$1,606,069	\$325,550	\$1,931,619
Liquor	\$588,799	\$15,957	\$604,757
Marijuana	\$528,947	\$0	\$528,947
Bank / Finance	\$0	\$334,129	\$334,129
Health / Beauty	\$115,751	\$73,125	\$188,875
Grand Total	\$30,175,673	\$10,170,134	\$40,345,806
Percentage	74.8%	25.2%	



**City of Aspen Retail Sales by Industry
May 2021**

Year To Date Retail Sales

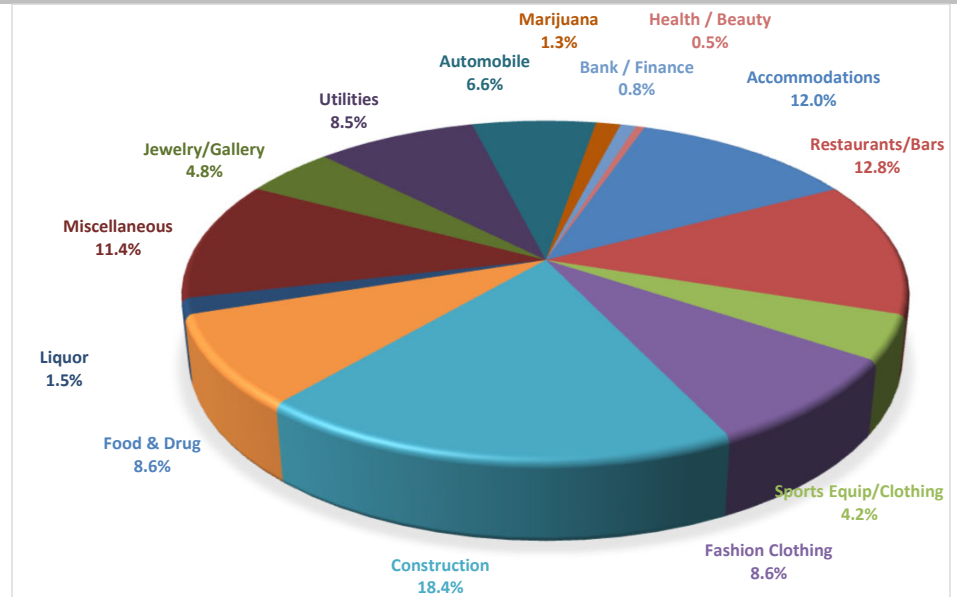
Category	YTD Retail Sales	% Change Prior Year	% YTD Retail Sales
Accommodations	\$72,406,254	(12.6%)	22.1%
Restaurants/Bars	\$43,682,271	(4.0%)	13.3%
Sports Equip/Clothing	\$28,511,939	32.2%	8.7%
Fashion Clothing	\$34,182,157	107.6%	10.4%
Construction	\$31,300,385	48.5%	9.5%
Food & Drug	\$23,518,480	11.3%	7.2%
Liquor	\$5,136,268	16.1%	1.6%
Miscellaneous	\$31,403,815	35.4%	9.6%
Jewelry/Gallery	\$12,472,478	(10.1%)	3.8%
Utilities	\$24,483,485	10.7%	7.5%
Automobile	\$12,052,655	109.8%	3.7%
Marijuana	\$4,632,913	12.8%	1.4%
Bank / Finance	\$1,596,466	#DIV/0!	0.5%
Health / Beauty	\$2,376,755	#DIV/0!	0.7%
Total	\$327,756,320	16.2%	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.

May Monthly Retail Sales

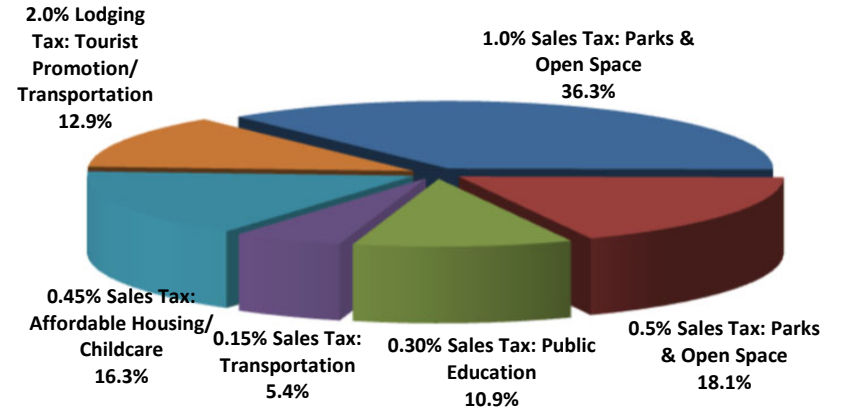
Category	Monthly Retail Sales	% Change Prior Year	% Monthly Retail Sales
Accommodations	\$4,828,667	1,284.2%	12.0%
Restaurants/Bars	\$5,186,738	148.0%	12.8%
Sports Equip/Clothing	\$1,705,563	(3.6%)	4.2%
Fashion Clothing	\$3,454,839	272.2%	8.6%
Construction	\$7,434,913	65.5%	18.4%
Food & Drug	\$3,479,431	10.9%	8.6%
Liquor	\$604,757	(10.8%)	1.5%
Miscellaneous	\$4,598,744	18.9%	11.4%
Jewelry/Gallery	\$1,931,619	263.7%	4.8%
Utilities	\$3,431,033	18.2%	8.5%
Automobile	\$2,656,595	166.3%	6.6%
Marijuana	\$528,947	19.6%	1.3%
Bank / Finance	\$334,129	#DIV/0!	0.8%
Health / Beauty	\$188,875	#DIV/0!	0.5%
Total	\$40,364,850	81.9%	100.0%



**City of Aspen Sales and Lodging Tax
May 2021**

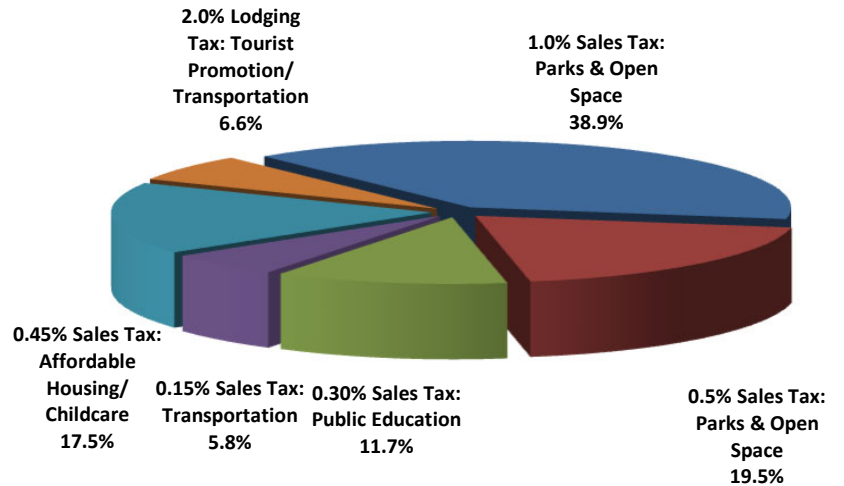
Year To Date Tax Collections

Tax Type	YTD Taxes Collected	% YTD Taxes
1.0% Sales Tax: Parks & Open Space	\$3,332,066.49	36.3%
0.5% Sales Tax: Parks & Open Space	\$1,665,486.39	18.1%
0.30% Sales Tax: Public Education	\$999,990.60	10.9%
0.15% Sales Tax: Transportation	\$499,648.21	5.4%
0.45% Sales Tax: Affordable Housing/ Childcare	\$1,498,938.91	16.3%
2.0% Lodging Tax: Tourist Promotion/ Transportation	<u>\$1,181,546.15</u>	<u>12.9%</u>
Total	\$9,177,676.75	100%



May Monthly Tax Collections

Tax Type	Monthly Taxes Collected	% Monthly Taxes
1.0% Sales Tax: Parks & Open Space	\$401,850.52	38.9%
0.5% Sales Tax: Parks & Open Space	\$200,924.29	19.5%
0.30% Sales Tax: Public Education	\$120,838.98	11.7%
0.15% Sales Tax: Transportation	\$60,278.08	5.8%
0.45% Sales Tax: Affordable Housing/ Childcare	\$180,832.11	17.5%
2.0% Lodging Tax: Tourist Promotion/ Transportation	<u>\$67,856.92</u>	<u>6.6%</u>
Total	\$1,032,580.90	100%

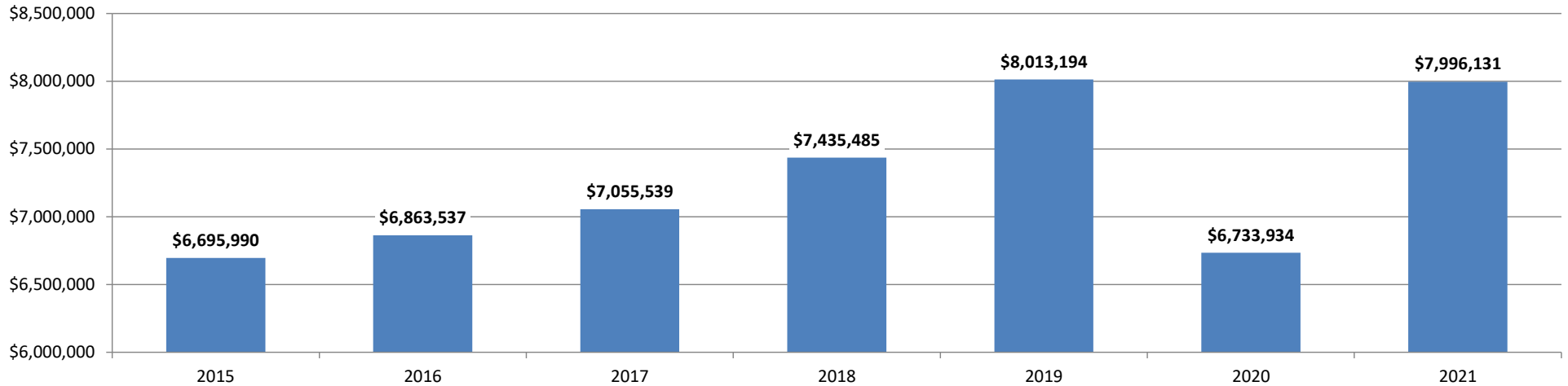


**City of Aspen Sales Tax 2.4%
May 2021**

Current Month Revenues are 70.1% above last year's Monthly Revenues.
Year To Date Revenues are 25.8% above Year To Date Budgeted Revenues.
Year To Date Revenues are 18.7% 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	\$1,595,006	\$1,594,720	(0.0%)	\$1,595,006	\$1,594,720	(0.0%)	\$2,276,217	(29.9%)	\$2,276,217	(29.9%)
Feb	\$1,486,326	\$1,673,483	12.6%	\$3,081,332	\$3,268,203	6.1%	\$2,122,818	(21.2%)	\$4,399,035	(25.7%)
Mar	\$1,888,591	\$2,645,788	40.1%	\$4,969,923	\$5,913,991	19.0%	\$1,243,377	112.8%	\$5,642,412	4.8%
Apr	\$777,333	\$1,117,415	43.7%	\$5,747,255	\$7,031,407	22.3%	\$524,409	113.1%	\$6,166,820	14.0%
May	\$609,455	\$964,724	58.3%	\$6,356,711	\$7,996,131	25.8%	\$567,114	70.1%	\$6,733,934	18.7%
June	\$1,451,356			\$7,808,067			\$1,315,505		\$8,049,440	
July	\$1,922,418			\$9,730,485			\$1,984,791		\$10,034,230	
Aug	\$1,631,118			\$11,361,603			\$1,783,192		\$11,817,422	
Sept	\$1,413,986			\$12,775,590			\$2,214,205		\$14,031,628	
Oct	\$855,843			\$13,631,433			\$1,067,153		\$15,098,781	
Nov	\$719,393			\$14,350,825			\$972,967		\$16,071,748	
Dec	\$2,635,754			\$16,986,579			\$2,286,874		\$18,358,622	

Actual Collections Year To Date Through May



**City of Aspen Tourist Promotion 1.5% Lodging Tax (0.5% Rate for 2010 and Prior)
May 2021**

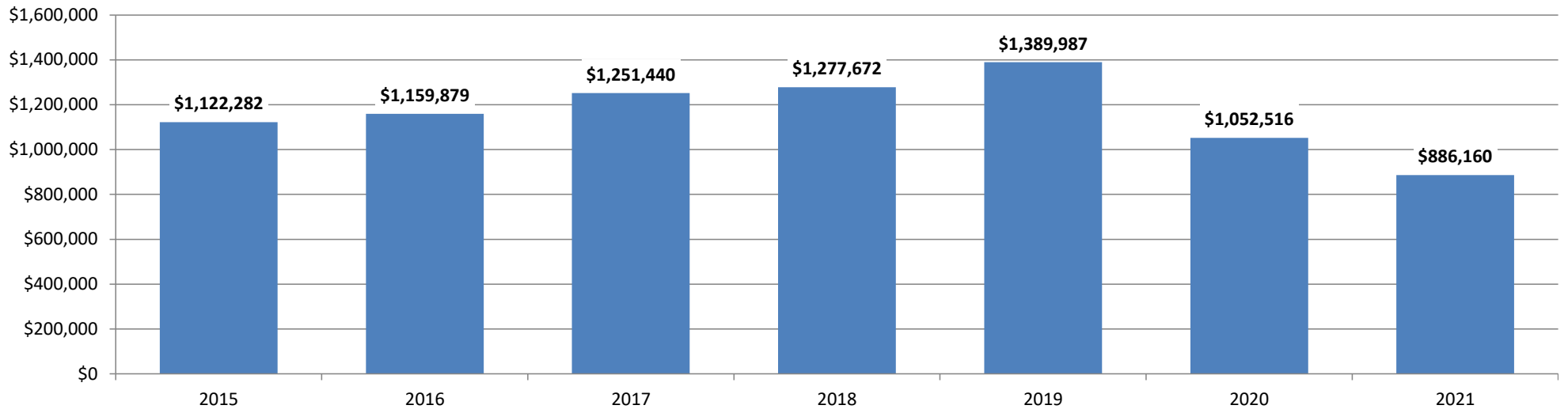
Current Month Revenues are 480.3% above last year's Monthly Revenues.

Year To Date Revenues are (14.9%) below Year To Date Budgeted Revenues.

Year To Date Revenues are (15.8%) below last year's Actual Year To Date Revenues adjusted for rate increase.

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	\$304,500	\$168,712	(44.6%)	\$304,500	\$168,712	(44.6%)	\$423,412	(60.2%)	\$423,412	(60.2%)
Feb	\$270,000	\$208,731	(22.7%)	\$574,500	\$377,443	(34.3%)	\$417,502	(50.0%)	\$840,914	(55.1%)
Mar	\$353,250	\$369,554	4.6%	\$927,750	\$746,997	(19.5%)	\$197,251	87.4%	\$1,038,165	(28.0%)
Apr	\$64,500	\$88,271	36.9%	\$992,250	\$835,268	(15.8%)	\$5,581	1,481.7%	\$1,043,746	(20.0%)
May	\$49,500	\$50,893	2.8%	\$1,041,750	\$886,160	(14.9%)	\$8,770	480.3%	\$1,052,516	(15.8%)
June	\$186,750			\$1,228,500			\$99,543		\$1,152,059	
July	\$280,500			\$1,509,000			\$263,959		\$1,416,018	
Aug	\$213,000			\$1,722,000			\$227,695		\$1,643,713	
Sept	\$151,500			\$1,873,500			\$206,067		\$1,849,780	
Oct	\$78,750			\$1,952,250			\$71,598		\$1,921,378	
Nov	\$54,000			\$2,006,250			\$78,030		\$1,999,408	
Dec	\$406,500			\$2,412,750			\$268,092		\$2,267,501	

Actual Collections Year To Date Through May

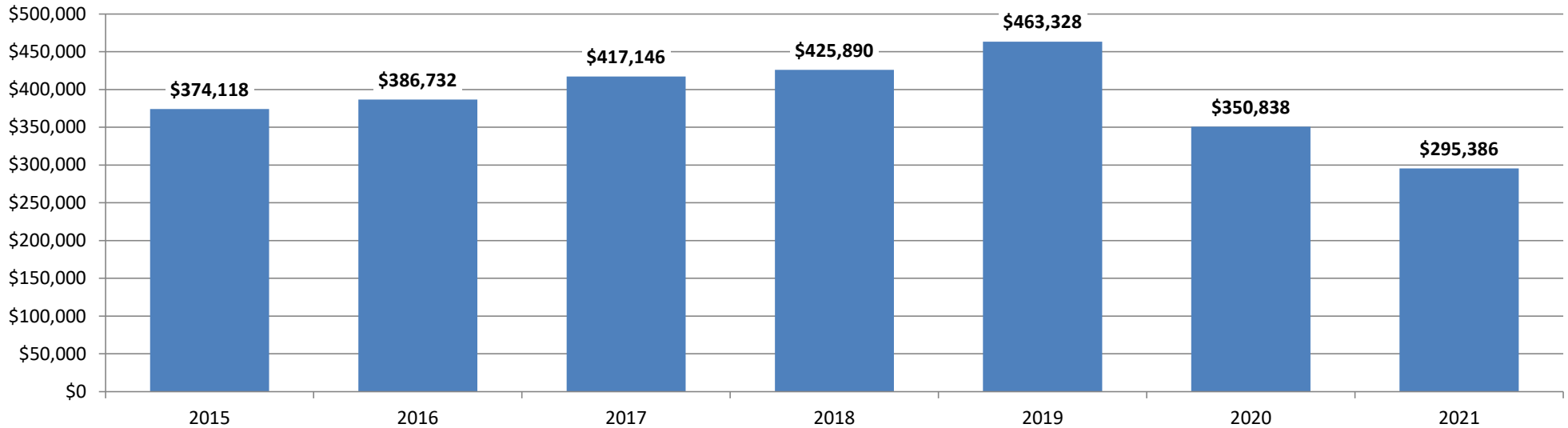


**City of Aspen Transportation 0.5% Lodging Tax
May 2021**

Current Month Revenues are 480.3% above last year's Monthly Revenues.
Year To Date Revenues are (14.9%) below Year To Date Budgeted Revenues.
Year To Date Revenues are (15.8%) below 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	\$101,500	\$56,237	(44.6%)	\$101,500	\$56,237	(44.6%)	\$141,137	(60.2%)	\$141,137	(60.2%)
Feb	\$90,000	\$69,577	(22.7%)	\$191,500	\$125,813	(34.3%)	\$139,167	(50.0%)	\$280,304	(55.1%)
Mar	\$117,750	\$123,184	4.6%	\$309,250	\$248,998	(19.5%)	\$65,750	87.4%	\$346,054	(28.0%)
Apr	\$21,500	\$29,424	36.9%	\$330,750	\$278,421	(15.8%)	\$1,860	1,481.7%	\$347,915	(20.0%)
May	\$16,500	\$16,964	2.8%	\$347,250	\$295,386	(14.9%)	\$2,923	480.3%	\$350,838	(15.8%)
June	\$62,250			\$409,500			\$33,181		\$384,019	
July	\$93,500			\$503,000			\$87,986		\$472,005	
Aug	\$71,000			\$574,000			\$75,898		\$547,903	
Sept	\$50,500			\$624,500			\$68,700		\$616,603	
Oct	\$26,250			\$650,750			\$23,866		\$640,469	
Nov	\$18,000			\$668,750			\$26,010		\$666,479	
Dec	\$135,500			\$804,250			\$89,364		\$755,842	

Actual Collections Year To Date Through May

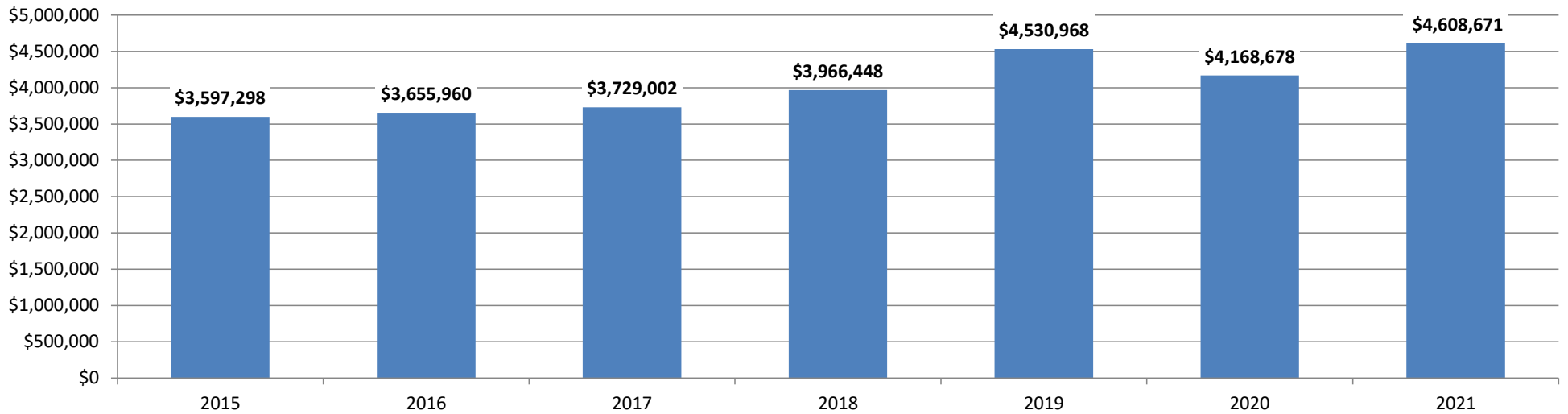


**City of Aspen Portion of Pitkin County 3.6% Sales Tax
April 2021**

Current Month Revenues are **64.1%** above last year's Monthly Revenues.
 Year To Date Revenues are **4.5%** above Year To Date Budgeted Revenues.
 Year To Date Revenues are **10.6%** 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	\$1,357,000	\$1,092,020	(19.5%)	\$1,357,000	\$1,092,020	(19.5%)	\$1,512,709	(27.8%)	\$ 1,512,709	(27.8%)
Feb	\$1,277,000	\$1,183,150	(7.3%)	\$2,634,000	\$2,275,171	(13.6%)	\$1,449,548	(18.4%)	\$ 2,962,257	(23.2%)
Mar	\$1,293,000	\$1,515,832	17.2%	\$3,927,000	\$3,791,002	(3.5%)	\$708,210	114.0%	\$ 3,670,467	3.3%
Apr	\$484,000	\$817,669	68.9%	\$4,411,000	\$4,608,671	4.5%	\$498,211	64.1%	\$ 4,168,678	10.6%
May	\$398,000			\$4,809,000			\$430,729		\$ 4,599,408	
June	\$822,000			\$5,631,000			\$713,217		\$ 5,312,624	
July	\$1,097,000			\$6,728,000			\$1,164,095		\$ 6,476,719	
Aug	\$917,000			\$7,645,000			\$1,117,891		\$ 7,594,610	
Sept	\$801,000			\$8,446,000			\$1,181,742		\$ 8,776,352	
Oct	\$498,000			\$8,944,000			\$845,122		\$ 9,621,474	
Nov	\$484,000			\$9,428,000			\$688,722		\$ 10,310,196	
Dec	\$1,461,000			\$10,889,000			\$1,533,844		\$ 11,844,040	

Actual Collections Year To Date Through April

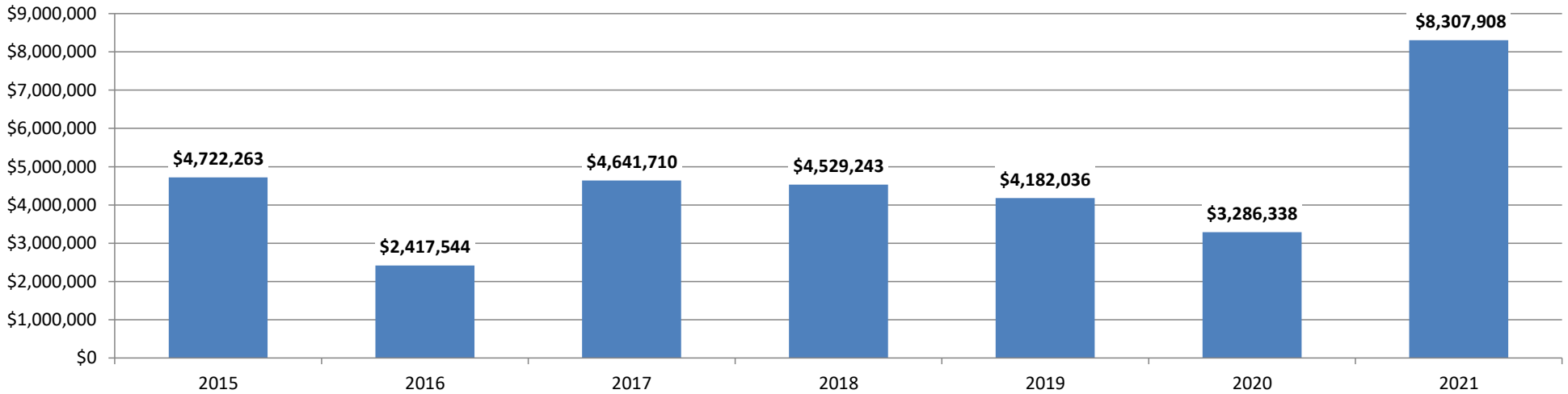


**Housing Real Estate Transfer Tax
June 2021**

Current Month Revenues are **188.6%** above last year's Monthly Revenues.
 Year To Date Revenues are **181.7%** above Year To Date Budgeted Revenues.
 Year To Date Revenues are **152.8%** 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	\$711,920	72.5%	\$853,000	\$2,314,034	171.3%	\$496,350	43.4%	\$1,594,693	45.1%
Mar	\$432,900	\$1,294,339	199.0%	\$1,285,900	\$3,608,373	180.6%	\$598,199	116.4%	\$2,192,893	64.5%
Apr	\$560,000	\$2,251,850	302.1%	\$1,845,900	\$5,860,223	217.5%	\$505,915	345.1%	\$2,698,808	117.1%
May	\$566,200	\$1,070,000	89.0%	\$2,412,100	\$6,930,223	187.3%	\$110,180	871.1%	\$2,808,988	146.7%
June	\$537,300	\$1,377,685	156.4%	\$2,949,400	\$8,307,908	181.7%	\$477,350	188.6%	\$3,286,338	152.8%
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 June



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

Current Month Revenues are 185.2% above last year's Monthly Revenues.
Year To Date Revenues are 188.2% above Year To Date Budgeted Revenues.
Year To Date Revenues are 99.5% 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	\$235,400	\$828,882	252.1%	\$235,400	\$828,882	252.1%	\$565,600	46.5%	\$565,600	46.5%
Feb	\$213,800	\$370,913	73.5%	\$449,200	\$1,199,795	167.1%	\$262,833	41.1%	\$828,432	44.8%
Mar	\$221,500	\$672,890	203.8%	\$670,700	\$1,872,685	179.2%	\$567,936	18.5%	\$1,396,369	34.1%
Apr	\$291,700	\$1,152,214	295.0%	\$962,400	\$3,024,899	214.3%	\$448,184	157.1%	\$1,844,552	64.0%
May	\$298,400	\$559,092	87.4%	\$1,260,800	\$3,583,990	184.3%	\$58,875	849.6%	\$1,903,427	88.3%
June	\$228,300	\$707,695	210.0%	\$1,489,100	\$4,291,686	188.2%	\$248,150	185.2%	\$2,151,577	99.5%
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 June

