

**SUBJECT: REVENUE AND SALES TAX REPORTS - FEBRUARY 2025**

**DATE: APRIL 17, 2025**

**PRESENTED BY: TRAVIS ANDERSON, REVENUE AND TAX MANAGER, JESS ZEAS, SALES TAX ACCOUNTANT/AUDITOR, MELISSA LUNDGREN CPA, CFE, SALES TAX ACCOUNTANT/AUDITOR**

**SUMMARY:**

Sales and Use Tax Collection Report – February 2025

**Staffing Update** - On March 10<sup>th</sup> we welcomed our newest member to the revenue and sales tax team **Hope Wheelock**, sales tax technician. She has learned much in a short time and is a great asset to our team.

**Sales and Use Tax License Compliance:** Thanks to the team's efforts, 95%+ of in-city businesses are now compliant with their sales and use tax license for 2025.

**Audit:** Audit collections for February 2025 totaled \$50,897, and a year to date total of \$96,140. The rolling 12-month Audit Revenue total is \$965,627.

**Sales Tax:** 1.8% Increased YoY (February 2025 vs February 2024) for a total amount collected of \$1,536,239. IN-city businesses generated \$710,268, a decrease of \$96,261 or 12%. Outside city businesses generated \$825,970, an increase of \$87,142 or 17.5%.

**Consumer Use Tax:** \$76,975, this dollar amount is purchases brought into the city where sales tax was not collected.

**Building Use Tax:** Staff is noticing a slowing trend in building use tax collected. This tax is collected by our Community Development Department and is driven by development within the City. Building Use Tax largely funds our Capital Fund, but also Special Revenue funds such as Open Space, Parks, Recreation, and Historical Preservation Fund.

**Auto Use Tax:** Staff is noticing an early positive trend around auto use tax, and will continue to monitor.

**RECOMMENDATION:**

Receive and file.