

IMPACT OF PROPERTY TAX AND UTILITIES INCREASES ON SMALL BUSINESSES

28-Jul-14

	2014	Percentage of Income	Percentage Change	2015	Percentage of Income	Percentage Change	2016	Percentage of Income	Percentage Change	2017	Percentage of Income	Percentage Change	2018	Percentage of Income
Annual Revenues	\$1,000,000		2.5%	\$1,025,000		2.5%	\$1,050,625		2.5%	\$1,076,891		2.5%	\$1,103,813	
Rent	\$24,000	2%	3.0%	\$24,720	2%	3.0%	\$25,462	2%	3.0%	\$26,225	2%	3.0%	\$27,012	2%
Total property taxes	\$3,200	0%	4.7%	\$3,350	0%	4.7%	\$3,508	0%	4.7%	\$3,673	0%	4.7%	\$3,845	0%
Cost of Goods Sold	\$500,000	50%	4.7%	\$523,500	51%	4.7%	\$548,105	52%	4.7%	\$573,865	53%	4.7%	\$600,837	54%
Insurance	\$2,500	0%	4.7%	\$2,618	0%	4.7%	\$2,741	0%	4.7%	\$2,869	0%	4.7%	\$3,004	0%
Transportation	\$10,000	1%	4.7%	\$10,470	1%	4.7%	\$10,962	1%	4.7%	\$11,477	1%	4.7%	\$12,017	1%
Staffing Costs	\$250,000	25%	4.7%	\$261,750	26%	4.7%	\$274,052	26%	4.7%	\$286,933	27%	4.7%	\$300,419	27%
heating	\$3,000	0%	4.7%	\$3,141	0%	4.7%	\$3,289	0%	4.7%	\$3,443	0%	4.7%	\$3,605	0%
water	\$1,800	0%	8.0%	\$1,944	0%	8.0%	\$2,100	0%	8.0%	\$2,267	0%	8.0%	\$2,449	0%
electricity	\$2,700	0%	4.7%	\$2,827	0%	4.7%	\$2,960	0%	4.7%	\$3,099	0%	4.7%	\$3,245	0%
telephone / cable	\$1,800	0%	4.7%	\$1,885	0%	4.7%	\$1,973	0%	4.7%	\$2,066	0%	4.7%	\$2,163	0%
Marketing	\$10,000	1%	4.7%	\$10,470	1%	4.7%	\$10,962	1%	4.7%	\$11,477	1%	4.7%	\$12,017	1%
Advertising	\$25,000	3%	4.7%	\$26,175	3%	4.7%	\$27,405	3%	4.7%	\$28,693	3%	4.7%	\$30,042	3%
Office supplies	\$15,000	2%	4.7%	\$15,735	2%	4.7%	\$16,443	2%	4.7%	\$17,225	2%	4.7%	\$18,025	2%
Miscellaneous expenses	\$5,000	1%	2.0%	\$5,100	1%	2.0%	\$5,202	1%	2.0%	\$5,306	1%	2.0%	\$5,412	0%
Annual Net Operating Expenses	\$854,000	85.4%		\$893,654	87.2%		\$935,162	89.0%		\$978,611	90.9%		\$1,024,091	92.8%
Operating Profit	\$146,000	14.6%		\$131,346	12.8%		\$115,463	11.0%		\$98,280	9.1%		\$79,721	7.2%
Income Taxes (% of Op Profit)	\$43,800	4.4%		\$39,404	3.8%		\$34,639	3.3%		\$29,484	2.7%		\$23,916	2.2%
Net After-tax Income (loss)	\$102,200	10.2%		\$91,942	9.0%		\$80,824	7.7%		\$68,796	6.4%		\$55,805	5.1%
Property Tax & Water Increases				\$294			\$313			\$333			\$354	
Percentage of Total Revenue				0.03%			0.03%			0.03%			0.03%	

