

San Juan County



Sales Leakage Analysis



Sales Leakage Analysis

Sales Leakage and Capture Rates

A sales gap analysis is conducted to estimate the amount and type of purchases being made by San Juan County residents outside of San Juan County. Hence, the term “leakage” reflects sales that are lost to other communities. The analysis consists of first calculating the “average” expenditures made, per capita or per household, in the State of Utah in various retail categories using the North American Industry Classification System Codes (NAICS codes) as recorded by the Utah State Tax Commission. Total sales in San Juan County, by NAICS code category, are then divided by the total population and compared to average per capita sales in the State of Utah. Where San Juan County residents show higher purchases in NAICS code categories, it is assumed that San Juan County captures additional consumers from the larger regional area for these types of purchases. Where purchases per capita are lower in San Juan County than in the State of Utah in purchases in NAICS code categories, it is assumed that San Juan County residents are leaving the community to make these types of purchases elsewhere.

Therefore, table 1 identifies, areas of strength (i.e., where San Juan County is a regional provider of goods and services) which are shown with positive numbers in the Leakage (“leakage”) column and Capture Rate column that is higher than 100 percent. Where San Juan County residents are leaving the community to make their purchases elsewhere, the estimated amount of lost purchases in the Leakage column is shown as a negative number and with a capture rate that is less than 100 percent within the Capture Rate column.

TABLE 1: SAN JUAN COUNTY SALES TAX LEAKAGE, 2021

	2021 Leakage	2021 Capture Rate	2021 Per Capita Leakage
Motor Vehicle and Parts Dealers			
New Automobile Dealers	(\$15,948,946)	0.06%	(\$1,101)
Used Car Dealers	(\$4,435,861)	13.83%	(\$306)
Other Motor Vehicle Dealers	(\$3,080,926)	4.15%	(\$213)
Automotive Parts, Accessories, and Tire Stores	(\$572,504)	82.33%	(\$40)
Subtotal	(\$24,038,238)	12.78%	(\$1,659)
Furniture and Home Furnishings Stores			
Furniture Stores	(\$3,107,393)	1.50%	(\$214)
Home Furnishings Stores	(\$1,136,586)	3.99%	(\$78)
Subtotal	(\$4,243,980)	2.18%	(\$293)
Electronics and Appliance Stores			
Appliance, Television and Other Electronics	(\$3,581,562)	15.91%	(\$247)
Subtotal	(\$3,581,562)	15.91%	(\$247)
Building Material and Garden Equipment and Supplies Dealers			
Building Material and Supplies Dealers	(\$7,076,740)	58.08%	(\$488)
Lawn and Garden Equipment and Supplies Stores	(\$610,174)	3.35%	(\$42)
Subtotal	(\$7,686,914)	56.10%	(\$531)

	2021 Leakage	2021 Capture Rate	2021 Per Capita Leakage
Food and Beverage Stores			
Grocery Stores	(\$3,620,427)	75.99%	(\$250)
Specialty Food Stores	(\$490,388)	0.54%	(\$34)
Beer, Wine, and Liquor Stores	(\$881,402)	26.07%	(\$61)
Subtotal	(\$4,992,217)	70.22%	(\$345)
Health and Personal Care Stores			
Cosmetics and Perfume	(\$748,558)	11.41%	(\$52)
Optical Goods	(\$278,899)	5.03%	(\$19)
Other Health and Personal Care	(\$579,406)	12.21%	(\$40)
Pharmacies and Drug Stores	\$194,960	182.78%	\$13
Subtotal	(\$1,411,903)	30.59%	(\$97)
Gasoline Stations			
Gasoline Stations	\$7,326,176	256.18%	\$506
Subtotal	\$7,326,176	256.18%	\$506
Clothing and Clothing Accessories Stores			
Clothing Stores	(\$5,137,503)	9.25%	(\$355)
Shoe Stores	(\$539,243)	16.64%	(\$37)
Jewelry, Luggage, and Leather Goods Stores	(\$495,523)	18.77%	(\$34)
Subtotal	(\$6,172,269)	10.78%	(\$426)
Sporting Goods, Hobby, Book, and Music Stores			
Books, Periodical, and Music	(\$312,934)	5.89%	(\$22)
Hobby, Toys and Games	(\$412,149)	2.54%	(\$28)
Musical Instruments	(\$180,451)	9.08%	(\$12)
Sewing, Needlework and Piece Goods	(\$185,430)	4.09%	(\$13)
Sporting Goods	(\$2,934,662)	15.73%	(\$203)
Subtotal	(\$4,025,627)	13.05%	(\$278)
General Merchandise Stores			
Department Stores	(\$21,694,532)	2.31%	(\$1,497)
Warehouse Club and Other General Merchandise Stores	\$2,288,757	185.99%	\$158
Subtotal	(\$19,405,776)	21.97%	(\$1,339)
Miscellaneous Store Retailers			
Florists	(\$15,650)	90.18%	(\$1)
Office Supplies, Stationery, and Gift Stores	(\$288,428)	65.35%	(\$20)
Other Miscellaneous Store Retailers	(\$4,826,459)	13.65%	(\$333)
Used Merchandise	(\$182,405)	24.96%	(\$13)

	2021 Leakage	2021 Capture Rate	2021 Per Capita Leakage
Subtotal	(\$5,312,941)	22.15%	(\$367)
Nonstore Retailers			
Electronic Shopping and Mail-Order Houses	(\$6,264,238)	66.07%	(\$432)
Vending Machine Operators	(\$136,585)	1.95%	(\$9)
Direct Selling Establishments	(\$451,496)	51.67%	(\$31)
Subtotal	(\$6,852,319)	64.92%	(\$473)
Performing Arts, Spectator Sports, and Related Industries			
Performing Arts, Spectator Sports and Related Industries	(\$291,952)	13.66%	(\$20)
Subtotal	(\$291,952)	13.66%	(\$20)
Museums, Historical Sites, and Similar Institutions			
Museums, Historical Sites, and Similar Institutions	\$69,889	134.83%	\$5
Subtotal	\$69,889	134.83%	\$5
Amusement, Gambling, and Recreation Industries			
Amusement, Gambling and Recreation Industries	(\$1,998,172)	21.86%	(\$138)
Subtotal	(\$1,998,172)	21.86%	(\$138)
Accommodation			
Hotels and Motels	\$4,557,442	163.80%	\$315
RV Parks and Recreational Camps	\$501,111	328.61%	\$35
Rooming and Boarding Houses	(\$3,518)	0.00%	(\$0.24)
Subtotal	\$5,055,036	168.62%	\$349
Food Services and Drinking Places			
Full-Service Restaurants	(\$10,740,788)	34.02%	(\$741)
Caterers and Other Special Food Services	(\$1,393,130)	11.96%	(\$96)
Drinking Places (Alcoholic Beverages)	(\$520,564)	0.00%	(\$36)
Subtotal	(\$12,654,482)	31.16%	(\$873)
Repair and Maintenance			
Automotive Repair and Maintenance	(\$1,716,218)	56.63%	(\$118)
Electronic and Precision Equipment Repair and Maintenance	(\$97,055)	4.78%	(\$7)
Commercial and Industrial Machinery and Equipment (except Automotive and Electronic) Repair and Maintenance	(\$227,288)	14.49%	(\$16)
Personal and Household Goods Repair and Maintenance	(\$166,768)	47.19%	(\$12)
Subtotal	(\$2,207,329)	52.43%	(\$152)
Personal and Laundry Services			

	2021 Leakage	2021 Capture Rate	2021 Per Capita Leakage
Personal and Laundry Services	(\$610,999)	31.11%	(\$42)
Private Households	(\$197)	0.00%	(\$0.01)
Religious, Grantmaking, Civic, Professional and Similar	(\$246,153)	2.46%	(\$17)
Subtotal	(\$857,349)	24.76%	(\$59)
TOTAL	(\$93,281,927)	46.56%	(\$6,438)

*Income adjusted for per capita leakage to 64.8% of State income

TABLE 2: SAN JUAN COUNTY SALES LEAKAGE SUMMARY TABLE, 2021

NAICS Code Category	2021 Leakage	2021 Capture Rate
Motor Vehicle and Parts Dealers	(\$24,038,238)	12.78%
General Merchandise Stores	(\$19,405,776)	21.97%
Food Services and Drinking Places	(\$12,654,482)	31.16%
Building Material and Garden Equipment and Supplies Dealers	(\$7,686,914)	56.10%
Nonstore Retailers	(\$6,852,319)	64.92%
Clothing and Clothing Accessories Stores	(\$6,172,269)	10.78%
Miscellaneous Store Retailers	(\$5,312,941)	22.15%
Food and Beverage Stores	(\$4,992,217)	70.22%
Furniture and Home Furnishings Stores	(\$4,243,980)	2.18%
Sporting Goods, Hobby, Book, and Music Stores	(\$4,025,627)	13.05%
Electronics and Appliance Stores	(\$3,581,562)	15.91%
Repair and Maintenance	(\$2,207,329)	52.43%
Amusement, Gambling, and Recreation Industries	(\$1,998,172)	21.86%
Health and Personal Care Stores	(\$1,411,903)	30.59%
Personal and Laundry Services	(\$857,349)	24.76%
Performing Arts, Spectator Sports, and Related Industries	(\$291,952)	13.66%
Museums, Historical Sites, and Similar Institutions	\$69,889	134.83%
Accommodation	\$5,055,036	168.62%
Gasoline Stations	\$7,326,176	256.18%
TOTAL	(\$93,281,929)	46.56%

Overall, San Juan County reflects a total capture rate of close to 50 percent of resident sales, indicating that the County is capturing less than its “fair share” of retail sales. Notable areas of strength include sales in the following retail categories (as delineated by retail tax code/groupings by the Utah State Tax Commission):

- Gasoline Stations
- Museums, Historical Sites, and Similar Institutions
- Accommodation

Significant leakage is shown in the following retail categories, which are areas of opportunity for future retail development within the County:

- Motor Vehicle and Parts Dealers
- General Merchandise Stores
- Food Services and Drinking Places
- Building Material and Garden Equipment Supplies Dealers