

# CITY OF CORONA

## SALES TAX UPDATE

### 2Q 2025 (APRIL - JUNE)



#### CORONA

TOTAL: \$ 15,064,592

-5.2%

2Q2025



-1.6%

COUNTY



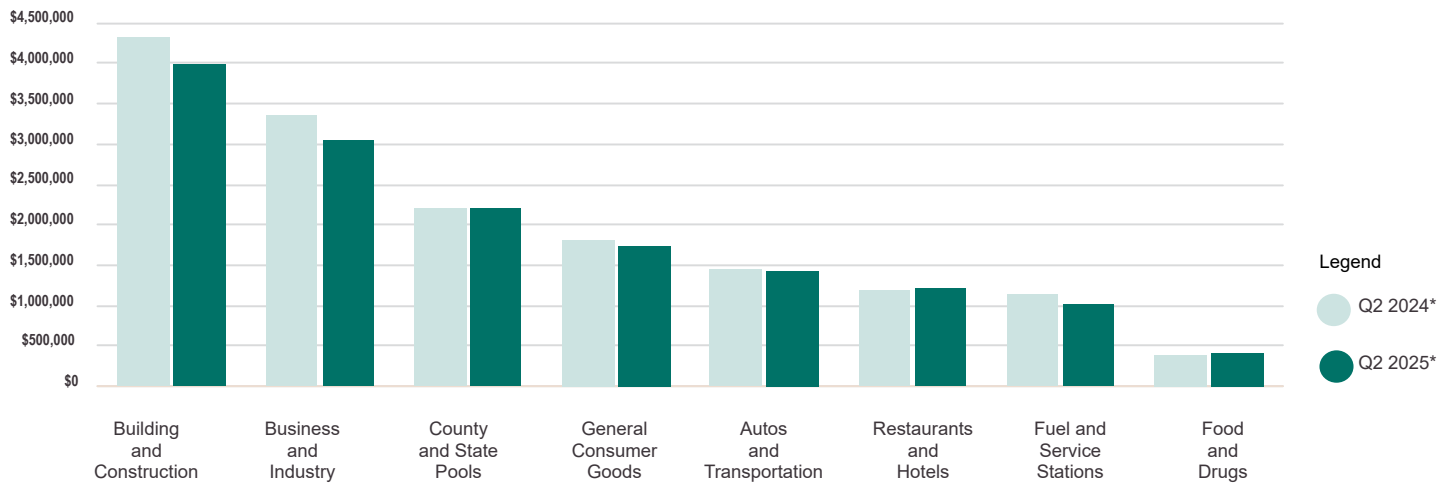
0.5%

STATE



\*Allocation aberrations have been adjusted to reflect sales activity

#### SALES TAX BY MAJOR BUSINESS GROUP



#### Measure X

TOTAL: \$10,965,207

↑ 1.7%



#### CITY OF CORONA HIGHLIGHTS

Corona's receipts from April through June were 1.4% lower than during the same sales period in 2024. After adjusting for reporting anomalies, actual sales declined by 5.2%.

A primary driver of this decline was reduced tax revenue from building-construction related sales, reflecting the frozen housing market.

Business-industry returns also weakened, aligning with the national slowdown in manufacturing activity as indicated by the lower Purchasing Managers Index. Locally, performance may have been further impacted by the recent opening of a competing outlet in a nearby location.

Lower gasoline prices compared to the previous year contributed to softer returns from fuel-service stations. Heightened consumer caution also led to reduced spending at discount department stores. A business closure hurt new car sales.

Measure X, the City's voter-approved district tax, outperformed the Bradley Burns portion, supported by strong vehicle purchases by local residents.

After excluding anomalies, taxable sales across Riverside County declined by 1.6% compared to the same period last year. Sales across the broader Southern California region remained flat.



#### TOP 25 PRODUCERS

Agile Sourcing Partners  
All American Asphalt  
Amazon Com Services  
Amazon MFA  
American Electric Supply  
CardinaleWay Hyundai  
Corona Nissan  
Costco  
Culver Newlin  
Downs Energy  
Duralum Products  
Ganahl Lumber  
Guest Supply  
Home Depot

Larry H Miller Toyota Corona  
Robertsons Ready Mix  
Sams Club w/ Fuel  
South Coast Fire Equipment  
Spren Honda Corona  
Target  
US Food Service  
Vulcan Materials  
Walmart Supercenter  
We Do Equipment Repair & Supply  
West Coast Copper Supply



## STATEWIDE RESULTS

California's one-cent local sales and use tax receipts rose 0.6% in Q2 compared to the same period last year, after adjusting for accounting anomalies. While only modest growth, it is the second consecutive quarter experiencing positive results following an extended timeline of declines. This period is traditionally met with improved weather with the beginning of summer activity.

Steady gains in both business-industry and countywide use tax pools were driven by strong online sales, reflecting shopper's willingness and ability to spend. Whether pulled from inventory within California or shipped from outside the state, demand for goods by value-conscious shoppers prevailed. Other notable upticks came from purchases of office and electrical equipment.

Increased tax receipts from restaurants also demonstrated diners continued desire to eat out. Even amongst higher menu prices and tip fatigue, casual dining establishments generated the largest lift. While this is a good sign for the coming summer season, underlying data shows that disposal personal income – a key driver of restaurant sales – is growing at a slower pace than prior years, possibly signaling softer tax growth on the horizon.

The two sectors primed to take advantage of upcoming interest rate changes, autos-transportation and building-construction, only experienced lackluster returns this period. New auto sales declined, offsetting gains in used vehicles and leasing, while building material sales remained unchanged from a year ago. However, aging vehicles and deferred home improvements remain a potential catalyst driving demand in the near term.

Balancing the positive results, revenue

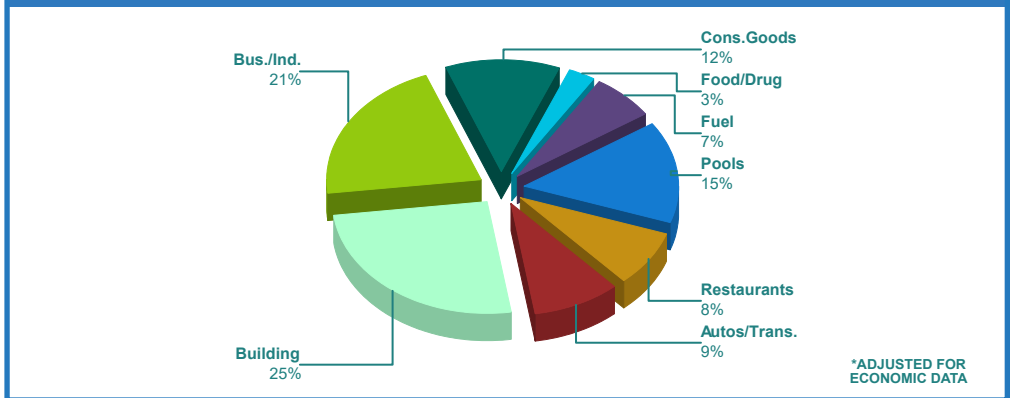
from fuel and service stations declined for the ninth time in ten quarters, primarily due to West Texas Intermediate (WTI) low crude oil prices. As the global economy and development remains tempered, so has the demand for oil, leaving prices relatively low. While this dampens sales taxes, lower fuel costs during peak travel months may boost spending in other segments.

Traditional retailers saw a 1% decline, with specialty, sporting goods, and department stores under performing compared to year ago totals. Inflation and tariffs continue to pressure consumer spending and retailer margins, prompting reevaluation of physical store investments by regional and national

companies alike.

The September reduction in the federal funds rate, noting the possibility of more in early 2026, leaves optimism regarding future financing and accessing equity opportunities for some consumers. However, national tariff/trade talks remain a vital piece of the inflation/higher prices story with the potential of diminishing spending power. So sluggish calendar year 2025 continues with only modest expansion expected braced against the ever-changing larger economic trends.

### REVENUE BY BUSINESS GROUP Corona This Fiscal Year\*



### TOP NON-CONFIDENTIAL BUSINESS TYPES

Corona Business Type	Q2 '25*	Change	County Change	HdL State Change
Contractors	2,745.9	-8.6% ↓	-9.8% ↓	-0.7% ↓
Fulfillment Centers	1,081.9	-11.0% ↓	1.4% ↑	9.5% ↑
Discount Dept Stores	963.9	-3.7% ↓	-2.7% ↓	-1.6% ↓
New Motor Vehicle Dealers	726.2	-8.8% ↓	-1.3% ↓	-2.4% ↓
Building Materials	711.5	-7.4% ↓	-1.0% ↓	-0.9% ↓
Service Stations	627.1	-6.5% ↓	-8.5% ↓	-9.4% ↓
Heavy Industrial	617.8	-5.9% ↓	-5.5% ↓	1.6% ↑
Casual Dining	581.2	1.8% ↑	0.5% ↑	1.4% ↑
Plumbing/Electrical Supplies	508.5	-3.5% ↓	5.7% ↑	1.4% ↑
Quick-Service Restaurants	484.0	-1.3% ↓	1.1% ↑	-0.7% ↓

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\*In thousands of dollars