

# SAN JUAN CAPISTRANO

## SALES TAX UPDATE

### 1Q 2025 (JANUARY - MARCH)



**SAN JUAN CAPISTRANO**

TOTAL: \$ 2,964,002

5.8%  
1Q2025



1.0%  
COUNTY

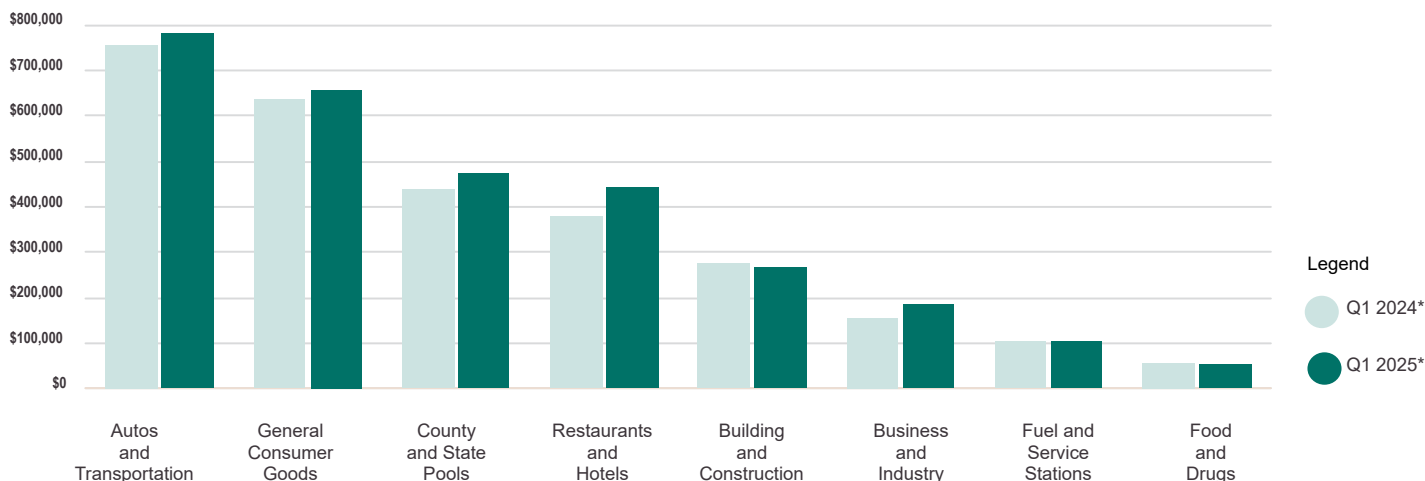


0.3%  
STATE



*\*Allocation aberrations have been adjusted to reflect sales activity*

### SALES TAX BY MAJOR BUSINESS GROUP



### SAN JUAN CAPISTRANO HIGHLIGHTS

San Juan Capistrano's receipts from January through March were 2.9% above the first sales period in 2024. Excluding reporting aberrations, actual sales were up 5.8%.

The recent addition of multiple new eateries, just in time for the coming summer season, boosted activity from restaurants especial casual dining establishments. Strong sales by new car dealers far outpaced the county and statewide trends, when combined with improved leasing activity had the entire autos group up for the second consecutive quarter.

A new merchant and solid gains by multiple sectors including family apparel, electronic-appliances and specialty stores helped lift general consumer goods, while one-time remittances appear to have temporarily pushed

business-industry higher.

These local point-of-sale increases had the City's allocation from the countywide use tax pool allocation up 7% from a year ago.

Weak winter activity from contractors pulled building-construction down and lower gas prices hurt fuel-service stations results partially offsetting the gains.

Net of aberrations, taxable sales for all of Orange County grew 1.0% over the comparable time period; the Southern California region was flat.



### TOP 25 PRODUCERS

- Capistrano Ford
- Capistrano Valley Toyota
- Capistrano Volkswagen & Capistrano Mazda
- Coastline Chrysler Dodge Jeep Ram
- Costco
- Devil Mountain Wholesale Nursery
- Ferguson Enterprises
- Ganahl Lumber
- HD Supply
- Hirsch Pipe & Supply Co
- In N Out Burger
- Inn at the Mission San Juan Capistrano
- Autograph
- Marshalls
- Ocean Honda
- Pacific Sales
- Pacific Sales w/Best Buy
- Paradise Automotive Group
- Petsmart
- Plant Depot
- Ross
- Shell
- Target
- Toyota Lease Trust
- Trevors at the Tracks
- Vons



STATEWIDE RESULTS

California’s local one-cent sales and use tax receipts for January through March 2025 increased by 0.34% compared to the same quarter in 2024, after adjusting for accounting anomalies. While this modest growth may signal the end of an eight-quarter decline, it could be temporary, as the broader economy remains on the edge between recovery and further slowdown.

The first quarter is traditionally the lowest sales tax-generating period of the year, often influenced by seasonal weather and post-holiday consumer behavior.

Notably, the autos-transportation and building-construction sectors—both of which had been dragging down statewide results over the past two years—showed the strongest rebounds this quarter. In the autos sector, used car sales and leasing activity led the recovery. Consumers are increasingly opting for more affordable vehicles and shorter-term commitments, moving away from high-end purchases. In construction, pent-up demand for repairs and improvements, especially in weather-affected and wildfire-damaged areas like Southern California, drove strong sales for building material suppliers.

Other segments generating modest growth included business-industry and countywide use tax pools, largely due to continued strength in online sales. Sales of goods already in California before purchase are reported under business-industry fulfillment centers. Goods shipped from outside the state are reported under county pools, based on the destination of the out-of-state shipment. Online shopping remains a preferred option for value-conscious consumers, contributing significantly to tax receipts in these categories.

Calendar year 2024 saw a decline in fuel-

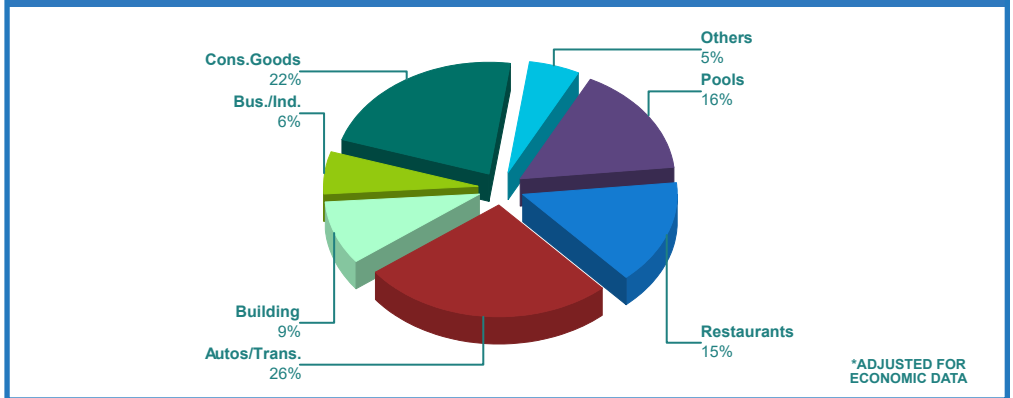
related tax receipts due to lower global crude oil prices—a trend that continued into 1Q 2025. Fuel-related returns dropped by 5%. This decline also affected general consumer goods, as large retailers that sell fuel typically report all sales under a single taxpayer ID. As a result, brick-and-mortar merchants such as post-holiday family apparel stores, winter sporting goods vendors and closures of variety stores contributed to weaker performance.

Although food-drugs is the smallest of the eight tax groupings, it was significant that cannabis returns continued a downturn trend that has been ongoing for over two years. Bankruptcies, customer shopping

alternatives and oversaturation of retail footprint diminished taxes coming from drug stores.

As 2025 begins, sales tax returns remain modest, reflecting broader economic volatility. Key factors influencing our outlook include: ongoing national tariff and trade negotiations and decisions on the federal funds rate - which directly affect consumer interest rates. Recent Middle East conflicts, which temporarily spiked crude oil prices and threatened local gas prices during the summer, will be a short-term concern. In summary, “uncertainty” remains the most accurate descriptor of California’s current and future economic climate.

REVENUE BY BUSINESS GROUP  
San Juan Capistrano This Quarter\*



TOP NON-CONFIDENTIAL BUSINESS TYPES

San Juan Capistrano Business Type	Q1 '25*	Change	County Change	HdL State Change
New Motor Vehicle Dealers	601.5	5.7% ↑	-1.1% ↓	-0.6% ↓
Casual Dining	273.3	27.9% ↑	1.2% ↑	1.3% ↑
Building Materials	183.7	1.1% ↑	5.2% ↑	3.8% ↑
Service Stations	101.8	-2.6% ↓	-6.0% ↓	-5.8% ↓
Quick-Service Restaurants	87.7	-0.5% ↓	-0.3% ↓	-0.9% ↓
Garden/Agricultural Supplies	73.4	12.0% ↑	4.4% ↑	0.3% ↑
Electronics/Appliance Stores	60.3	10.6% ↑	-0.4% ↓	-0.6% ↓
Auto Lease	57.4	17.3% ↑	12.0% ↑	20.6% ↑
Family Apparel	54.9	5.6% ↑	0.2% ↑	-3.2% ↓
Used Automotive Dealers	52.5	-15.0% ↓	8.5% ↑	13.1% ↑

\*Allocation aberrations have been adjusted to reflect sales activity      \*In thousands of dollars