

# CITY OF SAN DIMAS

## SALES TAX UPDATE

### 4Q 2024 (OCTOBER - DECEMBER)



#### SAN DIMAS

TOTAL: \$ 2,287,283

0.5%

4Q2024



-2.8%

COUNTY



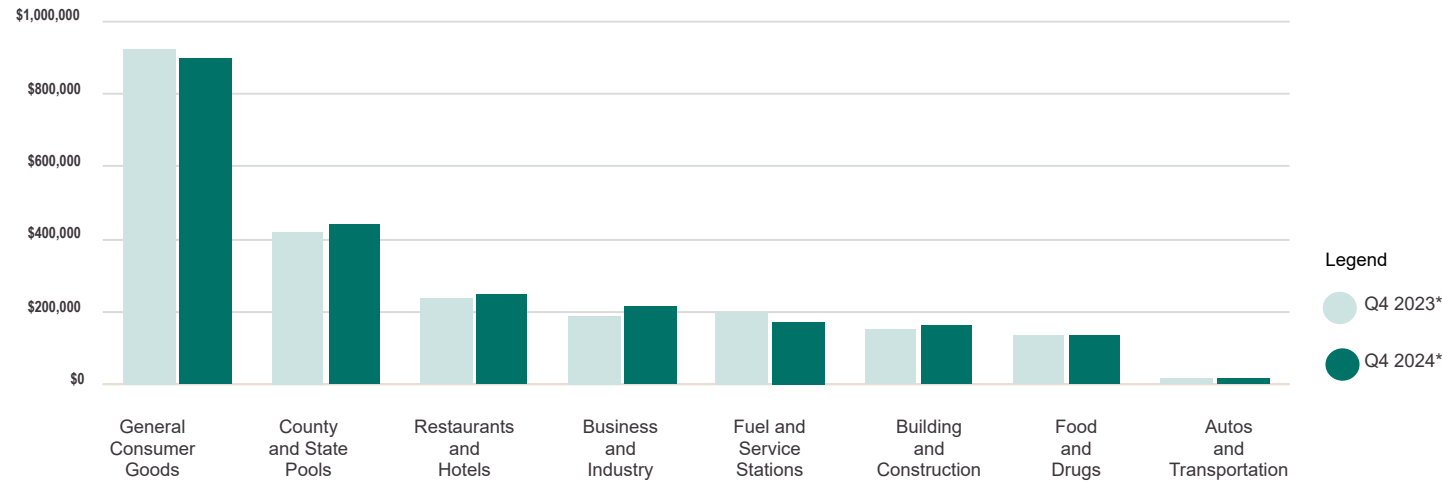
-1.1%

STATE



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

#### SALES TAX BY MAJOR BUSINESS GROUP



#### CITY OF SAN DIMAS HIGHLIGHTS

San Dimas' receipts from October through December were 3.4% above the fourth sales period in 2023. Excluding reporting aberrations, actual sales were up 0.5%.

The overall forecast and economic outlook is shadowed with uncertainty. Constantly fluctuating tariff impositions and moving parts with national public policy leads to a slowing in capital investments. Other factors causing volatility include concerns with inflation, ongoing global events and uncertainty about the timing and frequency of federal fund interest rate reductions. Our overall statewide forecast has weakened in the short term and reflects limited growth in Fiscal Year 2025-2026.

The City experienced the largest decline in general consumer goods. Overall consumer spending increased by 1% during the holiday 2024 season. The overall outlook

remains cloudy, with consumers expecting current policy decisions to spur inflation. The statewide forecast expects growth to be mild in Fiscal Year 2025-2026 driven by higher costs of goods relative to consumption.

Returns from business services, service stations, sporting goods, autos-transportation, and food-drugs were also down.

On the positive side, receipts from medical/ biotech, quick-service restaurants, leisure/ entertainment, casual dining, and the state and county pools grew compared to a year ago, which offset the losses and helped provide a slight overall quarterly gain.

Net of aberrations, taxable sales for all of Los Angeles County declined 2.8% over the comparable time period; the Southern California region was down 1.2%.



#### TOP 25 PRODUCERS

- |                            |                            |
|----------------------------|----------------------------|
| AC Pro                     | Show Sushi                 |
| Air & Lube Systems         | Stater Bros                |
| Albertsons                 | Target                     |
| ARCO                       | TJ Maxx                    |
| Berri Brothers Gas Station | Total Wine & More          |
| Boot Barn                  | Trader Joe's               |
| Burlington                 | Walters Wholesale Electric |
| Chevron                    |                            |
| Costco                     |                            |
| KPS Global                 |                            |
| Lowes                      |                            |
| McDonald's                 |                            |
| Olive Garden               |                            |
| Pool & Electrical Products |                            |
| Ross                       |                            |
| SCP Distributors           |                            |
| Second Image               |                            |
| Shell                      |                            |



## STATEWIDE RESULTS

California's local one cent sales and use tax receipts during the months of October through December were 1.1% lower than the same quarter one year ago after adjusting for accounting anomalies. The fourth quarter is notably the highest sales tax generating period of the year but exhibited diminished year-over-year returns as consumers struggled with tariff concerns and pulling back on discretionary spending.

For the past eight quarters - two calendar years - statewide results have declined; led mostly by autos-transportation and building-construction suppressed activity due to the sustained high interest rate environment. Specifically, this quarter, as new and used car returns pulled back, only leasing activity improved likely representing buyers willingness to wait for more advantageous economic conditions before committing to long term obligations. Furthermore, building-construction drops spanned multiple categories including building materials, plumbing/electrical and contractors as property owners delay repairs and improvements until they're more comfortable tapping available equity.

During this holiday shopping period, brick-and-mortar general retailers slumped 2.4%, further hindered by lower gas prices. Recent closures by merchants selling variety/ low priced items and weaker returns from department stores were most impactful. As consumers appeared more interested in value/discounted items vs higher priced/ luxury goods, overall statewide receipts revealed growth from online retailers by way of local returns through fulfillment centers and allocations via each county's use tax pool demonstrating a desire to spend, just more through different vendors which shifted local tax distributions.

Fuel and service stations experienced a drop of 14% largely due to the decreased price of global crude oil. While this dynamic hurt the sector results, it did allow for more disposable income to be spent in other areas and does not appear to be changing in the near term.

Revenue from restaurants sustained a modest gain of 1.3%, with only a waning from fine dining establishments - consistent with spending trends in other sectors. As eateries try and balance higher menu prices and demand, a 'return to office' call by businesses could inspire future increased foot traffic for many venues in metropolitan centers.

The fourth quarter also marks the end of the calendar year. As expected 2024 was 1.2% lower than 2023 with most sectors taking a hit. Only restaurants, business-industry and allocations via the county use tax pools improved.

With national tariff discussions happening at the federal level, consumers start 2025 wondering if higher priced goods and difficult decisions are on the horizon. Also, the Federal Reserve Board hasn't signified any relief by way of lower interest rates leaving only minimal growth expectations to come. The theme of the current economic outlook is uncertainty.

## SALES TAX RATE BREAKDOWN

**9.75%**

State General Fund	3.9375%
City/County General Fund (Bradley-Burns)	1.0000%
County Public Safety (Prop 172)	0.5000%
County Realignment (Mental Health/Welfare/Public Safety)	1.5625%
Countywide Transportation Fund	0.2500%
Los Angeles County Measure R (LAMT)	0.5000%
Los Angeles County Measure A (LACT)	0.5000%
Los Angeles County Measure C (LATC)	0.5000%
Los Angeles County Measure M (LAMA)	0.5000%
Los Angeles County Housing Measure A (HOUS)	0.5000%

**Tax Rate Effective April 01, 2025**
**9.7500%**

## TOP NON-CONFIDENTIAL BUSINESS TYPES

San Dimas Business Type	Q4 '24*	Change	County Change	HdL State Change
Service Stations	172.7	-14.0% ↓	-15.5% ↓	-13.0% ↓
Casual Dining	128.4	3.3% ↑	0.6% ↑	1.9% ↑
Family Apparel	78.1	1.1% ↑	0.9% ↑	1.3% ↑
Quick-Service Restaurants	76.7	6.8% ↑	1.1% ↑	1.7% ↑
Grocery Stores	71.8	-0.1% ↓	0.4% ↑	-1.0% ↓
Convenience Stores/Liquor	56.0	-1.0% ↓	-3.3% ↓	-2.3% ↓
Light Industrial/Printers	41.1	6.3% ↑	-4.9% ↓	-1.9% ↓
Specialty Stores	31.5	-4.3% ↓	0.3% ↑	-1.7% ↓
Business Services	30.7	-15.0% ↓	-3.3% ↓	-1.9% ↓
Fast-Casual Restaurants	30.4	0.2% ↑	-1.1% ↓	1.5% ↑

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