

For Immediate Release
March 4, 2008

Contact: NR 13-08-G
Anita Gore
916-327-8988

New Local Sales Tax Rates Take Effect April 1

The California State Board of Equalization today announced that a number of voter-approved sales and use tax increases – designed to provide revenue for local purposes – will take effect April 1, 2008.

The increases, approved by voters locally, will fund programs such as public safety at the level. The new tax rates apply to areas within the cities' limits. The tax rates outside the cities' limits will remain the same.

<u>City</u>	<u>Increase</u>	<u>New Rate</u>
City of Ceres	0.50%	7.875%
City of Delano	1.0%	8.25%
City of Hollister	1.0%	8.25%
City of Selma	0.50%	8.475%

Retailers generally need to apply the new tax rates if they:

- Operate within the taxing area (the city with the new tax rate) and have merchandise sold and delivered within the area.
- Operate outside of the taxing area but are engaged in business within the area and sell merchandise for use in the area.
- Are engaged in business in the area. Retailers are considered to be engaged in business in the area if they:
 - Have a business location in the tax area.
 - Deliver into the tax area using their vehicles.
 - Have an agent or representative in the area to make sales, deliveries, install, or take orders.
- Sell autos, boats, or aircraft to customers that register them within the taxing area.
- Collect tax on lease payments from property used in the taxing area.

If a retailer is not required to collect the additional tax as described above, the purchaser may be liable for that tax. The purchaser may be responsible for reporting tax to the BOE, depending on the circumstances of the sale or use of the property.

For more information, call the BOE Information Center's toll-free number at 800-400-7115. For a complete list of tax rates for all cities and counties, visit: <http://www.boe.ca.gov/sutax/pam71.htm>.

The five-member California State Board of Equalization is a publicly elected tax board. The BOE collects more than \$53 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes.

###