

To: Aspen City Council
From: Anthony Lewin, Senior Tax Auditor
Date: April 13, 2020
Re: February 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 February 2021, Aspen's portion of Pitkin County's 3.6% sales tax collections for January 2021, and real estate transfer tax (RETT) collections for March 2021.

Taxable Sales:

While feedback from the business community has improved in the month of March and are anticipated to reflect more positively in next month's reporting, February still reflected an economy that was constricted by tighter public health orders as COVID cases escalated after the holidays. Overall, total taxable sales experienced a 20.3% reduction relative to the pre-COVID pandemic economy one year prior.

As anticipated, lodging and restaurants continue to be the hardest hit, with lodging seeing a decrease of 49.0% and restaurants seeing a 31.9% dip in comparison to the same timeframe last year. Utility sales also were down 19.6% relative to a year ago.

A few industries have seen increases over last year, most notably automobile sales which were up 120.3% and construction which was up 54.4%. Luxury items within the Jewelry / Gallery industry also increased 39.2% for the same period.

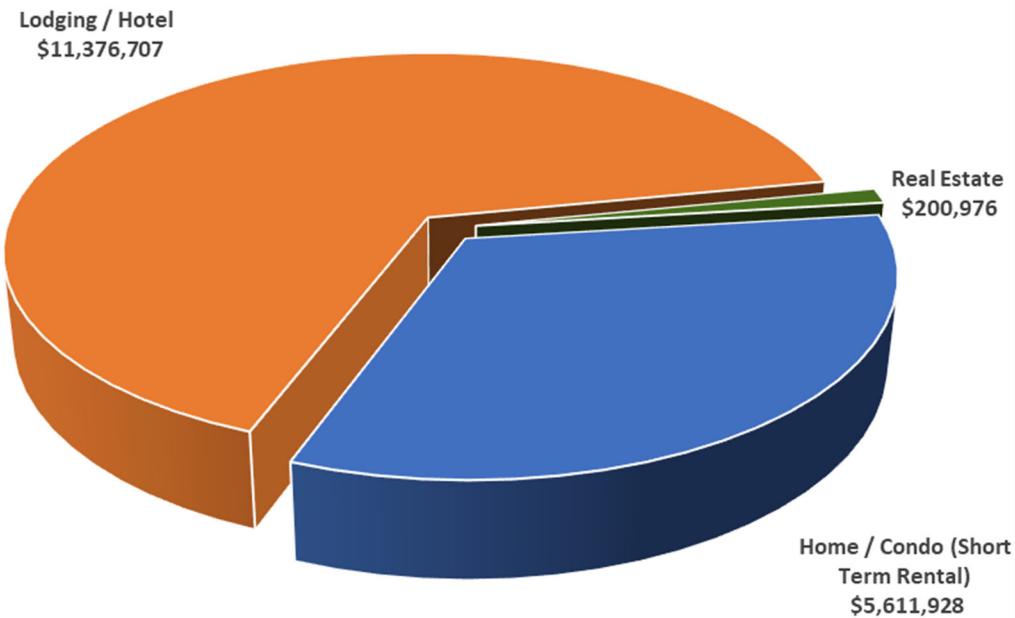
Actual Sales and Lodging Tax:

Overall, February's sales tax collections were down 21.2%, respectively from the same period last year. Lodging tax collections were down substantially more, 50.0% in contrast to last year's monthly revenues.

As in last month's report, these numbers reflect how the accommodations industry has been affected by the pandemic. With increased summer reservations on the books for many operators, there is a positive outlook coming from multiple members in this sector, and the City is hopeful for improved collections as the year continues.

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. While February was a muted month for the lodging industry, this month reflects that home / condo (short-term rentals) made up roughly one-third of the industry's taxable sales.

Accommodations Taxable Sales Breakdown February 2021



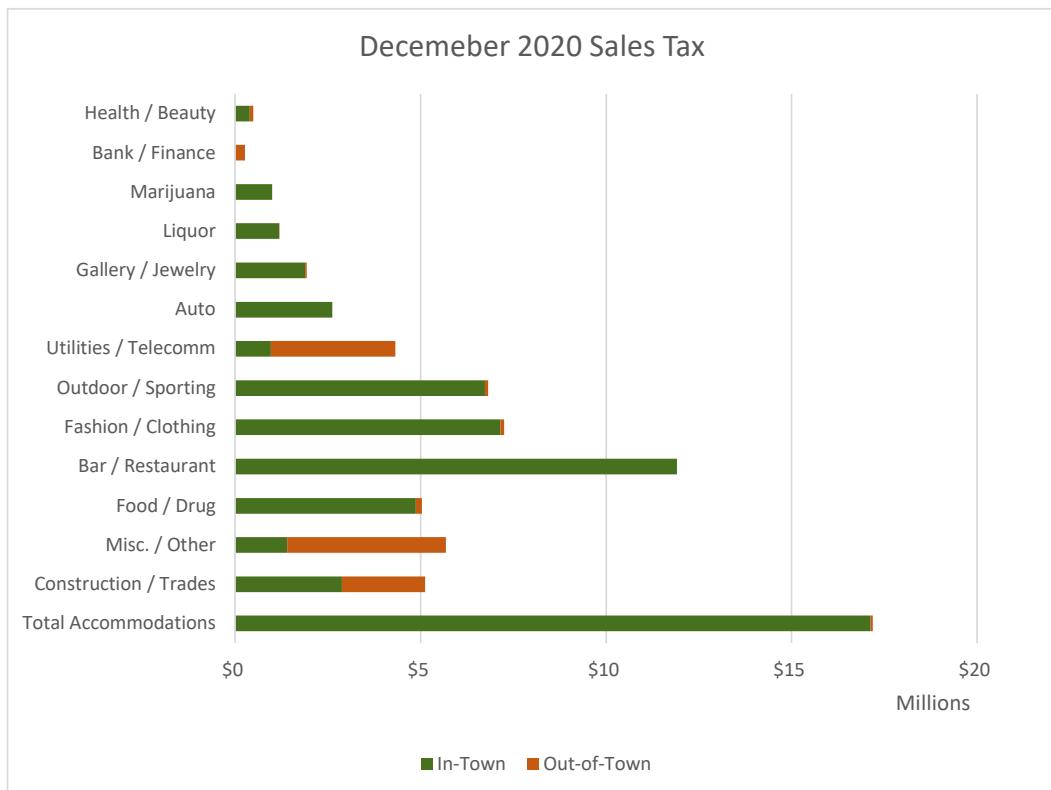
City Share of County Sales Tax:

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 January were down 27.8%.

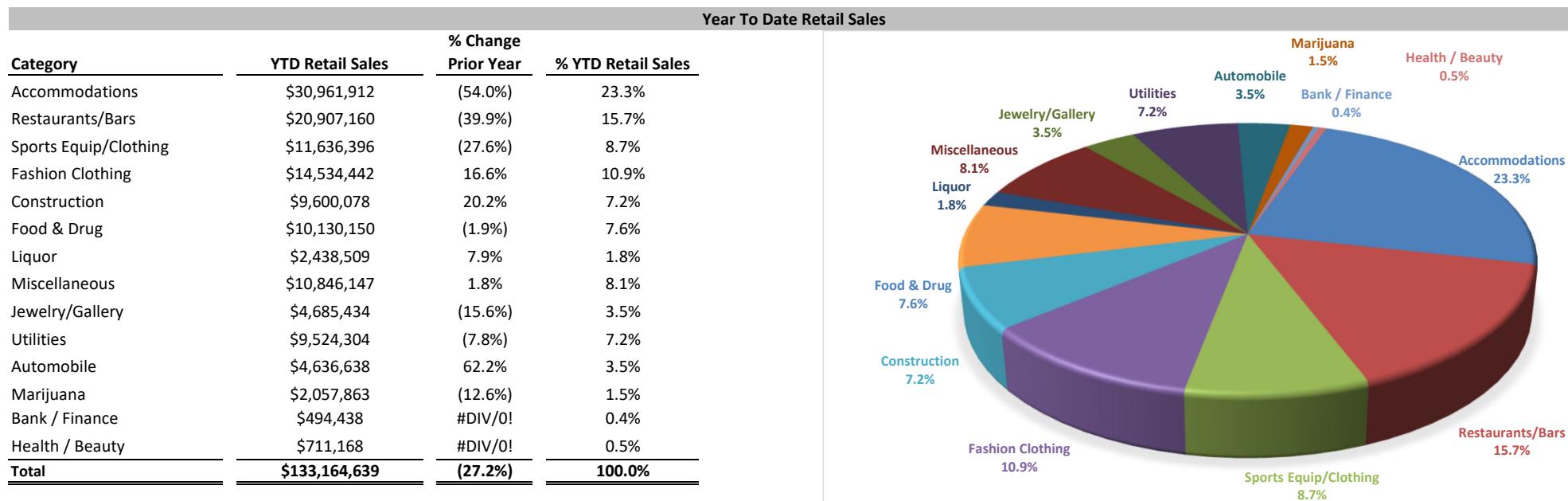
Real Estate Transfer Taxes:

Housing real estate transfer tax collections for March were up 116.4% and 64.5% on the year. Wheeler real estate transfer tax collections for March were up 18.5% and up 34.1% on the year. The difference seen on the percentage change in these two distinct real estate transfer taxes is due to a significant receipt for the sale of a large affordable housing deed restricted property which took place March 2020. Given this deed restriction, per the City's municipal code, this sale was exempt from the 1.0% affordable housing RETT computation but was required on the 0.5% Wheeler Opera House RETT. This is the underlying basis for why these two tax collections differed so significantly this past month.

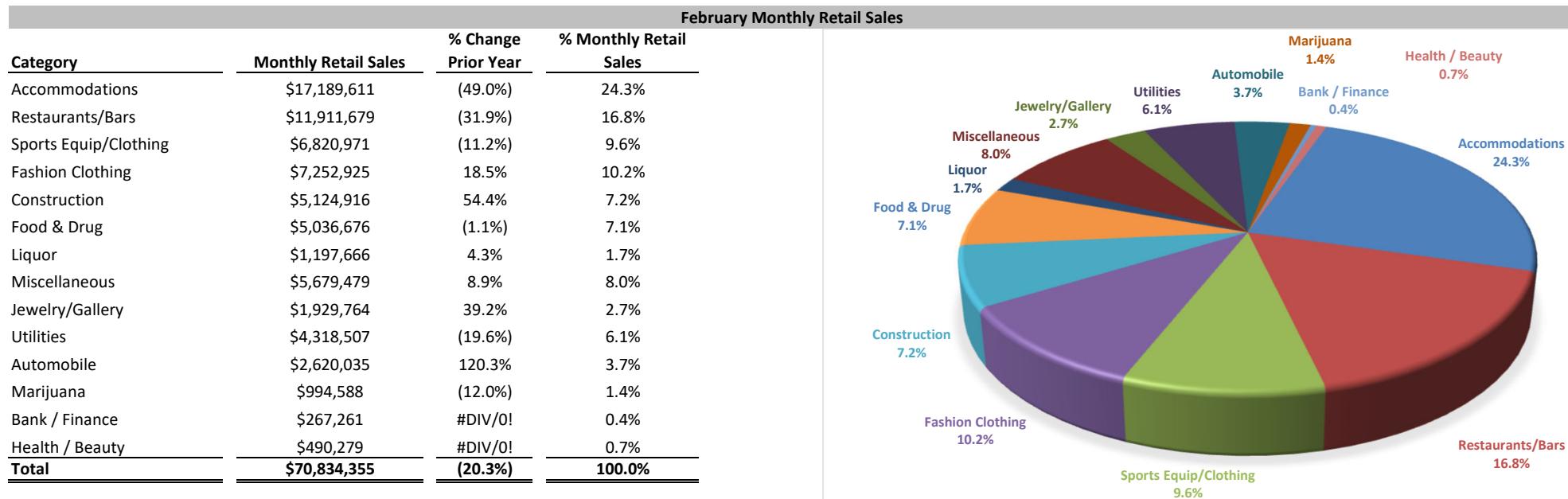
Category	In-Town	Out-of-Town	Grand Total
Total Accommodations	\$17,125,964	\$63,646	\$17,189,611
Construction / Trades	\$2,878,713	\$2,246,202	\$5,124,916
Misc. / Other	\$1,407,233	\$4,272,245	\$5,679,479
Food / Drug	\$4,874,396	\$162,280	\$5,036,676
Bar / Restaurant	\$11,911,679	\$0	\$11,911,679
Fashion / Clothing	\$7,146,203	\$106,722	\$7,252,925
Outdoor / Sporting	\$6,734,757	\$86,214	\$6,820,971
Utilities / Telecomm	\$965,726	\$3,352,782	\$4,318,507
Auto	\$2,620,035	\$0	\$2,620,035
Gallery / Jewelry	\$1,889,764	\$40,000	\$1,929,764
Liquor	\$1,186,609	\$11,057	\$1,197,666
Marijuana	\$994,588	\$0	\$994,588
Bank / Finance	\$0	\$267,261	\$267,261
Health / Beauty	\$390,073	\$100,205	\$490,279
Grand Total	\$60,125,741	\$10,708,614	\$70,834,355
Percentage		84.9%	15.1%



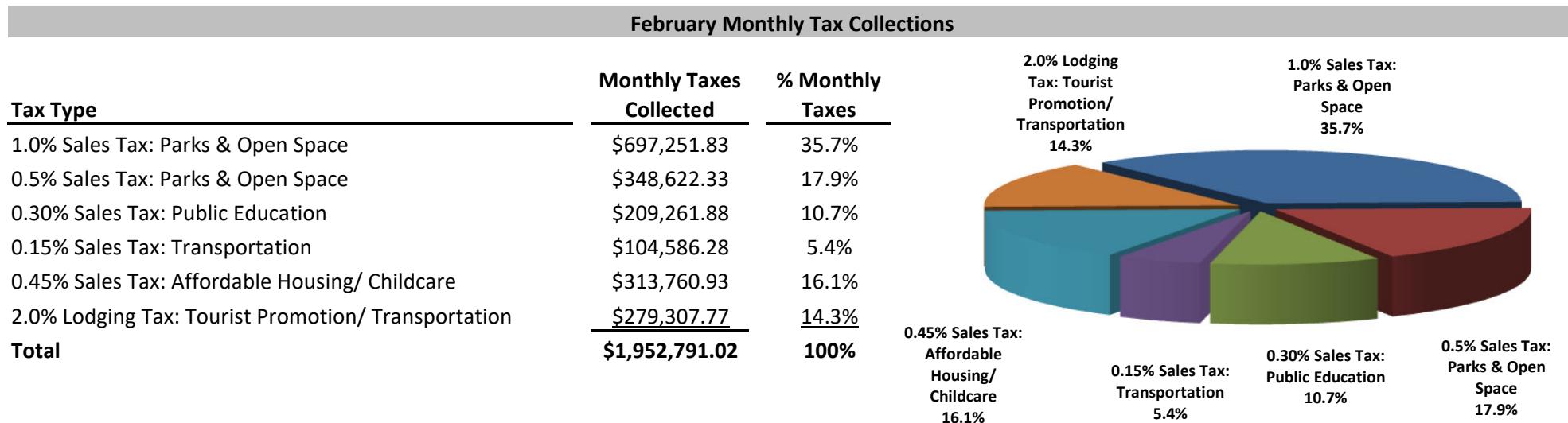
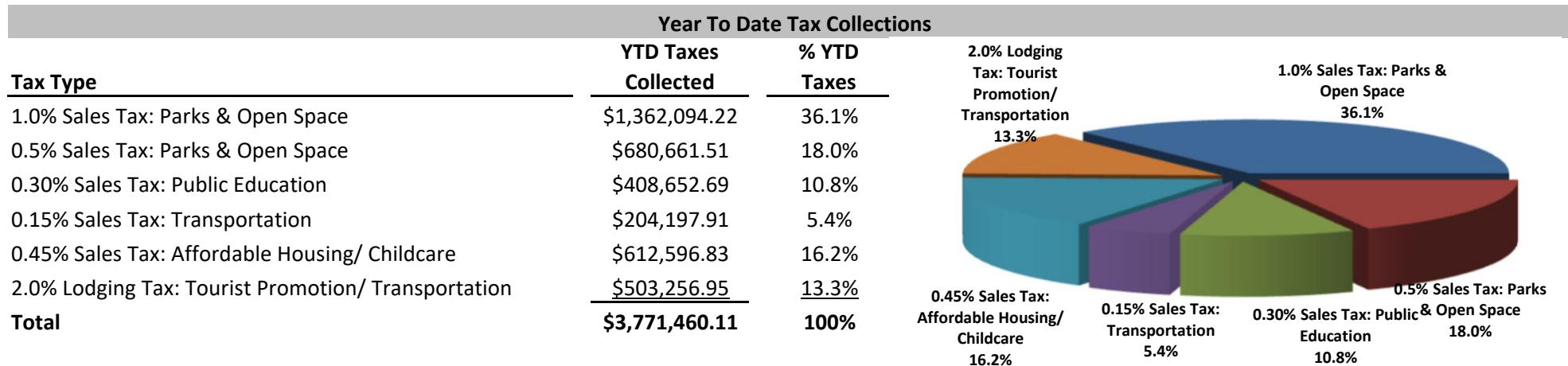
City of Aspen Retail Sales by Industry
February 2021



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.



City of Aspen Sales and Lodging Tax
February 2021

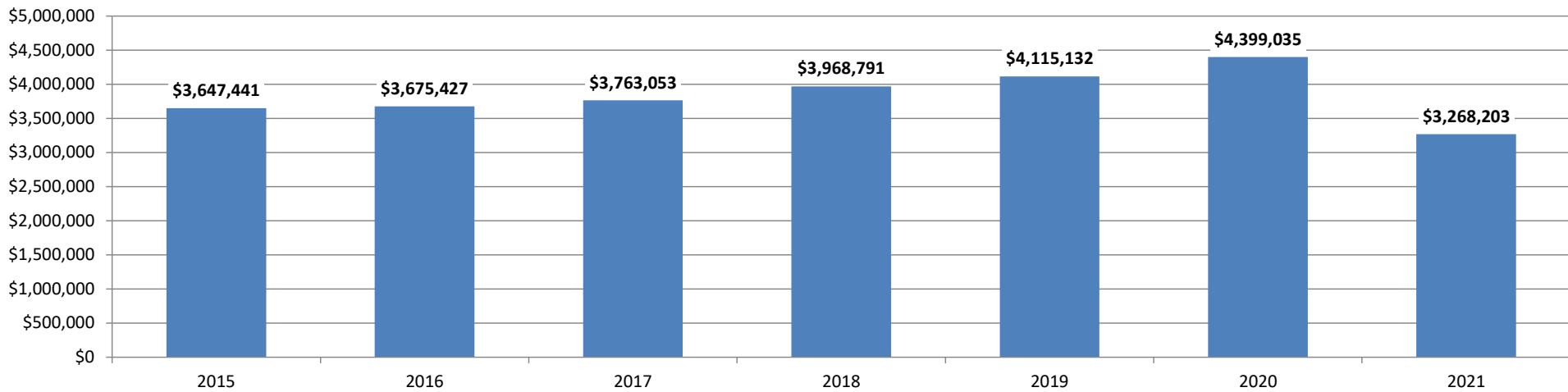


City of Aspen Sales Tax 2.4%
February 2021

Current Month Revenues are **(21.2%)** below last year's Monthly Revenues.
 Year To Date Revenues are **6.1%** above Year To Date Budgeted Revenues.
 Year To Date Revenues are **(25.7%)** below last year's Actual Year To Date Revenues.

2021 Monthly Budget vs. 2021 Actual			2021 YTD Budget vs. 2021 Actual			2021 vs. 2020			
<u>Month</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>2020 Monthly</u>	<u>Variance</u>	<u>2020 YTD</u>	<u>Variance</u>
Jan	\$1,595,006	\$1,594,720	\$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	\$3,081,332	\$3,268,203	6.1%	\$2,122,818	(21.2%)	\$4,399,035	(25.7%)
Mar	\$1,888,591		\$4,969,923			\$1,243,377		\$5,642,412	
Apr	\$777,333		\$5,747,255			\$524,409		\$6,166,820	
May	\$609,455		\$6,356,711			\$567,114		\$6,733,934	
June	\$1,451,356		\$7,808,067			\$1,315,505		\$8,049,440	
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 February



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

February 2021

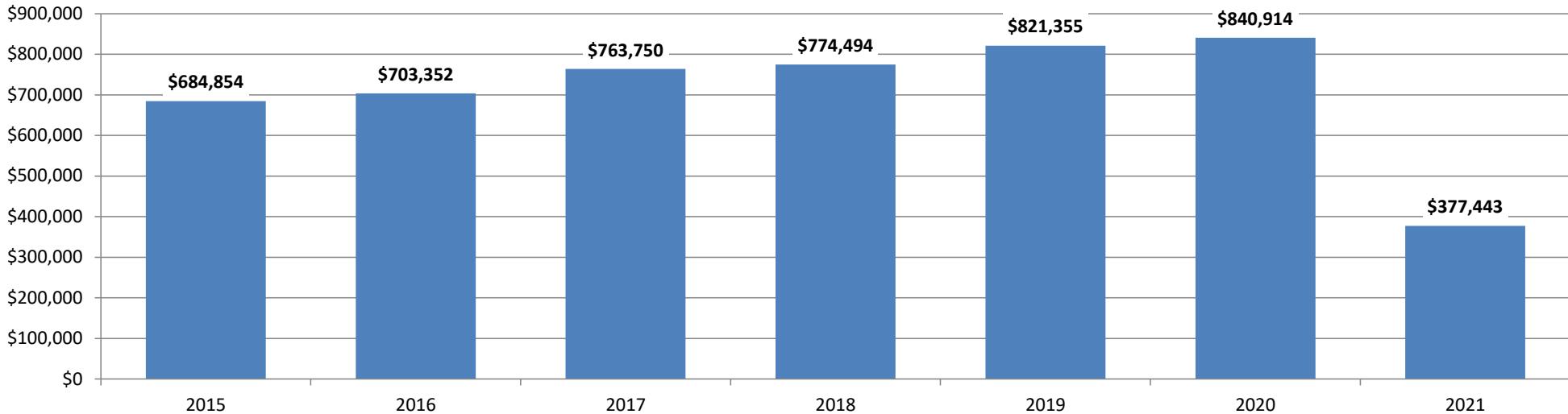
Current Month Revenues are (50.0%) below last year's Monthly Revenues adjusted for rate increase.

Year To Date Revenues are (34.3%) below Year To Date Budgeted Revenues.

Year To Date Revenues are (55.1%) 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			\$927,750			\$197,251		\$1,038,165	
Apr	\$64,500			\$992,250			\$5,581		\$1,043,746	
May	\$49,500			\$1,041,750			\$8,770		\$1,052,516	
June	\$186,750			\$1,228,500			\$99,543		\$1,152,059	
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 February

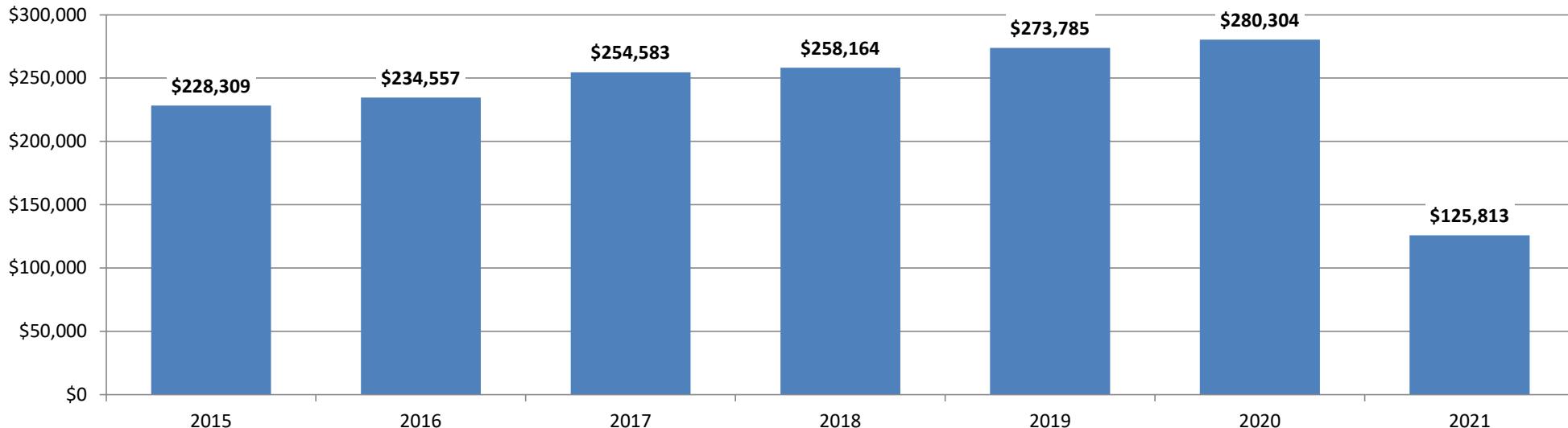


City of Aspen Transportation 0.5% Lodging Tax
February 2021

Current Month Revenues are (50.0%) below last year's Monthly Revenues
Year To Date Revenues are (34.3%) below Year To Date Budgeted Revenues.
Year To Date Revenues are (55.1%) 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			\$309,250			\$65,750		\$346,054	
Apr	\$21,500			\$330,750			\$1,860		\$347,915	
May	\$16,500			\$347,250			\$2,923		\$350,838	
June	\$62,250			\$409,500			\$33,181		\$384,019	
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 February

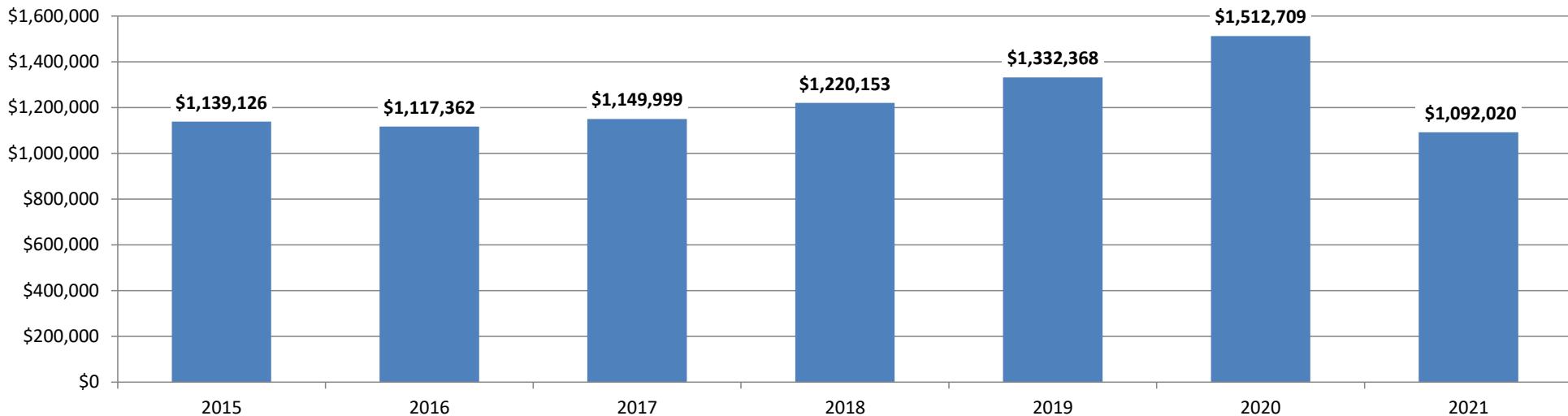


City of Aspen Portion of Pitkin County 3.6% Sales Tax
January 2021

Current Month Revenues are (27.8%) below last year's Monthly Revenues.
Year To Date Revenues are (19.5%) below Year To Date Budgeted Revenues.
Year To Date Revenues are (27.8%) 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	\$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			\$2,634,000			\$1,449,548		\$ 2,962,257	
Mar	\$1,293,000			\$3,927,000			\$708,210		\$ 3,670,467	
Apr	\$484,000			\$4,411,000			\$498,211		\$ 4,168,678	
May	\$398,000			\$4,809,000			\$430,729		\$ 4,599,408	
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 January

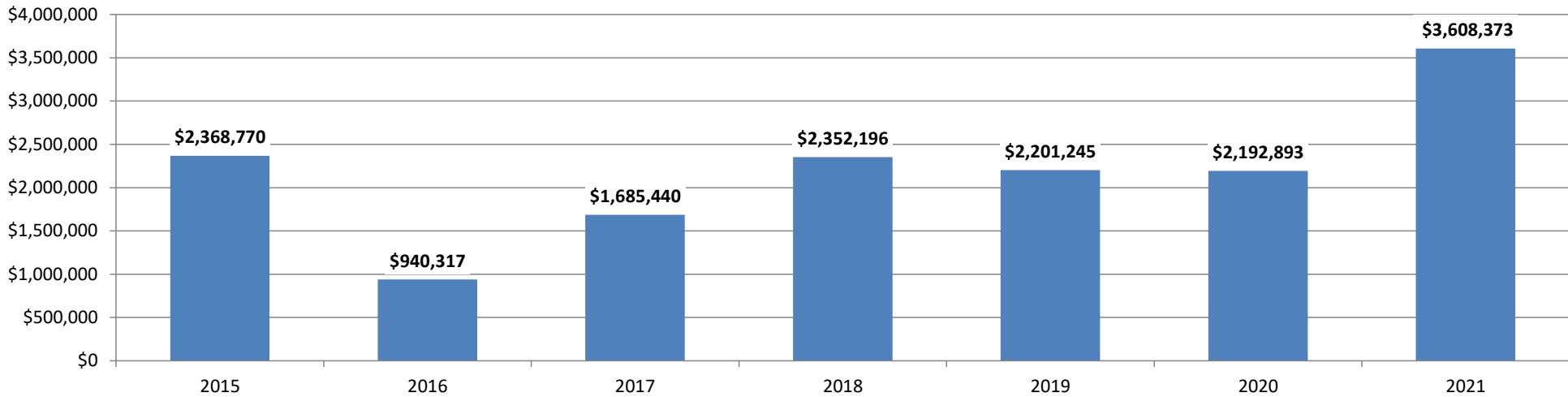


Housing Real Estate Transfer Tax
March 2021

Current Month Revenues are 116.4% above last year's Monthly Revenues.
Year To Date Revenues are 180.6% above Year To Date Budgeted Revenues.
Year To Date Revenues are 64.5% 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			\$1,845,900			\$505,915		\$2,698,808	
May	\$566,200			\$2,412,100			\$110,180		\$2,808,988	
June	\$537,300			\$2,949,400			\$477,350		\$3,286,338	
July	\$384,200			\$3,333,600			\$885,546		\$4,171,884	
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 March



Wheeler Opera House Real Estate Transfer Tax
March 2021

Current Month Revenues are 18.5% above last year's Monthly Revenues.
Year To Date Revenues are 179.2% above Year To Date Budgeted Revenues.
Year To Date Revenues are 34.1% 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			\$962,400			\$448,184		\$1,844,552	
May	\$298,400			\$1,260,800			\$58,875		\$1,903,427	
June	\$228,300			\$1,489,100			\$248,150		\$2,151,577	
July	\$185,600			\$1,674,700			\$464,915		\$2,616,492	
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 March

