

# CITY OF BUELLTON

## SALES TAX UPDATE

### 1Q 2021 (JANUARY - MARCH)



**BUELLTON**

TOTAL: \$ 618,839

7.6%  
1Q2021



8.7%  
COUNTY

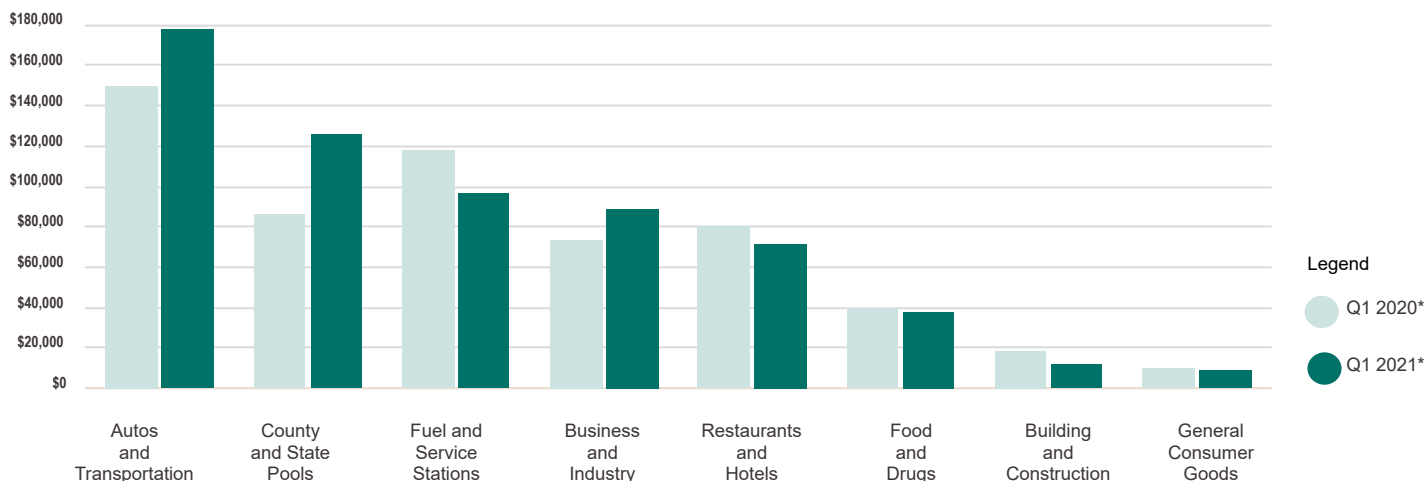


9.5%  
STATE



*\*Allocation aberrations have been adjusted to reflect sales activity*

### SALES TAX BY MAJOR BUSINESS GROUP



### CITY OF BUELLTON HIGHLIGHTS

Buellton's receipts from January through March were 56.9% above the first sales period in 2020. Excluding aberrations, actual sales were up 7.6%.

The variance between cash receipts and actual sales was mainly due to businesses taking advantage of the tax deferral programs put in place in the first quarter of 2020 at the onset of the pandemic. Locally, actual point of sale receipts rose 0.9% as results from the various business sectors were mixed.

The automotive group continued to thrive, posting an 18.8% gain as most dealerships posted strong sales results. Double-digit gains in garden/agricultural supplies and wineries helped boost business and industry 21.1%.

Fuel sales remain depressed, down 17.5% and well below county and statewide

trends. Lower sales at sit down restaurants continued to impact the restaurant and hotel group, which dropped 10.7%. Food and drug store sales dipped 4.3% as sales at these outlets have slowed. A prior business closeout caused a 40.1% decline in building and construction; sales of existing businesses in the group were higher.

The city's allocation from the countywide use tax pool increased 63.3%. The continuing surge in pool receipts is due to the Wayfair decision that required out of state companies to collect sales tax and increased demand for online purchases due to the pandemic that has changed consumers' buying habits.

Taxable sales for all of Santa Barbara County grew 8.7% over the comparable time period; the Central Coast region was up 9.7%.



### TOP 25 PRODUCERS

Airstream of Santa Barbara by Sky River  
Albertsons  
Buellton Shell  
Buelton Mobil  
Chevron  
Coast Auto Sales  
Conserv Fuel  
CVS Pharmacy  
Eagle Energy 76  
Farm Supply  
Go Wireless  
Habit Burger Grill  
Industrial Eats  
Jim Vreeland Ford  
McDonalds  
O'Reilly Auto Parts  
Platinum Performance  
Rio Vista Chevrolet  
Taproom & Barrelworks

The Hitching Post II  
Toms Gas & Market  
Tractor Supply  
USA Gasoline  
Wild Wood Door Factory  
Wonderful Wine



**STATEWIDE RESULTS**

The local one cent sales and use tax from sales occurring January through March, was 9.5% higher than the same quarter one year ago after factoring for accounting anomalies and back payments from previous quarters.

The Shelter-In-Place directive began one year ago which had the impact of immediate store and restaurant closures combined with remote/work from home options for employees which significantly reduced commuting traffic and fuel sales. When comparing to current period data, percentage gains are more dramatic. Furthermore, this pandemic dynamic combined with the Governor’s first Executive Order of last spring allowing for deferral of sales tax remittances explained why non-adjusted cash results were actually up 33%.

These initial recovery gains were not the same everywhere. Inland regions like Sacramento, San Joaquin Valley, Sierras, Far North and the Inland Empire area of Southern California performed much stronger than the Bay Area, Central Coast and metro areas of Southern California.

Within the results, solid performance by the auto-transportation and building-construction industries really helped push receipts higher. Weak inventories and scarcity for products increased the taxable price of vehicles (new & used), RV’s, boats and lumber which appeared to be a major driving force for these improved returns. Even though e-commerce sales activity continued to rise, brick and mortar general consumer retailers also showed solid improvement of 11% statewide.

An expected change occurred this quarter as a portion of use tax dollars previously distributed through the countywide pools was redirected to specific local jurisdictions. Changes in business structure required a

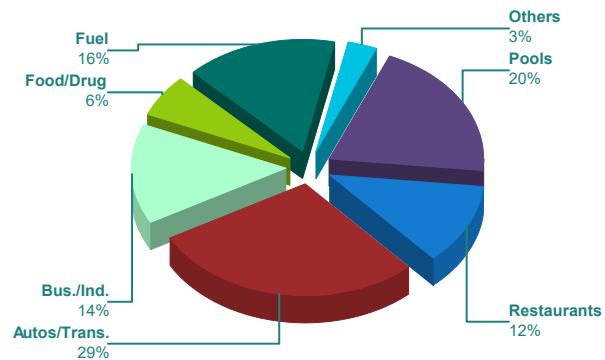
taxpayer to determine where merchandise was inventoried at the time orders were made. Therefore, rather than apportion sales to the county pool representing where the merchandise was shipped, goods held in California facilities required allocations be made to the agency where the warehouse resides. With this modification, the business and industry category jumped 18% inclusive of steady gains by fulfillment centers, medical-biotech and garden-agricultural suppliers. Even after the change noted, county pools surged 18% which demonstrated consumers continued desire to make purchases online.

Although indoor dining was available in many counties, the recovery for restaurants

and hotels still lagged other major categories. Similarly, while commuters and travelers slowly began returning to the road, the rebound for gas stations and jet fuel is trailing as well. Both sectors are expected to see revenues climb in the coming quarters as commuters and summer tourism heats up.

Looking ahead, sustained growth is anticipated through the end of the 2021 calendar year. As a mild head wind, pent up demand for travel and experiences may begin shifting consumer dollars away from taxable goods; this behavior modification could have a positive outcome for tourist areas within the state.

**REVENUE BY BUSINESS GROUP**  
Buellton This Quarter\*



\*ADJUSTED FOR ECONOMIC DATA

**TOP NON-CONFIDENTIAL BUSINESS TYPES**

Buellton Business Type	Q1 '21	Change	County Change	HdL State Change
Service Stations	96,972	-17.5% ↓	-4.4% ↓	-4.0% ↓
Garden/Agricultural Supplies	26,696	23.5% ↑	12.5% ↑	8.8% ↑
Quick-Service Restaurants	26,155	26.2% ↑	4.1% ↑	1.1% ↑
Casual Dining	25,372	-31.1% ↓	-19.2% ↓	-18.9% ↓
Wineries	20,259	28.6% ↑	4.3% ↑	0.8% ↑
Automotive Supply Stores	9,474	13.9% ↑	16.0% ↑	13.7% ↑
Auto Repair Shops	8,894	-13.9% ↓	-5.4% ↓	-8.6% ↓
Contractors	7,757	35.0% ↑	-0.1% ↓	3.6% ↑
Convenience Stores/Liquor	6,695	10.1% ↑	6.1% ↑	11.1% ↑
Auto Lease	4,195	101.6% ↑	2.4% ↑	-1.1% ↓

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