

# CITY OF PLEASANTON

## SALES TAX UPDATE

### 4Q 2025 (OCTOBER - DECEMBER)



**PLEASANTON**

TOTAL: \$ 7,240,346

1.4%  
4Q2025



0.5%  
COUNTY

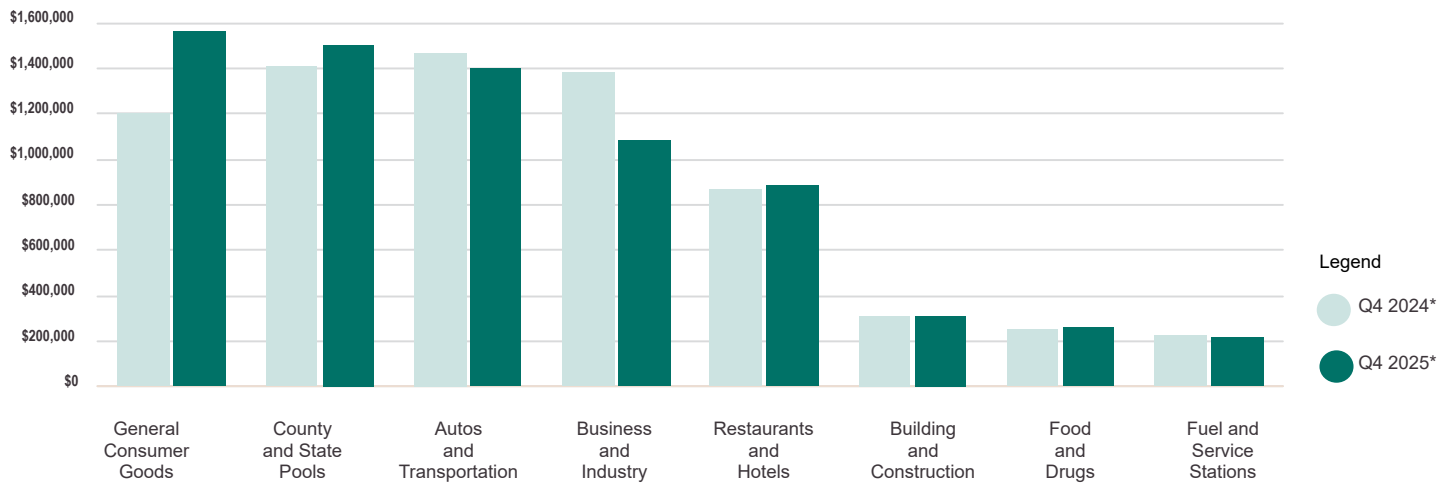


1.2%  
STATE



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

### SALES TAX BY MAJOR BUSINESS GROUP



## CITY OF PLEASANTON HIGHLIGHTS

Pleasanton's receipts from October through December were 1.4% above the fourth sales period in 2024. Excluding reporting aberrations, actual sales were up 1.4%.

General consumer goods continue to post gains due to a new outlet furthering the growth is gains in family apparel lessening the growth were declines in a couple of categories.

Restaurants were up with gains in casual dining and quick-service with new outlets enhancing results.

Car acquisitions slowed; new vehicle dealerships dipped 5%, reflecting buyers previous 'pull forward' decisions ahead of tariff impacts on vehicle cost as well as the ending of the expiration of the electric vehicle tax credit.

In this quarter, fuel prices at the pump were still lower than the comparable year; service station were down 2%. This category will see big changes in the coming quarters.

Business-industry was down with a drop in medical-biotech, business services and electrical equipment; these fluctuating categories had spikes in the comparable quarter.

A temporary anomaly is boosting the pool which will result in a future correction.

Net of aberrations, taxable sales for all of Alameda County grew 0.5% over the comparable time period; the Bay Area was up 2.5%.





## STATEWIDE RESULTS

California’s local one cent sales and use tax receipts posted moderate growth during the fourth quarter, reflecting resilient consumer behavior despite persistent economic headwinds. For the months of October through December, revenues increased 1.2% from the year ago quarter after adjusting for accounting anomalies. This performance capped an overall improvement for calendar year 2025 of 1.2%, marking a welcomed annual increase after two consecutive years of decline.

Consumer spending patterns during the holiday season played a central role in the fourth-quarter results. Fulfillment centers and countywide use tax pools generated strong returns, driven by sustained demand for online shopping as cost-conscious consumers prioritized convenience and price comparison. This e-commerce momentum persisted throughout the 2025 year. Traditional brick-and-mortar retailers, particularly apparel and jewelry stores, also realized modest seasonal gains, benefiting from holiday purchasing activity.

Restaurant sales taxes rose again, although operators reported continual pressure from rising costs that influenced customer behavior. Diners reduced visit frequency and alcohol purchases, reflecting heightened price sensitivity. While upcoming national and global sporting events in California could support localized growth, broader restaurant sector expansion is expected to remain constrained and concentrated primarily in tourism-heavy and event-focused regions.

Energy-related initiatives produced solid returns; however, revenue allocation mechanisms shifted, with proceeds previously reported directly to local agencies now distributed through county pools during the current period.

In contrast, the autos-transportation and building-construction sectors remained

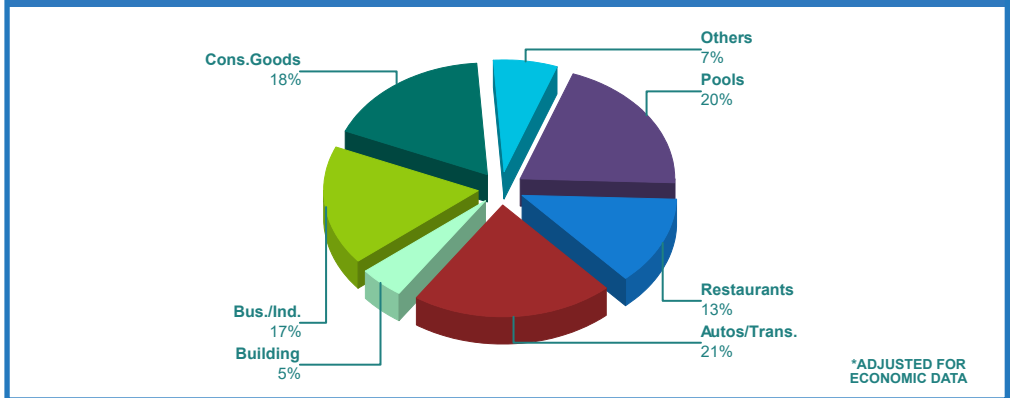
subdued. Elevated interest rates, seasonal purchasing patterns, and winter weather limited activity, particularly in high-value purchases such as vehicles and home improvement projects. Contractors in roofing and concrete experienced reduced productivity, reinforcing expectations of continued stagnation in these industries. With minimal interest rate relief projected for 2026, significant near-term recovery remains unlikely.

Looking ahead, emerging global risks present growing uncertainty. While not reflected in current results, escalating tensions in the Middle East have driven West Texas Intermediate crude oil prices above \$100 per barrel, translating into sharply higher gasoline prices exceeding \$6 per gallon locally. Refinery

closures across Northern and Southern California further amplify supply pressures. Prolonged energy price volatility could force consumers to redirect spending toward fuel costs, reducing discretionary expenditures in other sectors.

Prior to these developments, short-term economic expectations were cautiously optimistic. However, renewed inflationary pressure has led the Federal Reserve to delay anticipated interest rate reductions, limiting consumer flexibility. Stubbornly high fuel prices may also dampen travel and tourism through summer, leaving little room for broad-based sales tax growth in the year.

### REVENUE BY BUSINESS GROUP Pleasanton This Calendar Year\*



### TOP NON-CONFIDENTIAL BUSINESS TYPES

Pleasanton Business Type	Q4 '25*	Change	County Change	HdL State Change
New Motor Vehicle Dealers	941.8	-5.2% ↓	-12.5% ↓	-5.3% ↓
Casual Dining	500.4	3.4% ↑	4.3% ↑	2.3% ↑
Medical/Biotech	375.5	-28.7% ↓	-13.5% ↓	-4.8% ↓
Service Stations	216.0	-2.2% ↓	-7.5% ↓	-2.2% ↓
Building Materials	189.1	-3.8% ↓	-4.0% ↓	-4.1% ↓
Quick-Service Restaurants	188.0	4.5% ↑	-0.8% ↓	0.2% ↑
Light Industrial/Printers	162.3	5.1% ↑	-7.0% ↓	-6.1% ↓
Business Services	157.4	-11.8% ↓	2.6% ↑	23.7% ↑
Grocery Stores	139.7	17.1% ↑	0.7% ↑	0.8% ↑
Auto Lease	128.0	2.1% ↑	45.5% ↑	12.4% ↑

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