



MEDIA RELEASE

Santa Barbara's Sales Tax and Transient Occupancy Tax Continue to Post Strong Growth

SANTA BARBARA, CA – October 19, 2012

Sales Tax Results for the Quarter Ended June 30, 2012

Santa Barbara received \$5 million in sales tax during the quarter ended June 30, 2012, marking a strong end to fiscal year 2012. Fourth quarter growth was higher than the 4.5% growth estimate and 6.6% higher than growth in the June quarter of last fiscal year. Across the state, local agencies saw strong sales tax growth during the June quarter. Santa Barbara's growth was slightly below the statewide average growth of 6.8%.

Since sales tax is received quarterly from the state, one quarter in arrears, the City receives the final June results for each fiscal year in September. Over \$19.1 million in sales taxes were received in fiscal year 2012, representing overall growth of 8.8%. Moreover, sales tax exceeded the year end forecast by approximately \$290,000.

Although the City's sales tax has shown robust recovery from declines experienced during the recession, the year end results are equivalent to the amount of sales tax collected in fiscal year 2006. Sales tax is the second largest General Fund revenue and continues to show a steady recovery from growth lost during the recession.

The sales tax budget for fiscal year 2013 is \$19,590,700 based on a growth estimate of 4% from the year-end projection for fiscal year 2012. Sales tax results for the first quarter of fiscal year 2013 will be available in December.

The Sales Tax table can be viewed here:

www.santabarbaraca.gov/files/finance/sales-tax.pdf

Transient Occupancy Tax Up 9.8% in September

Santa Barbara lodging establishments collected and remitted \$1.38 million in Transient Occupancy Tax during the month of September, which is 9.8% higher than September of last year. It is likely that the warm, clear weather contributed to last month's strong growth. Both occupancy and room rates were higher than last year.

The number of weekend days in a given month directly affects lodging revenues and the City's TOT. Santa Barbara sees a large number of weekend visitors to our city, a popular weekend getaway destination, with hotel occupancy higher on Fridays and Saturdays than on the weekdays. September 2012 had the same number of weekend days as last September and, therefore, the number of weekend days did not skew September's growth.

Over \$5 million in TOT has been collected through September, marking the end of the first quarter of fiscal year 2013. First quarter growth was 6.7%, slightly ahead of the 6.1% budgeted growth for fiscal year 2013.

The City's fiscal year runs from July 1 through June 30 each year. At the end of the first quarter, it is too early to predict exactly how TOT will end the year. However, TOT is expected to meet or slightly exceed the budget by the end of the fiscal year. The fiscal year 2013 TOT budget is \$14,489,200.

The Transient Occupancy Tax table can be viewed here:

www.santabarbaraca.gov/files/finance/transient-occupancy-tax.pdf

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City of Santa Barbara

SALES TAX

Quarter Ended	FY 2009	Change Prior Yr	FY 2010	Change Prior Yr	FY 2011	Change Prior Yr	FY 2012	Change Prior Yr
Sep 30	5,123,439	-0.6%	4,255,906	-16.9%	4,423,839	3.9%	4,797,256	8.4%
Dec 31	4,527,849	-11.7%	4,377,436	-3.3%	4,495,481	2.7%	4,931,326	9.7%
Mar 31	3,822,921	-17.6%	3,838,812	0.4%	3,954,515	3.0%	4,382,961	10.8%
Jun 30	4,068,849	-16.2%	4,232,565	4.0%	4,704,205	11.1%	5,014,843	6.6%
Totals	\$ 17,543,057	-11.3%	\$ 16,704,719	-4.8%	\$ 17,578,040	5.2%	\$ 19,126,386	8.8%

City of Santa Barbara

TRANSIENT OCCUPANCY TAXES

Month	FY 2010	Change Prior Yr	FY 2011	Change Prior Yr	FY 2012	Change Prior Yr	FY 2013	Change Prior Yr
July	\$ 1,393,219	-14.6%	\$ 1,571,324	12.8%	\$ 1,763,206	12.2%	\$ 1,820,520	3.3%
Aug	1,474,189	-19.0%	1,591,121	7.9%	1,697,686	6.7%	1,832,581	7.9%
Sept	1,106,152	-7.5%	1,154,834	4.4%	1,255,217	8.7%	1,378,500	9.8%
Oct	944,230	-10.0%	1,058,405	12.1%	1,126,506	6.4%		
Nov	672,636	-12.6%	752,641	11.9%	845,583	12.3%		
Dec	588,594	-1.8%	651,909	10.8%	709,979	8.9%		
Jan	685,633	0.8%	692,393	1.0%	774,725	11.9%		
Feb	683,280	6.2%	742,361	8.6%	831,055	11.9%		
Mar	823,759	8.4%	825,040	0.2%	950,142	15.2%		
April	957,350	2.9%	1,060,466	10.8%	1,128,073	6.4%		
May	1,001,965	6.0%	1,093,703	9.2%	1,168,811	6.9%		
June	1,133,124	12.1%	1,264,961	11.6%	1,410,718	11.5%		
FY Total	\$ 11,464,132	-4.8%	\$ 12,459,157	8.7%	\$ 13,661,699	9.7%	\$ 5,031,601	6.7%
Adopted Budget							\$ 14,489,200	6.1%

Includes only the 10% unrestricted TOT revenues. Beginning in January 2001, an additional 2% is credited to Creeks/Clean Water (Measure B).

FY10 includes \$132,852 in new TOT from vacation rentals as part of the vacation rental audit program.