

Sales Tax

Dec 2013

Mission: To ensure all appropriate sales taxes are collected by providing responsive and sound sales tax management services in order to sustain the City's fiscal health.

	12 Month Trend	Oct 13	Nov 13	Dec 13	YTD Actual to Expected				
<p>New Sales Tax Licenses Issued <i>Registration of new businesses and/or businesses making sales in Centennial. Measures Staff effort in outreach. Ensures compliance with licensing requirements.</i></p>		56	49	32	<table border="1"> <tr> <td>570</td> <td>Expected</td> </tr> <tr> <td>623</td> <td>Actual</td> </tr> </table>	570	Expected	623	Actual
570	Expected								
623	Actual								
<p>Percentage of Sales Tax Filings Made Online <i>Number of filings made online compared to total filings. Measures customer service and cost avoidance.</i></p>		34.7%	32.3%	35.7%	<table border="1"> <tr> <td>30.0%</td> </tr> <tr> <td>32.2%</td> </tr> </table>	30.0%	32.2%		
30.0%									
32.2%									
<p>Audit Return on Investment <i>Dollars received from audits compared to dollars spent on audits. Measures enforcement of sales tax requirements, compliance efforts, and audit effectiveness.</i></p>		10.1	10.3	9.7	<table border="1"> <tr> <td>5</td> </tr> <tr> <td>9.68</td> </tr> </table>	5	9.68		
5									
9.68									
<p>Number of Delinquent Accounts <i>Measures the number of accounts that have not filed a return. Measures outreach, compliance, and enforcement efforts.</i></p>		678	623	584	<table border="1"> <tr> <td>500</td> </tr> <tr> <td>584</td> </tr> </table>	500	584		
500									
584									

— Current Year
 — Previous Year





Key Performance Measures Report

Sales Tax Quarter 4 2013

Executive Summary

Survey Results

Completed results in Quarter 4 indicate a generally **high level** of service.

New Sales Tax Licenses Issued

There were 137 new sales tax licenses issued in Quarter 4 bringing the 2013 total to 623. This is 9.2% higher than the expected number of new sales tax licenses issued (570).

Percentage of Sales Tax Filings Made Online

The percentage of sales tax filings made online for Quarter 4 was 34.2%, an increase of 1.44% from Quarter 3. The total percentage of sales tax filings made online for 2013 was 32.2%, which is 7.3% higher than expected (30%), and higher than the average in 2012 (28.16%) and 2011 (23.22 %).

Audit Return on Investment

In Quarter 4, the City collected \$10 for every \$1 spent on sales tax audits, which represents a 4.16% increase from Quarter 3 (\$9.60) and is 75.4% above the expected return (\$10 to \$5.70). The audit return on investment for 2013 was \$9.68, which is 47% less than the amount in 2012 (\$18.88) and 28% less than the amount in 2011 (\$13.92). It is important to note that sales tax audits are conducted primarily as a compliance practice, rather than a revenue source for the City.

Number of Delinquent Accounts

Accounts become delinquent if a sales tax return is not filed by the appropriate deadline. For 2013, the City expected to have 500 delinquent accounts at any point in time. At the end of Quarter 4 (and 2013), the City had 584 delinquent accounts, a decrease from the number of delinquent accounts at the end of Quarter 3 (623). The 584 delinquent accounts the City had at the end of 2013 was roughly 22% less than the number of delinquent accounts at the end of 2012 (748) and roughly 26% less than the number of accounts delinquent accounts at the end of in 2011 (790).