

Santa Cruz Taxable Sales Increase Tops State Figure Of 14.1 Percent

Taxable sales in the city of Santa Cruz increased 14.4 percent in the first quarter of 1980, as compared to a year earlier, a showing that bettered the statewide taxable sales increase of 14.1 percent.

Robert Shepherd, Santa Cruz finance director, stated that the city remains the dominant market area in the county, increasing its share of countywide taxable sales to 34.5 percent.

In an analysis of comparative taxable sales data for the total county and for cities within the county, Shepherd noted that trends over the past three years are "interesting."

He elaborated: "In 1977 the city held 34.8 percent of the countywide market. This has decreased very slightly by a fraction of a percent to 34.5 percent. This clearly indicates

the city has been able to hold the lion's share of the area's retail sales market despite increased competition from retail centers outside the city.

"During this same period, Watsonville dropped by 3.7 percent to 17.6 percent of the county market, while Capitola increased 1.2 percent to 10.6 percent of the county market."

Shepherd said that in comparing first quarter taxable sales over the past four years certain trends are notable: apparel stores have shown a constant decline during the period as a percentage of total city taxable sales, while auto dealers and suppliers have remained fairly constant, with about 25 percent of the market.

In the past year, Shepherd said, a notable increase was posted by

gasoline service stations, reflecting the increased cost of fuel. In the same period, sales in eating and drinking establishments dropped, reflecting a statewide trend that indicates consumers are cutting back on eating out as the cost of necessities rises.

The city got \$650,000 as its share of the taxes levied on retail sales the first quarter.

First quarter sales came to \$68.4 million. Auto dealers and suppliers accounted for \$17 million, or 25 percent. Miscellaneous outlets accounted for \$13.6 million, service stations for \$5.5 million, eating and drinking establishments for \$8.6 million, home furnishings and appliances for \$3.3 million, general merchandise for \$3 million, food stores for \$3.5 million, Shepherd said.