

# CITY OF COLUSA

## SALES TAX UPDATE

### 4Q 2024 (OCTOBER - DECEMBER)



#### COLUSA

TOTAL: \$ 353,048

-3.7%

4Q2024



-16.1%

COUNTY



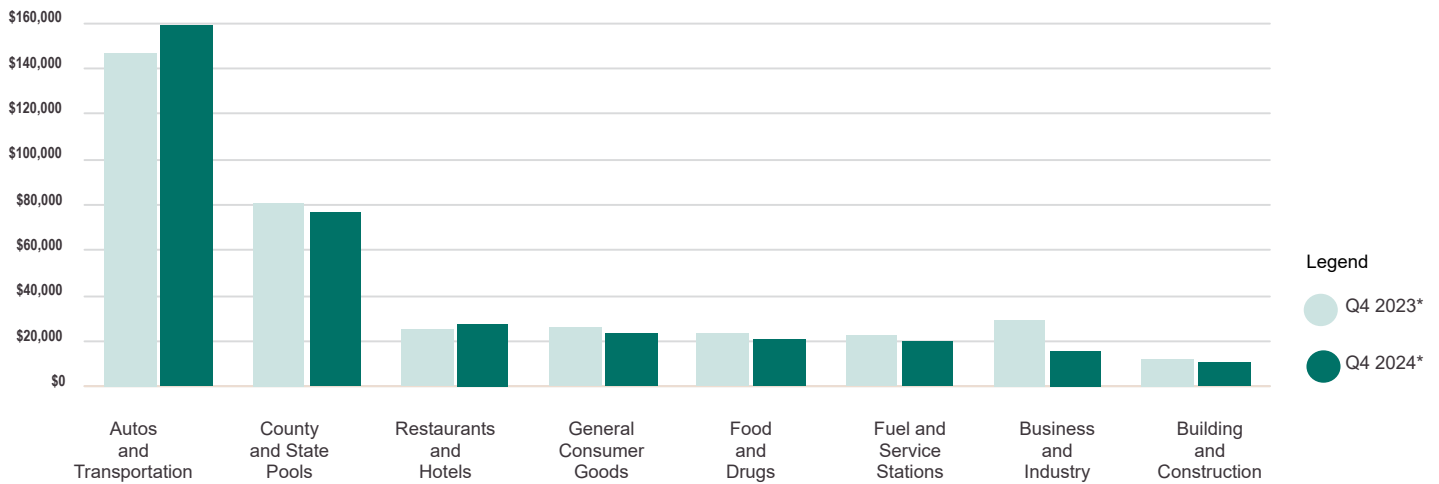
-1.2%

STATE



\*Allocation aberrations have been adjusted to reflect sales activity

#### SALES TAX BY MAJOR BUSINESS GROUP



#### Measure B

TOTAL: \$306,868

↓ -6.3%



#### CITY OF COLUSA HIGHLIGHTS

Colusa's receipts from October through December were 19.1% below the fourth sales period in 2023. Excluding reporting aberrations, actual sales were down 3.7%.

Consumers and businesses continued to deal with tight credit conditions in a higher interest rate environment. Recent news has noted more uncertainty in the economic outlook from federal policy makers and in terms of consumer sentiment.

Multiple groups reported lower sales with the largest decline in the business-industrial sector. Many businesses have deferred capital purchases and investments. Fuel-service station sales dropped with crude oil pricing more stable making it more affordable to fill-up for a tank of gas.

The stagnant housing market has led to diminished building receipts. Retail receipts suffered during the holiday shopping period for a drop in the general consumer goods group.

Outpacing regional and statewide trends, restaurants gained with the addition of a new quick service option. The automotive group contributed positive gains.

Measure B had weaker returns with fewer new and used vehicles purchased by residents, a similar drop in fuel sales, and building down, while positive results in general merchandise helped to offset the losses.

Net of aberrations, taxable sales for all of Colusa County dropped 16.1% from the comparable time period; the Far North region was down 3.7%.



#### TOP 25 PRODUCERS

Ace Hardware  
Acero Ca Building Components  
AutoZone  
Burger King  
Carl's Jr  
Chevron  
Country Stop  
Dollar General  
Enterprise Fm Trust  
Hoblit Chevrolet Gmc  
Hoblit Motors Ford  
Holiday Quality Foods  
Jeff's Freezette  
Kittles Outdoor & Sport Co

Kwik Stop  
Les Schwab Tire Center  
Little Caesars Pizza  
Napa Auto Parts  
Rite Aid  
Rocco's Bar & Grill  
Round Table Pizza  
Shop N Save  
Simplot Grower Solutions  
Superior Tire Service  
Wilbur Ellis



## STATEWIDE RESULTS

California's local one cent sales and use tax receipts during the months of October through December were 1.2% lower than the same quarter one year ago after adjusting for accounting anomalies. The fourth quarter is notably the highest sales tax generating period of the year but exhibited diminished year-over-year returns as consumers struggled with tariff concerns and pulling back on discretionary spending.

For the past eight quarters - two calendar years - statewide results have declined; led mostly by autos-transportation and building-construction suppressed activity due to the sustained high interest rate environment. Specifically, this quarter, as new and used car returns pulled back, only leasing activity improved likely representing buyers willingness to wait for more advantageous economic conditions before committing to long term obligations. Furthermore, building-construction drops spanned multiple categories including building materials, plumbing/electrical and contractors as property owners delay repairs and improvements until they're more comfortable tapping available equity.

During this holiday shopping period, brick-and-mortar general retailers slumped 2.4%, further hindered by lower gas prices. Recent closures by merchants selling variety/ low priced items and weaker returns from department stores were most impactful. As consumers appeared more interested in value/discounted items vs higher priced/ luxury goods, overall statewide receipts revealed growth from online retailers by way of local returns through fulfillment centers and allocations via each county's use tax pool demonstrating a desire to spend, just more through different vendors which shifted local tax distributions.

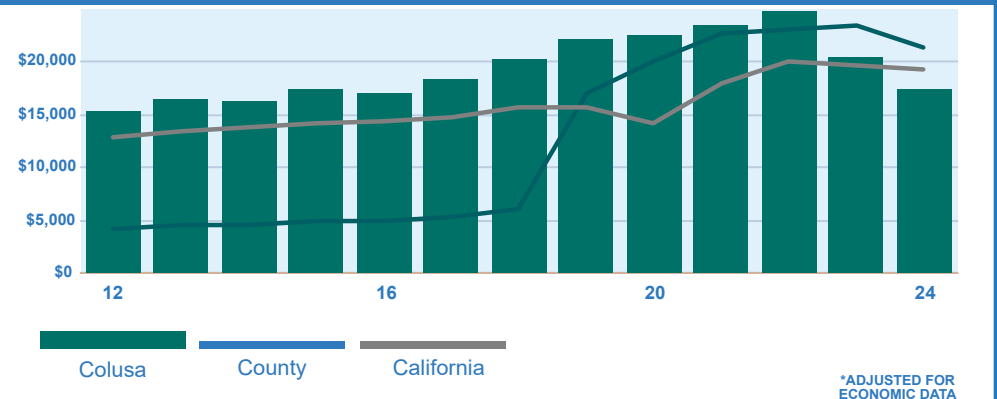
Fuel and service stations experienced a drop of 14% largely due to the decreased price of global crude oil. While this dynamic hurt the sector results, it did allow for more disposable income to be spent in other areas and does not appear to be changing in the near term.

Revenue from restaurants sustained a modest gain of 1.3%, with only a waning from fine dining establishments - consistent with spending trends in other sectors. As eateries try and balance higher menu prices and demand, a 'return to office' call by businesses could inspire future increased foot traffic for many venues in metropolitan centers.

The fourth quarter also marks the end of the calendar year. As expected 2024 was 1.2% lower than 2023 with most sectors taking a hit. Only restaurants, business-industry and allocations via the county use tax pools improved.

With national tariff discussions happening at the federal level, consumers start 2025 wondering if higher priced goods and difficult decisions are on the horizon. Also, the Federal Reserve Board hasn't signified any relief by way of lower interest rates leaving only minimal growth expectations to come. The theme of the current economic outlook is uncertainty.

### SALES PER CAPITA\*



### TOP NON-CONFIDENTIAL BUSINESS TYPES

Colusa Business Type	Q4 '24	Change	County Change	HdL State Change
Automotive Supply Stores	24,425	6.5% ↑	2.2% ↑	0.9% ↑
Service Stations	19,502	-13.6% ↓	-18.9% ↓	-13.1% ↓
Quick-Service Restaurants	15,593	28.1% ↑	-0.8% ↓	1.4% ↑
Casual Dining	11,856	-1.1% ↓	-1.2% ↓	1.8% ↑
Garden/Agricultural Supplies	9,508	-47.9% ↓	-43.0% ↓	-4.4% ↓
Auto Repair Shops	1,764	-41.9% ↓	-20.0% ↓	-5.3% ↓
Government/Social Org.	1,299	-41.1% ↓	-50.4% ↓	-2.0% ↓
Business Services	673	-19.6% ↓	-55.6% ↓	-1.9% ↓

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