

TOWN OF TRUCKEE

SALES TAX UPDATE

3Q 2025 (JULY - SEPTEMBER)



TRUCKEE

TOTAL: \$ 2,043,287

2.0%
3Q2025



-0.1%
COUNTY

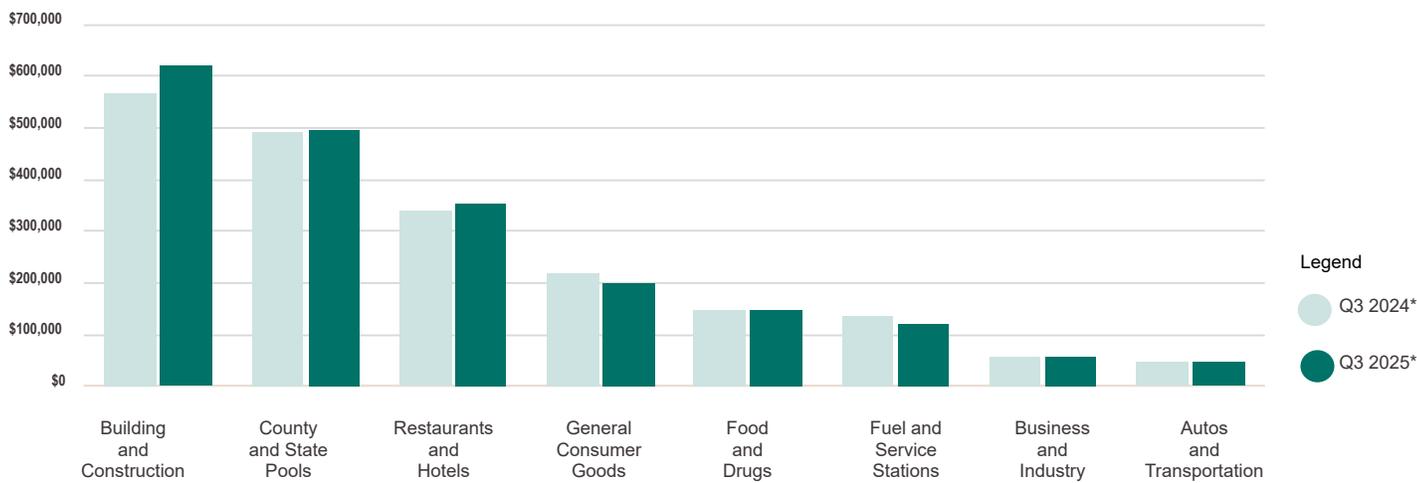


1.9%
STATE



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

SALES TAX BY MAJOR BUSINESS GROUP



Measure V

TOTAL: \$1,102,774

↑ 3.4%

Measure U

TOTAL: \$1,067,037



Measure E

TOTAL: \$1,066,985



TOWN OF TRUCKEE HIGHLIGHTS

Truckee's receipts from July through September were 6.2% above the third sales period in 2024. Excluding reporting aberrations, actual sales were up 2.0%.

Building-construction had a surge in this summer quarter; sales were strong and a one-time use tax furthered the gains.

Restaurants-hotel group also had strong sales; casual dining was up 2%, quick service restaurants were up almost 6% and fine dining was up 12.6%.

General consumer goods was down with a sharp drop in home furnishings; some categories did post gains; womens apparel and art/gift stores were up. Fuel-

service stations declined due to lower prices at the pumps. Food-drugs saw a slowing in sales as prices were slightly lower in this quarter.

Voter approved Measures E, U and V had strong sales in online purchases and new motor vehicles; Measure V results shows 4% gains in construction spending.

Net of aberrations, taxable sales for all of Nevada County were flat over the comparable time period; the Far North region was down 0.4%.



TOP 25 PRODUCERS

- Al Pombo
- Autovol
- 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
- Moodys Bistro Bar & Beats
- Mountain Hardware & Truckee Rentals
- Outdoor Living Supply
- Pavilion
- Raley's O-N-E Market
- Safeway
- Sierra Mountain Pipe & Supply
- Tahoe Donner Association
- Teichert Aggregates
- Tnt Materials
- Truckee Paint Mart
- Truckee Shell
- Western Nevada Supply



STATEWIDE RESULTS

California’s local one-cent sales and use tax receipts for July through September were 1.9% higher than the same quarter last year, after adjusting for accounting anomalies. While growth appears modest, calendar year 2025 remains on pace to rebound following two years of declines. Combined with second-quarter activity, the summer period posted a 1% improvement over the 2024 season.

Sustained consumer trends reflected a willingness to spend while remaining cost-conscious and prioritizing value. Online retailers, reporting to both business-industry and countywide use tax pools (depending on inventory location at purchase), recorded the strongest gains. This momentum extended to brick-and-mortar retailers, which also posted modest improvements. Seasonal “back-to-school” activity boosted men’s and family apparel along with shoe stores, lifting the General Goods sector and enhancing expectations for the upcoming holiday shopping period.

Tax receipts from restaurants edged higher, supported by households’ continued desire to eat out. Despite balancing higher menu prices, tip fatigue, and tighter margins, casual dining establishments generated the largest gains. Overall, summer performance appeared stable but lacked the tourism surge many had hoped for.

Offsetting positive results was a decline in revenue from fuel-service stations—marking the 10th out of the last 11 quarters with negative year-over-year change. This trend is largely tied to West Texas Intermediate (WTI) crude oil prices, which hit their lowest monthly levels since 2021. While lower gas prices may encourage spending in other categories, potential oil refinery closures in the coming year could keep per-gallon prices elevated.

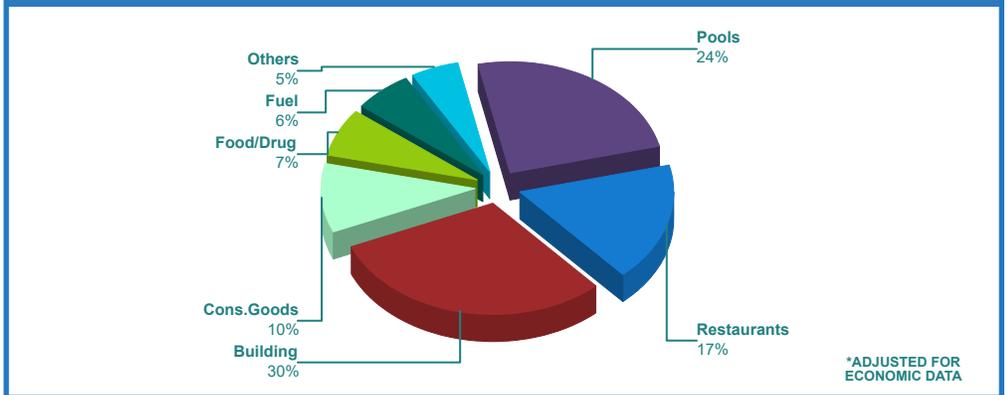
The food and drug sector continued its downward trend as grocers remitted fewer taxes, reflecting the challenge of generating taxable revenue amid rising food prices. Drug store filings have declined throughout the year, driven partly by increased access to medications through ecommerce platforms and a contraction in physical store footprints due to over-saturation and chain bankruptcies.

Two sectors poised to benefit from lower short-term interest rates—autos-transportation and building-construction—repeated a pattern of lackluster returns. A minor uptick came from new auto sales and leasing, while building material

suppliers struggled during the summer, likely creating pent-up demand for repairs and improvements ahead.

With the Federal Reserve considering additional rate changes in early 2026, optimism for improved consumer financing conditions and stronger sales tax receipts remains. As national tariff and trade talks ease, inflationary pressures will continue to shape spending behavior. For now, calendar year 2025 closes with sluggish but stable performance, awaiting broader economic shifts.

REVENUE BY BUSINESS GROUP Truckee This Quarter*



TOP NON-CONFIDENTIAL BUSINESS TYPES

| Truckee Business Type | Q3 '25* | Change | County Change | HdL State Change |
|------------------------------|---------|----------|---------------|------------------|
| Contractors | 360.2 | 52.5% ↑ | 45.8% ↑ | -0.2% ↓ |
| Casual Dining | 203.4 | 2.2% ↑ | 3.0% ↑ | 2.0% ↑ |
| Building Materials | 185.8 | -27.7% ↓ | -17.0% ↓ | -2.4% ↓ |
| Service Stations | 116.6 | -10.9% ↓ | -5.8% ↓ | -5.0% ↓ |
| Grocery Stores | 101.7 | -1.3% ↓ | -8.4% ↓ | -2.0% ↓ |
| Quick-Service Restaurants | 52.2 | 5.7% ↑ | 2.7% ↑ | -1.1% ↓ |
| Sporting Goods/Bike Stores | 45.5 | -8.0% ↓ | -13.7% ↓ | -1.9% ↓ |
| Paint/Glass/Wallpaper | 45.4 | 4.4% ↑ | 5.5% ↑ | 0.1% ↑ |
| Home Furnishings | 40.3 | -27.2% ↓ | -24.4% ↓ | 3.7% ↑ |
| Plumbing/Electrical Supplies | 27.2 | -8.8% ↓ | -3.6% ↓ | -0.6% ↓ |

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