



Source: City of Burlingame, Finance Department, 2016.

The largest segment of sales tax revenue in Burlingame (39%) comes from automobile sales and other transportation-related sales, largely due to the various automobile dealerships located on Burlingame Auto Row and near Broadway. The next largest segment of taxable transactions is in general consumer goods. Growth in this segment continues to come largely from spending on high-end clothing, jewelry, and beauty products. The trend toward online shopping is shifting tax revenues from brick and mortar stores to either countywide pools or centralized distribution warehouses. Retail analysts expect online sales to expand in the future, and retailers are testing new concepts such as reducing store sizes or converting their physical locations into places for customers to test products as more merchandise are being sold online. As a result, Burlingame continues to focus on economic development opportunities that will keep its shopping districts robust. Sales and Use taxes currently account for 18.2% of General Fund revenue.

Please note that Fiscal Year 2015-16 marks the end of the State’s “revenue swap” mechanism, also known as “The Triple Flip,” that was approved by voters and became effective in 2004 to secure California’s Economic Recovery Bonds. An adjustment of over \$1.2 million is anticipated. Sales tax receipts is not expected to decline sharply in Fiscal Year 2017 as it appears in the graph above because it is only the Fiscal Year 2016 adjustments.