CONTRA COSTA CO. UNINC.
SALES TAX UPDATE
1Q 2026 (JANUARY - MARCH)

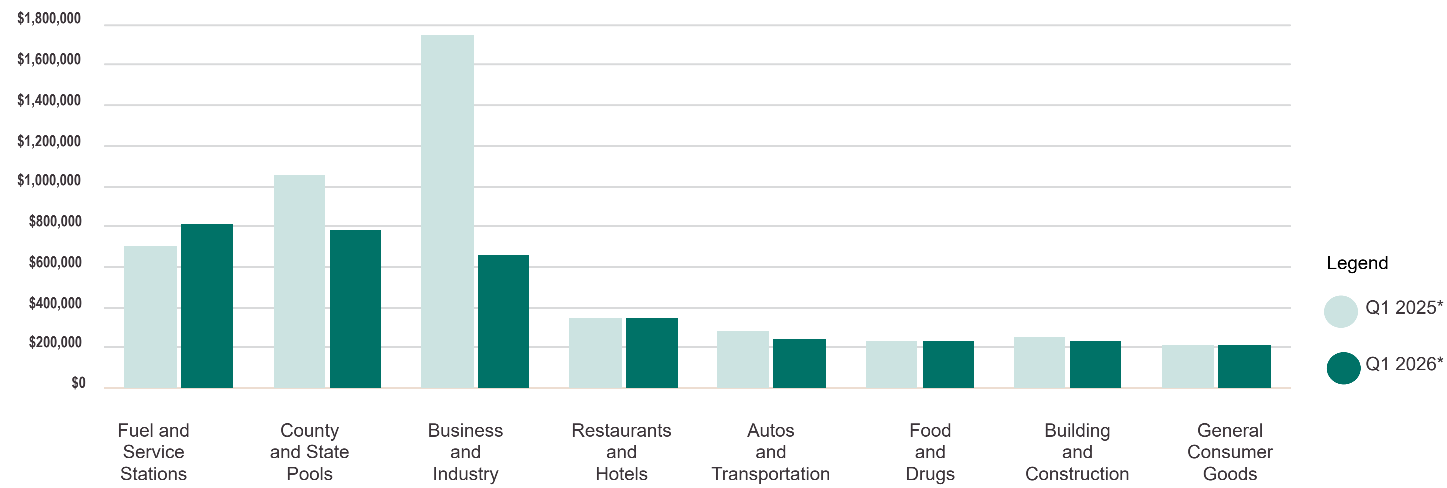
CONTRA COSTA COUNTY

TOTAL: $ 3,540,781

-27.0%	-0.2%	4.0%
COUNTY UNINC. ↓	COUNTY ↓	STATE ↑

*Allocation aberrations have been adjusted to reflect sales activity

SALES TAX BY MAJOR BUSINESS GROUP



Measure J	Measure X
TOTAL: $28,709,838	TOTAL: $28,688,072
↑ 2.7%	↑ 2.6%

CONTRA COSTA COUNTY UNINCORPORATED HIGHLIGHTS

The unincorporated area's gross receipts from January – March 2026 were down 29.9% compared to the first sales period in 2025. After adjusting for reporting modifications, actual sales landed 27% lower.

The decline is primarily caused by comparison to several significant one-time payments made last year, which dramatically skewed down the business-industry results.

The resulting lower sales tax impacted the County's allocation from the countywide use tax pool, causing a 25.4% decline.

Consumers pulled back on spending, with autos-transportation, including at auto repair shops. Grocery and general retail also experienced declines; and sluggish contractor activity contributed to lower building-construction returns.

On the positive, gains in casual dining and leisure/entertainment offset decreases in other restaurants-hotels sectors, netting slight growth. The largest tax group this quarter, fuel-service stations, benefitted from rising fuel pricing toward the end of the quarter and a big one-time payment from a closing business.

Voter-approved Measure X posted higher receipts – with ecommerce and new vehicle purchases by county residents generating the largest increases.

Net of adjustments, taxable sales for all of Contra Costa County declined 0.2% over the comparable time period; the Bay Area was up 3.5%.

TOP 25 PRODUCERS

Arco AM PM
Biocare Medical
Brickyard Building Materials
C & H Sugar
CFM Equipment Distributors
Chevron
County Asphalt
Criterion Catalysts Technologies
Dead Fish
Enterprise Car Sales
Equipmentshare Com
General Plumbing Supply
Haldor Topsoe
Marathon Los Angeles Refinery
Martinez Refining Company
Nuco
Phillips 66 Company
QXO
Safeway
Safeway Fuel
Sams Club
Shell
Shields Harper & Co
Stiiizy
United Rentals

STATEWIDE RESULTS

California's local one cent sales and use tax receipts posted moderate growth during the first quarter, reflecting resilient consumer behavior despite persistent economic headwinds. For the months of January through March, revenues increased 4% from the year ago quarter after adjusting for accounting anomalies.

Strong consumer spending patterns did not falter and was the main reason of growth, partially enhanced by larger-than-expected income tax refunds. Both online retailers and brick and mortar merchants experienced dynamic changes over last year that far exceed expectations. E-commerce remains the platform of choice providing convenience, broad product availability, and flexible payment options – benefitting the business-industry sector and allocations via the countywide use tax pool. Family apparel and discount department stores both boosted general consumer goods the most, with a slight bump in gas prices further pushing returns from multiple vendors.

Patronage at restaurants resulted in a 4.2% year over year jump. With demand constrained due to increasing price-sensitivity and slower foot traffic, gains by all types of eateries signaled underlying resolve to dine out. Temporary events further contributed to the positive outcome – Southern California wildfires hindered 2025 and the Super Bowl lifting 2026.

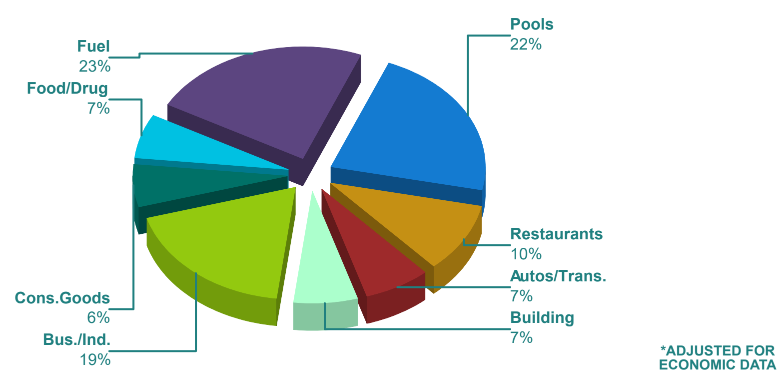
The first quarter also included the initial impacts of elevated tensions in the Middle East which drove West Texas Intermediate crude oil prices above $95 per barrel. This had an immediate impact on local gas prices resulting in a modest bump to receipts from gas stations and created large amounts of uncertainty. At the time of writing, the conflict appears to have subsided with the Strait of Hurmuz reopened reducing the possibility of future strain.

Autos-transportation posted a nominal gain in first quarter 2026, as higher average transaction prices offset weaker unit sales. These price increases reflected tariff impacts reaching consumers after months of absorption by automakers, along with rising material costs. As in the prior quarter, the transition to the new DMV payment system for used vehicle dealers under AB 85 modestly reduced cash receipts, with adjustments still pending.

Overall, the short-term outlook remains cautiously optimistic. Normal consumer spending combined with multiple host sites of World Cup matches and corresponding tourism should sustain growth, albeit varied regionally. The Middle East conflict temporarily resulted in $6 per gallon average peak pricing during the start of the summer months. The forecast is coupled with a national inflation rate that anticipates an upward trend leaving little room for the Federal Reserve to alter interest rates in a favorable way for consumers, potentially slowing down the retail economy.

REVENUE BY BUSINESS GROUP

Contra Costa Co. Uninc This Quarter*



TOP NON-CONFIDENTIAL BUSINESS TYPES

Unincorporated County Business Type	Q1 '26*	Change	County Change	HdL State Change
Service Stations	445.3	0.2%	-4.8%	1.0%
Petroleum Prod/Equipment	352.9	41.2%	11.7%	11.8%
Casual Dining	138.6	2.1%	2.3%	4.0%
Light Industrial/Printers	126.5	-4.4%	13.5%	3.8%
Contractors	109.5	-12.3%	10.5%	4.3%
Quick-Service Restaurants	107.7	-1.9%	3.2%	1.9%
Garden/Agricultural Supplies	97.9	5.8%	-3.5%	1.5%
Repair Shop/Equip. Rentals	84.0	-0.9%	12.0%	0.9%
Grocery Stores	81.7	-5.7%	-4.7%	-1.0%
Leisure/Entertainment	73.0	5.1%	0.7%	7.1%

Allocation aberrations have been adjusted to reflect sales activity

*In thousands of dollars