



# Sales Tax Distribution ILA Review

May 4, 2020



# Current Sales Tax Distribution ILA (58%/42%)

Per Capita Distribution	1/2 Cent (40)	1/2 Cent (42)	1 Cent (39)	1/2 Cent (44)	City Hold Harmless	Total Distrib.
Durham County	\$ 14,028,246	\$ 17,328,568	\$ 34,652,025	\$ -	\$ (9,591,010)	\$ 56,417,829
Durham City	\$ 11,904,157	\$ 14,703,875	\$ 29,403,272	\$ -	\$ 9,426,603	\$ 65,437,906
Chapel Hill	\$ 147,938	\$ 182,706	\$ 365,355	\$ -	\$ 117,161	\$ 813,159
RTP	\$ 60,238	\$ 74,411	\$ 150,701	\$ -	\$ 47,247	\$ 332,598
<b>Grand Total</b>	<b>\$ 26,140,578</b>	<b>\$ 32,289,561</b>	<b>\$ 64,571,352</b>	<b>\$ -</b>	<b>\$ (0)</b>	<b>\$ 123,001,492</b>

Current Interlocal	
\$121,855,735	Total DCo and DCity Sales Tax (minus Art. 46)
\$70,676,326	58% DCo Share
\$51,179,409	42% DCity Share
\$14,258,497	58% <i>DCity Distribution To DCo</i>


# Proposed Sales Tax Distribution ILA (56%/44%)

Per Capita Distribution	1/2 Cent (40)	1/2 Cent (42)	1 Cent (39)	1/2 Cent (44)	City Hold Harmless	Total Distrib.
Durham County	\$ 14,028,246	\$ 17,328,568	\$ 34,652,025	\$ -	\$ (9,591,010)	\$ 56,417,829
Durham City	\$ 11,904,157	\$ 14,703,875	\$ 29,403,272	\$ -	<b>\$ 9,426,603</b>	\$ 65,437,906
Chapel Hill	\$ 147,938	\$ 182,706	\$ 365,355	\$ -	\$ 117,161	\$ 813,159
RTP	\$ 60,238	\$ 74,411	\$ 150,701	\$ -	\$ 47,247	\$ 332,598
<b>Grand Total</b>	<b>\$ 26,140,578</b>	<b>\$ 32,289,561</b>	<b>\$ 64,571,352</b>	<b>\$ -</b>	<b>\$ (0)</b>	<b>\$ 123,001,492</b>

Proposed Interlocal	
\$121,855,735	Total DCo and DCity Sales Tax (minus Art. 46)
\$68,239,212	56% DCo Share
\$53,616,523	44% DCity Share
\$11,821,383	56% <i>DCity Distribution To DCo</i>

# Proposed Sales Tax Distribution Interlocal (Change)

Current Interlocal	
\$121,855,735	Total DCo and DCity Sales Tax (minus Art. 46)
\$70,676,326	58% DCo Share
\$51,179,409	42% DCity Share
\$14,258,497	58% <i>DCity Distribution To DCo</i>



Proposed Interlocal	
\$121,855,735	Total DCo and DCity Sales Tax (minus Art. 46)
\$68,239,212	56% DCo Share
\$53,616,523	44% DCity Share
\$11,821,383	56% <i>DCity Distribution To DCo</i>

**County Reduction - (\$2,437,114)**

# Proposed Sales Tax ILA Key Points

- County Sales Tax Collection Reduction from Current ILA = \$2,437,114
- Proposed ILA Very Close to Ad Valorem “Equivalent” Distribution for City
- ILA for One Year Only
- County Would Have to Ad Valorem Distribution with no ILA
  - Ad Valorem Distribution would Distribute Sales Tax Revenue to Other Taxing Districts (ie, VFDs)
- County will propose ongoing ILA for FY 2021-22 and Future Years that Supports an Ad Valorem Equivalent Sales Tax Distribution for City



# QUESTIONS?