

# Economic Indicators

*Economic Indicators* is a newsletter prepared by the Innovation Center at Rogers State University under the direction of Dr. Ray Brown, Editor.



Established in 2002, the Center provides (1) small business counseling services, (2) entrepreneurial training, (3) a technology and business incubator, (4) business intelligence research, and (5) economic, demographic, and social research related to economic development.

## Recent News

The Innovation Center has been designated as an Economic Development Administration University Center, a program that provides entrepreneurial training, community development and economic assistance to rural communities. The Center will focus on launching an Entrepreneurial Ready Community certification program to create a corridor of certified entrepreneurial-ready

communities that will provide support services to small businesses and local entrepreneurs who need business assistance to become sustainable, successful job-creating entities. Communities interested in learning more about the certification are encouraged to contact the Innovation Center to schedule a community presentation that will give a detailed overview of the certification program.

## Sales Tax Collection

Retail sales, as approximated by retail sales tax collections, are a broad measure of consumer spending. Sales tax data are not seasonally-adjusted or adjusted for price changes. Care should be taken when interpreting sales tax collection data because the figure for a particular month represents the net revenue collected by the Oklahoma Tax Commission (OTC) for retail purchases in various prior periods. Larger retailers submit payments for sales taxes collected during the last half of the prior month and the first half of the current month.

Smaller retailers submit payments for sales taxes collected over the previous calendar month only. All sales tax payments are due by the twentieth of the month. Thus sales taxes paid at the time of the purchase may be reported by the merchant and collected by the OTC for sales occurring some six weeks earlier or as recently as five days prior. In addition, some retailers make estimated payments which may understate or overstate the correct amount for a particular month which is corrected sometime in future months. In any event, reported sales tax revenue always lags behind purchases.