

To: Aspen City Council
From: Anthony Lewin, Tax Auditor
Date: May 13, 2020
Re: March 2020 Consumption Tax Report

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

Please note that the City extended a one-month deferral for March sales / lodging tax remittance, mirroring the actions of Governor Polis at the State level. While this deferral is not an encouraged practice as the funds were collected on behalf of the City at the time of payment and should not be applied for purposes other than as intended, given the filing extension decision at the State level, it did not make administrative sense to require businesses to follow separate actions for one month.

With this extension in place, the City has received tax filings (without remitting tax) from 58 local businesses, and these businesses are scheduled to remit these dollars (equal to \$118,888.58) with their next monthly remittance by May 20. This does further reduce the sales tax collections for March by a few percentage points from what is denoted in this report.

Taxable Sales: March's retail sales were down 43.6% relative to the same period in 2019. March accounts for roughly 12.1% of the year's total sales tax collections. Industries posting the largest monthly gains were Utilities and Automobile with 8.4% and 5.5% increases, respectively. The industries posting the largest monthly declines were Clothing, Restaurants & Bars, and Sports Equip/Clothing with 60.2%, 59.6%, and 59.2% decreases, respectively.

Actual Sales and Lodging Tax: March sales and lodging tax collections were down 45.9% and 55.3%, respectively from the same period last year. These figures are slightly better than the revised tax collection expectation that was released by the Finance Department following the COVID outbreak, when it was projected sales tax could be down by 65% with the loss of Spring Break tourism activity.

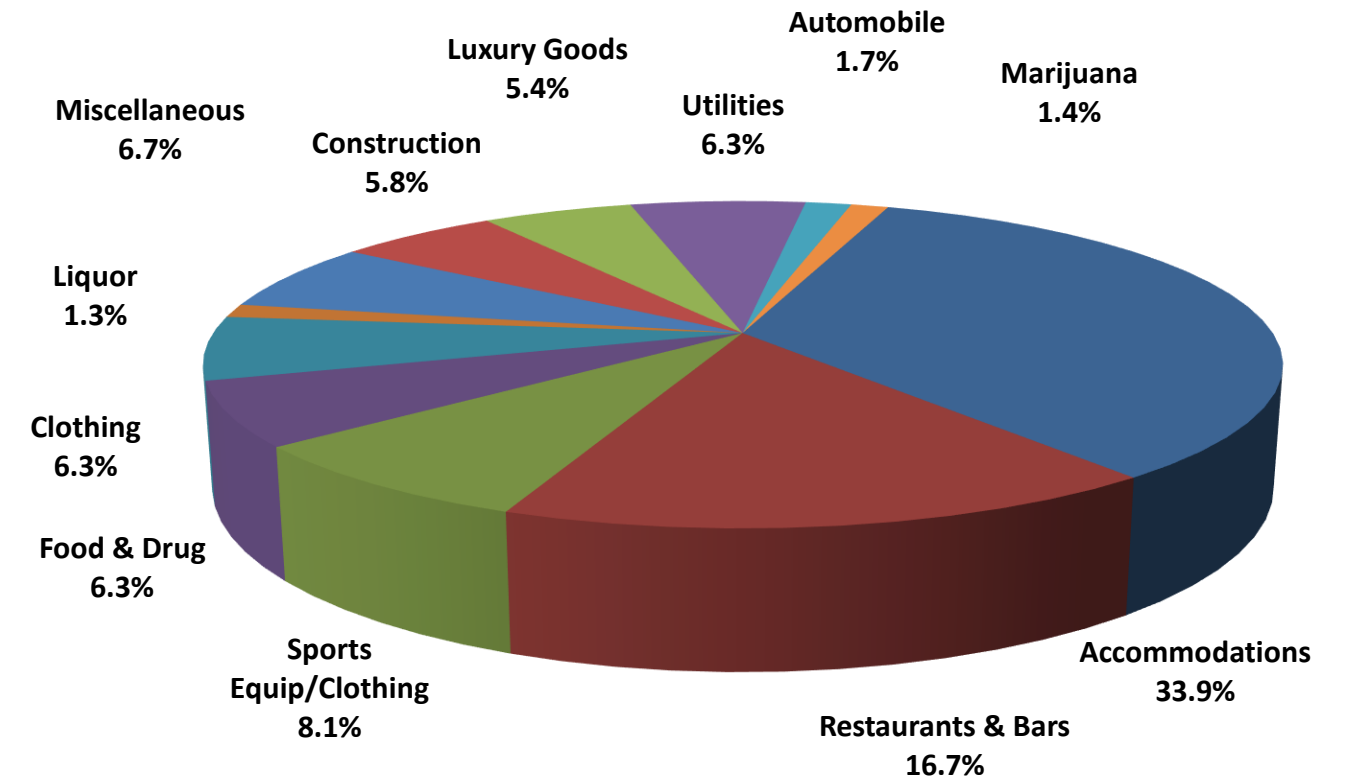
City Share of County Sales Tax: Aspen's portion of Pitkin County's sales tax collections (one month behind City collection statistics because they are collected at the State level) for February were up 21.3%. On a year-to-date basis Aspen's portion of Pitkin County's sales tax is up 17.2%.

Real Estate Transfer Taxes: Housing real estate transfer tax collections for April were down 8.3%. Wheeler real estate transfer tax collections for April were up 51.3%, the variance between the two figures can be attributed to a large sale of affordable housing units that occurred a previous month- affordable housing units are required to remit only the Wheeler RETT and not the Housing RETT.

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

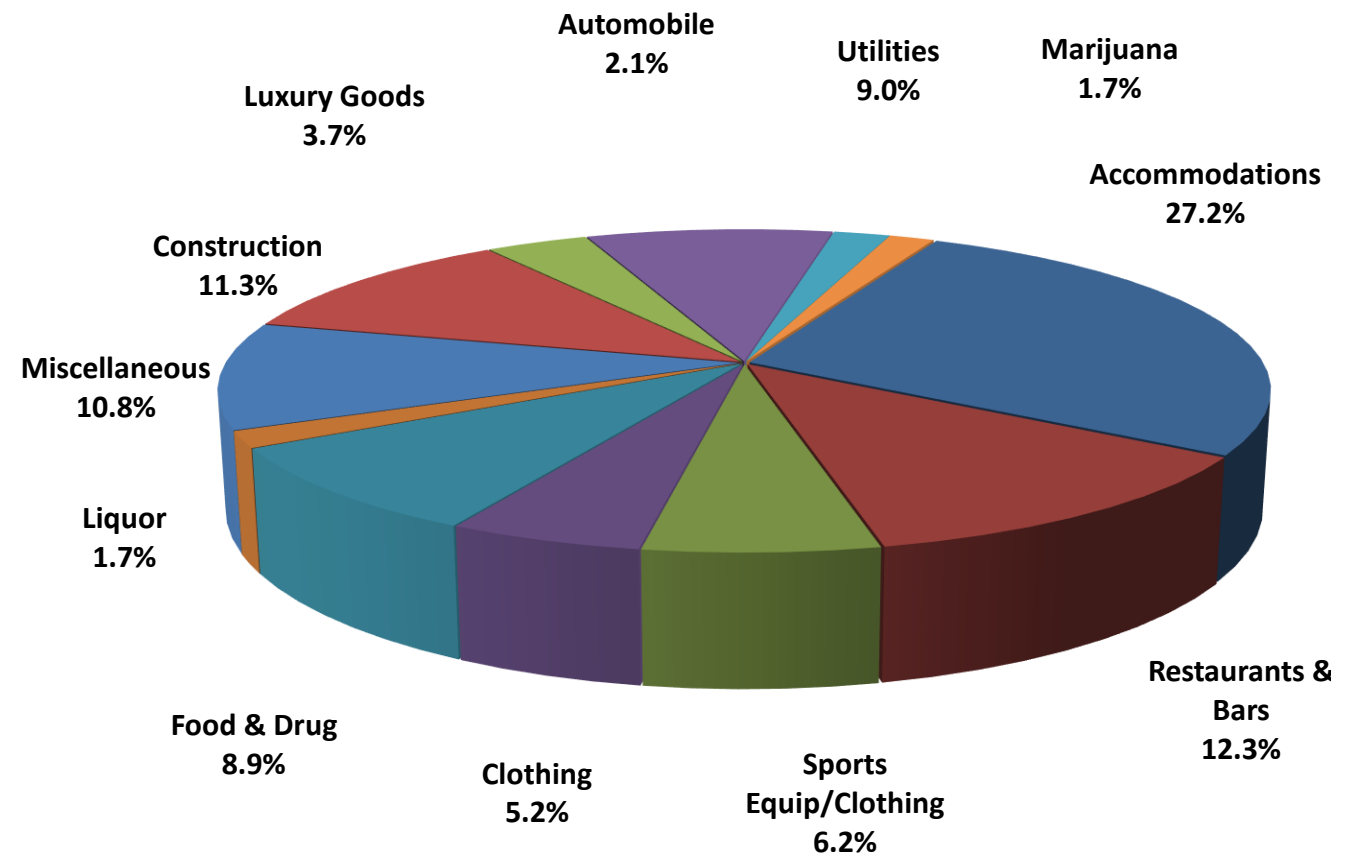
Year To Date Retail Sales

Category	YTD Retail Sales	% Change Prior Year	% YTD Retail Sales
Accommodations	\$81,828,983	(17.4%)	33.9%
Restaurants & Bars	\$40,361,998	(13.9%)	16.7%
Sports Equip/Clothing	\$19,455,691	(14.9%)	8.1%
Clothing	\$15,256,248	(20.9%)	6.3%
Food & Drug	\$15,168,473	(7.8%)	6.3%
Liquor	\$3,169,843	(1.2%)	1.3%
Miscellaneous	\$16,194,245	8.6%	6.7%
Construction	\$14,010,941	3.9%	5.8%
Luxury Goods	\$13,098,022	25.3%	5.4%
Utilities	\$15,253,689	4.9%	6.3%
Automobile	\$3,982,155	(13.1%)	1.7%
Marijuana	\$3,254,227	(22.7%)	1.4%
Total	\$241,034,515	(10.7%)	100.0%



March Monthly Retail Sales

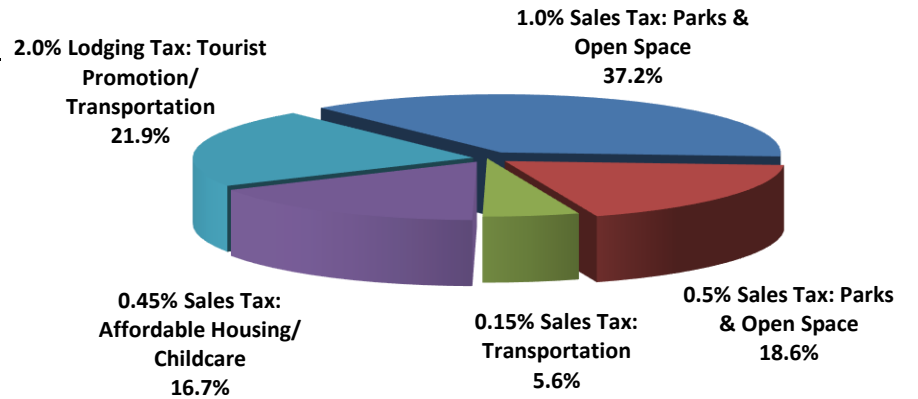
Category	Monthly Retail Sales	Businesses Reporting	% Change Prior Year	% Monthly Retail Sales
Accommodations	\$14,848,644	123	(57.5%)	27.2%
Restaurants & Bars	\$6,711,184	67	(59.6%)	12.3%
Sports Equip/Clothing	\$3,388,924	47	(59.2%)	6.2%
Clothing	\$2,809,960	81	(60.2%)	5.2%
Food & Drug	\$4,846,864	29	(10.7%)	8.9%
Liquor	\$910,071	8	(14.0%)	1.7%
Miscellaneous	\$5,865,810	437	(5.4%)	10.8%
Construction	\$6,184,498	183	(6.8%)	11.3%
Luxury Goods	\$2,042,155	61	(38.3%)	3.7%
Utilities	\$4,925,968	94	8.4%	9.0%
Automobile	\$1,123,166	1	5.5%	2.1%
Marijuana	\$900,215	9	(41.4%)	1.7%
Total	\$54,557,458	1140	(43.6%)	100.0%



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

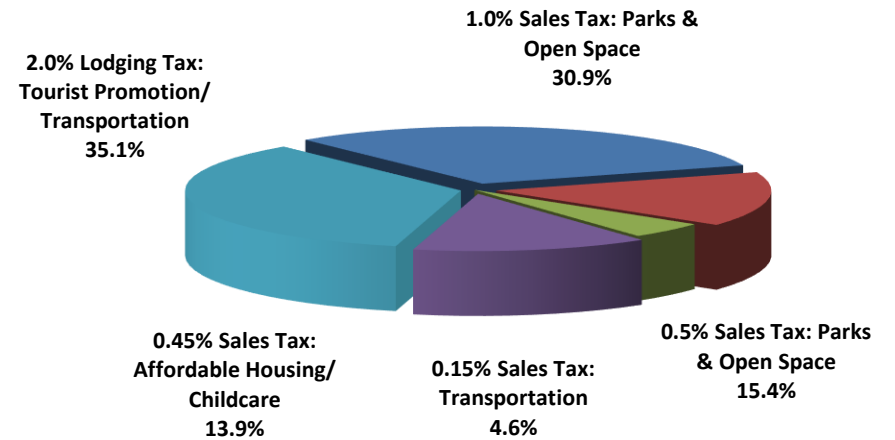
Year To Date Tax Collections

Tax Type	YTD Taxes Collected	% YTD Taxes
1.0% Sales Tax: Parks & Open Space	\$2,351,193	37.2%
0.5% Sales Tax: Parks & Open Space	\$1,175,314	18.6%
0.15% Sales Tax: Transportation	\$352,652	5.6%
0.45% Sales Tax: Affordable Housing/ Childcare	\$1,057,952	16.7%
2.0% Lodging Tax: Tourist Promotion/ Transportation	<u>\$1,384,219</u>	<u>21.9%</u>
Total	\$6,321,330	100%



March Monthly Tax Collections

Tax Type	Monthly Taxes Collected	% Monthly Taxes
1.0% Sales Tax: Parks & Open Space	\$518,115	30.9%
0.5% Sales Tax: Parks & Open Space	\$258,995	15.4%
0.15% Sales Tax: Transportation	\$77,711	4.6%
0.45% Sales Tax: Affordable Housing/ Childcare	\$233,133	13.9%
2.0% Lodging Tax: Tourist Promotion/ Transportation	<u>\$588,543</u>	<u>35.1%</u>
Total	\$1,676,497	100%

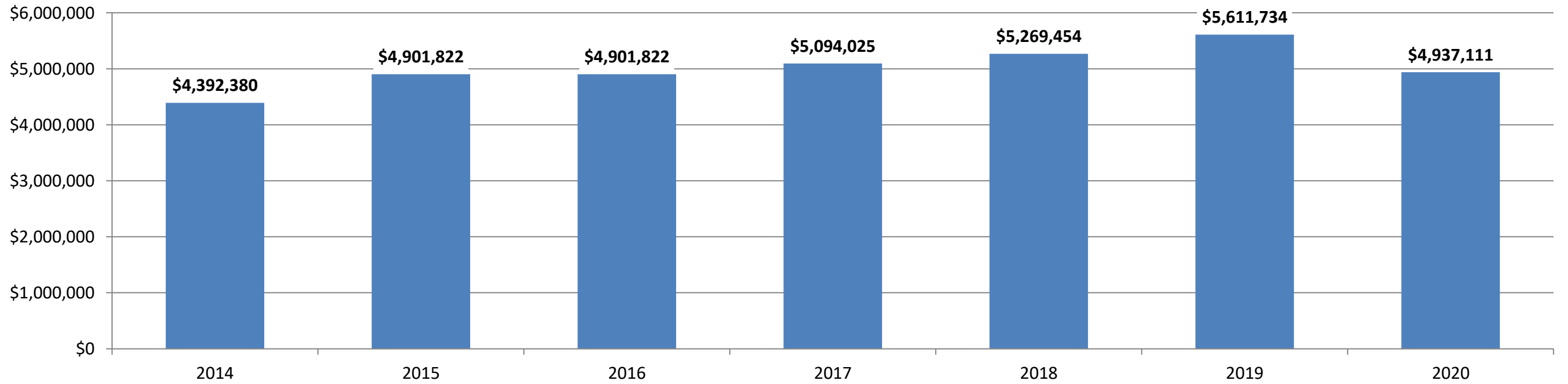


**City of Aspen Sales Tax 2.1%
March 2020**

Current Month Revenues are (45.9%) below last year's Monthly Revenues.
Year To Date Revenues are (12.4%) below Year To Date Budgeted Revenues.
Year To Date Revenues are (12.0%) below last year's Actual Year To Date Revenues.

<u>Month</u>	<u>2020 Monthly Budget vs. 2020 Actual</u>			<u>2020 YTD Budget vs. 2020 Actual</u>			<u>2020 vs. 2019</u>			
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>2019 Monthly</u>	<u>Variance</u>	<u>2019 YTD</u>	<u>Variance</u>
Jan	\$1,918,600	\$1,991,690	3.8%	\$1,918,600	\$1,991,690	3.8%	\$1,862,971	6.9%	\$1,862,971	6.9%
Feb	\$1,736,100	\$1,857,466	7.0%	\$3,654,700	\$3,849,156	5.3%	\$1,737,770	6.9%	\$3,600,741	6.9%
Mar	\$1,982,200	\$1,087,955	(45.1%)	\$5,636,900	\$4,937,111	(12.4%)	\$2,010,993	(45.9%)	\$5,611,734	(12.0%)
Apr	\$676,600			\$6,313,500			\$757,958		\$6,369,692	
May	\$570,600			\$6,884,100			\$646,709		\$7,016,401	
June	\$1,422,000			\$8,306,100			\$1,382,830		\$8,399,231	
July	\$1,849,000			\$10,155,100			\$1,920,481		\$10,319,712	
Aug	\$1,575,800			\$11,730,900			\$1,568,118		\$11,887,829	
Sept	\$1,287,100			\$13,018,000			\$1,339,131		\$13,226,960	
Oct	\$756,200			\$13,774,200			\$813,092		\$14,040,052	
Nov	\$654,800			\$14,429,000			\$694,364		\$14,734,416	
Dec	\$2,548,500			\$16,977,500			\$2,465,684		\$17,200,100	

Actual Collections Year To Date Through March



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

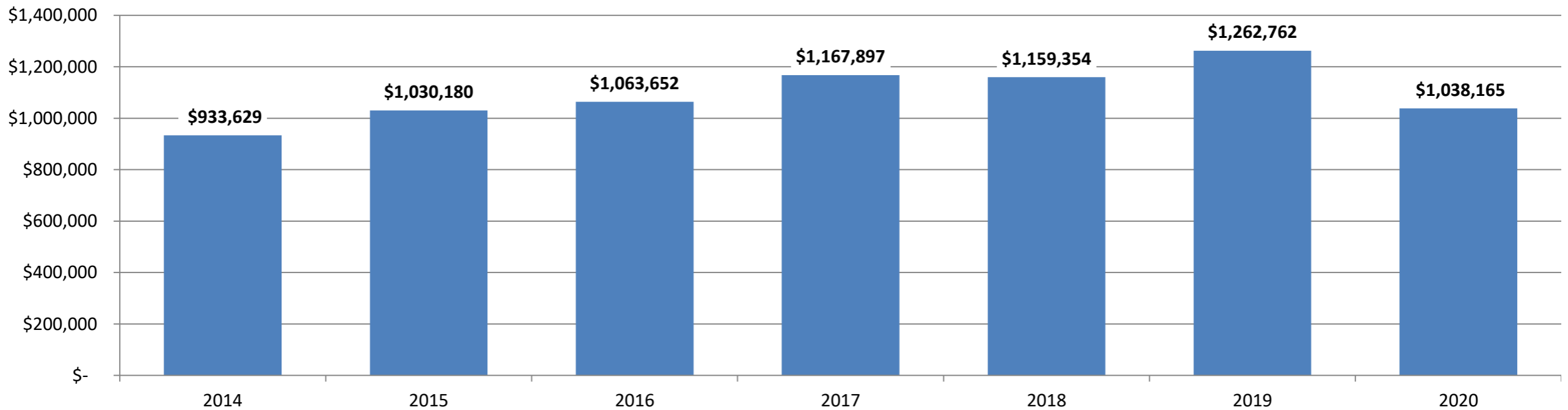
Current Month Revenues are (55.3%) below last year's Monthly Revenues adjusted for rate increase.

Year To Date Revenues are (15.1%) below Year To Date Budgeted Revenues.

Year To Date Revenues are (17.8%) 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			\$1,282,500			\$72,042		\$1,334,804	
May	\$45,000			\$1,327,500			\$55,183		\$1,389,987	
June	\$217,500			\$1,545,000			\$207,585		\$1,597,572	
July	\$300,000			\$1,845,000			\$312,072		\$1,909,644	
Aug	\$255,000			\$2,100,000			\$236,486		\$2,146,131	
Sept	\$157,500			\$2,257,500			\$168,611		\$2,314,741	
Oct	\$82,500			\$2,340,000			\$87,775		\$2,402,516	
Nov	\$60,000			\$2,400,000			\$59,637		\$2,462,153	
Dec	\$490,500			\$2,890,500			\$451,985		\$2,914,139	

Actual Collections Year To Date Through March

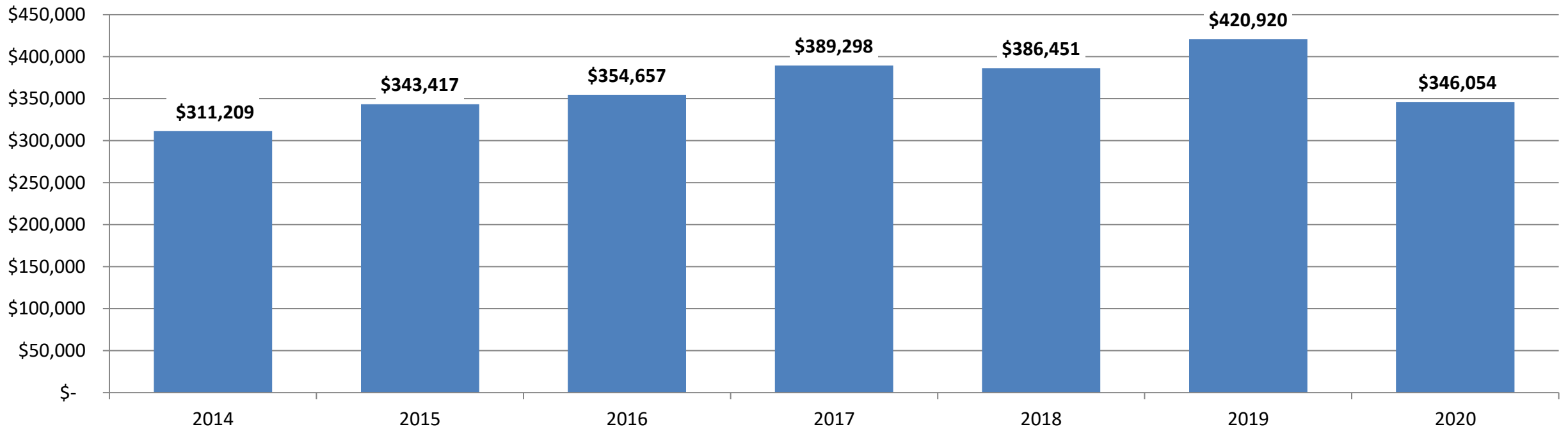


**City of Aspen Transportation 0.5% Lodging Tax
March 2020**

Current Month Revenues are (55.3%) below last year's Monthly Revenues
Year To Date Revenues are (15.1%) below Year To Date Budgeted Revenues.
Year To Date Revenues are (17.8%) 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			\$427,500			\$24,014		\$444,934	
May	\$15,000			\$442,500			\$18,394		\$463,328	
June	\$72,500			\$515,000			\$69,195		\$532,523	
July	\$100,000			\$615,000			\$104,024		\$636,547	
Aug	\$85,000			\$700,000			\$78,829		\$715,376	
Sept	\$52,500			\$752,500			\$56,203		\$771,579	
Oct	\$27,500			\$780,000			\$29,258		\$800,837	
Nov	\$20,000			\$800,000			\$19,879		\$820,716	
Dec	\$163,500			\$963,500			\$150,662		\$971,378	

Actual Collections Year To Date Through March

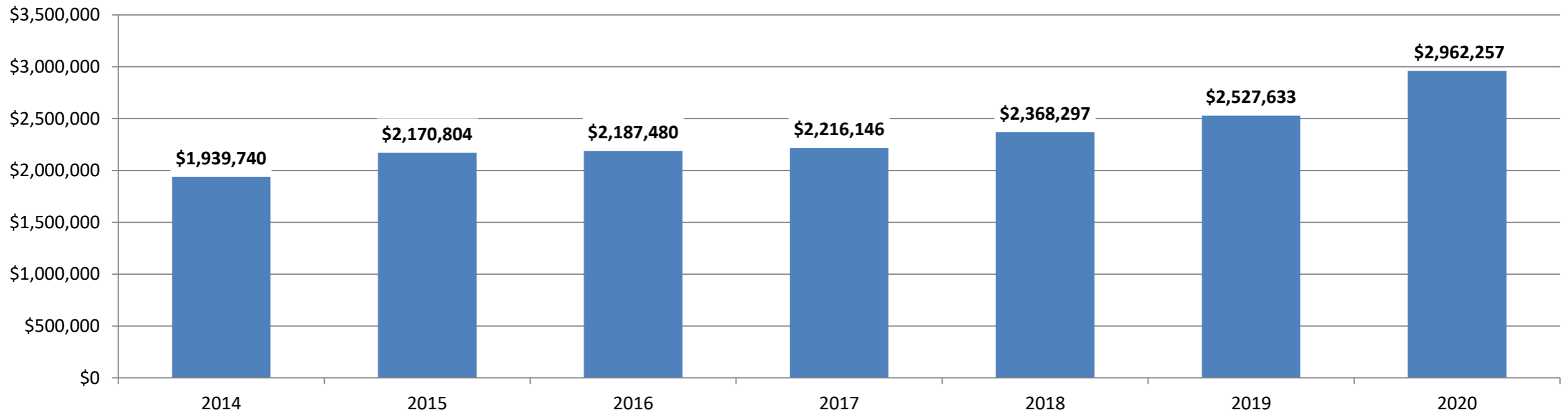


**City of Aspen Portion of Pitkin County 3.6% Sales Tax
February 2020**

Current Month Revenues are 21.3% above last year's Monthly Revenues.
Year To Date Revenues are 12.5% above Year To Date Budgeted Revenues.
Year To Date Revenues are 17.2% above last year's Actual Year To Date Revenues.

<u>Month</u>	<u>2020 Monthly Budget vs. 2020 Actual</u>			<u>2020 YTD Budget vs. 2020 Actual</u>			<u>2020 vs. 2019</u>			
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>2019 Monthly</u>	<u>Variance</u>	<u>2019 YTD</u>	<u>Variance</u>
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			\$3,927,000			\$1,460,126		\$ 3,987,758	
Apr	\$484,000			\$4,411,000			\$543,209		\$ 4,530,968	
May	\$398,000			\$4,809,000			\$423,901		\$ 4,954,869	
June	\$822,000			\$5,631,000			\$867,745		\$ 5,822,613	
July	\$1,097,000			\$6,728,000			\$1,149,462		\$ 6,972,075	
Aug	\$917,000			\$7,645,000			\$1,059,020		\$ 8,031,094	
Sept	\$801,000			\$8,446,000			\$867,293		\$ 8,898,387	
Oct	\$498,000			\$8,944,000			\$646,501		\$ 9,544,889	
Nov	\$484,000			\$9,428,000			\$908,405		\$ 10,453,294	
Dec	\$1,461,000			\$10,889,000			\$1,627,600		\$ 12,080,894	

Actual Collections Year To Date Through February

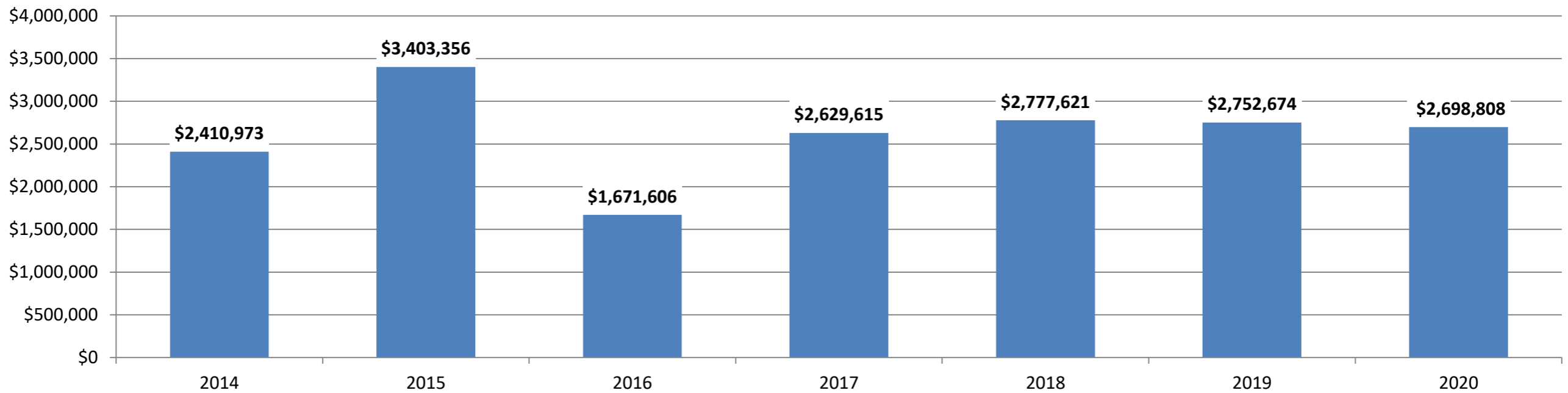


**Housing Real Estate Transfer Tax
April 2020**

Current Month Revenues are (8.3%) below last year's Monthly Revenues.
Year To Date Revenues are 21.2% above Year To Date Budgeted Revenues.
Year To Date Revenues are (2.0%) below last year's Actual Year To Date Revenues.

2020 Monthly Budget vs. 2020 Actual				2020 YTD Budget vs. 2020 Actual			2020 vs. 2019			
Month	Budget	Actual	Variance	Budget	Actual	Variance	2019 Monthly	Variance	2019 YTD	Variance
Jan	\$488,100	\$1,098,343	125.0%	\$488,100	\$1,098,343	125.0%	\$1,105,098	(0.6%)	\$1,105,098	(0.6%)
Feb	\$509,100	\$496,350	(2.5%)	\$997,200	\$1,594,693	59.9%	\$204,130	143.2%	\$1,309,228	21.8%
Mar	\$501,100	\$598,199	19.4%	\$1,498,300	\$2,192,893	46.4%	\$892,017	(32.9%)	\$2,201,245	(0.4%)
Apr	\$728,800	\$505,915	(30.6%)	\$2,227,100	\$2,698,808	21.2%	\$551,428	(8.3%)	\$2,752,674	(2.0%)
May	\$672,000			\$2,899,100			\$813,639		\$3,566,313	
June	\$668,900			\$3,568,000			\$615,723		\$4,182,036	
July	\$488,700			\$4,056,700			\$383,273		\$4,565,308	
Aug	\$657,900			\$4,714,600			\$639,178		\$5,204,486	
Sept	\$926,800			\$5,641,400			\$703,645		\$5,908,131	
Oct	\$787,000			\$6,428,400			\$1,188,651		\$7,096,782	
Nov	\$531,200			\$6,959,600			\$450,783		\$7,547,565	
Dec	\$647,400			\$7,607,000			\$892,700		\$8,440,265	

Actual Collections Year To Date Through April



**Wheeler Opera House Real Estate Transfer Tax
April 2020**

Current Month Revenues are 51.3% above last year's Monthly Revenues.
Year To Date Revenues are 59.1% above Year To Date Budgeted Revenues.
Year To Date Revenues are 28.4% above 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	\$261,400	\$565,600	116.4%	\$261,400	\$565,600	116.4%	\$569,253	(0.6%)	\$569,253	(0.6%)
Feb	\$279,000	\$262,833	(5.8%)	\$540,400	\$828,432	53.3%	\$109,065	141.0%	\$678,318	22.1%
Mar	\$253,500	\$567,936	124.0%	\$793,900	\$1,396,369	75.9%	\$462,116	22.9%	\$1,140,434	22.4%
Apr	\$365,600	\$448,184	22.6%	\$1,159,500	\$1,844,552	59.1%	\$296,169	51.3%	\$1,436,603	28.4%
May	\$361,200			\$1,520,700			\$428,417		\$1,865,020	
June	\$277,000			\$1,797,700			\$320,990		\$2,186,010	
July	\$231,100			\$2,028,800			\$202,796		\$2,388,806	
Aug	\$334,300			\$2,363,100			\$343,499		\$2,732,306	
Sept	\$520,200			\$2,883,300			\$372,645		\$3,104,951	
Oct	\$419,200			\$3,302,500			\$615,288		\$3,720,238	
Nov	\$288,500			\$3,591,000			\$234,996		\$3,955,234	
Dec	\$371,000			\$3,962,000			\$464,793		\$4,420,027	

Actual Collections Year To Date Through April

