

# TOWN OF TRUCKEE

## SALES TAX UPDATE

### 2Q 2025 (APRIL - JUNE)



#### TRUCKEE

TOTAL: \$ 1,582,066

0.9%  
2Q2025



-0.5%  
COUNTY

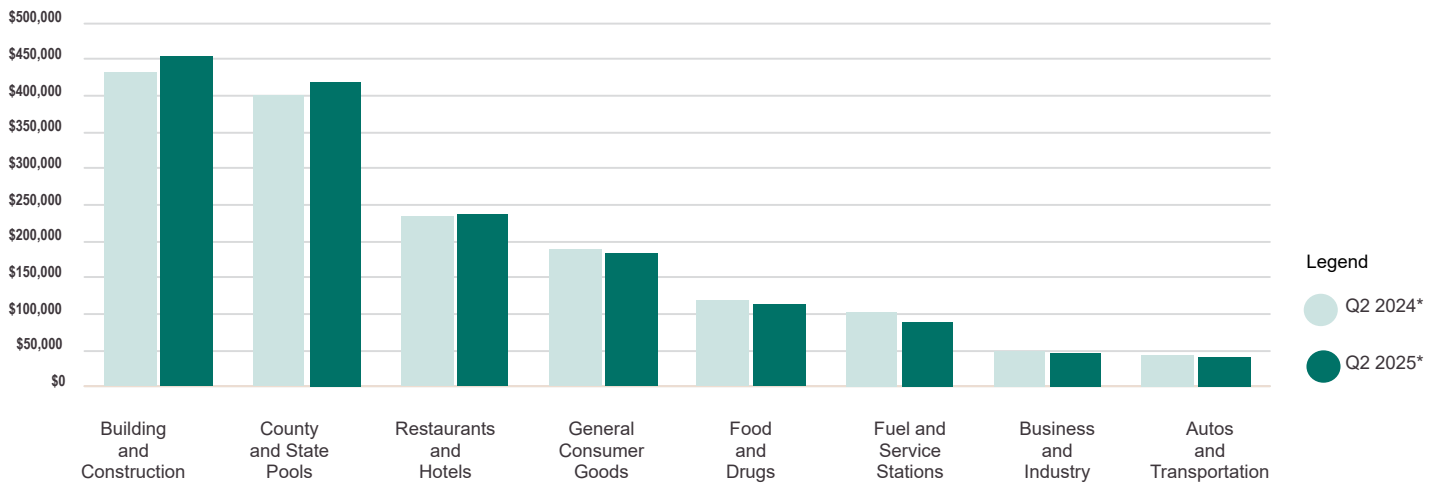


0.5%  
STATE



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

#### SALES TAX BY MAJOR BUSINESS GROUP



#### Measure V

TOTAL: \$859,306

-5.7%

#### Measure U

TOTAL: \$835,717



#### Measure E

TOTAL: \$827,300



### TOWN OF TRUCKEE HIGHLIGHTS

Truckee's receipts from April through June were 2.4% above the second sales period in 2024. Excluding reporting aberrations, actual sales were up 0.9%.

Consumer confidence has eroded to the lowest level in recent years resulting in reduced spending in multiple industry groups. While results were mixed in the building group with materials down, demand for contractors bumped up results for another quarter of positive news.

Casual dining spots led the modest gains posted by the restaurant-hotels group, with quick service options remitting lower returns. Cost conscious consumers reined in their spending at grocery stores and other food-drug segments, as they

sought deals amidst inflationary pricing.

General consumer goods suffered the fifth quarter of declining sales with fewer sporting goods sales, and the group was also hurt by some business closures.

The two newer transaction taxes Measure E and U do not yet have comparative data and are reporting as expected. Measure V saw reduced receipts from the building group, service stations, home furnishings, and used car purchases.

Net of aberrations, taxable sales for all of Nevada County declined 0.5% over the comparable time period; the Far North region was down 3.3%.



### TOP 25 PRODUCERS

- Associated Building Supply
- Bar Of America
- Bfs Group Of California
- Chevron
- CVS Pharmacy
- Edges Electrical Group
- Fast Lane Gas
- Ferguson Plumbing Supply
- Fifty Fifty Brewing Co
- Grocery Outlet
- J & L Shell & Food
- Mountain Hardware & Truckee Rentals
- Mountain Home Center
- O'Reilly Auto Parts
- Outdoor Living Supply
- Pacos Bike & Ski Pavilion
- Raley's O-N-E Market
- Safeway
- Sierra Mountain Pipe & Supply
- Teichert Aggregates
- Tnt Materials
- Truckee Paint Mart
- Truckee Shell
- Western Nevada Supply



### STATEWIDE RESULTS

California’s one-cent local sales and use tax receipts rose 0.6% in Q2 compared to the same period last year, after adjusting for accounting anomalies. While only modest growth, it is the second consecutive quarter experiencing positive results following an extended timeline of declines. This period is traditionally met with improved weather with the beginning of summer activity.

Steady gains in both business-industry and countywide use tax pools were driven by strong online sales, reflecting shopper’s willingness and ability to spend. Whether pulled from inventory within California or shipped from outside the state, demand for goods by value-conscious shoppers prevailed. Other notable upticks came from purchases of office and electrical equipment.

Increased tax receipts from restaurants also demonstrated diners continued desire to eat out. Even amongst higher menu prices and tip fatigue, casual dining establishments generated the largest lift. While this is a good sign for the coming summer season, underlying data shows that disposal personal income – a key driver of restaurant sales – is growing at a slower pace than prior years, possibly signaling softer tax growth on the horizon.

The two sectors primed to take advantage of upcoming interest rate changes, autos-transportation and building-construction, only experienced lackluster returns this period. New auto sales declined, offsetting gains in used vehicles and leasing, while building material sales remained unchanged from a year ago. However, aging vehicles and deferred home improvements remain a potential catalyst driving demand in the near term.

Balancing the positive results, revenue

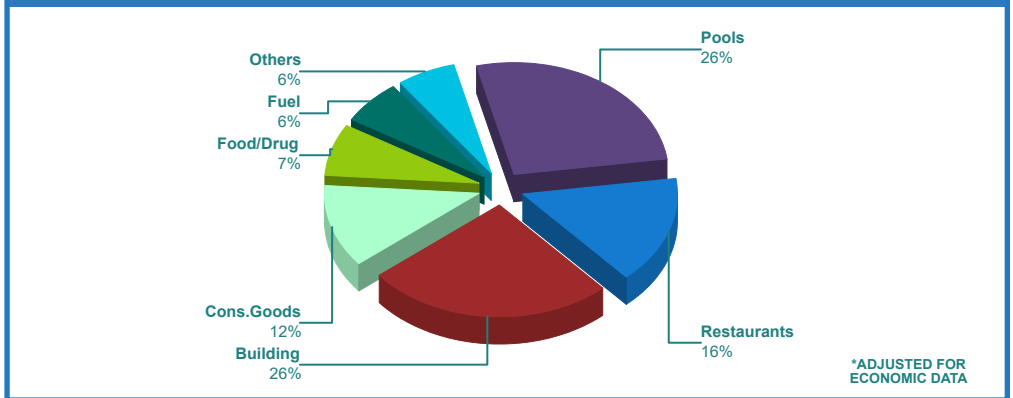
from fuel and service stations declined for the ninth time in ten quarters, primarily due to West Texas Intermediate (WTI) low crude oil prices. As the global economy and development remains tempered, so has the demand for oil, leaving prices relatively low. While this dampens sales taxes, lower fuel costs during peak travel months may boost spending in other segments.

Traditional retailers saw a 1% decline, with specialty, sporting goods, and department stores under performing compared to year ago totals. Inflation and tariffs continue to pressure consumer spending and retailer margins, prompting reevaluation of physical store investments by regional and national

companies alike.

The September reduction in the federal funds rate, noting the possibility of more in early 2026, leaves optimism regarding future financing and accessing equity opportunities for some consumers. However, national tariff/trade talks remain a vital piece of the inflation/higher prices story with the potential of diminishing spending power. So sluggish calendar year 2025 continues with only modest expansion expected braced against the ever-changing larger economic trends.

### REVENUE BY BUSINESS GROUP Truckee This Fiscal Year\*



### TOP NON-CONFIDENTIAL BUSINESS TYPES

Truckee Business Type	Q2 '25*	Change	County Change	HdL State Change
Contractors	226.9	49.6% ↑	31.7% ↑	-0.7% ↓
Building Materials	162.4	-24.3% ↓	-14.5% ↓	-0.9% ↓
Casual Dining	145.6	2.1% ↑	0.1% ↑	1.4% ↑
Service Stations	85.3	-11.9% ↓	-5.6% ↓	-9.4% ↓
Grocery Stores	76.9	-4.3% ↓	-1.3% ↓	-0.1% ↓
Home Furnishings	55.7	-2.4% ↓	-9.9% ↓	1.5% ↑
Sporting Goods/Bike Stores	45.1	-8.4% ↓	-10.6% ↓	-7.5% ↓
Quick-Service Restaurants	34.4	-4.7% ↓	0.9% ↑	-0.7% ↓
Plumbing/Electrical Supplies	25.7	-7.2% ↓	6.3% ↑	1.4% ↑
Auto Repair Shops	22.1	0.5% ↑	-6.5% ↓	-8.9% ↓

\*Allocation aberrations have been adjusted to reflect sales activity      \*In thousands of dollars