

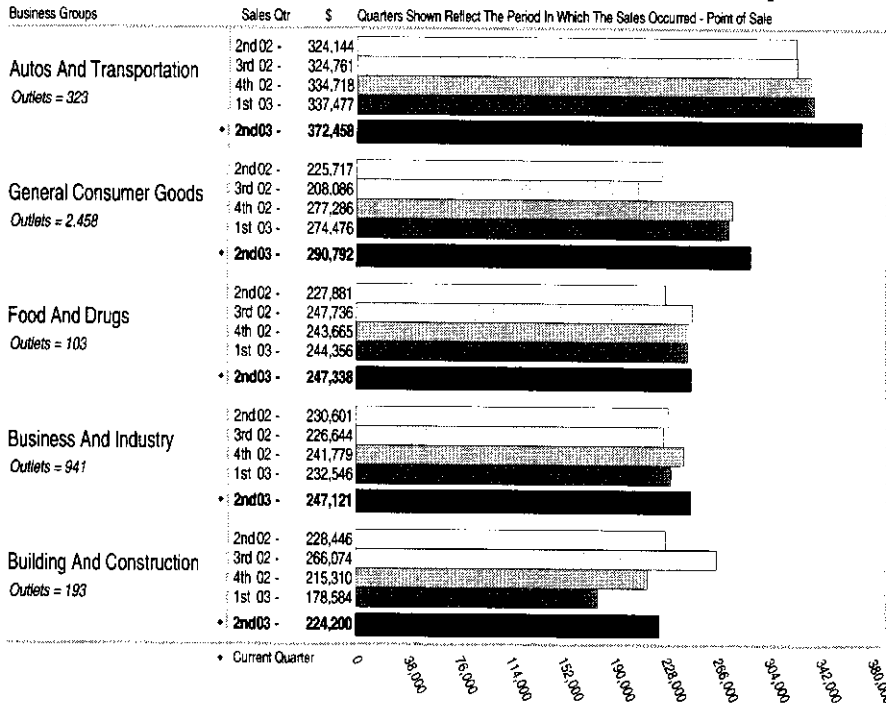


# EL DORADO COUNTY SALES TAX

Third Quarter Receipts for Second Quarter Sales (Apr. - June 2003)

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## Sales Tax By Major Business Group



## This Quarter

The unincorporated area's third quarter receipts for April through June sales were 10.9% higher than the same quarter one year ago. Actual sales tax activity was up 6.8% when one-time adjustments that skewed comparisons of service stations, grocery stores, light industrial equipment and bulk fuel products are factored out.

Strong sales and previous additions to new cars, discount department stores, supermarkets and health service categories all contributed to the increase in real sales. The gains were partially offset by a decline in some categories of building materials and business-to-business sales.

Gross receipts for all of El Dorado County including its cities, increased 5.8% over the comparable time period while the Sacramento region as a whole, was up 6.7%.

## Top 25 Producers Listed Alphabetically

Albertsons  
Bel Air Mart  
Cameron Park Exxon  
Dave's Rent A Car  
Digital Technology Solutions  
El Dorado Dodge Lincoln Mercury  
El Dorado Hills Chevron  
Family Chevrolet Cad Oldsmobile  
Frontier Dental Labs  
KMart  
Lee's Feed & Western Store  
Longs  
Meeks Building Center  
Mercedes Benz of El Dorado Hills  
Nor Cal Readymix  
Nu Star Motors  
Raleys  
Safeway  
Shingle Springs Honda  
Shingle Springs Nissan Subaru  
Sundance Spa & Health  
Texaco  
Tom's Sierra Fuel  
Tower Mart  
Wal Mart

## Sales Tax Notes

### Statewide Sales - Economic Outlook

Adjusted for accounting aberrations, the second quarter's statewide sales grew approximately 3.5% over last year's comparable quarter. About 30% of the gain was new cars with discount department stores, family apparel and lumber/building materials also exhibiting strong growth. The gains continued to be regionally specific with continuing declines in the North Bay offsetting growth in Southern California and the San Joaquin and Sacramento Valleys.

Although stabilized and in a recovery mode, the current rate of growth is not expected to be significant enough to help California with its current budget problems according to the latest UCLA Anderson Forecast. Continued unemployment in the North Bay region and government layoffs in

Sacramento are expected to offset gains in Southern California. Slow job growth is predicted until 2005 when a five-year spurt that will outpace the nation is predicted.

### Tax Simplification

Twenty states have now adopted legislation conforming to a model interstate agreement to create greater uniformity in imposing and collecting sales and use tax. With adoption by North Carolina, the project appears to have met its implementation threshold of least 20% of the population of the 45 states imposing sales tax.

The project's Governing Board is expected to have certified that the 20 states are in compliance with the model agreement in time for implementation in mid-2004. Congressional authorization to collect use tax on out-of-state catalog and Internet sales will be the next goal. Previous attempts

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