

Amend Section 7252 and delete Sections 7252.5 through 7252.30 of the Transactions and Use Tax Law to simplify the definition of “districts.”

Source: Legal Department

Existing Law

Under existing law, the Transactions and Use Tax Law authorizes local agencies to impose transactions and use taxes – often referred to as “district” taxes. These “district” taxes are authorized by statutes in various codes, but the Board administers all such taxes pursuant to Part 1.6 of the Revenue and Taxation Code (sections 7251-7279.6). Under this part, the term, “district” is defined in 16 separate sections. These definitions were added at the time the Legislature authorized a new local agency to levy a transactions and use tax.

In 1985, when counties were given the authority to levy district taxes, Section 7252.9 was added to the Transactions and Use Tax Law to define a county levying a district tax as a "district." When cities began to be added to the district tax system in 1990, no such provision was made for them.

This Proposal

This proposal would 1) include cities within the term, “district,” and 2) eliminate the proliferation of definitions of the term, “district” in the Transactions and Use Tax Law by providing one definition that would consider all entities levying district taxes as “districts.” A “district” would be defined simply as any city, county, city and county, or other governmental entity authorized to impose a tax administered by the Board pursuant to Part 1.6 of the Revenue and Taxation Code.

Section 7252 of the Revenue and Taxation Code is amended to read:

7252. “District,” as used in this part, means any city, county, city and county, ~~transit district, or rapid transit district authorized, or the Los Angeles County Transportation Commission or the Orange County Transportation Commission if authorized,~~ or other governmental entity authorized to impose transaction and use taxes pursuant to this part.

~~If the measure to adopt the transaction and use tax pursuant to Section 130401 of the Public Utilities Code is not submitted to the electors of the County of Orange on or before December 31, 1985, then this section shall remain in effect only until January 1, 1986, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1986, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1986, pursuant to Section 9611 of the Government Code, Section 7252 of the Revenue and Taxation Code, as amended by Section 11 of Chapter 652 of the Statutes of 1977, shall have the same force and effect as if this temporary provision had not been enacted.~~

Section 7252.5 of the Revenue and Taxation Code is repealed.

~~—7252.5. “District.” “District,” as used in this part, also means the Tahoe Transportation District, if authorized to impose transactions and use taxes pursuant to this part.~~

Section 7252.6 of the Revenue and Taxation Code is repealed.

~~7252.6. “**District.**” “District,” as used in this part, also means the Santa Clara County Traffic Authority, if authorized to impose transactions and use taxes pursuant to this part. This section shall remain in effect as long as Division 13 (commencing with Section 140000) of the Public Utilities Code, but shall be repealed upon the repeal of that division.~~

Section 7252.7 of the Revenue and Taxation Code is repealed.

~~7252.7. “**District.**” “District,” as used in this part, also means the San Diego County Regional Transportation Commission, if authorized to impose transactions and use taxes pursuant to this part.~~

Section 7252.8 of the Revenue and Taxation Code is repealed.

~~7252.8. “**District.**” “Districts,” as used in this part, also means a county transportation authority or the Metropolitan Transportation Commission if authorized to impose transactions and use taxes pursuant to this part.~~

Section 7252.9 of the Revenue and Taxation Code is repealed.

~~7252.9. “**District.**” “District,” as used in this part, also means any county imposing a tax pursuant to Section 7285.~~

Section 7252.10 of the Revenue and Taxation Code is repealed.

~~7252.10. “**District.**” “District,” as used in this part, also means the Fresno County Transportation Authority, if authorized to impose transactions and use taxes pursuant to this part. This section shall remain in effect as long as Division 15 (commencing with Section 142000) of the Public Utilities Code remains in effect, but shall be repealed upon the repeal of that division.~~

Section 7252.10 of the Revenue and Taxation Code is repealed.

~~7252.10. “**District.**” “District,” as used in this part, also means the Fresno County Transportation Authority, if authorized to impose transactions and use taxes pursuant to this part. This section shall remain in effect as long as Division 15 (commencing with Section 142000) of the Public Utilities Code remains in effect, but shall be repealed upon the repeal of that division.~~

Section 7252.11 of the Revenue and Taxation Code is repealed.

~~7252.11. “**District.**” “District,” as used in this part, also means the San Diego County Regional Justice Facility Financing Agency, if authorized to impose transactions and use taxes pursuant to this part.~~

Section 7252.12 of the Revenue and Taxation Code is repealed.

~~7252.12. “**District.**” “District,” as used in this part, also means the San Joaquin County Regional Justice Facility Financing Agency, if authorized to impose transactions and use taxes pursuant to this part.~~

Section 7252.13 of the Revenue and Taxation Code is repealed.

~~7252.13. “**District.**” “District,” as used in this part, also means the Tuolumne County Traffic Authority, if authorized to impose transactions and use taxes pursuant to this part. This section shall remain in effect as long as Division 15 (commencing with Section 150000) of the Public Utilities Code remains in effect, but shall be repealed upon the repeal of that division.~~

Section 7252.15 of the Revenue and Taxation Code is repealed.

~~7252.15. “**District.**” “District,” as used in this part, also means any county regional justice facilities financing agency imposing a tax pursuant to Chapter 13.8 (commencing with Section 26299.000) of Part 2 of Division 2 of Title 3 of the Government Code.~~

Section 7252.16 of the Revenue and Taxation Code is repealed.

~~7252.16. “**District.**” “Districts,” as used in this part, also means a local transportation authority created, or designated to serve as a local transportation authority, pursuant to Division 19 (commencing with section 180000) of the Public Utilities Code.~~

Section 7252.21 of the Revenue and Taxation Code is repealed.

~~7252.21. “**District.**” “District,” as used in this part, also means the San Bernardino County Transportation Commission, if authorized to impose transactions and use taxes pursuant to this part.~~

Section 7252.22 of the Revenue and Taxation Code is repealed.

~~7252.22. “**District.**” “District,” as used in this part, also means the Riverside County Transportation Commission, if authorized to impose transactions and use taxes pursuant to this part.~~

Section 7252.30 of the Revenue and Taxation Code is repealed.

~~7252.30. “**District.**” “District,” also means the Orange County Regional Justice Facilities Commission, if authorized to impose transactions and use taxes pursuant to this part.~~