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NASSAU COUNTY LEGISLATURE
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Inter-Departmental Memo

To: Hon. Howard Kopel, Chairman
All Members of the Budget Review Committee

From: Maurice Chalmers, Director
Office of Legislative Budget Review

Date: June 29, 2012

Re: FY 12 Sales Tax

Year-to-date sales tax collections total \$442.2 million. This is an increase of \$18.1 million, or 4.3%, over the receipts through the same period last year. Sales tax collections can fall approximately -0.25% over the rest of the year and the 2012 sales tax budget would be achieved.

Sales Tax Receipts

(Payments Through June 29, 2012 in millions)

	2011	2012	Variance \$	Variance %
Gross YTD Sales Tax	\$424.2	\$442.2	\$18.0	4.3%

The year-to-date sales tax collections include the EFT for the period of June 1, 2012 through June 22, 2012. With the receipt of the July 12, 2012 check, sales tax collections for all purchases made through May 2012 will have been received.

Strong growth in the Long Island luxury retail market may be seen as contributing to the increase recorded in County sales tax collections. Local merchants report that luxury retail on Long Island has rebounded and is back to pre-recession levels. According to consulting firm Bain &

Co., 2011 luxury sales worldwide increased a little more than 10% from 2010 and about 25% from 2009. They are currently projecting 7% growth in 2012.¹

If you should have any further questions, please let me know.

cc: Hon. George Maragos, Nassau County Comptroller
Frank Moroney, Nassau County Chief Deputy Comptroller
Tim Sullivan, Deputy County Executive
Eric Naughton, Director, OMB
Evan Cohen, Executive Director, NIFA
David Gugerty, Minority Chief of Staff
Dan McCloy, Director of Law, Finance & Operations
Gregory May, Director of Legislative Affairs
William Muller, Clerk of the Legislature

¹ Winzelberg, David, "Long Island Luxury Retail on the Rebound", Long Island Business News, June 22, 2012.