



**FINANCE AND BUDGET COMMITTEE
JANUARY 15, 2004**

SUBJECT: QUARTERLY SALES TAX UPDATE

ACTION: RECEIVE AND FILE

RECOMMENDATION

Receive and file report on sales tax revenues for fiscal year 2004.

ISSUE

The largest single source of MTA funds comes from Proposition A, Proposition C and Transportation Development Act (TDA) sales tax. Sales tax revenue for fiscal year 2004 represents over 60% or \$1.4 billion of our total budgeted revenues. This report discusses the actual versus budgeted status of sales tax receipts for the first three months of fiscal year 2004.

DISCUSSION

This report shows combined fiscal year-to-date Proposition A, C and TDA sales tax revenues earned for the three months ended September 30, 2003. State Board of Equalization final data are routinely available approximately three months in arrears.

For the three months ended September 30, 2003, the actual earnings were \$14.6 million or 4.3% higher than the same period last year. Revenues through the quarter were \$5.8 million or 1.7% higher than budget.

The following tables detail the first quarter fiscal-year-to-date 2004 increases over 2003 and 2004 actual earnings versus the 2004 budget.

(dollars in millions)

Period	FY03 Actual	FY04 Actual	Growth	Growth
Jul – Sep	\$ 338.4	\$ 353.0	\$ 14.6	4.3%

Period	FY04 Budget	FY04 Actual	Growth	Growth
Jul – Sep	\$ 347.2	\$ 353.0	\$ 5.8	1.7%

NEXT STEPS

We will continue to report on sales taxes quarterly with the next report due in April 2004.

Prepared by: Office of Management and Budget



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