

# CITY OF OXNARD

## SALES TAX UPDATE

### 3Q 2020 (JULY - SEPTEMBER)



#### OXNARD

TOTAL: \$ 9,138,617

7.2%  
3Q2020



1.2%  
COUNTY

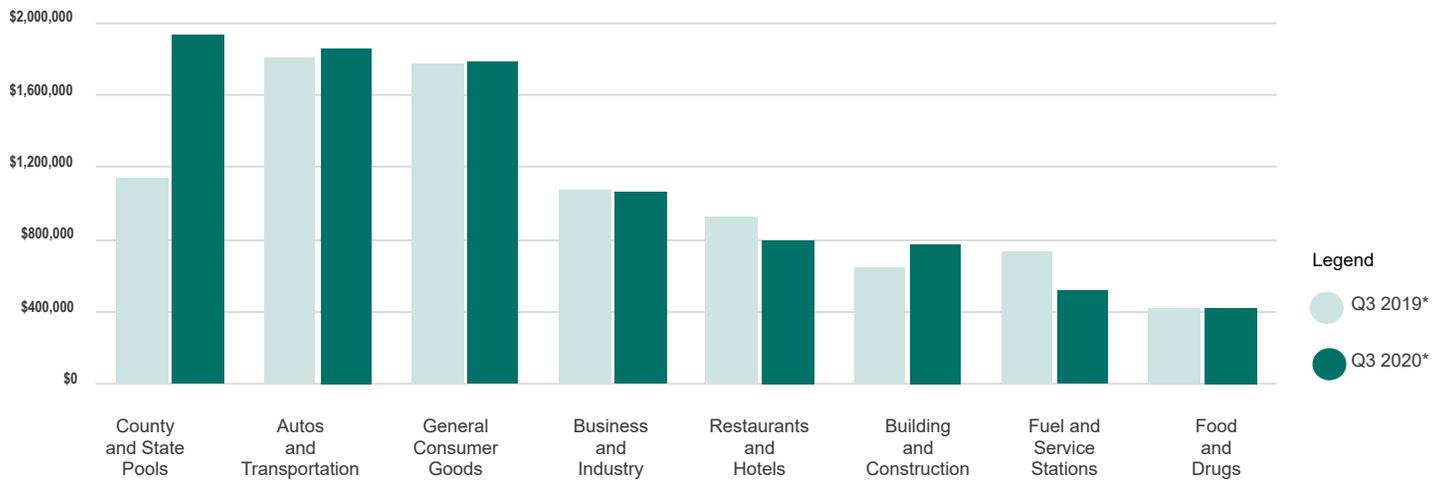


-1.0%  
STATE



\*Allocation aberrations have been adjusted to reflect sales activity

#### SALES TAX BY MAJOR BUSINESS GROUP



#### Measure O

TOTAL: \$4,039,302

7.4%



#### CITY OF OXNARD HIGHLIGHTS

Oxnard's receipts from July through September were 7.2% above the third sales period in 2019.

While COVID-19 continued to strike the state and most local economies, the City experienced net growth mainly attributable to stellar performance in the countywide use tax pool and a boost in sales in building and construction activity, which resulted in higher building materials and contractors' receipts.

Many business bucked the trend and enjoyed positive results this quarter including warehouse/farm equipment, used and new automotive dealers, home furnishings and quick service

restaurants.

With a continuing reduction in demand and consumption of fuel, service station returns were down. This combined with negative performance from casual dining, light industrial/printers, repair shop/hand tools, garden/agricultural supplies, and drugs/chemicals to offset the overall gain.

The City's Transaction and Use Tax Measure O generated 44.2% of the Bradley Burns amount. Net of aberrations, taxable sales for all of Ventura County grew 1.2% over the comparable time period; the Southern California region was down 1.6%.



#### TOP 25 PRODUCERS

Alexander GMC/Cadillac/Hyundai

Best Buy

Carmax

CNC Associates

Costco

Crop Production Services

DCH Audi of Oxnard

DCH Honda of Oxnard

DCH Lexus of Oxnard

Food 4 Less

Home Depot

Lowe's

Macvalley Oil Company

Mercedes Benz Of Oxnard

Quinn CAT Company  
Ross

Sams Club

Sysco Ventura

Target

Team Nissan

Toyota Lease Trust

Toyota of Oxnard

Vista Ford Lincoln Of Oxnard

Vons

Walmart Supercenter



## STATEWIDE RESULTS

The local one-cent sales and use tax from sales occurring July through September was 0.9% lower than the same quarter one year ago after factoring for accounting anomalies. The losses were primarily concentrated in coastal regions and communities popular with tourists while much of inland California including the San Joaquin Valley, Sacramento region and Inland Empire exhibited gains.

Generally, declining receipts from fuel sales, brick and mortar retail and restaurants were the primary factors leading to this quarter's overall decrease. The losses were largely offset by a continuing acceleration in online shopping that produced huge gains in the county use tax pools where tax revenues from purchases shipped from out-of-state are allocated and in revenues allocated to jurisdictions with in-state fulfillment centers and order desks.

Additional gains came from a generally solid quarter for autos, RV's, food-drugs, sporting goods, discount warehouses, building material suppliers and home improvement purchases. Some categories of agricultural and medical supplies/equipment also did well.

Although the slight decline in comparable third quarter receipts reflected a significant recovery from the immediate previous period's deep decline, new coronavirus surges and reinstated restrictions from 2020's Thanksgiving and Christmas gatherings compounded by smaller federal stimulus programs suggest more significant drops in forthcoming revenues from December through March sales.

Additionally, the past few quarter's gains in county pool receipts that were generated by the shift to online shopping plus last

year's implementation of the Wayfair v. South Dakota Supreme Court decision will level out after the first quarter of 2021.

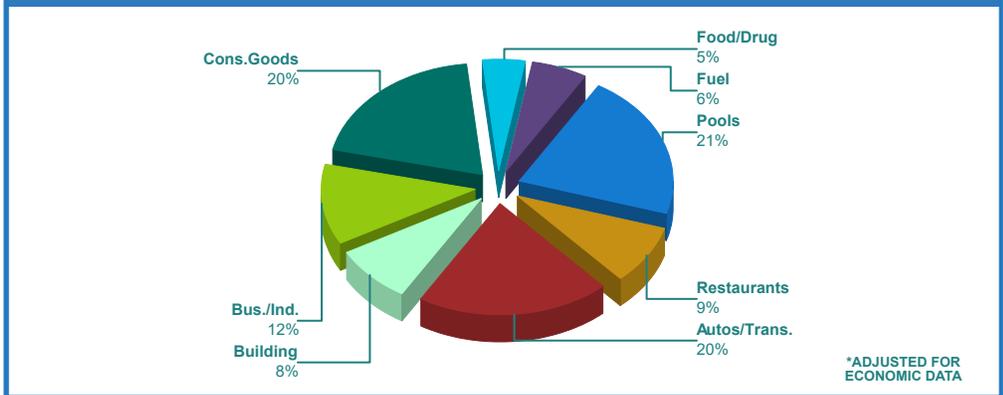
Much of the initial demand for computers and equipment to accommodate home schooling and remote workplaces has been satisfied. Manufacturers are also reporting that absenteeism, sanitation protocols, inventory and imported parts shortages have reduced production capacity that will not be regained until mass vaccines have been completed, probably by the fall of 2021.

Significant recovery is not anticipated until 2021-22 with full recovery dependent on the specific character and make up

of each jurisdiction's tax base. Part of the recovery will be a shift back to non-taxable services and activities. Limited to access because of pandemic restrictions, consumers spent 72% less on services during the third quarter and used the savings to buy taxable goods.

Full recovery may also look different than before the pandemic. Recent surveys find that 3 out of 4 consumers have discovered new online alternatives and half expect to continue these habits which suggests that the part of the recent shift of revenues allocated through countywide use tax pools and industrial distribution centers rather than stores will become permanent.

### REVENUE BY BUSINESS GROUP Oxnard This Quarter\*



### TOP NON-CONFIDENTIAL BUSINESS TYPES

Oxnard Business Type	Q3 '20*	Change	County Change	HdL State Change
New Motor Vehicle Dealers	1,185.0	1.7% ↑	4.3% ↑	5.9% ↑
Discount Dept Stores	847.8	6.6% ↑	-0.8% ↓	1.5% ↑
Building Materials	544.4	23.3% ↑	14.2% ↑	16.4% ↑
Service Stations	413.4	-28.4% ↓	-29.8% ↓	-29.0% ↓
Quick-Service Restaurants	401.1	5.9% ↑	-3.5% ↓	-10.2% ↓
Casual Dining	294.7	-25.7% ↓	-25.1% ↓	-38.0% ↓
Warehse/Farm/Const. Equip.	286.4	19.0% ↑	17.9% ↑	1.9% ↑
Grocery Stores	256.0	-5.8% ↓	7.1% ↑	7.1% ↑
Electronics/Appliance Stores	204.9	-7.0% ↓	-16.3% ↓	-21.3% ↓
Home Furnishings	186.6	2.6% ↑	2.1% ↑	-3.7% ↓

\*Allocation aberrations have been adjusted to reflect sales activity

\*In thousands of dollars