

Analysis summary for proposed Half Cent Tax rate increase

FY 2020 Collections from relevant tax rates	\$ 26,901,796
Projected Collections after tax rate increase	<u>33,147,769</u>
Estimated increase in tax collections	<u><u>\$ 6,245,974</u></u>

Classification	Tax Code Section	Business Code	Current Tax Rate	Proposed Tax Rate	Fiscal Year 2020 Collections	Projected Collections After Increase
Retail Sales	460	17	2.00%	2.50%	\$ 15,390,265	\$ 19,237,831
Communications	470	5	4.00%	4.50%	\$ 3,835,802	\$ 4,315,277
Utilities	480	4	4.00%	4.50%		
Hotels	444	44	2.00%	2.50%	\$ 1,277,155	\$ 1,596,444
Commercial Rental, Leasing and Licensing for Use	445	213	2.00%	2.50%	\$ 1,436,270	\$ 1,795,338
Restaurants and Bars	455	11	2.00%	2.50%	\$ 3,062,606	\$ 3,828,258
Amusements	410	12	2.00%	2.50%	\$ 1,899,698	\$ 2,374,623
Job Printing	425	10	2.00%	2.50%		
Manufactured Buildings	427	27	2.00%	2.50%		
Rental Occupancy	445	40	2.00%	2.50%		
Rental, Leasing, and Licensing for Use of TPP	450	214	2.00%	2.50%		
Timbering and other extraction	430	20	2.00%	2.50%		
Transporting	475	6	2.00%	2.50%		
Publication	435	9	2.00%	2.50%		
Use Tax Purchases	610	29	2.00%	2.50%		

Notes:

1. Single item purchase transactions over \$5,000 will not be subject to increased tax rate, pending Council approval.
2. Construction/contracting sales tax is excluded from proposed increase.
3. Additional Hotel/Motel tax (Bed tax Fund) is excluded from proposed increase.
4. The increase in collections presented above is an estimate. Actual collections will differ based on prevailing economic conditions.