

Lake Havasu City

Transaction Privilege Tax (TPT) Collections Report

May 2023



This month's TPT Collection Report includes all collections through May (merchant collections through April 2023). Arizona Department of Revenue provides tax collection information.

Fiscal Year to Date (FYTD) TPT collection is -1.2% or \$390,953 below budget and -0.6% or \$192,101 below the prior year for the same reporting period. The May month-over-month is a -7.0% or \$264,156 decrease. May was also -0.4% or \$12,658 less than the budget.

Fiscal YTD vs. Budget

Current Year Actual 2023 FYTD	Budget 2023 FYTD	% Increase/Decrease over Budget
\$ 31,849,795	\$ 32,240,748	-1.2%

Fiscal YTD vs. Prior Fiscal YTD

Current Year Actual 2023 FYTD	Prior Year Actual 2022 FYTD	% Increase/Decrease over Prior FYTD
\$ 31,849,795	\$ 32,041,896	-0.6%

Month vs. Month Prior Year

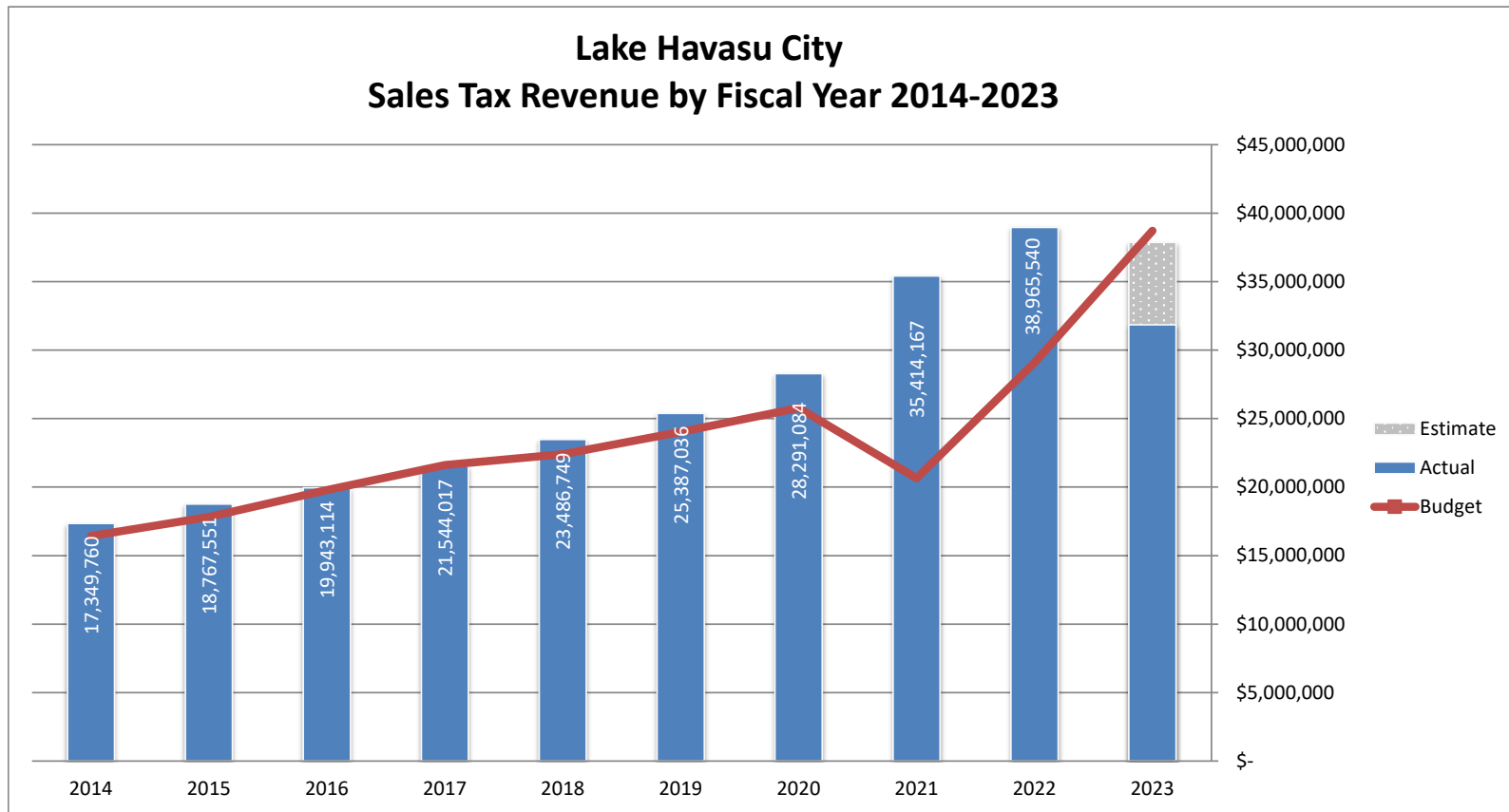
May 2023	May 2022	% Increase/Decrease over Prior Year
\$ 3,483,519	\$ 3,747,675	-7.0%

May year-over-year TPT collection decreased overall, with the most significant dollar impact being in Construction, Retail, Use Tax, and Accommodations. Construction decreased \$134,001 or 35.7%, Retail decreased by \$65,062 or 3.5%, Accommodations decreased by \$40,694 or 9.4%, and Use Tax decreased by \$61,607 or 39.0%. The only increases were in Communication and Restaurants/bars. Communication increased by \$18,572 or 32.1%, and Restaurants/Bars by \$27,389 or 4.8%

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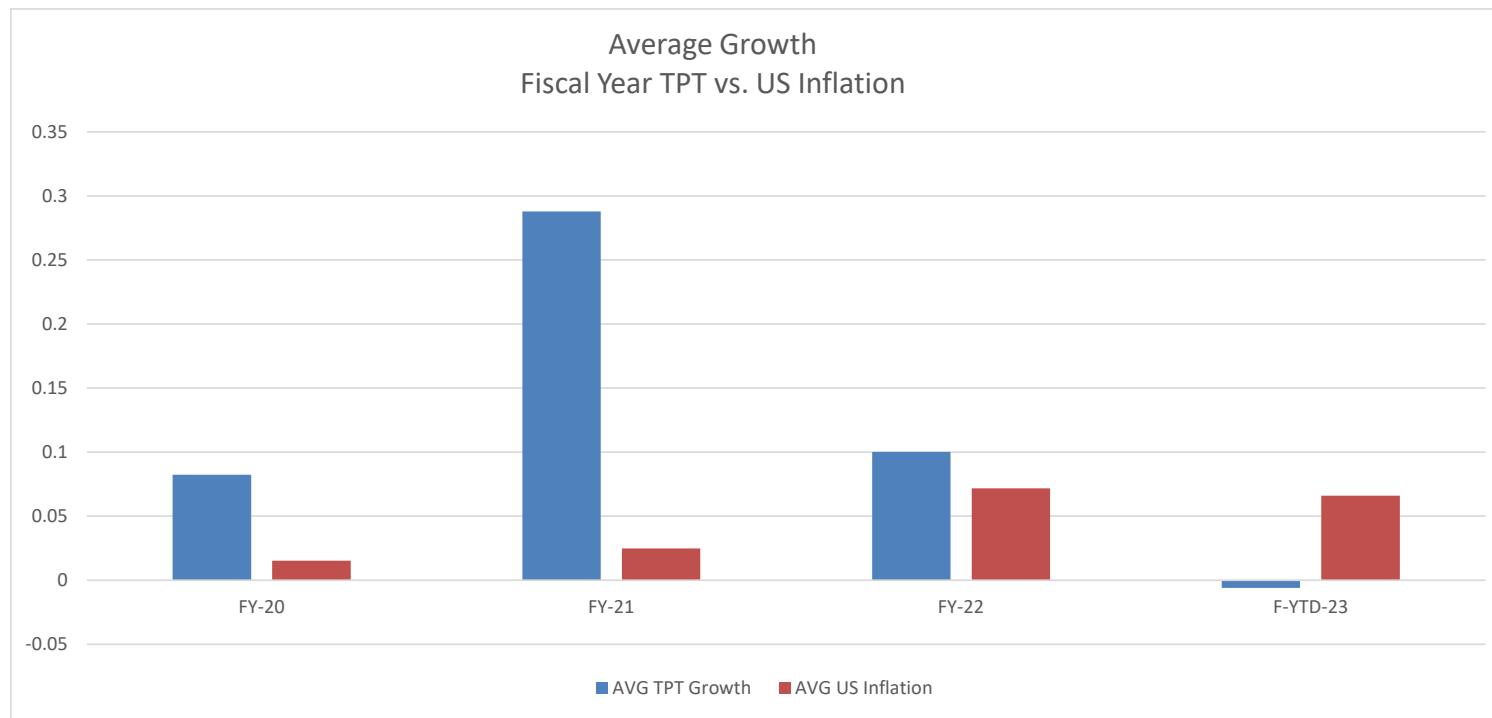
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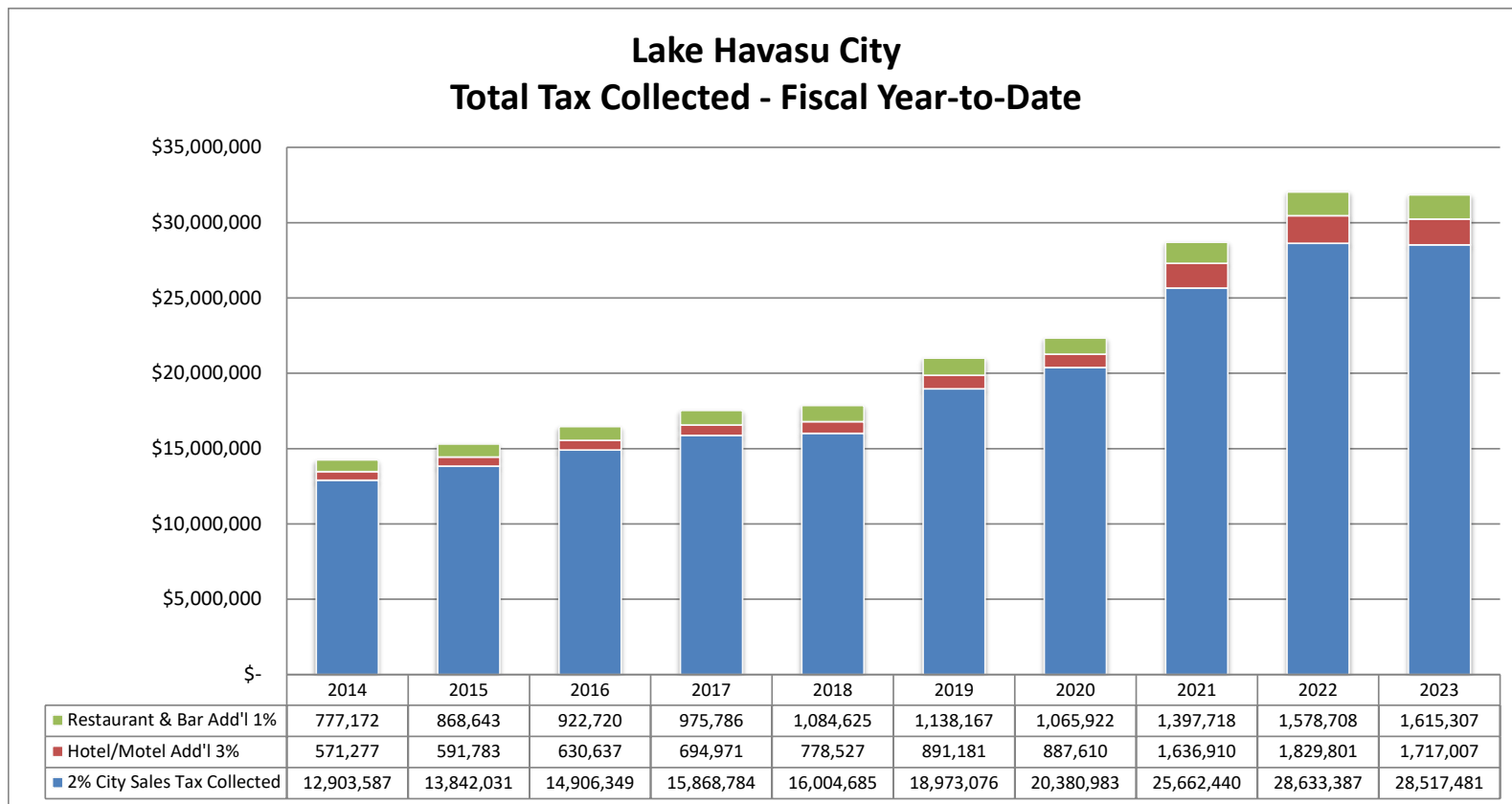


The high growth in FY21 is due to the influx of visitors from neighboring states with stricter COVID restrictions. In addition, we experienced large growth in online market retail and vacation rentals due to new Arizona tax law changes and reporting.

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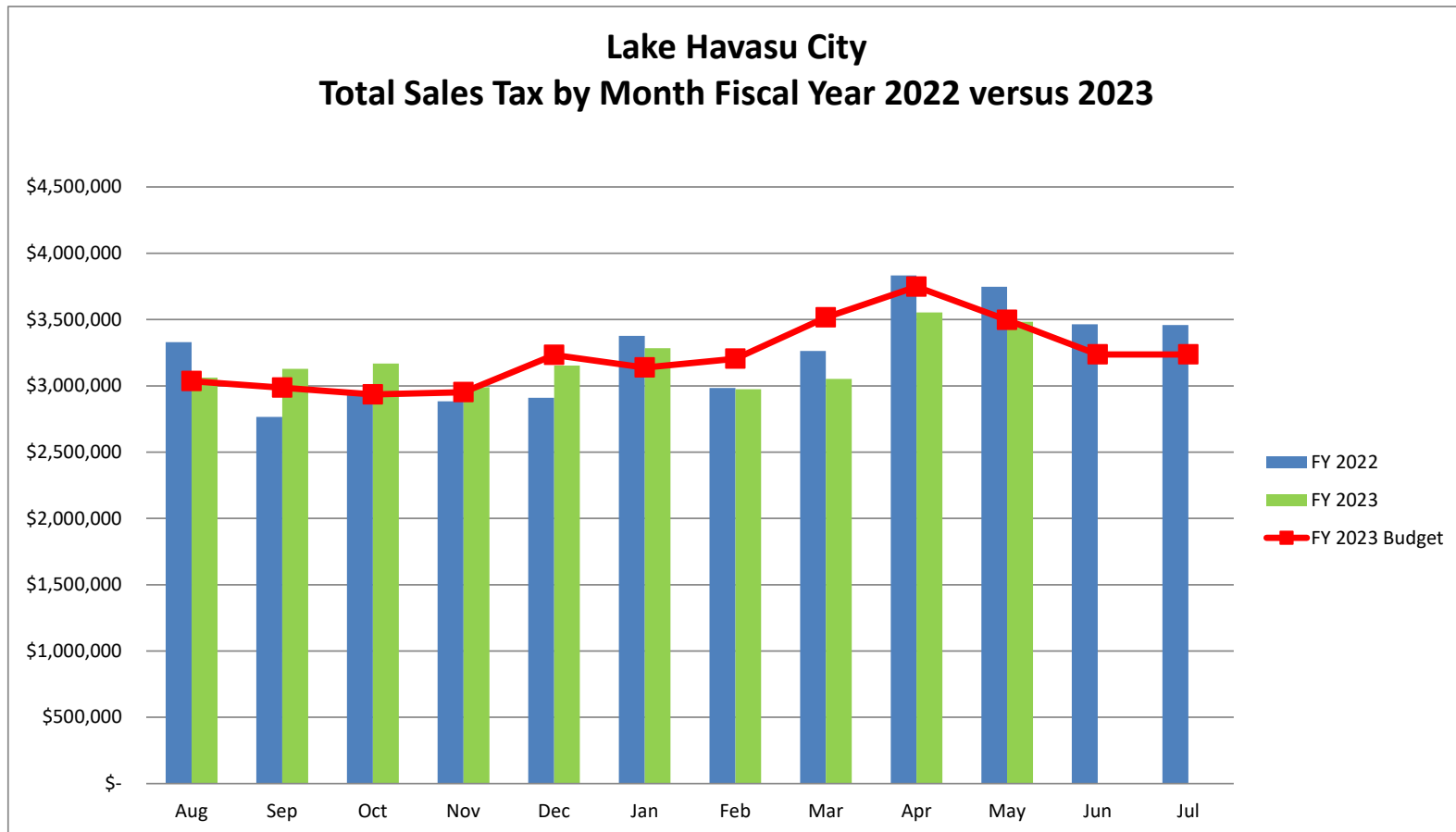
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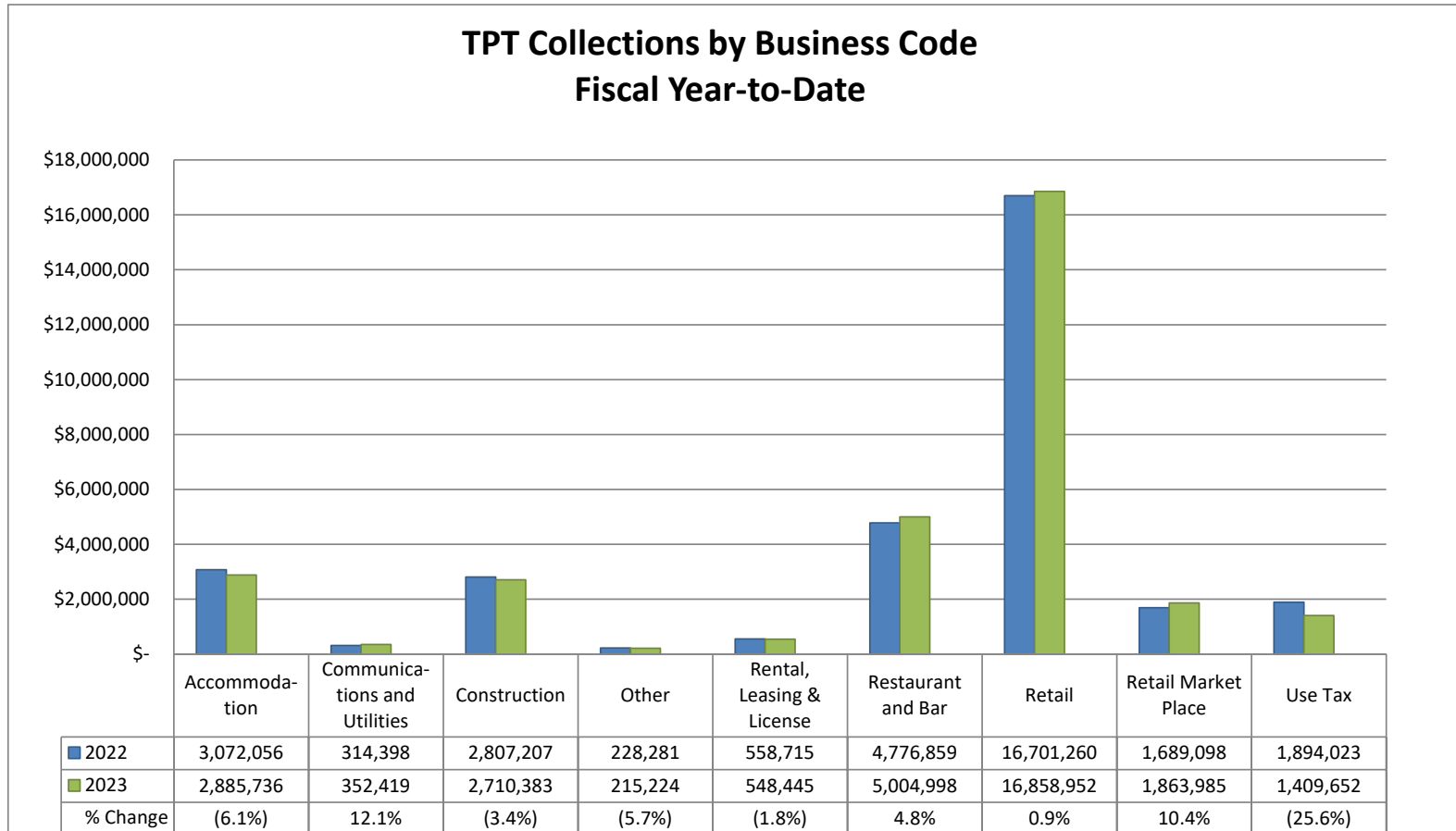
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Retail Sales

Retail sales are the most significant component of the City's overall TPT collections. May retail sales tax collections decreased by \$65,062 or 3.1% below the previous year.

Month vs. Month Prior Year

Month	FY 2023	FY 2022	% Increase/Decrease over Prior Year
May	\$ 2,035,847	\$ 2,100,909	-3.1%

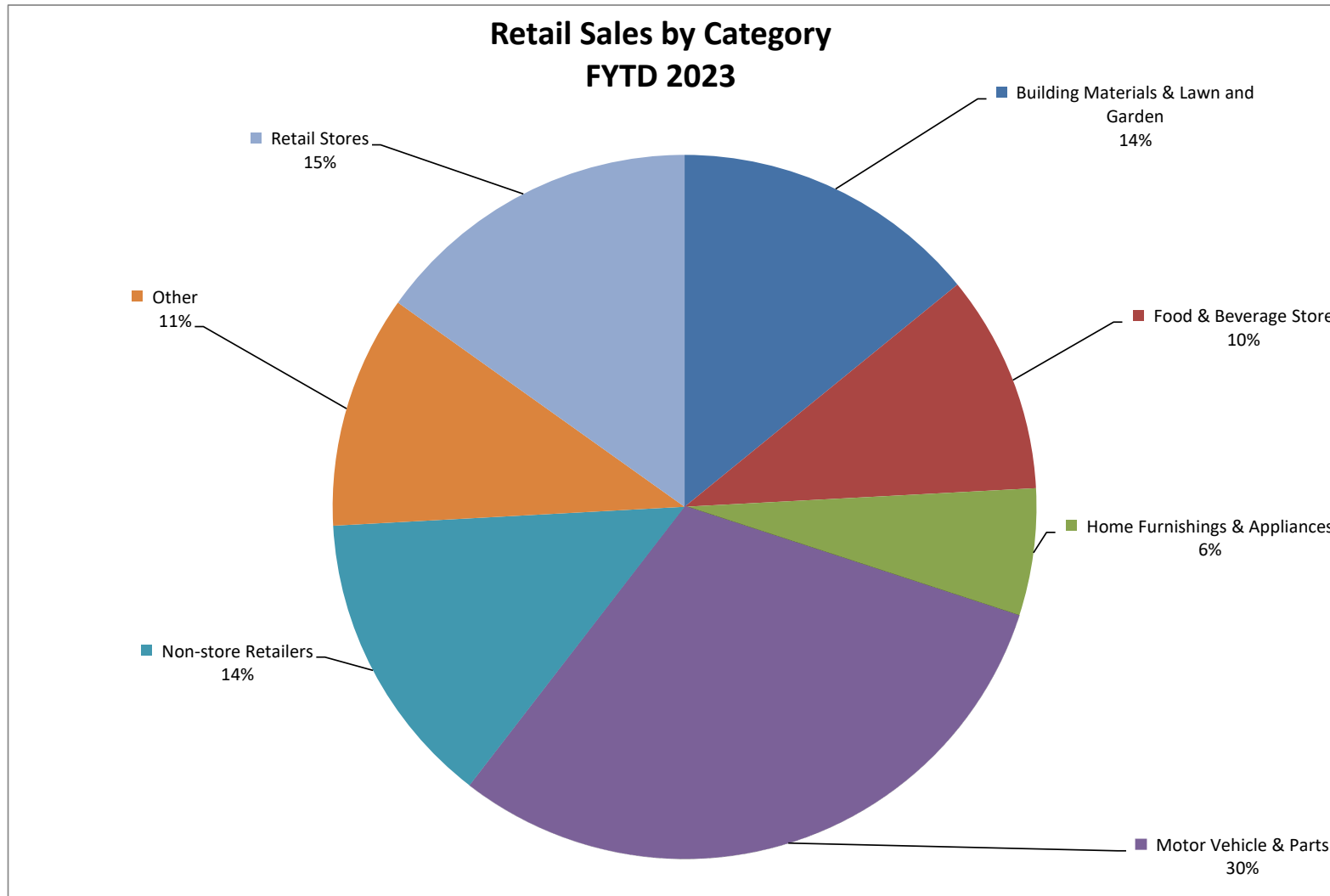
Fiscal YTD vs. Prior Fiscal YTD

2023 FYTD	2022 FYTD	% Increase/Decrease over Prior FYTD
\$ 18,722,937	\$ 18,390,357	1.8%

Month vs. Month Prior Year Retail Sales Categories

Retail Trade Categories	May 2023	May 2022	Change %
Building Materials & Lawn and Garden	\$ 271,651	\$ 278,671	-2.5%
Food & Beverage Store	\$ 177,900	\$ 170,753	4.2%
Home Furnishings & Appliances	\$ 105,076	\$ 99,377	5.7%
Motor Vehicle & Parts	\$ 480,138	\$ 684,041	-29.8%
Non-Store Retailers	\$ 251,768	\$ 249,555	0.9%
Other	\$ 486,597	\$ 347,053	40.2%
Retail Stores	\$ 262,717	\$ 271,459	-3.2%
Total	\$ 2,035,847	\$ 2,100,909	-3.1%

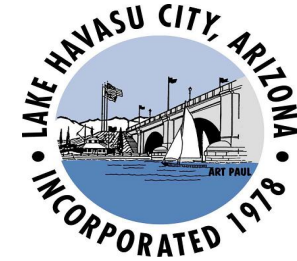
\$ (65,062)



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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	May 2023	May 2022	% Increase/Decrease over Prior Year
Restaurant & Bar Additional 1%	\$ 192,554	\$ 181,887	5.9%
Hotel/Motel Additional 3%	\$ 227,220	\$ 251,256	-9.6%
2% City Sales Tax Collected	\$ 3,063,745	\$ 3,314,531	-7.6%

Tax Type	2023 FYTD	2022 FYTD	% Increase/Decrease over Prior Year
Restaurant & Bar Additional 1%	\$ 1,615,307	\$ 1,578,708	2.3%
Hotel/Motel Additional 3%	\$ 1,717,007	\$ 1,829,801	-6.2%
2% City Sales Tax Collected	\$ 28,517,481	\$ 28,633,387	-0.4%