

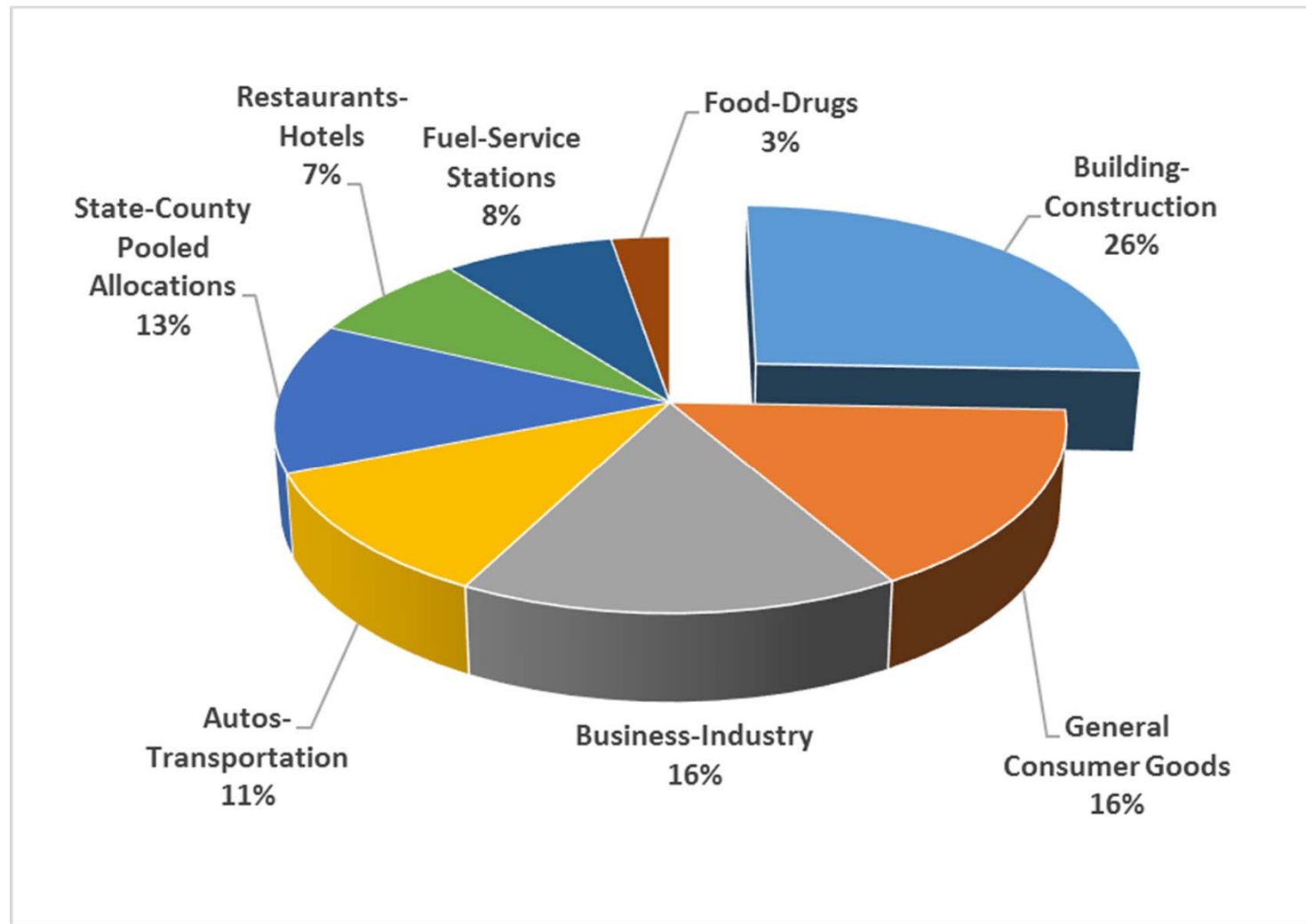


# **SALES TAX Update**

## **2nd Quarter 2019**

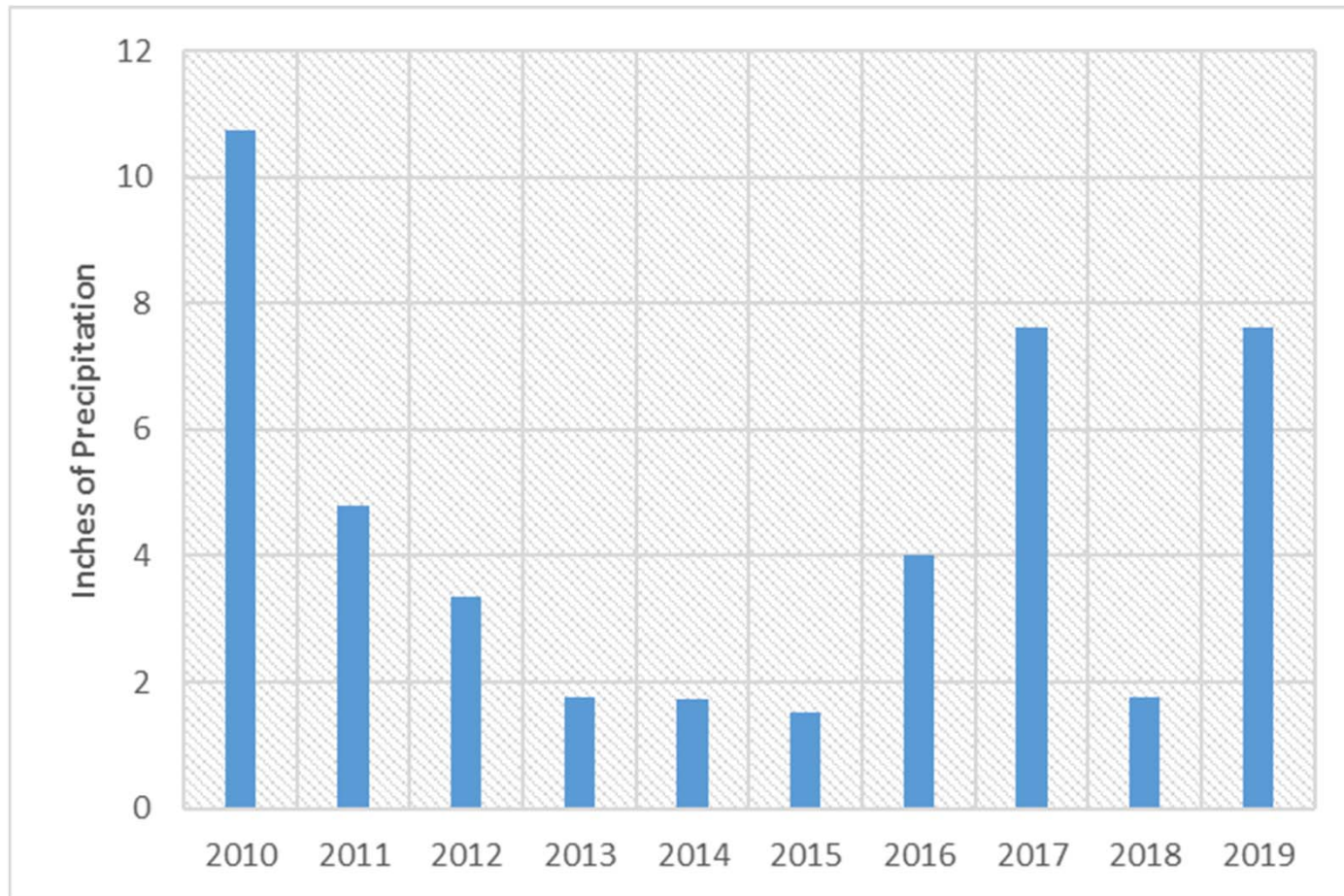
**City of Corona  
FLED Meeting  
October 2, 2019**

# CORONA Sales Tax Receipts by Business Group



## Ontario Airport

### 1<sup>st</sup> Quarter (January-March) Rainfall by Year

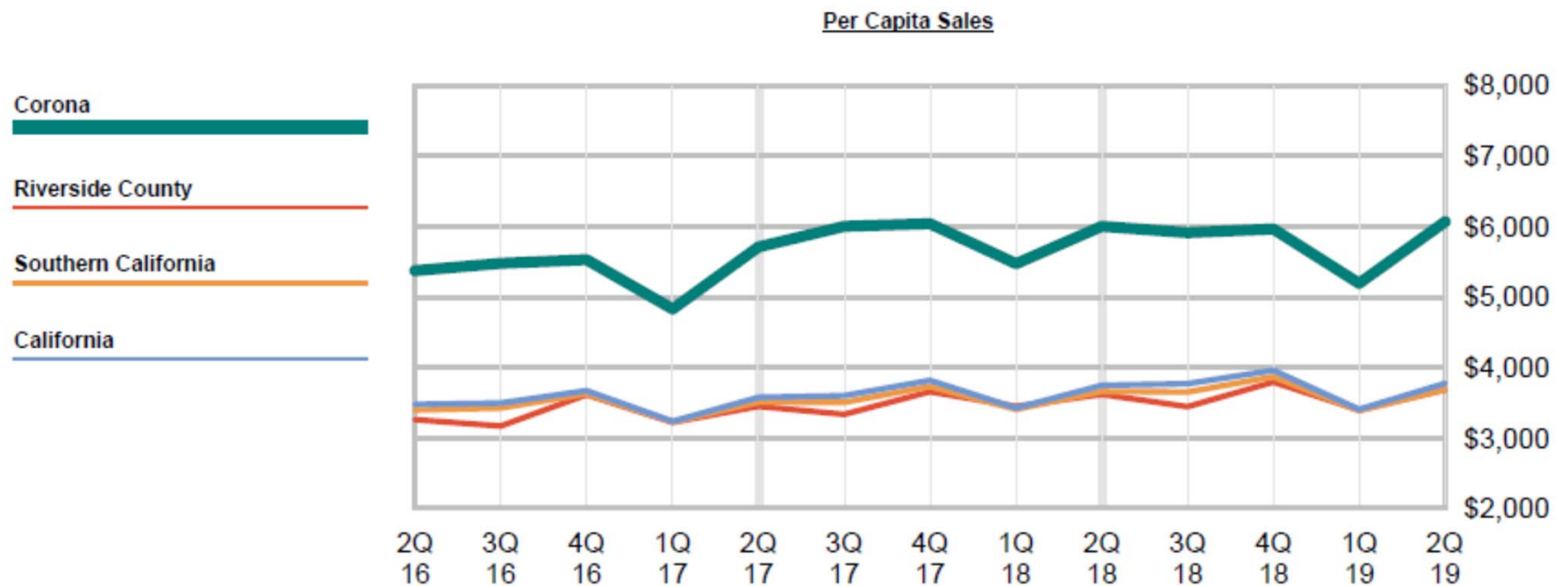


Source: Weather Underground

## REGIONAL REPORT *Adjusted Sales Tax Growth*

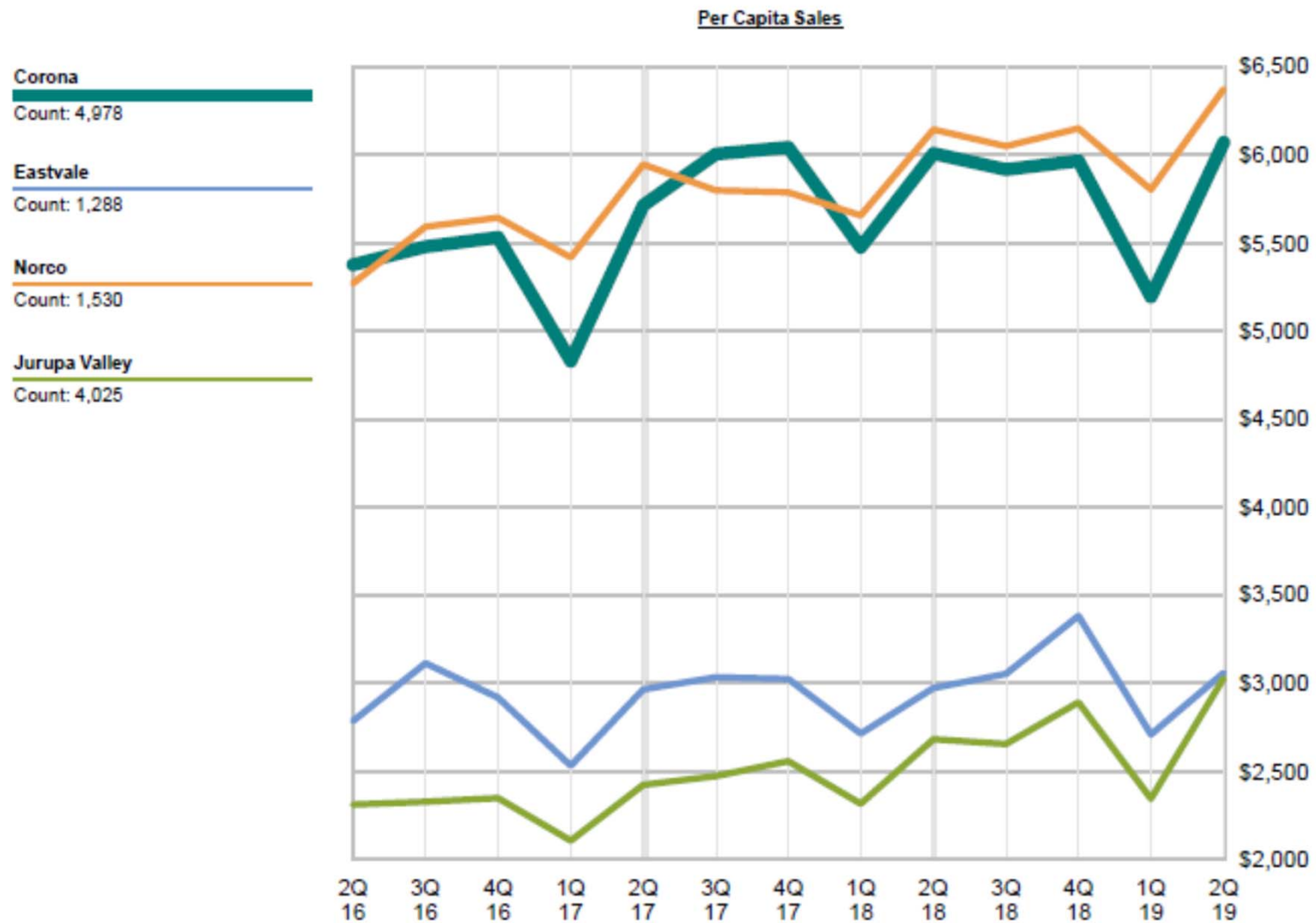
Region	2Q19 vs 2Q18 % Change
Corona	2.5%
Riverside County	3.6%
Southern California	2.6%
California	2.8%

# REGIONAL REPORT *Adjusted Sales Tax Growth*



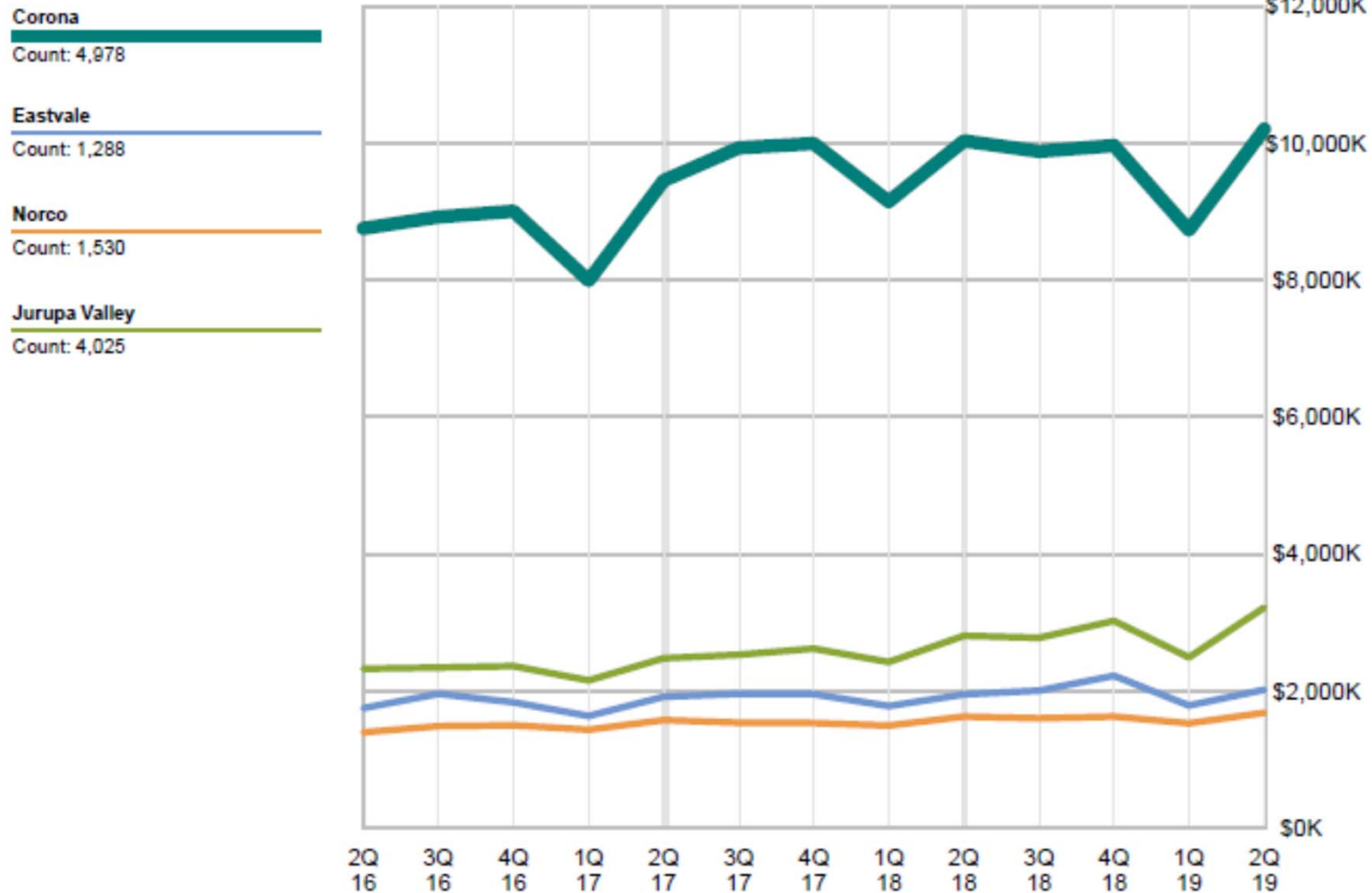
Periods shown reflect the period in which the sales occurred - Point of Sale

# REGIONAL REPORT *Adjusted Sales Tax Growth*





# REGIONAL REPORT *Adjusted Sales Tax Growth*



# REGIONAL REPORT *Adjusted Sales Tax Growth*

Per Capita Sales

**Corona**

Count: 4,978

**Riverside**

Count: 10,496

**Ontario**

Count: 9,001

**Lake Elsinore**

Count: 1,735

**Temecula**

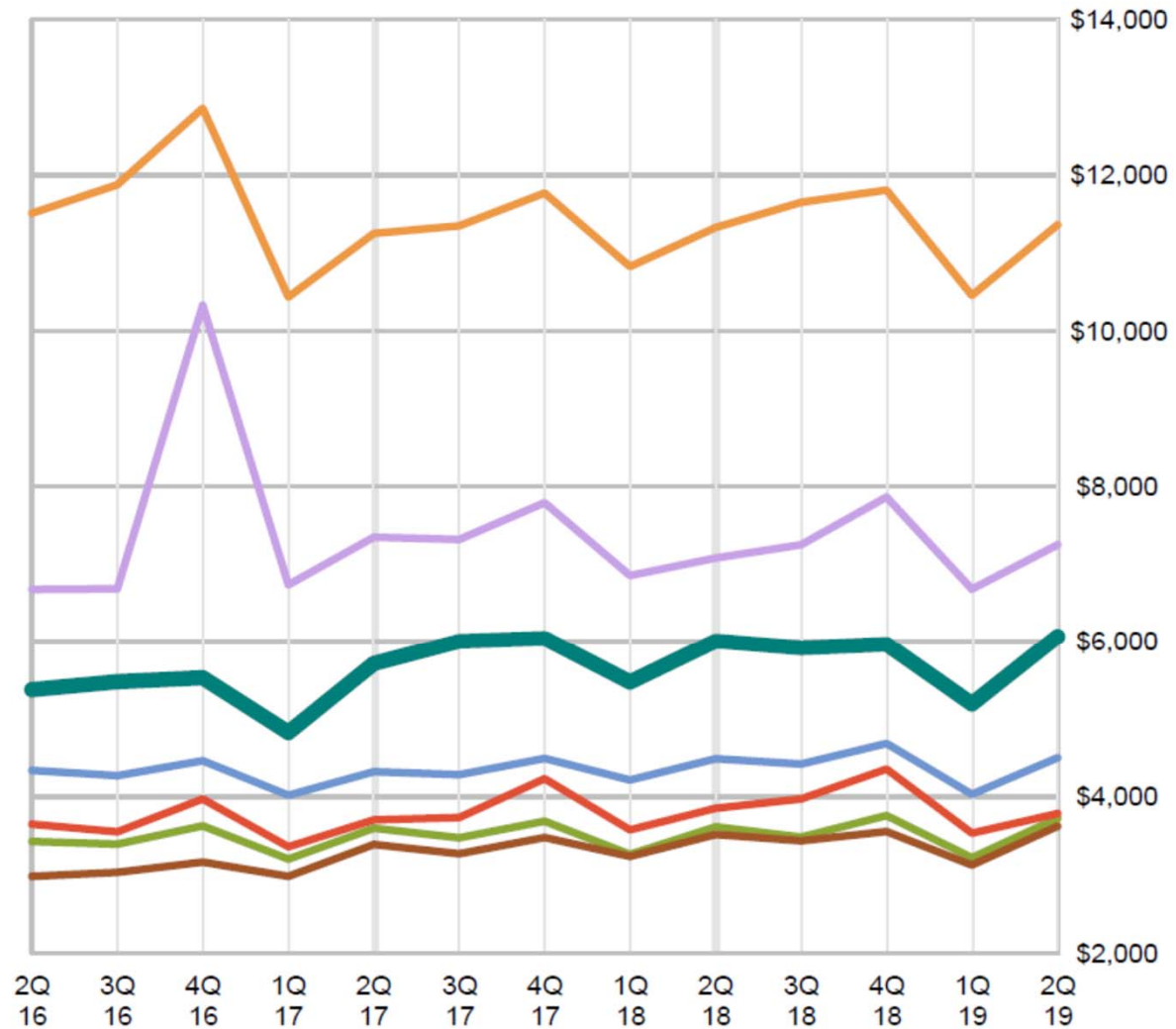
Count: 4,498

**Rancho Cucamonga**

Count: 5,558

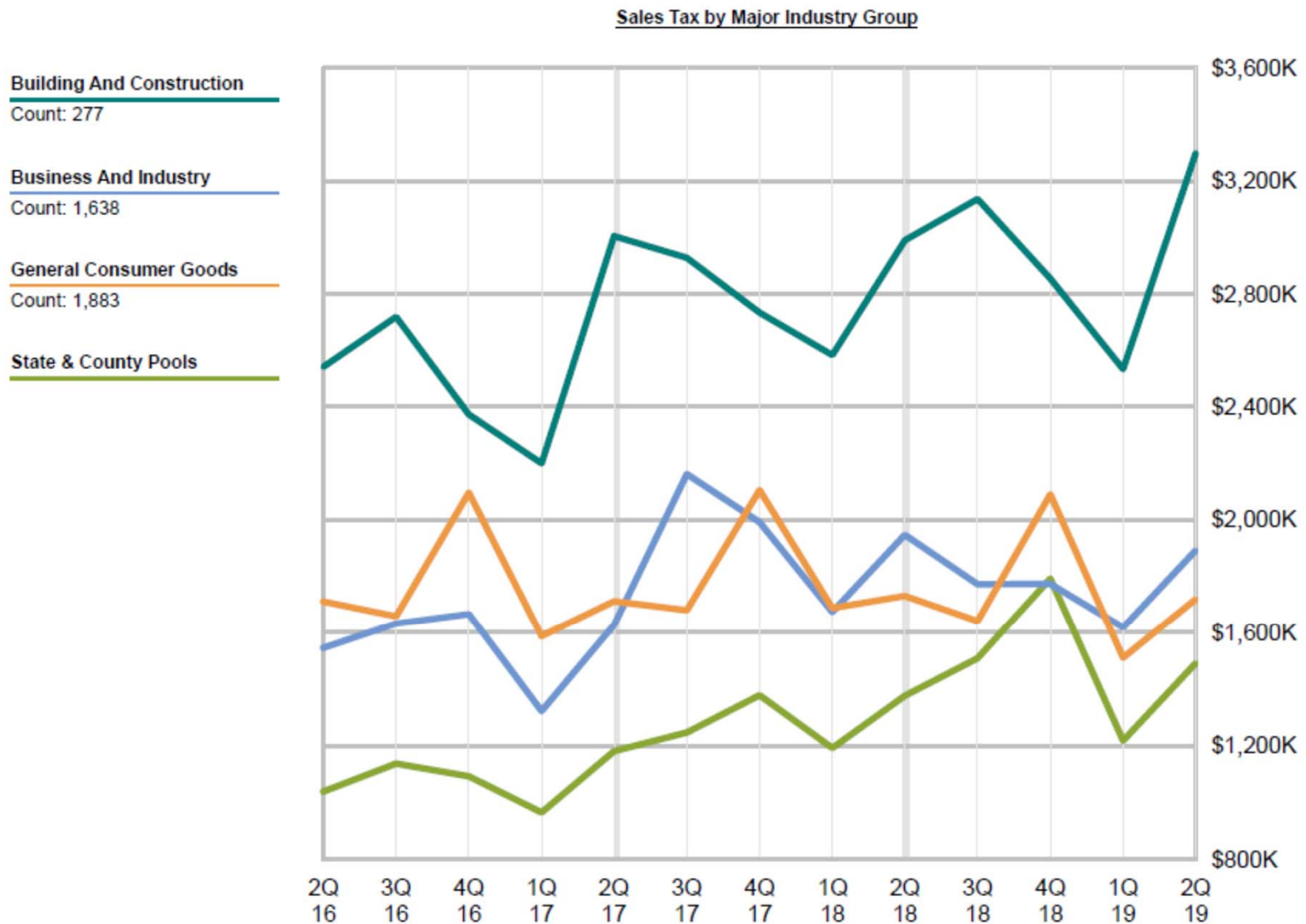
**Murrieta**

Count: 3,191





# CORONA MAJOR INDUSTRY GROUPS (Top 4)



# CORONA MAJOR INDUSTRY GROUPS (Final 4)

Sales Tax by Major Industry Group

**Autos And Transportation**

Count: 439

**Fuel And Service Stations**

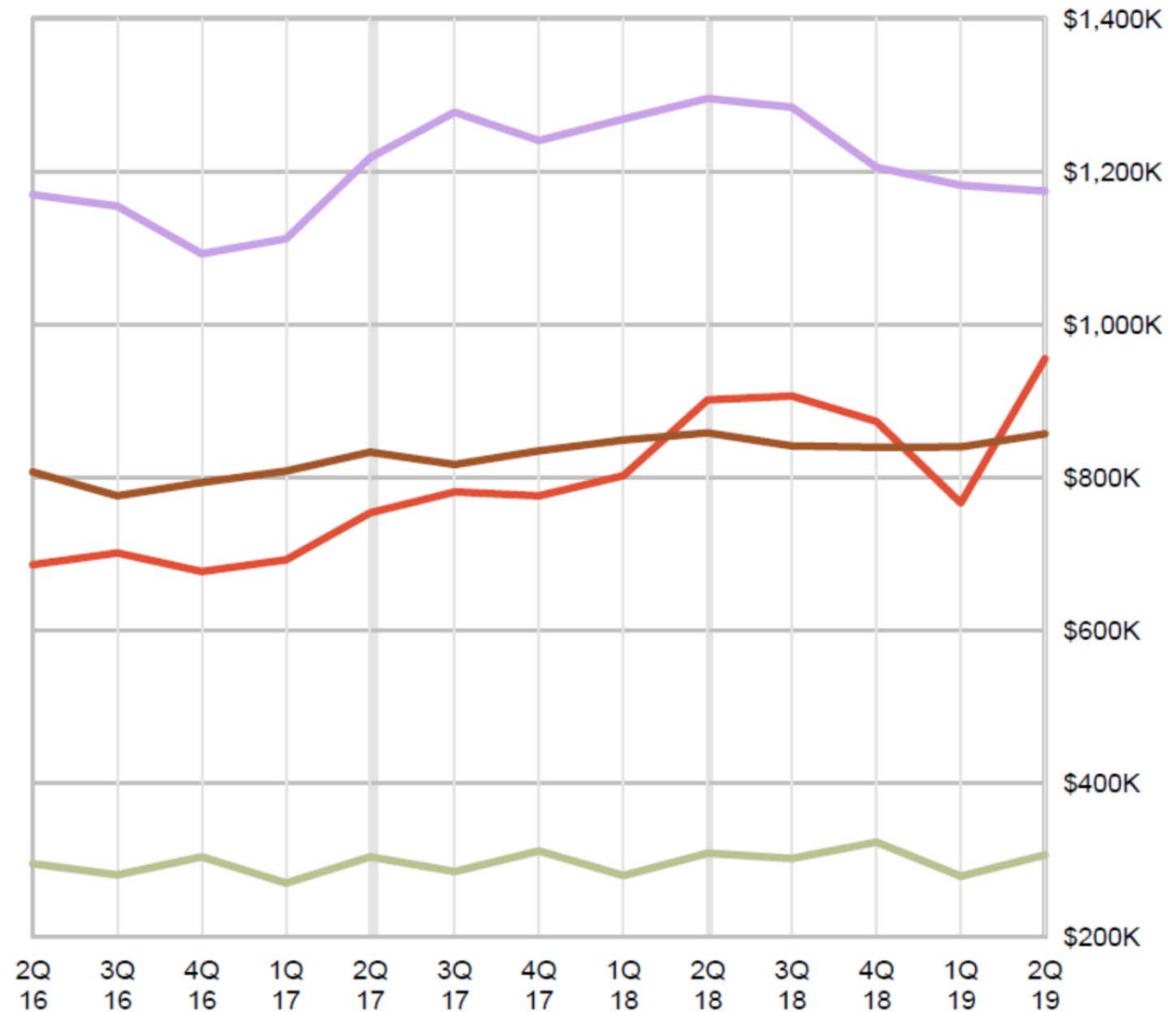
Count: 48

**Restaurants And Hotels**

Count: 430

**Food And Drugs**

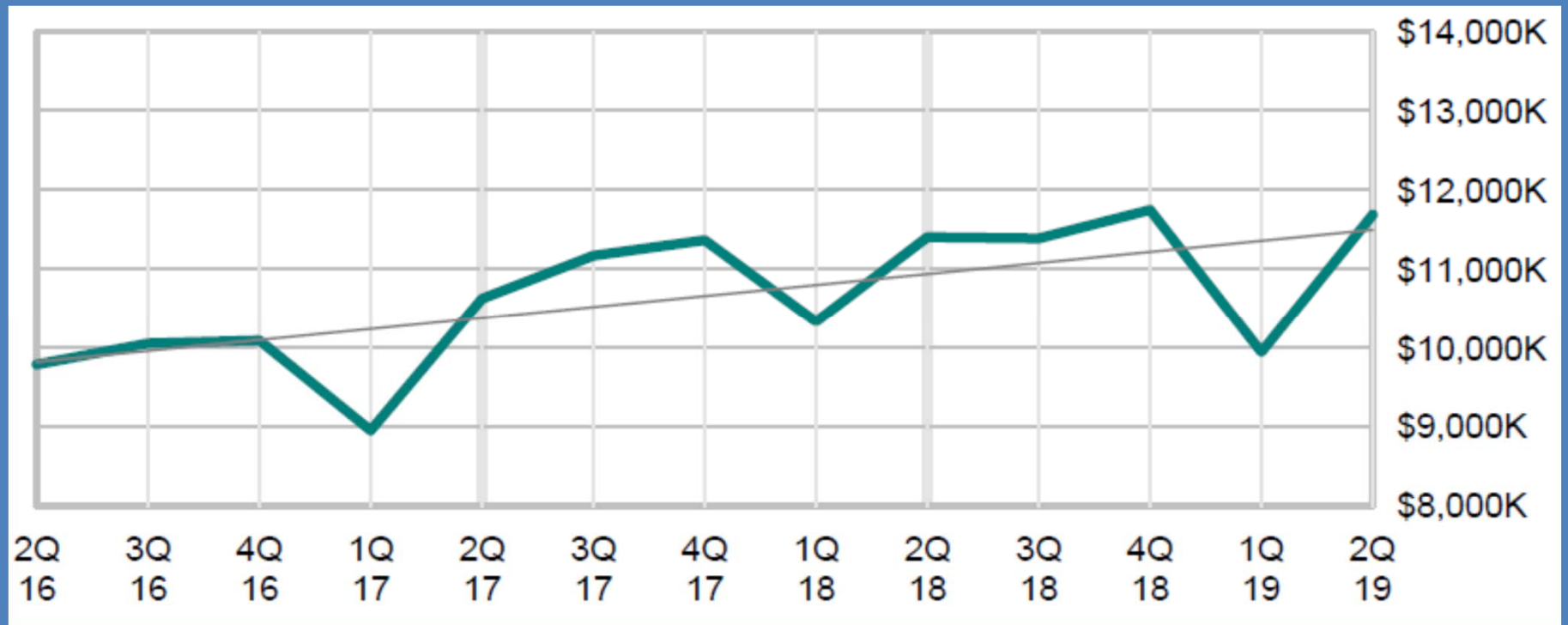
Count: 166



# CORONA

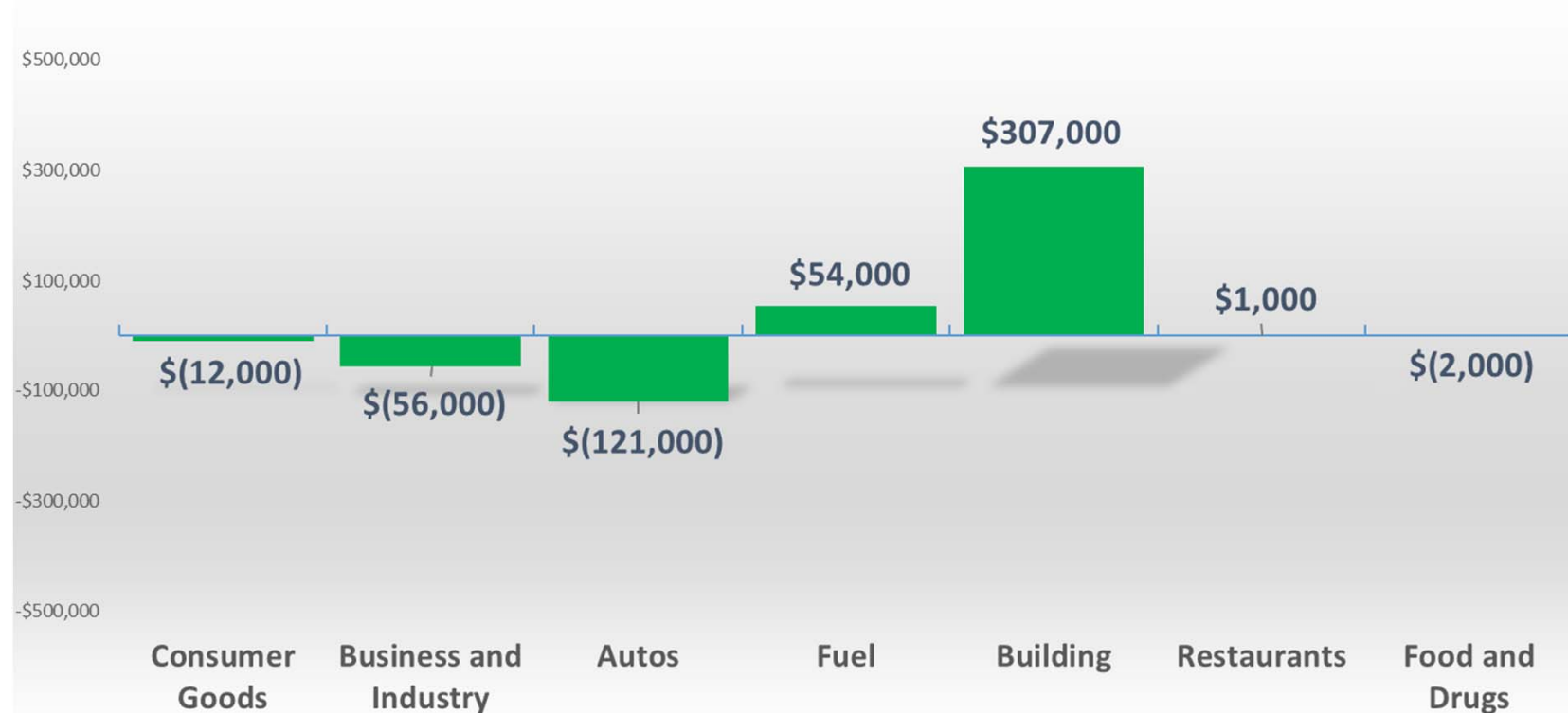
## ADJUSTED POINT-OF-SALE - SALES TAX TREND

13 QTR Trend: +17.1%



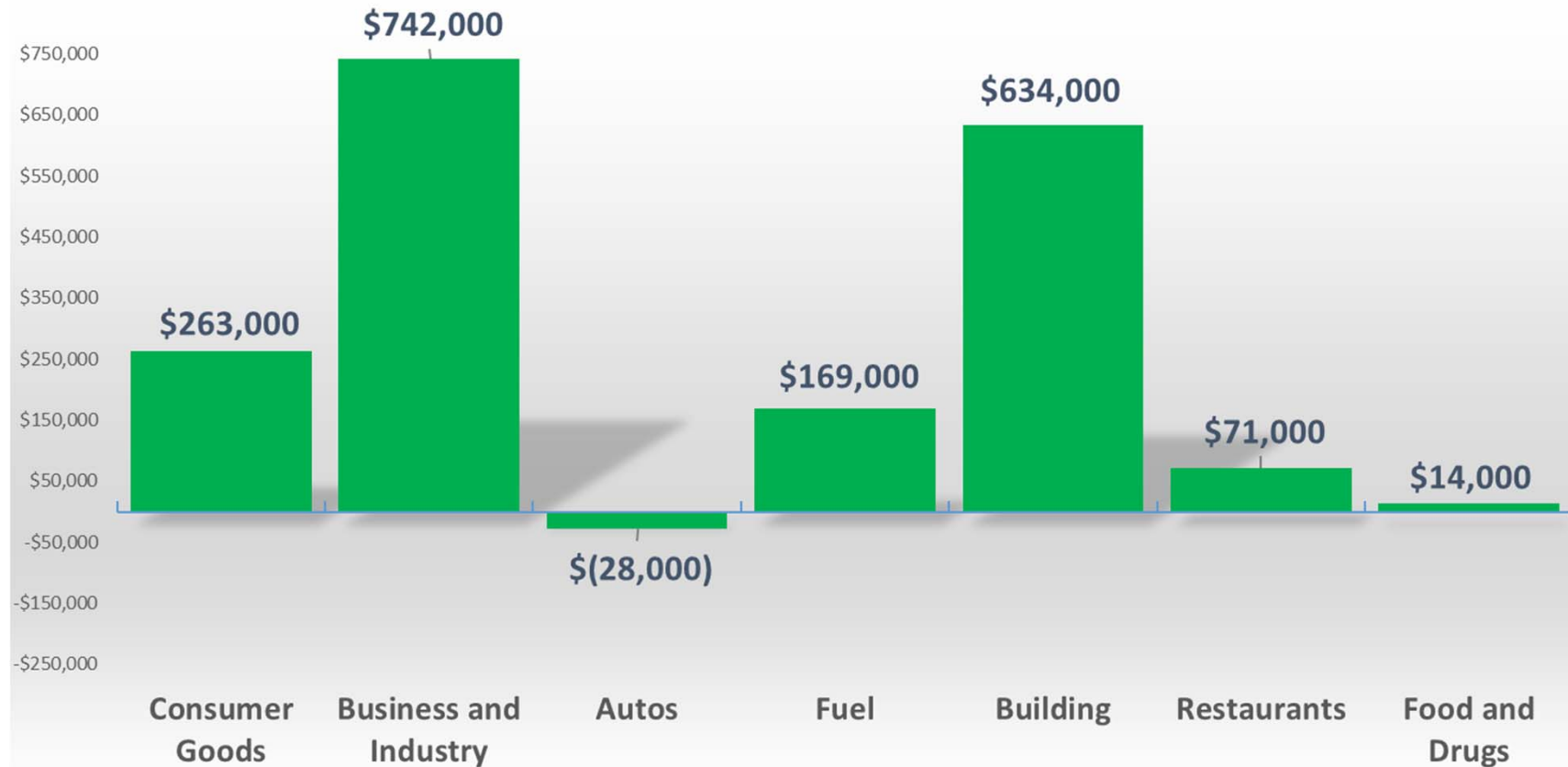
# CORONA MAJOR GROUPS-2Q19

Adjusted Receipts  
\$ Increase (or Decrease) by Category



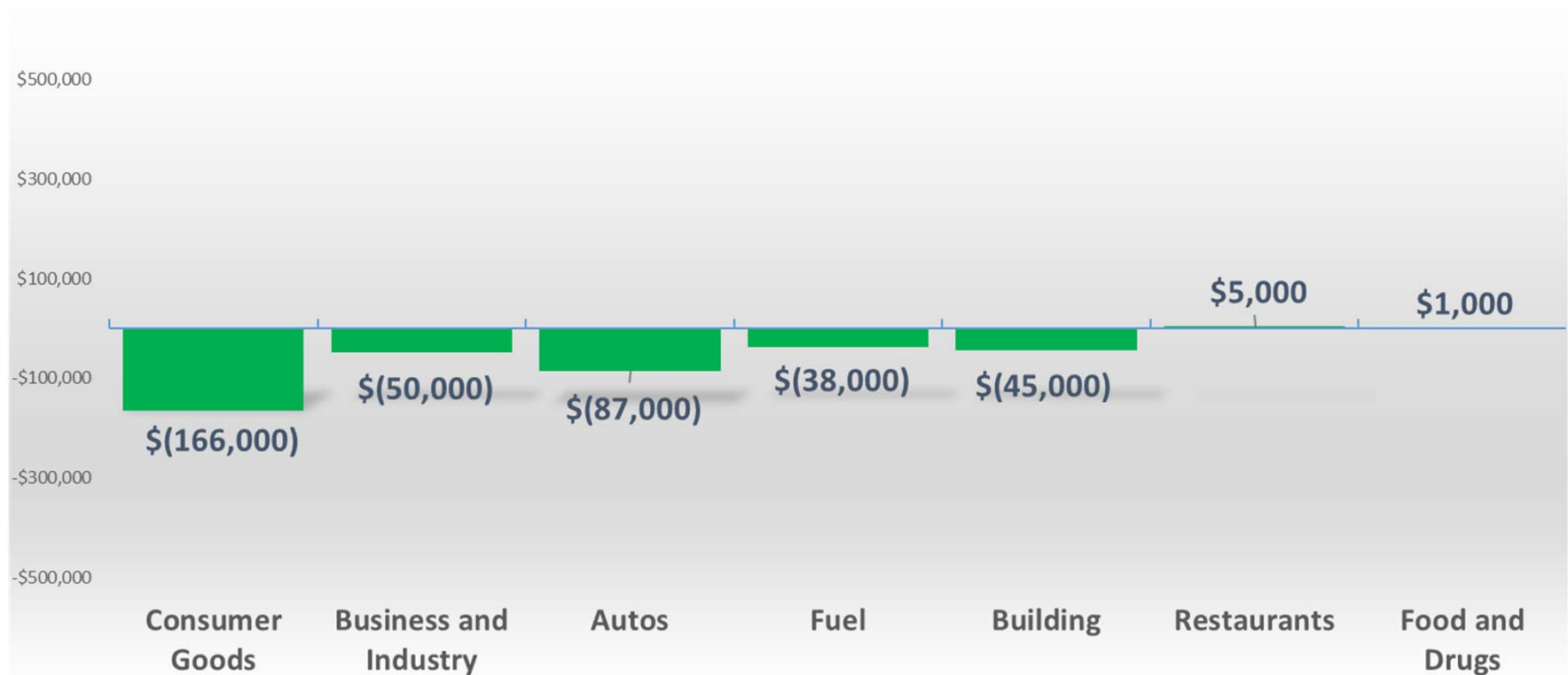
# CORONA MAJOR GROUPS-2Q19

Cash Receipts  
\$ Increase (or Decrease) by Category



# CORONA MAJOR GROUPS-1Q19

Adjusted Growth  
\$ Increase (or Decrease) by Category





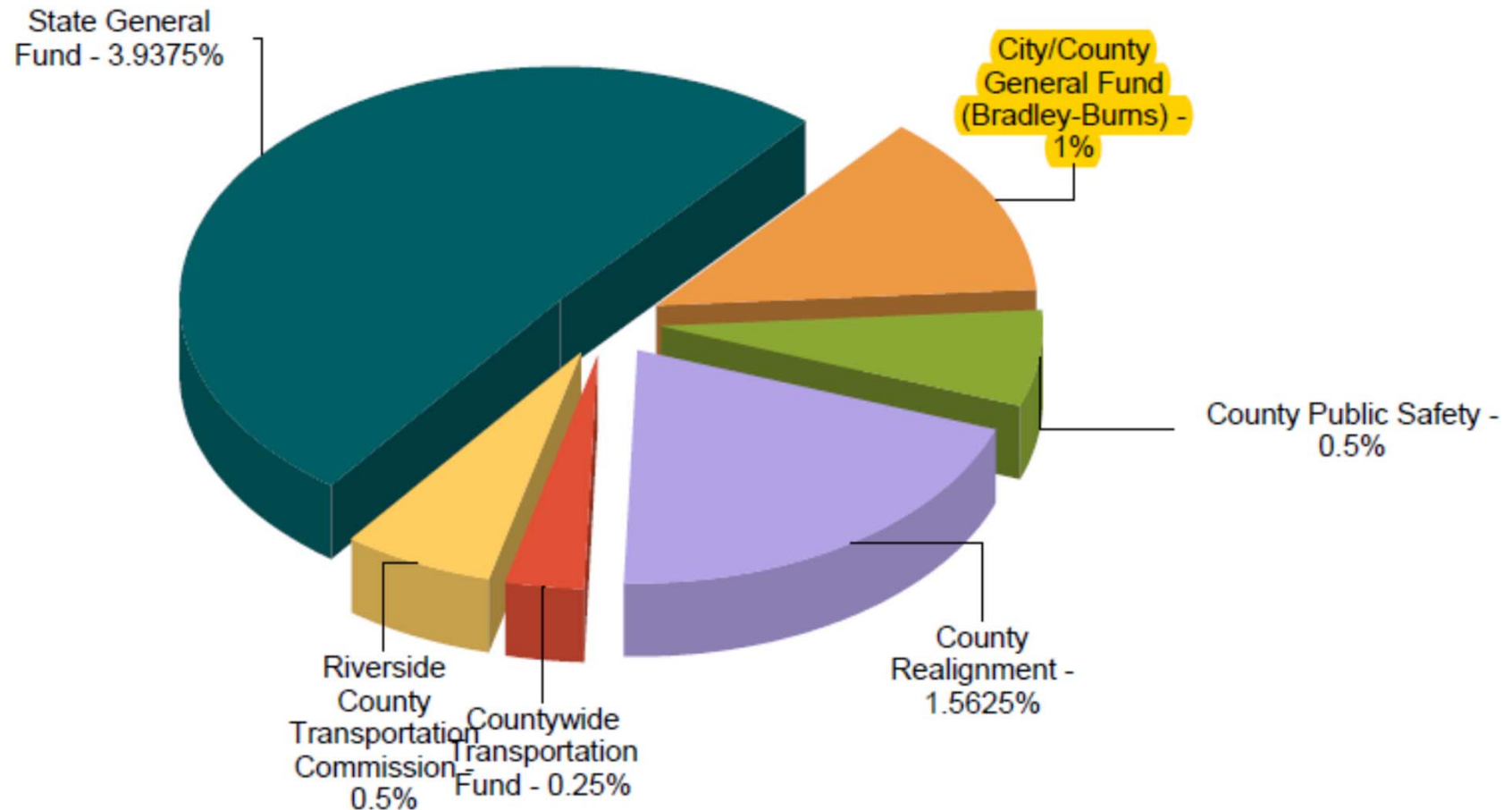
## SUPREME COURT DECISION: *South Dakota vs. Wayfair*

- Out-of-state retailers must now collect sales tax
- Many internet retailers already collect tax here
- The biggest change is for Marketplace sellers, but that won't take effect until October
- CDTFA Estimate of ~\$1 per capita statewide

# CA SALES TAX RATES

Rate	Jurisdiction	Purpose
3.9375%	State	Goes to State's General Fund
0.50%	State	Goes to Local Public Safety (Prop 172) Fund to support local criminal justice activities (1993)
0.50%	State	Goes to Local Revenue Fund to support local health and social services programs (1991 Realignment)
1.0625%	State	Goes to Local Revenue Fund 2011
1.00%	Local	0.25% Goes to county transportation funds 0.75% Goes to city or county operations
0.25%	County	Countywide Transportation Fund
<b>Total:</b>		
7.25%	State/Local	Total Statewide Base Sales and Use Tax Rate
2.00%	Local	Transactions and Use Tax Districts (maximum rate per county)*
<b>9.50%</b>		* Except in Los Angeles, Alameda & Contra Costa Counties (max = 2.50%)

# CORONA Breakdown of 7.75% Sales Tax Rate



# WHAT IS SALES TAX?



Sales tax is imposed on ***ALL*** sales of tangible personal property in California.

**Corona = 7.75%**

**Riverside – 8.75%**

**Palm Springs – 9.25%**

**Moreno Valley – 7.75%**

**Temecula – 8.75%**

**Murrieta – 7.75%**

# CONFIDENTIALITY STANDARDS

- ◎ Sales tax data is confidential per Revenue and Taxation Code Section 7056 (State law)
- ◎ Sales and use tax information can be used by local government officials as delineated in State law
- ◎ Combined information may be disclosed under specified conditions

# ABOUT HDL

- ⦿ Serving over 400 local governments
- ⦿ Clients include cities, counties, and special districts
- ⦿ 99% client retention rate
- ⦿ Services:
  - *Sales Tax*
  - *Economic Development*
  - *Property Tax*
  - *Business License*
  - *Tax Administration (TOT, BLT, STR)*
  - *Cannabis Management*
  - *Short-term rental compliance*