



# Sales Tax Increase – HH Impact

Consumption Composition	% of CPI Basket*	% Subject to Sales Tax [Conservative Scenario]	Subject to Sales Tax	Median HH Income <sup>^</sup> Spending After Inc. Tax & Savings	Estimated Annual Cost per Household from Sales Tax Increase of 0.25%
1 Food & Beverage	17.910%			\$ 55,000	
Food at home	10.196%				
Food away from home	7.714%	100%	7.714%	3,521	\$ 9
2 Housing	42.087%	100%	6.518%	2,975	\$ 7
3 Apparel & Upkeep	6.518%	100%	5.517%	2,519	\$ 6
4 Transportation	18.874%	100%	4.847%	2,213	\$ 6
New Vehicle	5.517%				
Motor Fuel	4.847%				
5 Medical Care	5.031%	50%	2.231%	1,018	\$ 3
6 Entertainment	4.461%	50%	2.560%	1,168	\$ 3
7 Other Goods & Services	5.119%				
<b>Total</b>	<b>100.000%</b>		<b>29.386%</b>	<b>13,415</b>	<b>\$ 34</b>

Estimated Annual Revenue (US\$ mil.)	FY 2004-05
SF Households - Residents	\$ 11.06 36%
Business-to-Business, Tourists, Daytime Workers...	\$ 19.69 64%
<b>Total</b>	<b>\$ 30.75 100%</b>

Other Model Assumptions	
Average Income Tax Burden	15.0%
Average Savings Rate	2.0%
# of Households [HH] in SF <sup>^</sup>	329,700
Residential as % of 911 Lines	23.7%

Source: \* <http://www.bls.gov/ore/pdf/st950200.pdf>, 1982-84 Series  
<sup>^</sup> 2000 Census

Source: Controller's Office, June 2004