



Window on State Government

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System Maintenance and Holiday Notice

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For Immediate Release

November 7, 2008

Comptroller Susan Combs Reports Continuing Increase in Sales Tax Collections

(AUSTIN) — Texas Comptroller Susan Combs says the state collected \$1.73 billion in sales tax revenue in October, up 5.2 percent compared to October 2007.

“Sales tax collections grew in the first two months of fiscal 2009, however, at slower rates than generally seen over the past three years,” Combs said. “Collections have continued to increase overall, but remittances from the key retail trade sector have begun to decline slightly as consumers grow increasingly cautious and confidence erodes.”

Today, Combs distributed \$548.3 million in November sales tax rebates to cities, counties, transit systems and special purpose taxing districts. Local sales tax allocations are up 4.4 percent compared to November 2007.

Combs sent Texas cities \$373.8 million in sales tax allocations, up 4 percent compared to November 2007. So far this calendar year, city sales tax allocations are up 5.2 percent compared to the same time period last year. Texas counties received November sales tax allocations of \$33 million, up 8.7 percent compared to one year ago. For the calendar year-to-date, county sales tax allocations are running 7.6 percent ahead of 2007.

The 137 special purpose taxing districts around the state received \$20.5 million in sales tax, up 23.4 percent compared to last November. Ten local transit systems received \$120.9 million in November sales tax rebates, up 1.7 percent compared to a year ago.

October state sales tax collections and November sales tax allocations to local governments represent

September sales reported to the Comptroller in October by monthly tax filers and July, August and September sales reported to the Comptroller in October by quarterly tax filers.

For details of November sales tax payments to individual cities, counties, transit systems and special purpose districts, locate the *Monthly Sales and Use Tax Allocation Comparison Summary Reports* on the Comptroller's Web site at www.window.state.tx.us/taxinfo/allocsum/compsum.html.

Comptroller Combs would also like to remind local governments help is available if they suffered a loss of sales tax revenue due to business disruption caused by Hurricane Ike. Local governments in the 29 counties declared FEMA disaster areas can, upon request, receive an advance local sales tax allocation in November and December if their allocation declined from November and December of 2007. The difference would be made up by the advance allocation in those two months. Taxing entities that choose to accept the offer will have to make repayment during 2009. Of the 241 local taxing jurisdictions in the FEMA disaster areas, 120 had lower sales tax allocations this month compared to November 2007.

The Comptroller's next local sales tax allocation will be made on Friday, Dec. 12.

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Find details on all the services of the Comptroller's office at www.window.state.tx.us, including a transparent look at state spending at www.window.state.tx.us/wherethemoneygoes.