

For Immediate Release
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New Local Sales Tax Rates Take Effect July 1, 2008

The California State Board of Equalization (BOE) today announced that four voter-approved local sales and use tax rate increases – designed to provide revenue for local purposes – will take effect July 1, 2008.

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

<u>City</u>	<u>Increase</u>	<u>New Rate</u>
City of El Cerrito	0.50%	8.75%
City of Reedley	0.50%	8.475%
City of Sanger	0.75%	8.725%
City of Seaside	1.00%	8.25%

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

- Operate within the local taxing area (i.e., 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. 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 sales tax as described above, the purchaser may be liable for the equivalent of that sales 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 local sales tax rates for all cities and counties, visit the BOE website: California City and County Sales and Use Tax Rates: www.boe.ca.gov/sutax/pam71.htm.

The five-member California State Board of Equalization (BOE) 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.

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