

To: Aspen City Council
From: Anthony Lewin, Senior Tax Auditor
Date: May 17, 2020
Re: March 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 March 2021, Aspen's portion of Pitkin County's 3.6% sales tax collections for February 2021, and real estate transfer tax (RETT) collections for April 2021.

Taxable Sales:

In line with business community sentiment, March's taxable sales reflected significant restoration of economic activity for the period. As COVID cases declined and restrictions loosened, total taxable sales rose in all industries, with some categories increasing over 200% relative to the start of the COVID pandemic one year prior.

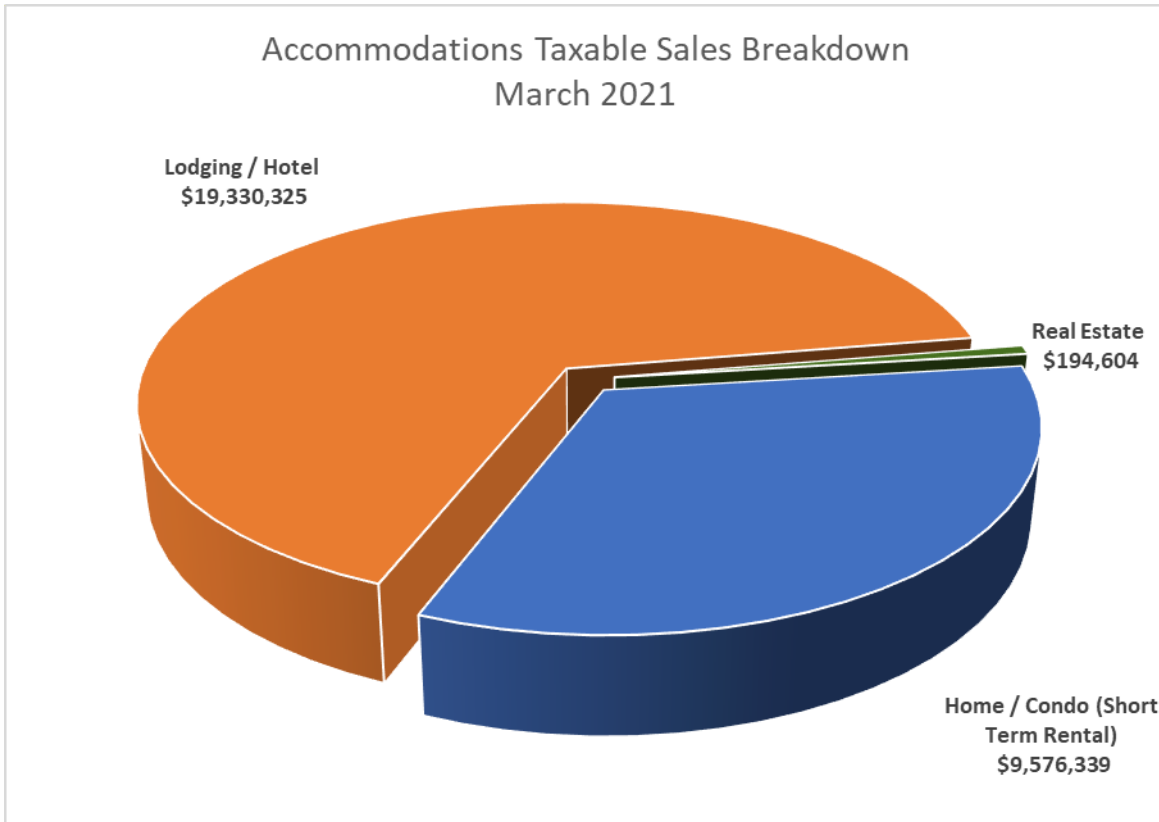
Deviating from the typical monthly assessment and instead focusing on the year-to-date sales figures through quarter 1, in aggregate, taxable sales are now on par with sales through the first three months of 2020. Recalling that January and February 2020 were very strong months before the pandemic began, this is positive news as the first two months of 2021 were still muted. While sales are pacing even with quarter 1 of 2020 in total, the City's two largest industries – accommodations and restaurants – continue to lag behind, each down about 27% to date, and are being offset by the recoveries experienced in other industries.

Actual Sales and Lodging Tax:

Overall, March's sales tax collections were up 112.8% respectively from the same period last year. Lodging tax collections were up 87.4% in compared to last year's monthly revenues.

As in last month's report, these numbers reflect how the accommodations industry has been affected by the pandemic. With increased summer reservations on the books for many operators, there is a positive outlook coming from multiple members in this sector, and the City is hopeful for improved collections as the year continues. The City also wants to note that while March Lodging tax collections are up, they are not back to 2019 levels.

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. While February was a muted month for the lodging industry, this month reflects that home / condo (short-term rentals) made up roughly one-third of the industry's taxable sales.



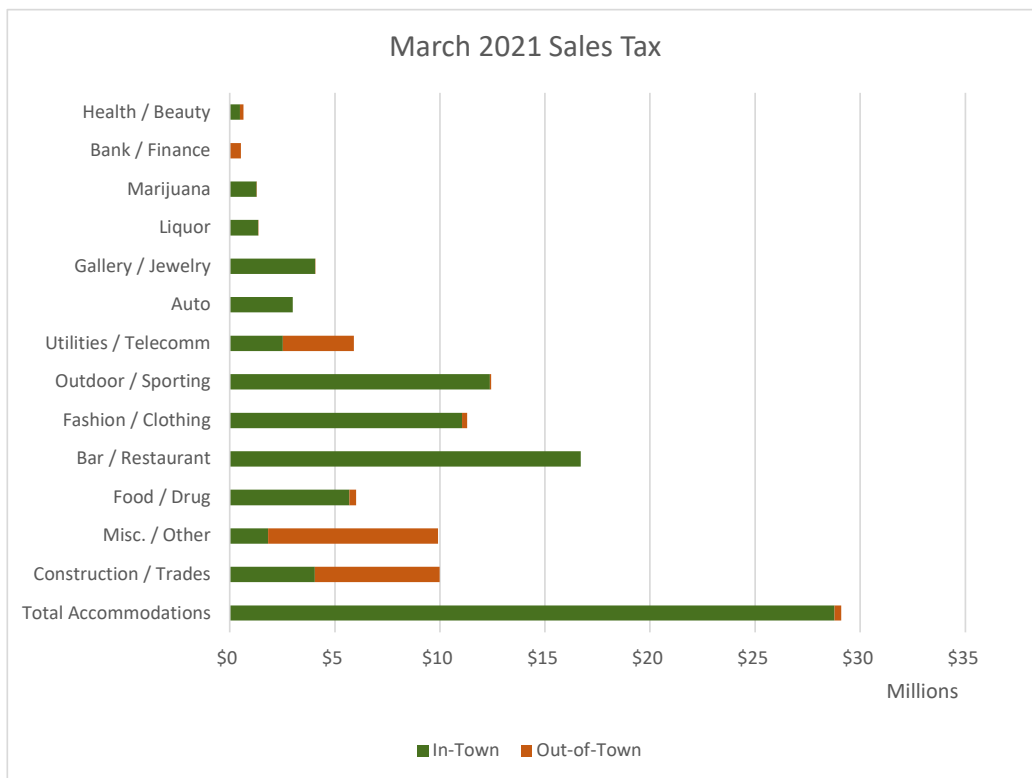
City Share of County Sales Tax:

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 February were down 18.4%. Year to date revenues are down 23.2%.

Real Estate Transfer Taxes:

Housing real estate transfer tax collections for April were up 345.1% and 117.1% on the year. Wheeler real estate transfer tax collections for April were up 157.1% and up 64.0% on the year. Many real estate contracts initiated in the last months of 2020 are now closing; and when coupled with the recent sale of the Mountain Chalet Hotel, are escalating these tax collections beyond what was achieved through the same period last year.

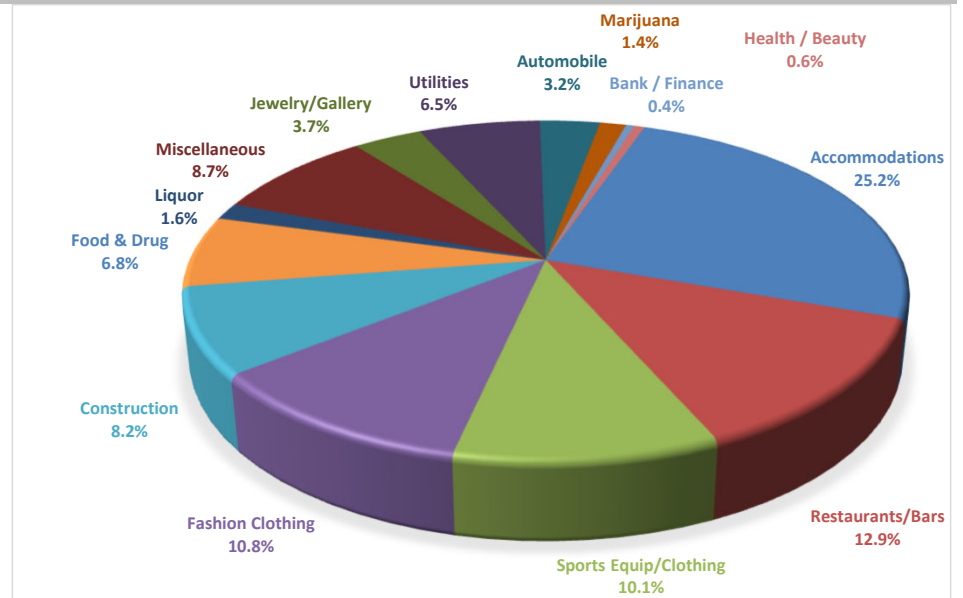
Category	In-Town	Out-of-Town	Grand Total
Total Accommodations	\$28,782,010	\$319,259	\$29,101,268
Construction / Trades	\$4,050,969	\$5,924,888	\$9,975,857
Misc. / Other	\$1,827,435	\$8,083,783	\$9,911,217
Food / Drug	\$5,691,939	\$313,158	\$6,005,097
Bar / Restaurant	\$16,706,226	\$0	\$16,706,226
Fashion / Clothing	\$11,048,141	\$234,282	\$11,282,423
Outdoor / Sporting	\$12,374,167	\$51,607	\$12,425,774
Utilities / Telecomm	\$2,515,154	\$3,387,832	\$5,902,986
Auto	\$2,987,452	\$0	\$2,987,452
Gallery / Jewelry	\$4,065,334	\$11,303	\$4,076,636
Liquor	\$1,346,094	\$13,038	\$1,359,132
Marijuana	\$1,272,201	\$85	\$1,272,286
Bank / Finance	\$0	\$533,232	\$533,232
Health / Beauty	\$485,388	\$157,476	\$642,864
Grand Total	\$93,152,508	\$19,029,942	\$112,182,450
Percentage	83.0%	17.0%	



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

Year To Date Retail Sales

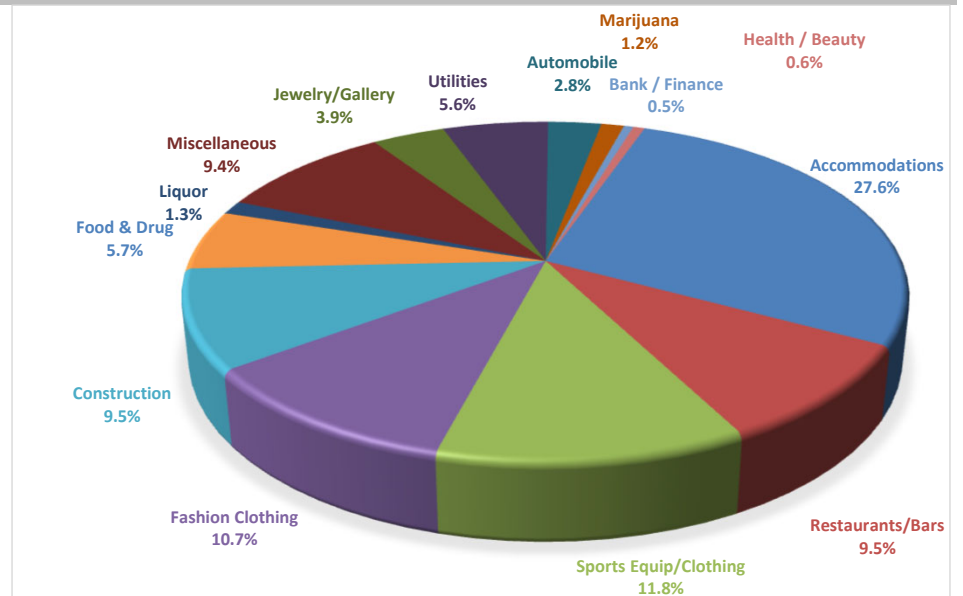
Category	YTD Retail Sales	% Change Prior Year	% YTD Retail Sales
Accommodations	\$60,063,180	(27.0%)	25.2%
Restaurants/Bars	\$30,883,017	(27.1%)	12.9%
Sports Equip/Clothing	\$24,062,170	23.7%	10.1%
Fashion Clothing	\$25,816,864	68.8%	10.8%
Construction	\$19,575,935	34.7%	8.2%
Food & Drug	\$16,135,247	5.8%	6.8%
Liquor	\$3,797,640	19.8%	1.6%
Miscellaneous	\$20,757,364	22.6%	8.7%
Jewelry/Gallery	\$8,762,070	33.2%	3.7%
Utilities	\$15,427,290	1.1%	6.5%
Automobile	\$7,624,090	91.5%	3.2%
Marijuana	\$3,330,149	2.3%	1.4%
Bank / Finance	\$1,027,670	#DIV/0!	0.4%
Health / Beauty	\$1,354,032	#DIV/0!	0.6%
Total	\$238,616,719	0.1%	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.

March Monthly Retail Sales

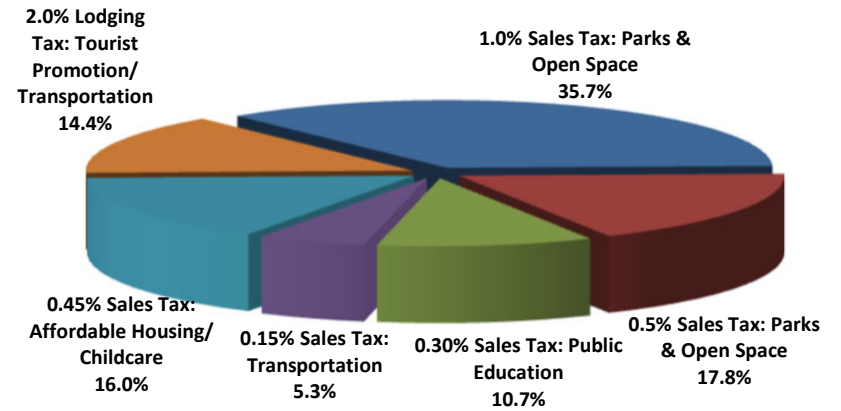
Category	Monthly Retail Sales	% Change Prior Year	% Monthly Retail Sales
Accommodations	\$29,101,268	94.1%	27.6%
Restaurants/Bars	\$9,975,857	31.5%	9.5%
Sports Equip/Clothing	\$12,425,774	266.6%	11.8%
Fashion Clothing	\$11,282,423	298.4%	10.7%
Construction	\$9,975,857	52.3%	9.5%
Food & Drug	\$6,005,097	21.7%	5.7%
Liquor	\$1,359,132	49.3%	1.3%
Miscellaneous	\$9,911,217	58.1%	9.4%
Jewelry/Gallery	\$4,076,636	296.3%	3.9%
Utilities	\$5,902,986	19.8%	5.6%
Automobile	\$2,987,452	166.0%	2.8%
Marijuana	\$1,272,286	41.3%	1.2%
Bank / Finance	\$533,232	#DIV/0!	0.5%
Health / Beauty	\$642,864	#DIV/0!	0.6%
Total	\$105,452,080	90.2%	100.0%



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

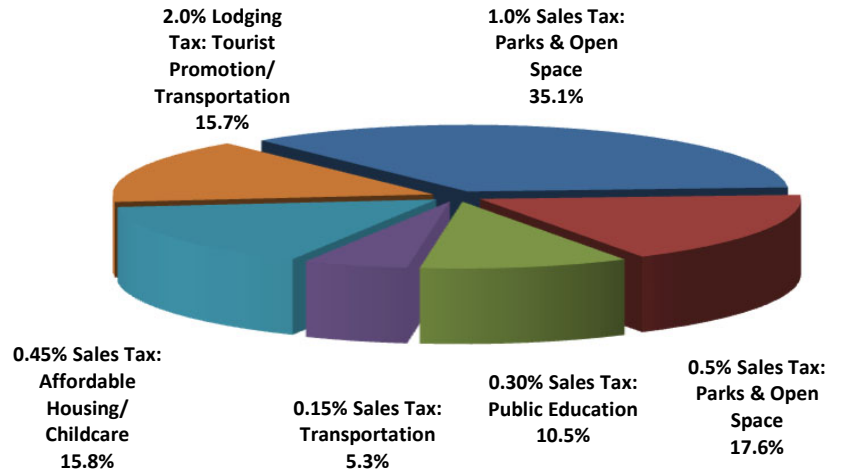
Year To Date Tax Collections

Tax Type	YTD Taxes Collected	% YTD Taxes
1.0% Sales Tax: Parks & Open Space	\$2,464,648.83	35.7%
0.5% Sales Tax: Parks & Open Space	\$1,231,779.66	17.8%
0.30% Sales Tax: Public Education	\$739,425.41	10.7%
0.15% Sales Tax: Transportation	\$369,534.18	5.3%
0.45% Sales Tax: Affordable Housing/ Childcare	\$1,108,603.38	16.0%
2.0% Lodging Tax: Tourist Promotion/ Transportation	<u>\$995,994.87</u>	<u>14.4%</u>
Total	\$6,909,986.33	100%



March Monthly Tax Collections

Tax Type	Monthly Taxes Collected	% Monthly Taxes
1.0% Sales Tax: Parks & Open Space	\$1,102,554.61	35.1%
0.5% Sales Tax: Parks & Open Space	\$551,118.15	17.6%
0.30% Sales Tax: Public Education	\$330,772.72	10.5%
0.15% Sales Tax: Transportation	\$165,336.27	5.3%
0.45% Sales Tax: Affordable Housing/ Childcare	\$496,006.55	15.8%
2.0% Lodging Tax: Tourist Promotion/ Transportation	<u>\$492,737.92</u>	<u>15.7%</u>
Total	\$3,138,526.22	100%

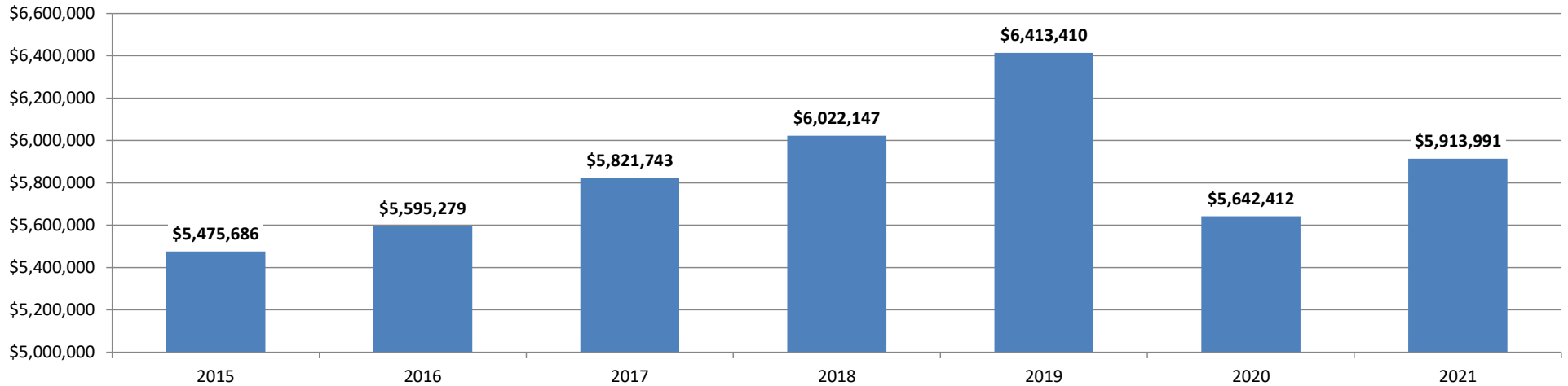


City of Aspen Sales Tax 2.4%
March 2021

Current Month Revenues are 112.8% above last year's Monthly Revenues.
Year To Date Revenues are 19.0% above Year To Date Budgeted Revenues.
Year To Date Revenues are 4.8% 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	\$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			\$5,747,255			\$524,409		\$6,166,820	
May	\$609,455			\$6,356,711			\$567,114		\$6,733,934	
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 March



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

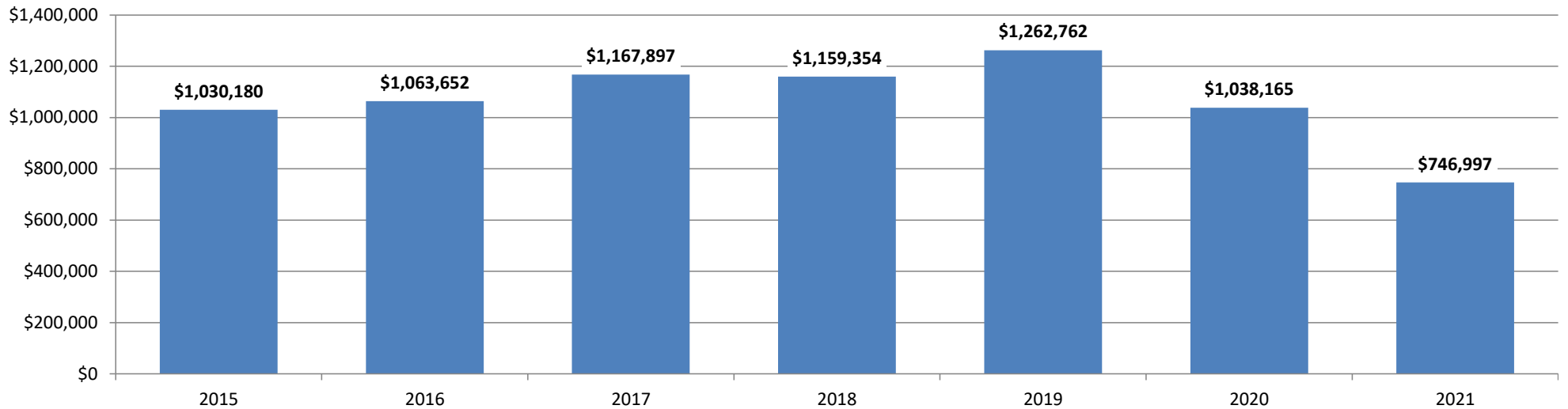
Current Month Revenues are 87.4% above last year's Monthly Revenues.

Year To Date Revenues are (19.5%) below Year To Date Budgeted Revenues.

Year To Date Revenues are (28.0%) 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			\$992,250			\$5,581		\$1,043,746	
May	\$49,500			\$1,041,750			\$8,770		\$1,052,516	
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 March

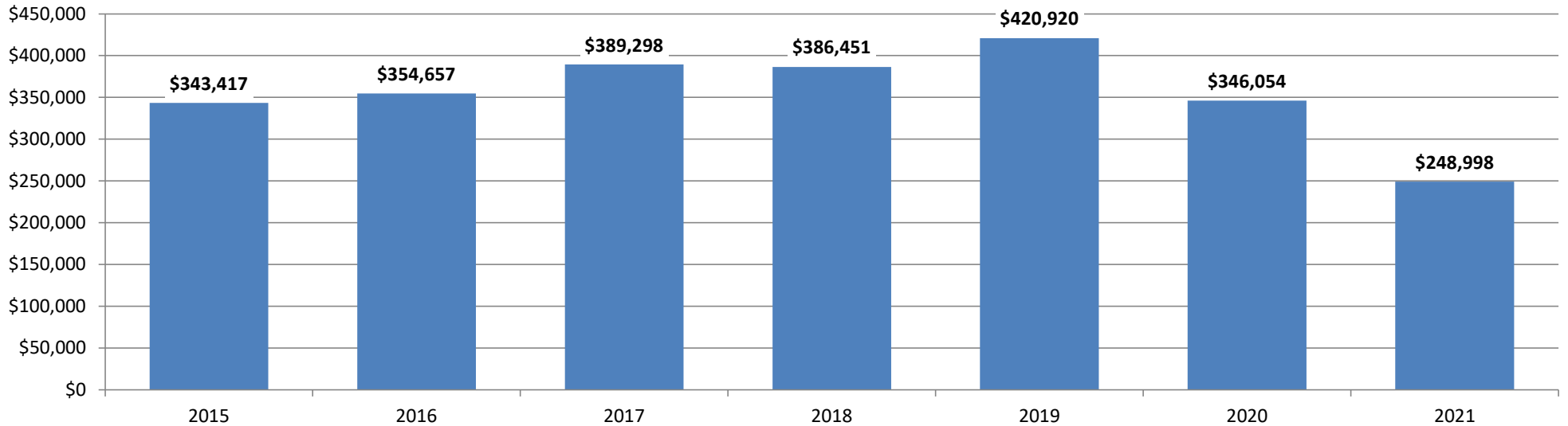


**City of Aspen Transportation 0.5% Lodging Tax
March 2021**

Current Month Revenues are 87.4% above last year's Monthly Revenues.
Year To Date Revenues are (19.5%) below Year To Date Budgeted Revenues.
Year To Date Revenues are (28.0%) 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			\$330,750			\$1,860		\$347,915	
May	\$16,500			\$347,250			\$2,923		\$350,838	
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 March

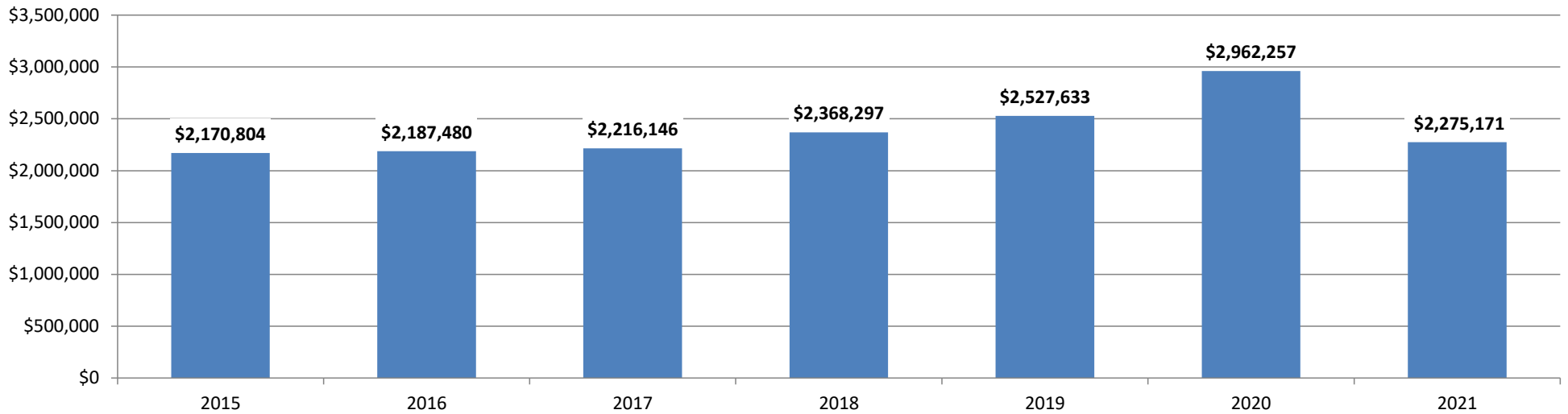


**City of Aspen Portion of Pitkin County 3.6% Sales Tax
February 2021**

Current Month Revenues are (18.4%) below last year's Monthly Revenues.
 Year To Date Revenues are (13.6%) below Year To Date Budgeted Revenues.
 Year To Date Revenues are (23.2%) 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	\$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			\$3,927,000			\$708,210		\$ 3,670,467	
Apr	\$484,000			\$4,411,000			\$498,211		\$ 4,168,678	
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 February

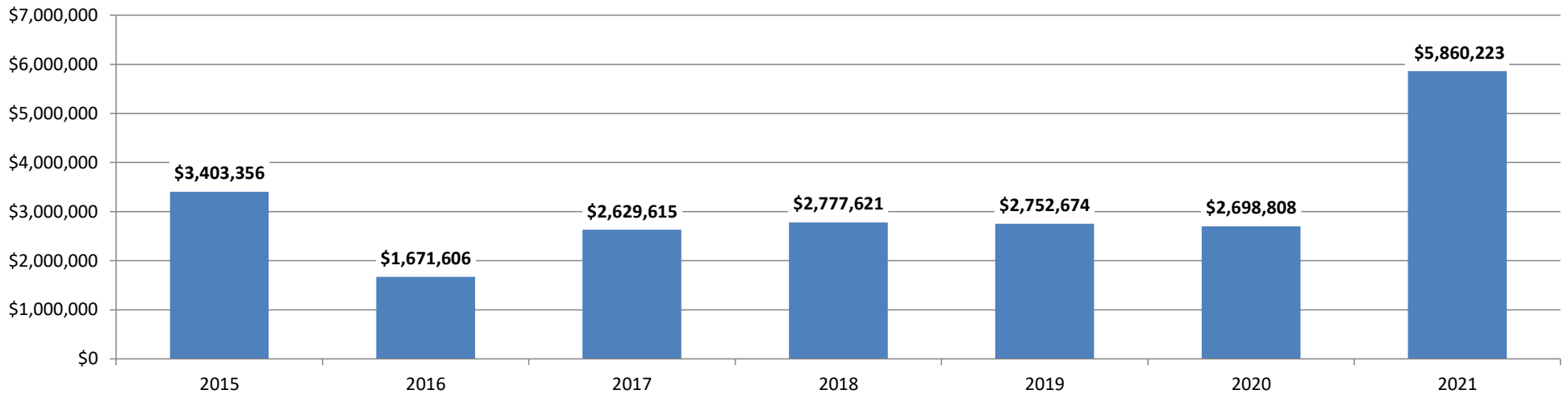


**Housing Real Estate Transfer Tax
April 2021**

Current Month Revenues are **345.1%** above last year's Monthly Revenues.
 Year To Date Revenues are **217.5%** above Year To Date Budgeted Revenues.
 Year To Date Revenues are **117.1%** 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			\$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 April



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

Current Month Revenues are 157.1% above last year's Monthly Revenues.
Year To Date Revenues are 214.3% above Year To Date Budgeted Revenues.
Year To Date Revenues are 64.0% 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			\$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 April

