

To: Aspen City Council
From: Anthony Lewin, Senior Tax Auditor
Date: August 13, 2020
Re: June 2021 Consumption Tax Report

Attached is the City of Aspen's monthly report for consumption-based tax collections. This includes analysis of the City's sales tax and lodging tax collections for June 2021, Aspen's portion of Pitkin County's 3.6% sales tax collections for May 2021, and real estate transfer tax (RETT) collections for July 2021. As with last month's report, the comparisons made in this release will reflect 2021 activity relative to 2019's pre-pandemic figures, to better communicate the state of the recovery. Thus, statistics within this cover memo will not correlate to those found in the subsequent charts of this communication, as they compare to 2020.

Taxable Sales:

Overall economic activity has returned to or exceeded "normal" levels in most industries as we continue to progress into and through the Summer season. This is in reflection of 2021 collections relative to a typical year such as 2019, where most industries are experiencing double-digit growth today relative to just two years earlier and pre-pandemic. The real exception to this overarching statement continues to be within the accommodations and restaurants/bars sectors of the economy (down 27% and 9% respectively), with typically robust January and February ski months starting the 2021 year in lackluster fashion after red level restrictions limited tourism in the valley. The only other sector down relative to 2019 is in taxable marijuana sales (down 11%).

For June, overall taxable sales are up 41% relative to 2019 (with all sectors reflecting gains relative to pre-pandemic collections), and on a year-to-date basis when compared to two years prior, aggregate taxable sales are 5% above 2019.

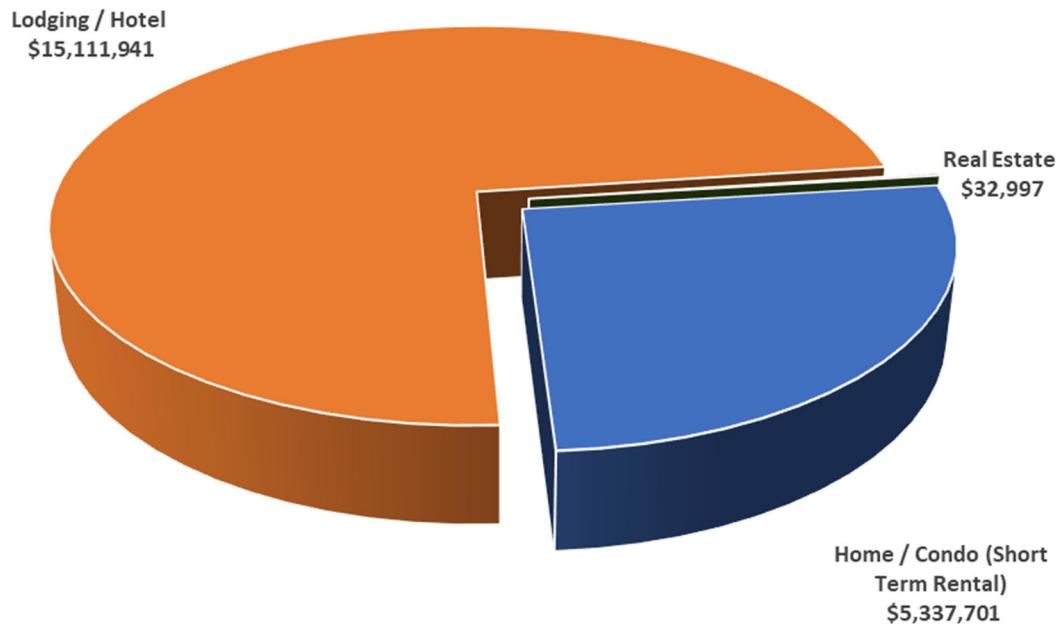
Actual Sales and Lodging Tax:

Overall, June's sales tax collections were up 40% from the same period in 2019 and on a year-to-date basis are 6% up from two years prior. Lodging tax collections were up 12% to the same month but remain 30% below collects on a year-to-date basis to 2019's pre-pandemic collection levels. Despite the strong return in visitation in March through June, occupancy was cut nearly in half in the first two months of the year and created a sizable drop in tax remittance for the year that is slowly being remedied over time.

Short-Term Rentals

In addition to traditional lodging operations, the City is also continuing to see an increase in home / condo (short-term rentals), reflecting an increase in compliance with municipal code and travelers desiring their own space. The percentage of lodge options from the short-term rental market can be seen on the subsequent graphic which depicts these offerings at roughly 25% of the total market – this percentage can fluctuate with room rate changes during high and low seasons. For reference, a short-term rental is a rental that is less than 30 days in duration and in which case both City sales and lodging taxes are due. Rentals longer than this duration are not taxed but are still considered a business and therefore require a business license with the City.

Accommodations Taxable Sales Breakdown June 2021



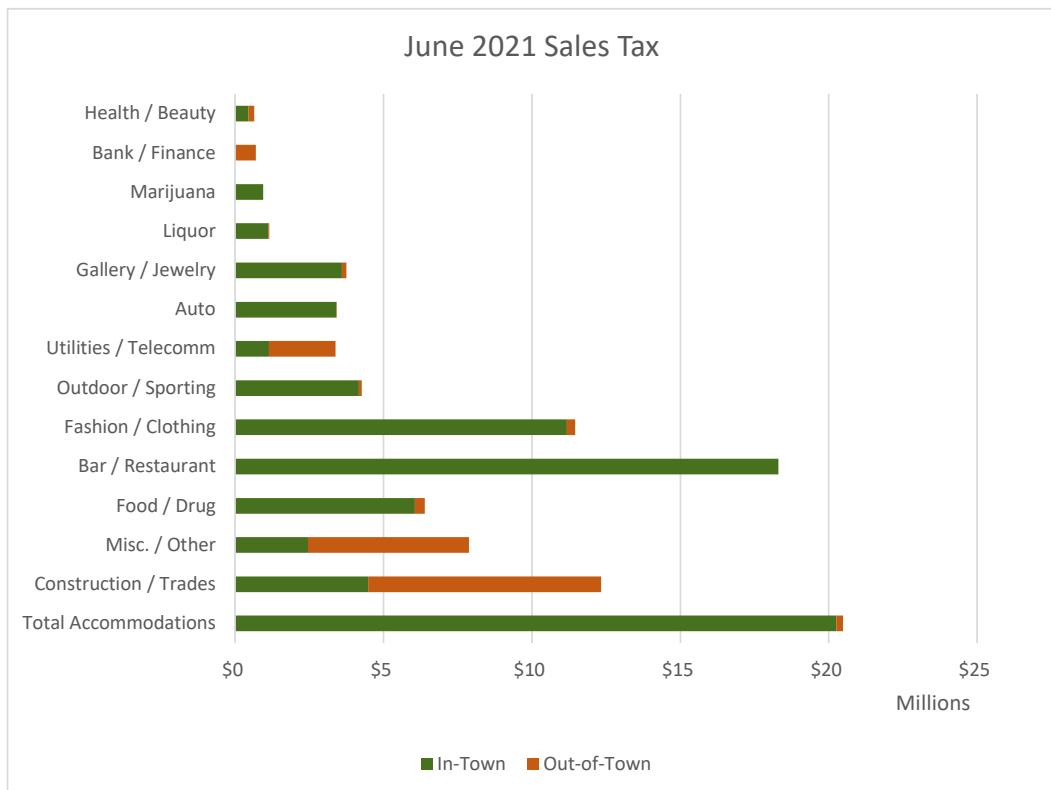
City Share of County Sales Tax:

Aspen's portion of Pitkin County's sales tax collections (one month behind City collection statistics because they are collected at the State level) for May were up 76% to pre-pandemic collections in 2019. Year-to-date revenues relative to 2019 collections are up 8%.

Real Estate Transfer Taxes (comparison to 2020):

Housing real estate transfer tax collections for June were up 4% and 121% on the year. Wheeler real estate transfer tax collections for June were up 3% and up 82% on the year. Comparisons this month align with the dramatic increase in activity that began in late 2020 and therefore do not show new dramatic growth, despite continued high volume in real estate activity.

Category	In-Town	Out-of-Town	Grand Total
Total Accommodations	\$20,254,827	\$227,812	\$20,482,639
Construction / Trades	\$4,482,032	\$7,846,171	\$12,328,203
Misc. / Other	\$2,456,979	\$5,418,526	\$7,875,505
Food / Drug	\$6,053,533	\$335,577	\$6,389,110
Bar / Restaurant	\$18,304,653	\$0	\$18,304,653
Fashion / Clothing	\$11,174,274	\$282,422	\$11,456,697
Outdoor / Sporting	\$4,171,980	\$99,533	\$4,271,513
Utilities / Telecomm	\$1,139,361	\$2,244,042	\$3,383,404
Auto	\$3,408,548	\$12,270	\$3,420,818
Gallery / Jewelry	\$3,593,043	\$151,257	\$3,744,300
Liquor	\$1,113,281	\$33,692	\$1,146,973
Marijuana	\$944,948	\$0	\$944,948
Bank / Finance	\$0	\$695,360	\$695,360
Health / Beauty	\$453,859	\$186,678	\$640,538
Grand Total	\$77,551,321	\$17,533,341	\$95,084,662
Percentage		81.6%	18.4%

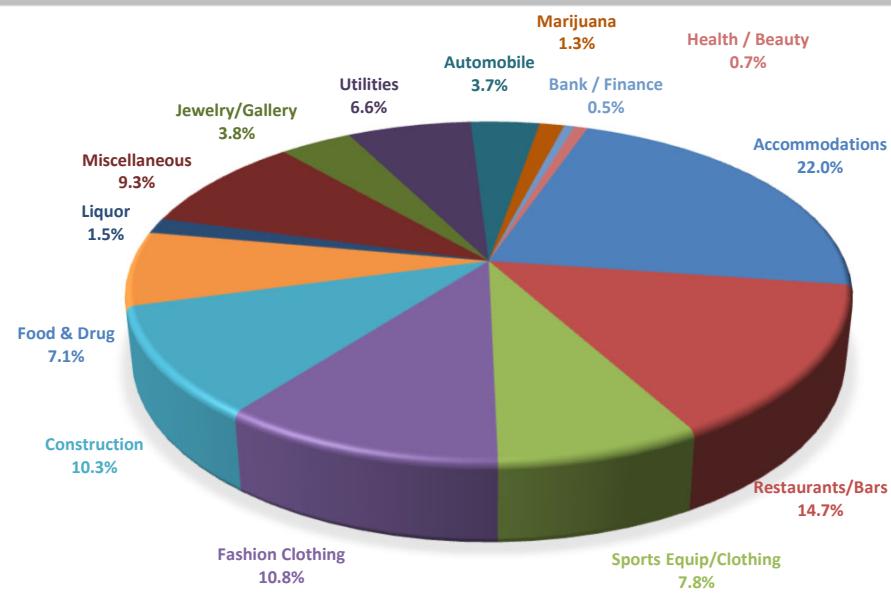


City of Aspen Retail Sales by Industry

June 2021

Year To Date Retail Sales

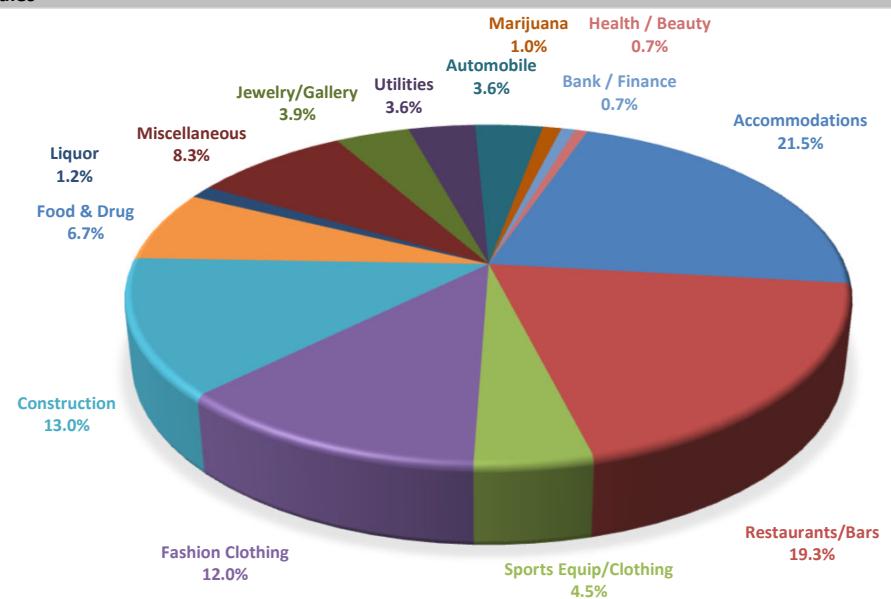
Category	YTD Retail Sales	% Change Prior Year	% YTD Retail Sales
Accommodations	\$92,888,894	4.5%	22.0%
Restaurants/Bars	\$61,986,924	15.3%	14.7%
Sports Equip/Clothing	\$32,783,452	29.7%	7.8%
Fashion Clothing	\$45,638,853	124.8%	10.8%
Construction	\$43,628,588	51.4%	10.3%
Food & Drug	\$29,907,591	14.5%	7.1%
Liquor	\$6,283,241	13.1%	1.5%
Miscellaneous	\$39,279,320	26.5%	9.3%
Jewelry/Gallery	\$16,216,778	(2.7%)	3.8%
Utilities	\$27,866,888	10.8%	6.6%
Automobile	\$15,473,473	98.2%	3.7%
Marijuana	\$5,577,861	14.0%	1.3%
Bank / Finance	\$2,291,827	#DIV/0!	0.5%
Health / Beauty	\$3,017,292	#DIV/0!	0.7%
Total	\$422,840,983	26.5%	100.0%



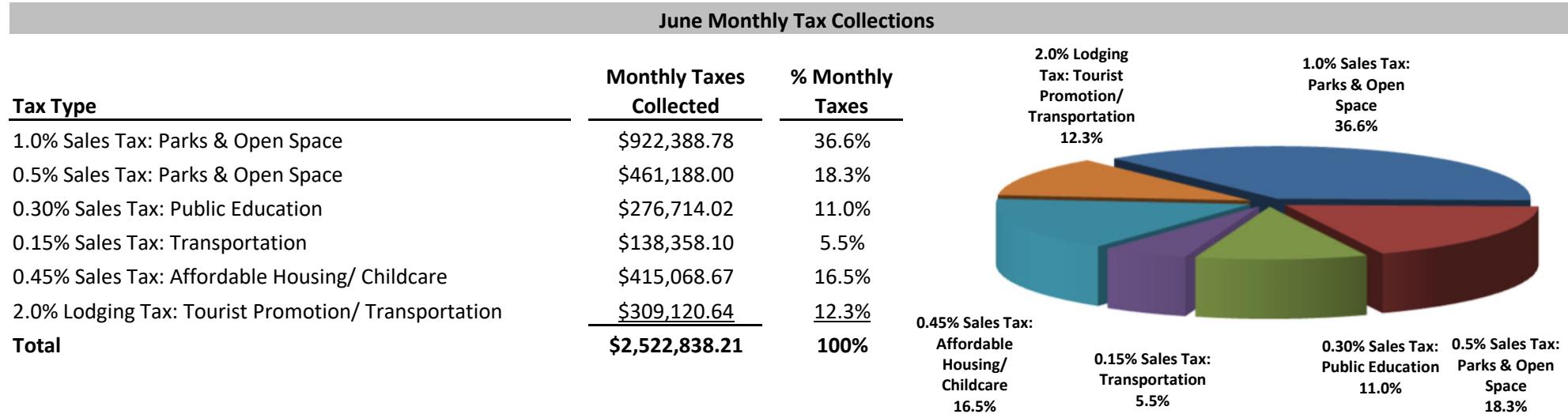
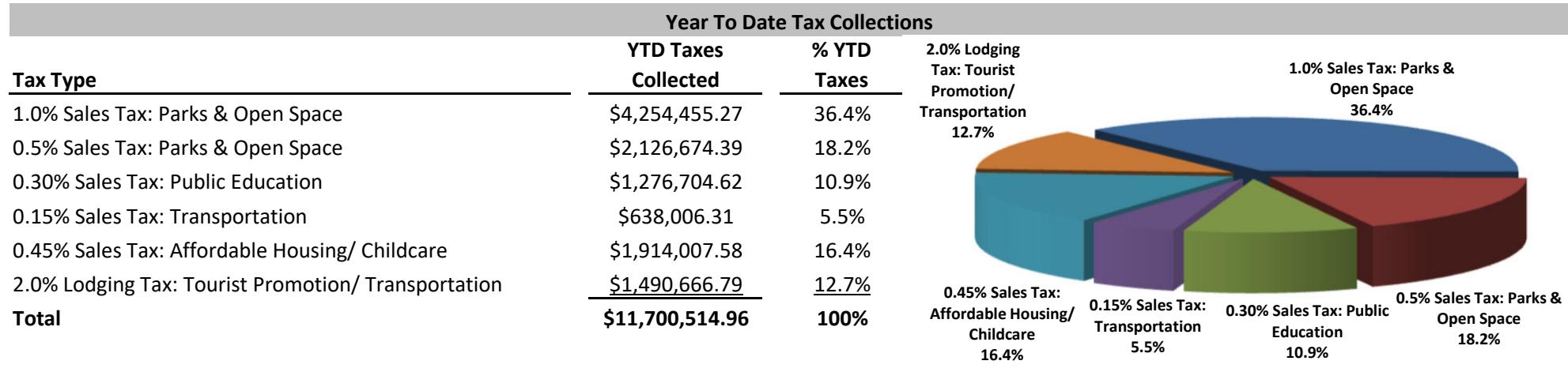
Beginning October 2020, industries were assessed and revised. This includes Luxury Goods which no longer reflects high end clothing which now is captured within Clothing. Additionally, two new categories (Bank / Finance and Health / Beauty) were added to reflect items previously reported within Miscellaneous. These adjustments will ultimately skew the annual percentage change in these industries and is therefore important to note - industry contraction or expansion cannot be gauged by these percentages until a full year's worth of data has been compiled with the new categorizations.

June Monthly Retail Sales

Category	Monthly Retail Sales	% Change Prior Year	% Monthly Retail Sales
Accommodations	\$20,482,639	238.3%	21.5%
Restaurants/Bars	\$18,304,653	121.0%	19.3%
Sports Equip/Clothing	\$4,271,513	15.1%	4.5%
Fashion Clothing	\$11,456,697	198.3%	12.0%
Construction	\$12,328,203	59.5%	13.0%
Food & Drug	\$6,389,110	27.9%	6.7%
Liquor	\$1,146,973	1.7%	1.2%
Miscellaneous	\$7,875,505	0.3%	8.3%
Jewelry/Gallery	\$3,744,300	34.2%	3.9%
Utilities	\$3,383,404	11.6%	3.6%
Automobile	\$3,420,818	65.9%	3.6%
Marijuana	\$944,948	20.4%	1.0%
Bank / Finance	\$695,360	#DIV/0!	0.7%
Health / Beauty	\$640,538	#DIV/0!	0.7%
Total	\$95,084,662	81.9%	100.0%



City of Aspen Sales and Lodging Tax
June 2021



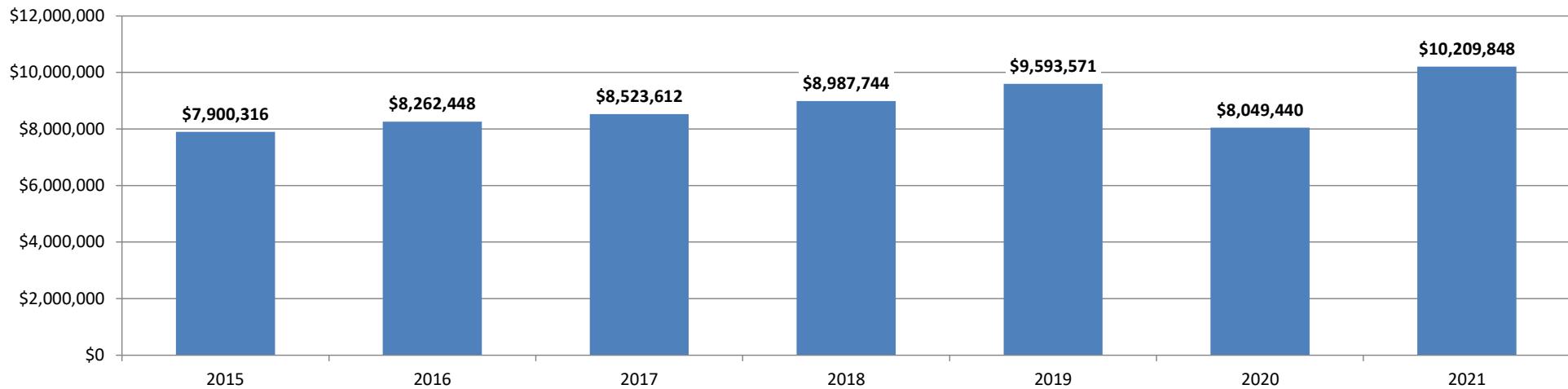
City of Aspen Sales Tax 2.4%

June 2021

Current Month Revenues are **68.3%** **above last year's Monthly Revenues.**
Year To Date Revenues are **30.8%** **above Year To Date Budgeted Revenues.**
Year To Date Revenues are **26.8%** **above last year's Actual Year To Date Revenues.**

2021 Monthly Budget vs. 2021 Actual				2021 YTD Budget vs. 2021 Actual			2021 vs. 2020			
Month	Budget	Actual	Variance	Budget	Actual	Variance	2020 Monthly	Variance	2020 YTD	Variance
Jan	\$1,595,006	\$1,594,720	(0.0%)	\$1,595,006	\$1,594,720	(0.0%)	\$2,276,217	(29.9%)	\$2,276,217	(29.9%)
Feb	\$1,486,326	\$1,673,483	12.6%	\$3,081,332	\$3,268,203	6.1%	\$2,122,818	(21.2%)	\$4,399,035	(25.7%)
Mar	\$1,888,591	\$2,645,788	40.1%	\$4,969,923	\$5,913,991	19.0%	\$1,243,377	112.8%	\$5,642,412	4.8%
Apr	\$777,333	\$1,117,415	43.7%	\$5,747,255	\$7,031,407	22.3%	\$524,409	113.1%	\$6,166,820	14.0%
May	\$609,455	\$964,724	58.3%	\$6,356,711	\$7,996,131	25.8%	\$567,114	70.1%	\$6,733,934	18.7%
June	\$1,451,356	\$2,213,718	52.5%	\$7,808,067	\$10,209,848	30.8%	\$1,315,505	68.3%	\$8,049,440	26.8%
July	\$1,922,418			\$9,730,485			\$1,984,791		\$10,034,230	
Aug	\$1,631,118			\$11,361,603			\$1,783,192		\$11,817,422	
Sept	\$1,413,986			\$12,775,590			\$2,214,205		\$14,031,628	
Oct	\$855,843			\$13,631,433			\$1,067,153		\$15,098,781	
Nov	\$719,393			\$14,350,825			\$972,967		\$16,071,748	
Dec	\$2,635,754			\$16,986,579			\$2,286,874		\$18,358,622	

Actual Collections Year To Date Through June



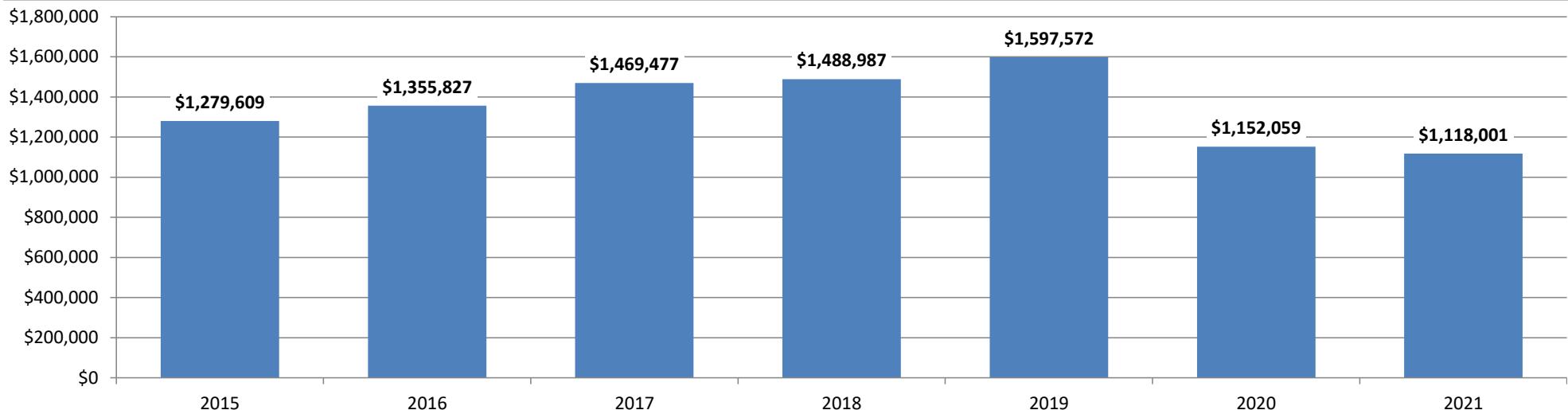
City of Aspen Tourist Promotion 1.5% Lodging Tax (0.5% Rate for 2010 and Prior)

June 2021

Current Month Revenues are **132.9%** **above last year's Monthly Revenues.**
Year To Date Revenues are **(9.0%)** **below Year To Date Budgeted Revenues.**
Year To Date Revenues are **(3.0%)** **below last year's Actual Year To Date Revenues adjusted for rate increase.**

Month	2021 Monthly Budget vs. 2021 Actual			2021 YTD Budget vs. 2021 Actual			2021 vs. 2020			
	Budget	Actual	Variance	Budget	Actual	Variance	2020 Monthly	Variance	2020 YTD	Variance
Jan	\$304,500	\$168,712	(44.6%)	\$304,500	\$168,712	(44.6%)	\$423,412	(60.2%)	\$423,412	(60.2%)
Feb	\$270,000	\$208,731	(22.7%)	\$574,500	\$377,443	(34.3%)	\$417,502	(50.0%)	\$840,914	(55.1%)
Mar	\$353,250	\$369,554	4.6%	\$927,750	\$746,997	(19.5%)	\$197,251	87.4%	\$1,038,165	(28.0%)
Apr	\$64,500	\$88,271	36.9%	\$992,250	\$835,268	(15.8%)	\$5,581	1,481.7%	\$1,043,746	(20.0%)
May	\$49,500	\$50,893	2.8%	\$1,041,750	\$886,160	(14.9%)	\$8,770	480.3%	\$1,052,516	(15.8%)
June	\$186,750	\$231,840	24.1%	\$1,228,500	\$1,118,001	(9.0%)	\$99,543	132.9%	\$1,152,059	(3.0%)
July	\$280,500			\$1,509,000			\$263,959		\$1,416,018	
Aug	\$213,000			\$1,722,000			\$227,695		\$1,643,713	
Sept	\$151,500			\$1,873,500			\$206,067		\$1,849,780	
Oct	\$78,750			\$1,952,250			\$71,598		\$1,921,378	
Nov	\$54,000			\$2,006,250			\$78,030		\$1,999,408	
Dec	\$406,500			\$2,412,750			\$268,092		\$2,267,501	

Actual Collections Year To Date Through June

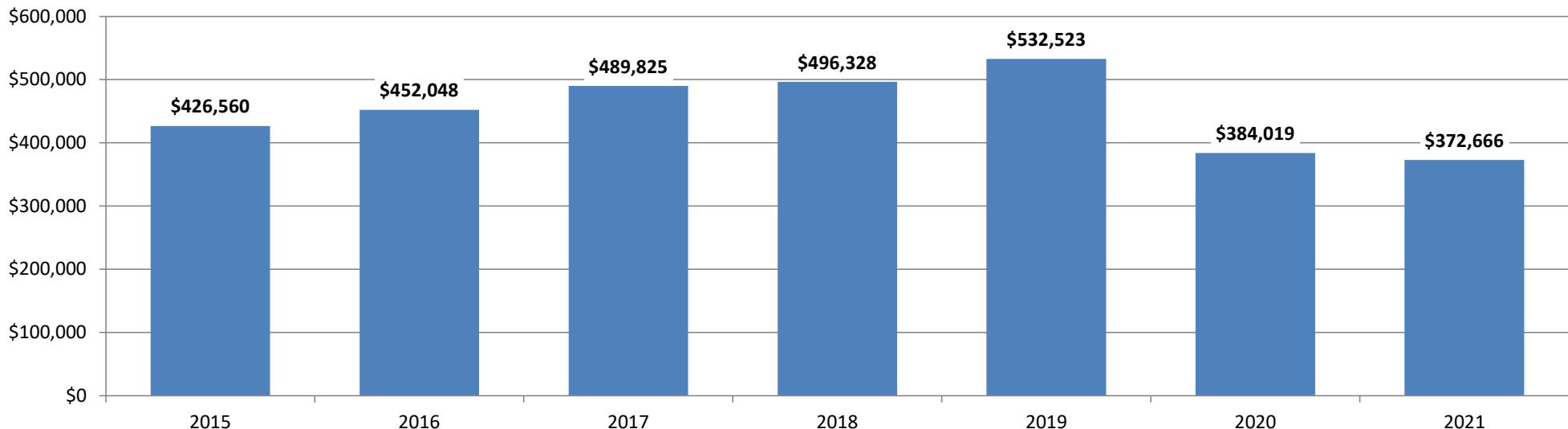


City of Aspen Transportation 0.5% Lodging Tax
June 2021

Current Month Revenues are 132.9% above last year's Monthly Revenues.
Year To Date Revenues are (9.0%) below Year To Date Budgeted Revenues.
Year To Date Revenues are (3.0%) below last year's Actual Year To Date Revenues.

Month	2021 Monthly Budget vs. 2021 Actual			2021 YTD Budget vs. 2021 Actual			2021 vs. 2020			
	Budget	Actual	Variance	Budget	Actual	Variance	2020 Monthly	Variance	2020 YTD	Variance
Jan	\$101,500	\$56,237	(44.6%)	\$101,500	\$56,237	(44.6%)	\$141,137	(60.2%)	\$141,137	(60.2%)
Feb	\$90,000	\$69,577	(22.7%)	\$191,500	\$125,813	(34.3%)	\$139,167	(50.0%)	\$280,304	(55.1%)
Mar	\$117,750	\$123,184	4.6%	\$309,250	\$248,998	(19.5%)	\$65,750	87.4%	\$346,054	(28.0%)
Apr	\$21,500	\$29,424	36.9%	\$330,750	\$278,421	(15.8%)	\$1,860	1,481.7%	\$347,915	(20.0%)
May	\$16,500	\$16,964	2.8%	\$347,250	\$295,386	(14.9%)	\$2,923	480.3%	\$350,838	(15.8%)
June	\$62,250	\$77,280	24.1%	\$409,500	\$372,666	(9.0%)	\$33,181	132.9%	\$384,019	(3.0%)
July	\$93,500			\$503,000			\$87,986		\$472,005	
Aug	\$71,000			\$574,000			\$75,898		\$547,903	
Sept	\$50,500			\$624,500			\$68,700		\$616,603	
Oct	\$26,250			\$650,750			\$23,866		\$640,469	
Nov	\$18,000			\$668,750			\$26,010		\$666,479	
Dec	\$135,500			\$804,250			\$89,364		\$755,842	

Actual Collections Year To Date Through June

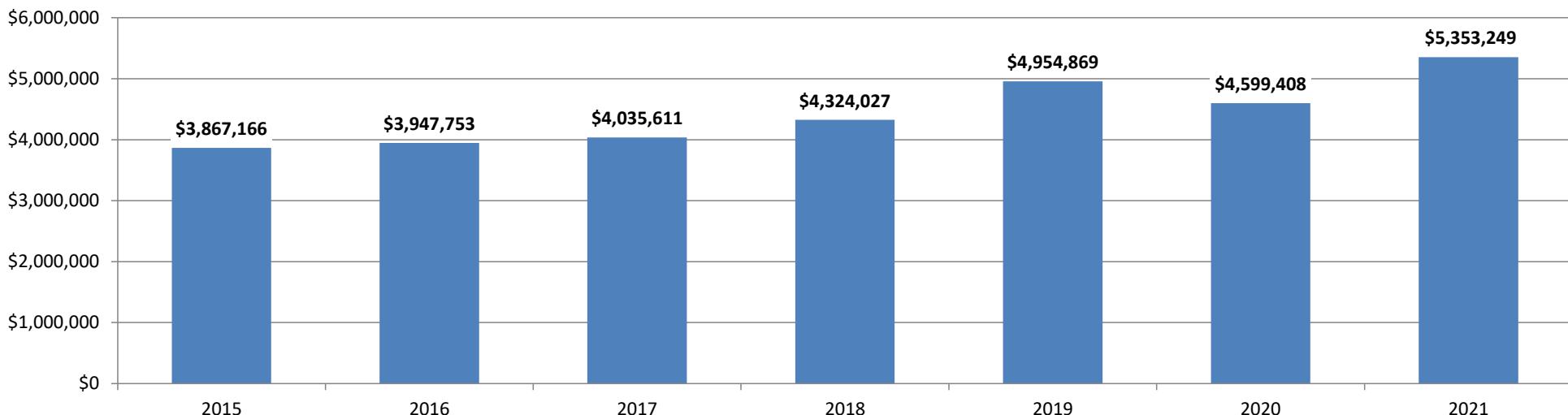


City of Aspen Portion of Pitkin County 3.6% Sales Tax
May 2021

Current Month Revenues are 72.9% above last year's Monthly Revenues.
Year To Date Revenues are 11.3% above Year To Date Budgeted Revenues.
Year To Date Revenues are 16.4% above last year's Actual Year To Date Revenues.

Month	2021 Monthly Budget vs. 2021 Actual			2021 YTD Budget vs. 2021 Actual			2021 vs. 2020			
	Budget	Actual	Variance	Budget	Actual	Variance	2020 Monthly	Variance	2020 YTD	Variance
Jan	\$1,357,000	\$1,092,020	(19.5%)	\$1,357,000	\$1,092,020	(19.5%)	\$1,512,709	(27.8%)	\$ 1,512,709	(27.8%)
Feb	\$1,277,000	\$1,183,150	(7.3%)	\$2,634,000	\$2,275,171	(13.6%)	\$1,449,548	(18.4%)	\$ 2,962,257	(23.2%)
Mar	\$1,293,000	\$1,515,832	17.2%	\$3,927,000	\$3,791,002	(3.5%)	\$708,210	114.0%	\$ 3,670,467	3.3%
Apr	\$484,000	\$817,669	68.9%	\$4,411,000	\$4,608,671	4.5%	\$498,211	64.1%	\$ 4,168,678	10.6%
May	\$398,000	\$744,578	87.1%	\$4,809,000	\$5,353,249	11.3%	\$430,729	72.9%	\$ 4,599,408	16.4%
June	\$822,000			\$5,631,000			\$713,217		\$ 5,312,624	
July	\$1,097,000			\$6,728,000			\$1,164,095		\$ 6,476,719	
Aug	\$917,000			\$7,645,000			\$1,117,891		\$ 7,594,610	
Sept	\$801,000			\$8,446,000			\$1,181,742		\$ 8,776,352	
Oct	\$498,000			\$8,944,000			\$845,122		\$ 9,621,474	
Nov	\$484,000			\$9,428,000			\$688,722		\$ 10,310,196	
Dec	\$1,461,000			\$10,889,000			\$1,533,844		\$ 11,844,040	

Actual Collections Year To Date Through May

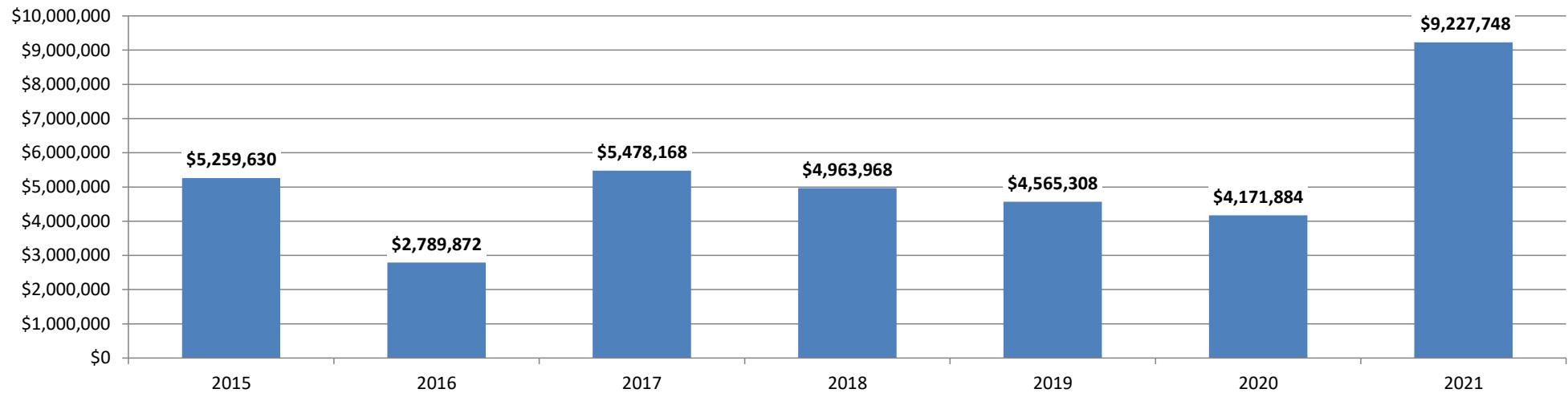


Housing Real Estate Transfer Tax
July 2021

Current Month Revenues are 3.9% above last year's Monthly Revenues.
Year To Date Revenues are 176.8% above Year To Date Budgeted Revenues.
Year To Date Revenues are 121.2% above last year's Actual Year To Date Revenues.

2021 Monthly Budget vs. 2021 Actual				2021 YTD Budget vs. 2021 Actual			2021 vs. 2020			
Month	Budget	Actual	Variance	Budget	Actual	Variance	2020 Monthly	Variance	2020 YTD	Variance
Jan	\$440,400	\$1,602,114	263.8%	\$440,400	\$1,602,114	263.8%	\$1,098,343	45.9%	\$1,098,343	45.9%
Feb	\$412,600	\$711,920	72.5%	\$853,000	\$2,314,034	171.3%	\$496,350	43.4%	\$1,594,693	45.1%
Mar	\$432,900	\$1,294,339	199.0%	\$1,285,900	\$3,608,373	180.6%	\$598,199	116.4%	\$2,192,893	64.5%
Apr	\$560,000	\$2,251,850	302.1%	\$1,845,900	\$5,860,223	217.5%	\$505,915	345.1%	\$2,698,808	117.1%
May	\$566,200	\$1,070,000	89.0%	\$2,412,100	\$6,930,223	187.3%	\$110,180	871.1%	\$2,808,988	146.7%
June	\$537,300	\$1,377,685	156.4%	\$2,949,400	\$8,307,908	181.7%	\$477,350	188.6%	\$3,286,338	152.8%
July	\$384,200	\$919,840	139.4%	\$3,333,600	\$9,227,748	176.8%	\$885,546	3.9%	\$4,171,884	121.2%
Aug	\$524,800			\$3,858,400			\$2,542,417		\$6,714,301	
Sept	\$746,400			\$4,604,800			\$3,947,332		\$10,661,632	
Oct	\$644,600			\$5,249,400			\$2,928,865		\$13,590,497	
Nov	\$439,200			\$5,688,600			\$1,717,838		\$15,308,335	
Dec	\$511,400			\$6,200,000			\$2,281,317		\$17,589,652	

Actual Collections Year To Date Through July



Wheeler Opera House Real Estate Transfer Tax
July 2021

Current Month Revenues are 3.4% above last year's Monthly Revenues.
Year To Date Revenues are 185.0% above Year To Date Budgeted Revenues.
Year To Date Revenues are 82.4% above last year's Actual Year To Date Revenues.

2021 Monthly Budget vs. 2021 Actual				2021 YTD Budget vs. 2021 Actual			2021 vs. 2020			
Month	Budget	Actual	Variance	Budget	Actual	Variance	2020 Monthly	Variance	2020 YTD	Variance
Jan	\$235,400	\$828,882	252.1%	\$235,400	\$828,882	252.1%	\$565,600	46.5%	\$565,600	46.5%
Feb	\$213,800	\$370,913	73.5%	\$449,200	\$1,199,795	167.1%	\$262,833	41.1%	\$828,432	44.8%
Mar	\$221,500	\$672,890	203.8%	\$670,700	\$1,872,685	179.2%	\$567,936	18.5%	\$1,396,369	34.1%
Apr	\$291,700	\$1,152,214	295.0%	\$962,400	\$3,024,899	214.3%	\$448,184	157.1%	\$1,844,552	64.0%
May	\$298,400	\$559,092	87.4%	\$1,260,800	\$3,583,990	184.3%	\$58,875	849.6%	\$1,903,427	88.3%
June	\$228,300	\$707,695	210.0%	\$1,489,100	\$4,291,686	188.2%	\$248,150	185.2%	\$2,151,577	99.5%
July	\$185,600	\$480,929	159.1%	\$1,674,700	\$4,772,615	185.0%	\$464,915	3.4%	\$2,616,492	82.4%
Aug	\$272,200			\$1,946,900			\$1,298,686		\$3,915,178	
Sept	\$411,300			\$2,358,200			\$2,027,283		\$5,942,461	
Oct	\$355,100			\$2,713,300			\$1,495,710		\$7,438,171	
Nov	\$230,300			\$2,943,600			\$882,569		\$8,320,741	
Dec	\$289,400			\$3,233,000			\$1,161,524		\$9,482,264	

Actual Collections Year To Date Through July

