



City Council Staff Report

From: City Manager

Report Type: INFORMATION REPORTS

Lead Department: Administrative Services

Meeting Date: September 16, 2024

Report #:2405-2990

TITLE

Sales Tax Digest 2024 Q1 (January to March)

DISCUSSION

This report transmits information regarding the City of Palo Alto's sales tax receipts for the first quarter (January-March) of 2024. Listed below are highlights from the report; detailed discussion and data can be found in the attached City of Palo Alto Sales Tax Digest and Legislative Update 2024 Q1 (Attachment A).

Regional and statewide sales tax based upon adjusted economic benchmark year (Attachment A, p. 2)

- Palo Alto: increased 7.8%
- San Francisco Bay Area: decreased 3.5%
- California statewide: decreased 3.8%

City's Most Significant Reasons for increases during this period (Attachment A, p. 2)

- New Auto Sales segment increased by 24.9%, comprises 16.0% of total sales tax
- Restaurant segment increased by 7.7%, comprises 17.3% of total sales tax

County Pool (Attachment A, p. 3)

- The City's share of the county pool for this quarter is 6.0%, unchanged from Q1 2023
- Sales tax receipts from the County pool totaled \$1.5 million

ATTACHMENTS:

Attachment A: 2024 Q1 Sales Tax Digest Summary with County Pool and Legislative Update

APPROVED BY:

Lauren Lai, Administrative Services Director