

Lake Havasu City

Transaction Privilege Tax (TPT) Collections Report

December 2022



This month's TPT Collection Report includes all collections through December (merchant collections through November 2022). Arizona Department of Revenue provides tax collection information.

Fiscal Year to Date (FYTD) TPT collection is 12.4% or \$1,714,912 above estimate and 4.5% above the prior year for the same reporting period. The month-over-month is a 8.3% or \$242,670 increase.

Fiscal YTD vs. Budget

| Current Year Actual 2023 FYTD | Budget 2023 FYTD | % Increase/Decrease over Budget |
|----------------------------------|---------------------|------------------------------------|
| \$ 15,500,489 | \$ 13,785,577 | 12.4% |

Fiscal YTD vs. Prior Fiscal YTD

| Current Year Actual 2023 FYTD | Prior Year Actual 2022 FYTD | % Increase/Decrease over Prior FYTD |
|----------------------------------|--------------------------------|--|
| \$ 15,500,489 | \$ 14,839,440 | 4.5% |

Month vs. Month Prior Year

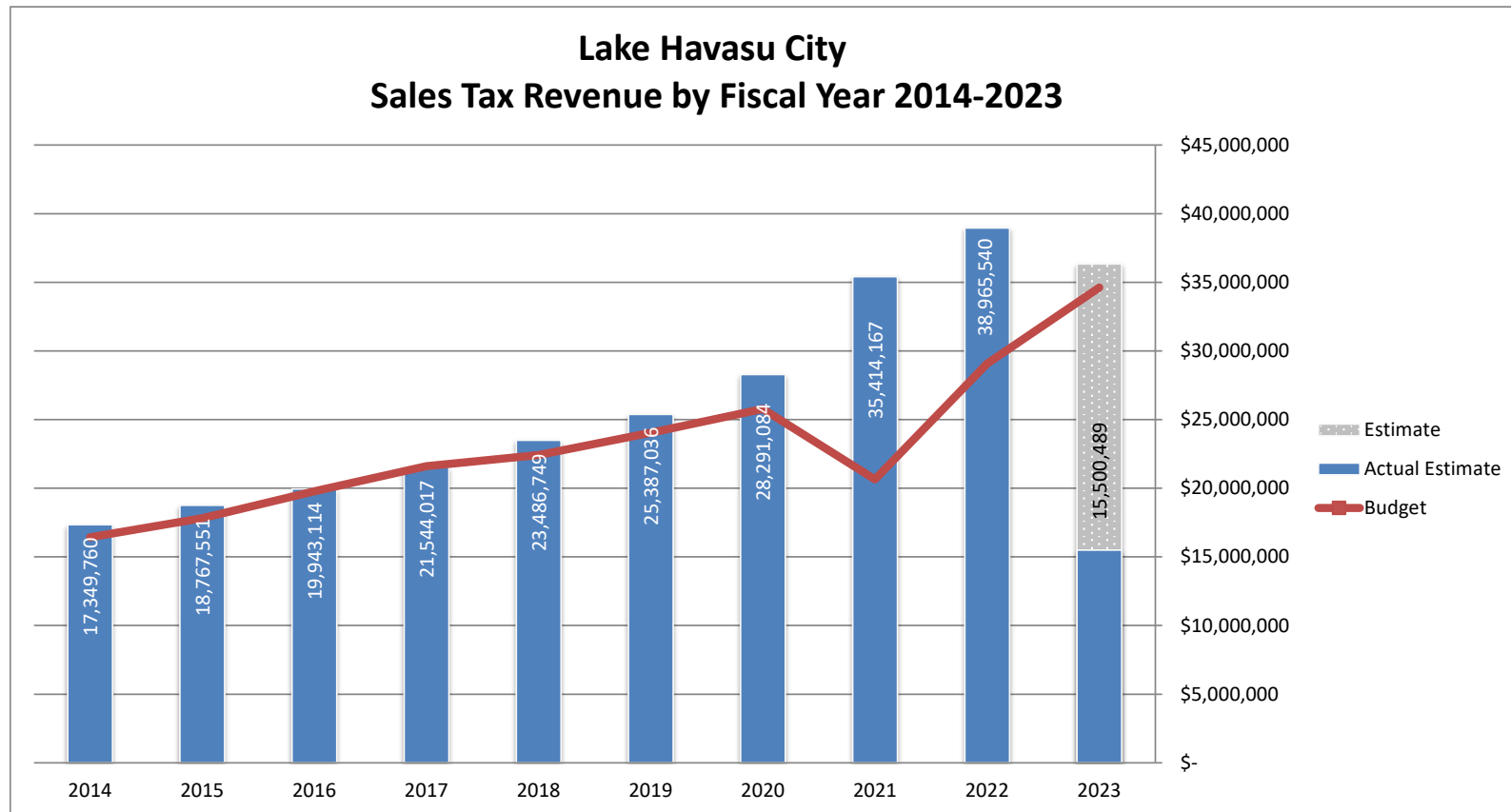
| December 2022 | December 2021 | % Increase/Decrease over Prior Year |
|---------------|---------------|--|
| \$ 3,152,825 | \$ 2,910,155 | 8.3% |

December year-over-year TPT collection increased in utilities, construction, restaurant, and retail. There was a decrease in accommodations, rentals, and Use Tax. The Retail business code had the most significant dollar increase of \$286,117 or 16.5%, followed by construction at \$39,650 or 12.7%.

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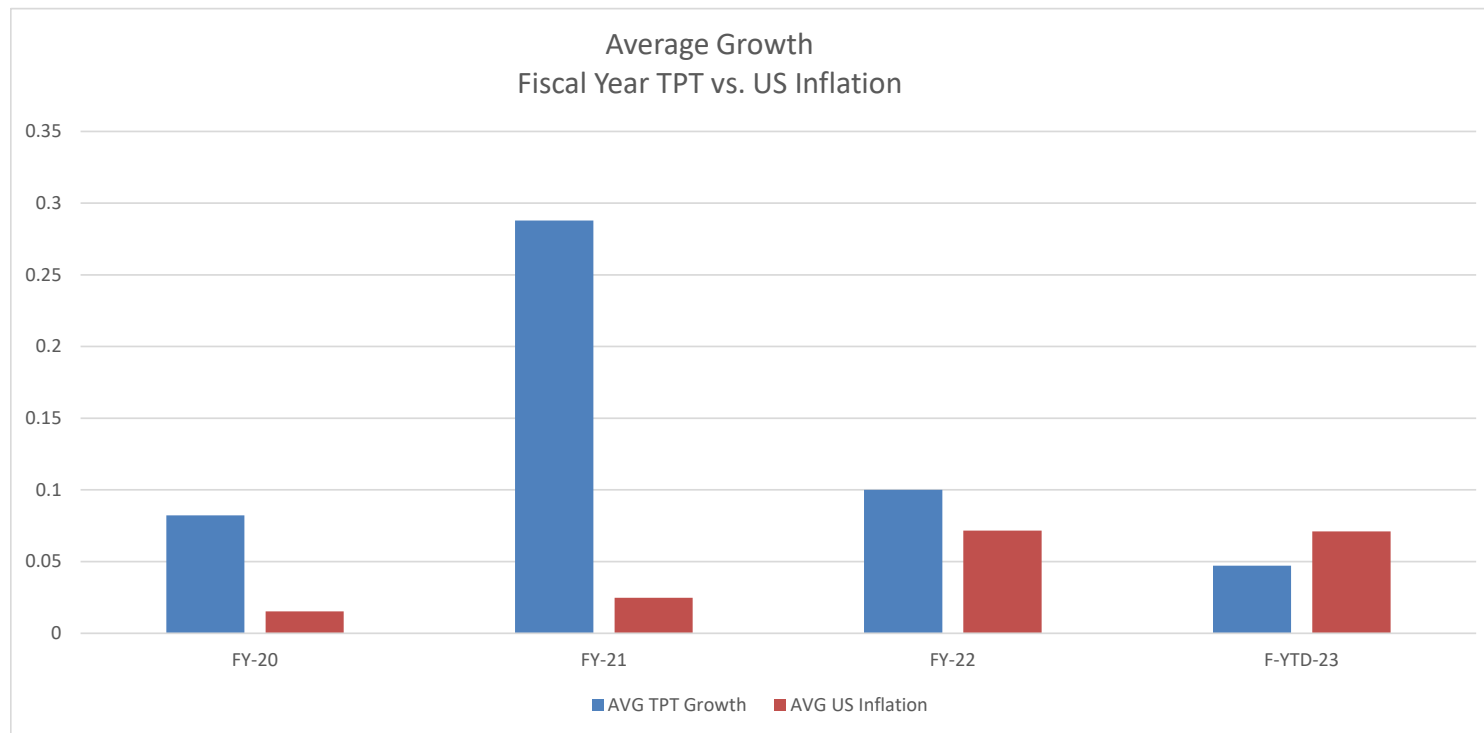
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The high growth in FY21 is due to the influx of visitors from neighboring states with stricter COVID restrictions. In addition, we experienced large growth in online market retail and vacation rentals due to new Arizona tax law changes and reporting.

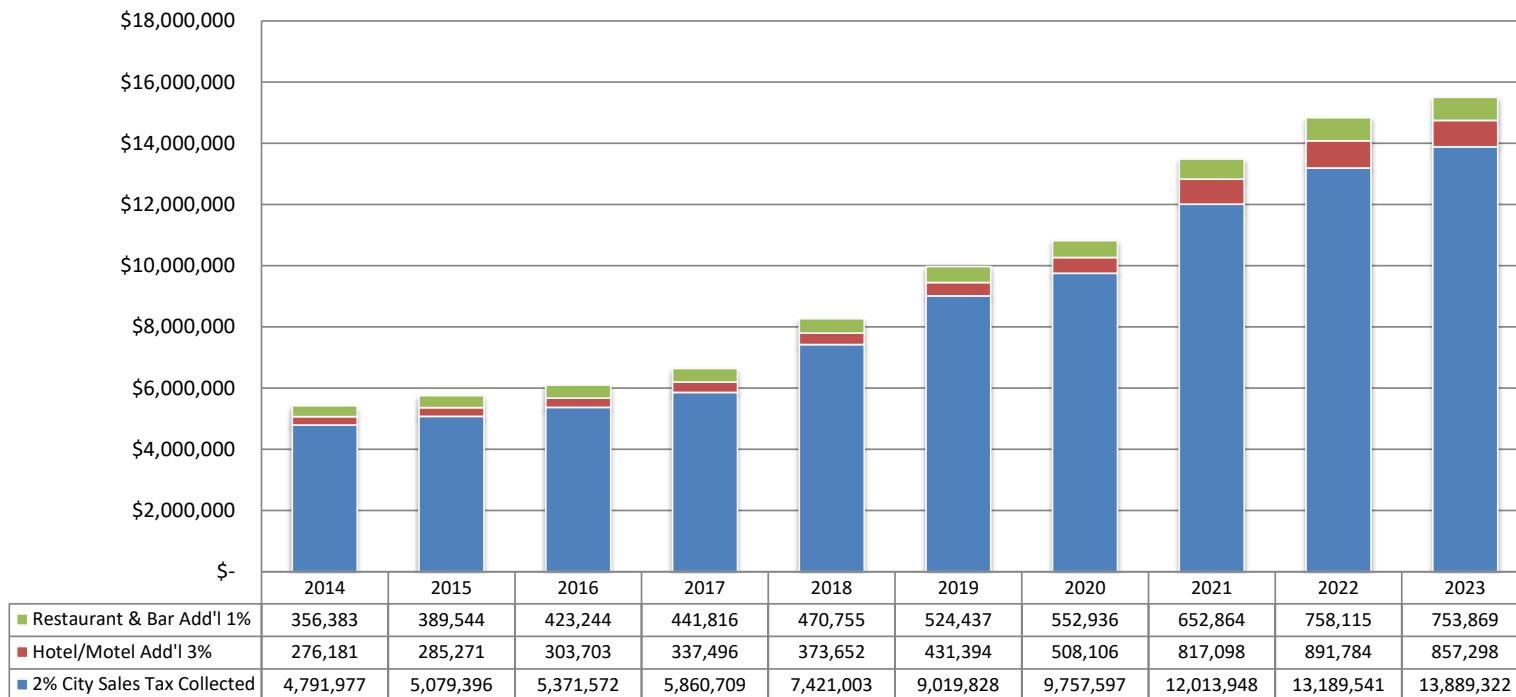
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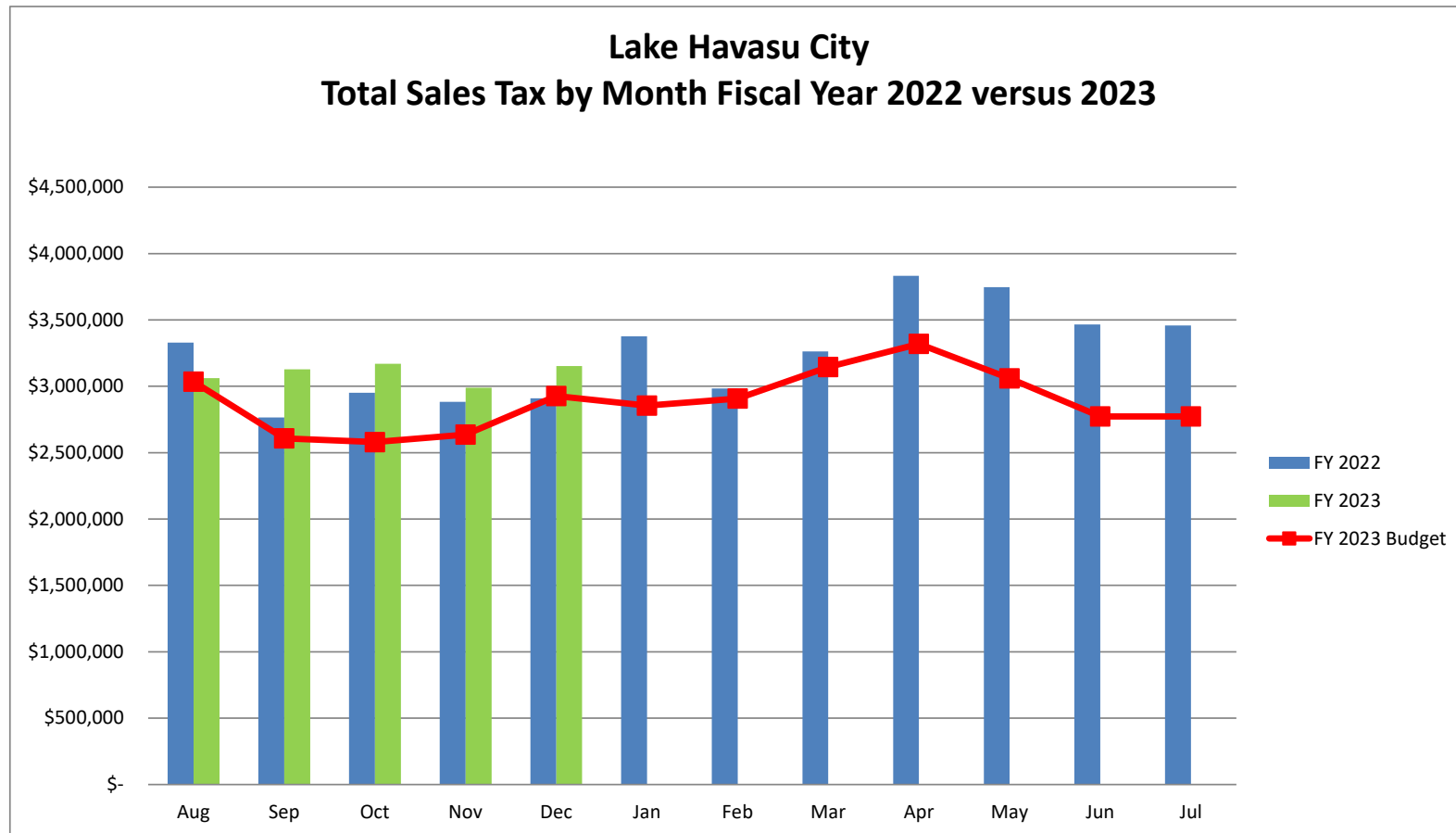
**Lake Havasu City
Total Tax Collected - Fiscal Year-to-Date**



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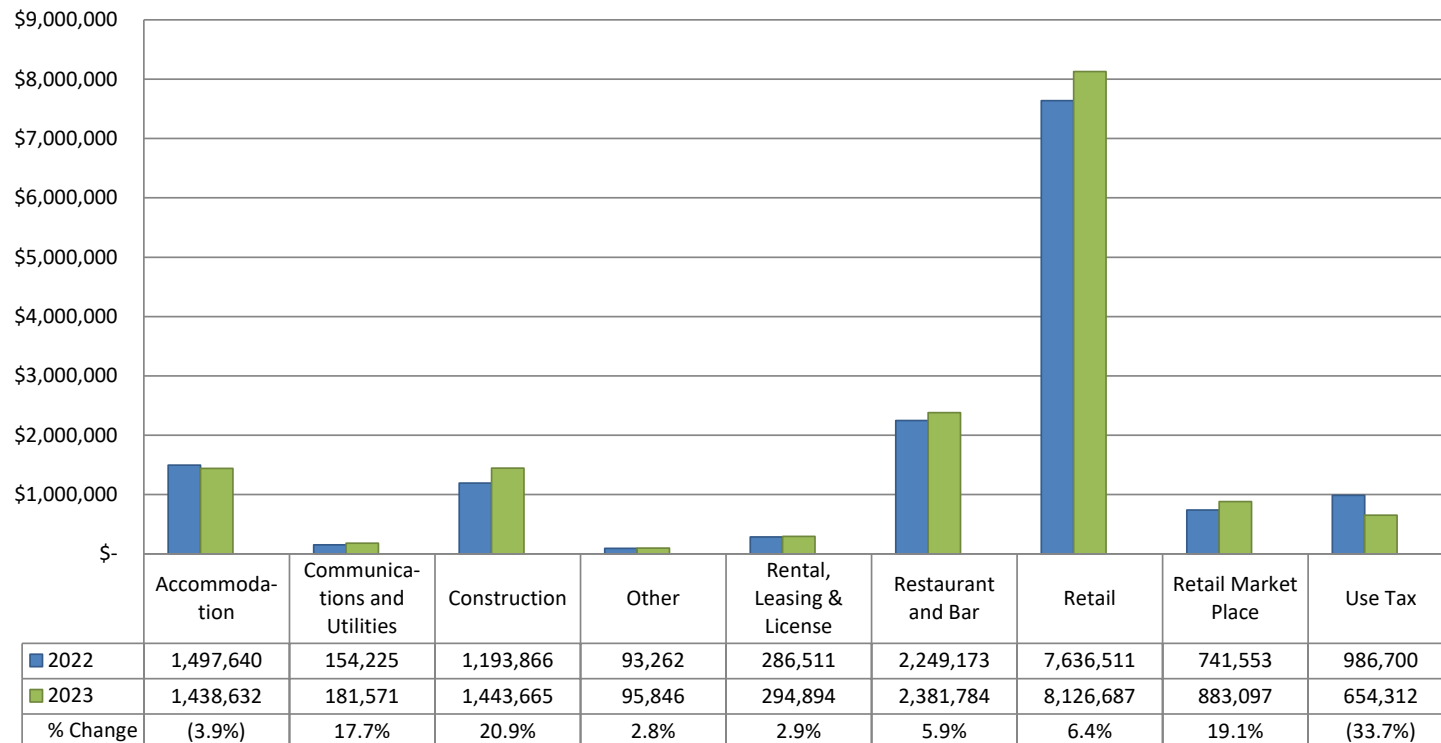
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**TPT Collections by Business Code
Fiscal Year-to-Date**



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Retail Sales

Retail sales are the most significant component of the City's overall TPT collections.
December retail sales tax collections are \$286,117 or 16.5% above the previous year.

Month vs. Month Prior Year

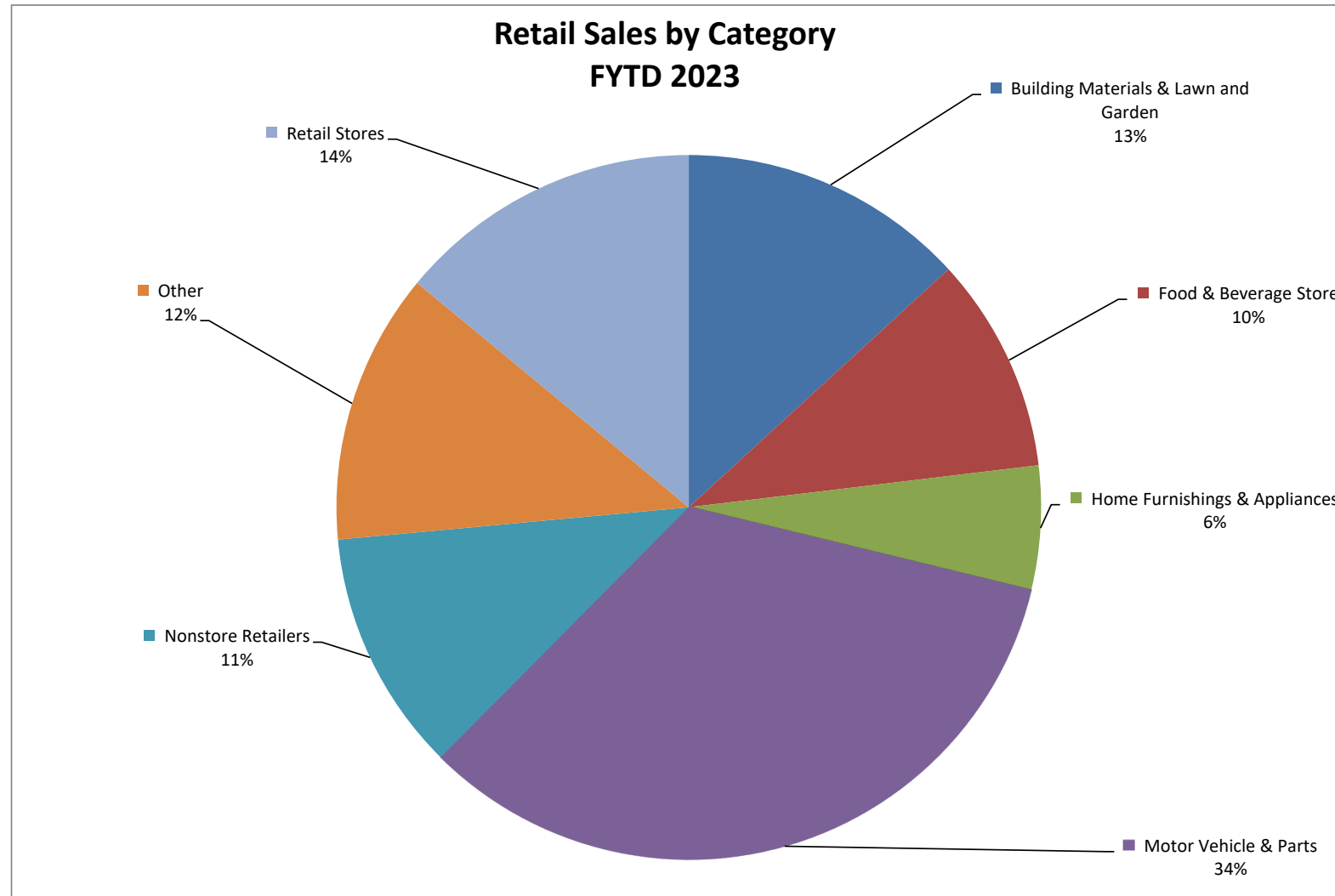
| Month | FY 2023 | FY 2022 | % Increase/Decrease over Prior Year |
|----------|--------------|--------------|-------------------------------------|
| December | \$ 2,014,996 | \$ 1,728,879 | 16.5% |

Fiscal YTD vs. Prior Fiscal YTD

| 2023 FYTD | 2022 FYTD | % Increase/Decrease over Prior FYTD |
|--------------|--------------|-------------------------------------|
| \$ 9,009,785 | \$ 8,378,065 | 7.5% |

Month vs. Month Prior Year Retail Sales Categories

| Retail Trade Categories | December 2022 | December 2021 | Change % |
|--------------------------------------|---------------------|---------------------|--------------|
| Building Materials & Lawn and Garden | \$ 243,582 | \$ 228,156 | 6.8% |
| Food & Beverage Store | \$ 157,514 | \$ 137,696 | 14.4% |
| Home Furnishings & Appliances | \$ 89,702 | \$ 90,601 | -1.0% |
| Motor Vehicle & Parts | \$ 640,541 | \$ 549,502 | 16.6% |
| Non-Store Retailers | \$ 304,368 | \$ 258,281 | 17.8% |
| Other | \$ 296,265 | \$ 190,771 | 55.3% |
| Retail Stores | \$ 283,023 | \$ 273,871 | 3.3% |
| Total | \$ 2,014,996 | \$ 1,728,879 | 16.5% |



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Accommodations and Restaurant & Bar

Lake Havasu City collects an additional tax on accommodations (3%) and restaurant & bar sales (1%). The revenues generated by these additional taxes support tourism and economic development. The Partnership of Economic Development (PED) receives \$500,000 annually, and the Convention & Visitor's Bureau (Go Lake Havasu) receives \$1.6 million annually.

Month vs. Month Prior Year

| Tax Type | December 2022 | December 2021 | % Increase/Decrease over Prior Year |
|--------------------------------|---------------|---------------|-------------------------------------|
| Restaurant & Bar Additional 1% | \$ 143,002 | \$ 136,681 | 4.6% |
| Hotel/Motel Additional 3% | \$ 96,659 | \$ 112,834 | -14.3% |
| 2% City Sales Tax Collected | \$ 2,749,310 | \$ 2,633,456 | 4.4% |

| Tax Type | 2023 FYTD | 2022 FYTD | % Increase/Decrease over Prior Year |
|--------------------------------|---------------|---------------|-------------------------------------|
| Restaurant & Bar Additional 1% | \$ 753,869 | \$ 758,115 | -0.6% |
| Hotel/Motel Additional 3% | \$ 857,298 | \$ 891,784 | -3.9% |
| 2% City Sales Tax Collected | \$ 13,889,322 | \$ 13,189,541 | 5.3% |