

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

Los Angeles County .50% Sales Tax Increase Applies Countywide

The California State Board of Equalization (BOE) today announced that a number of voter-approved sales and use tax increases – designed to provide revenue for local purposes – will take effect July 1, 2009.

The increases, approved by voters locally, will fund programs at the city or county level. Some tax increases apply to cities, some apply to entire counties, and some replace current taxes.

In Los Angeles County, voters approved the Los Angeles County Metropolitan Transportation Authority sales and use tax increase of .50% in November 2008 with an effective date of July 1, 2009. This .50% increase will apply to all cities and unincorporated areas within Los Angeles County. There are several cities within Los Angeles County that also have a previously approved add-on local tax. Those cities, noted in the chart below, will have a sales tax rate higher than that of the cities or unincorporated areas within Los Angeles County that have no add-on taxes. The Los Angeles County base rate will be 9.75% beginning July 1, 2009. The cities of Pico Rivera and Southgate will have a tax rate of 10.75%, the highest rate in California. Beginning July 1, the sales and use tax rates in California range from 8.25% to 10.75%.

The Orange County city of Laguna Beach will discontinue the add-on rate of .50% causing a decrease in the Laguna Beach sales tax rate to 8.75%. The discontinued rate of .50% in Laguna Beach was originally approved by voters as the City of Laguna Beach Temporary Transaction and Use Tax. On March 10, 2009, the Laguna Beach city council voted to end the tax.

Cities/County	Change	New Rate
County of Los Angeles*	.50%	9.75%
City of Avalon	.50%	10.25%
City of El Monte	.50%	10.25%
City of Inglewood	.50%	10.25%
City of Laguna Beach**	-.50%	8.75%
City of Pico Rivera	.50%	10.75%
City of South Gate	.50%	10.75%

* *The County of Los Angeles new tax of .50% applies to the entire county.*

** *The City of Laguna Beach in Orange County discontinued tax rate by -.50%.*

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

- Operate within the taxing area (the City or County with the new tax rate) and have merchandise sold and delivered within that area.
- Have a business location in the area.
- Deliver into the area using their vehicles.
- Have an agent or representative in the area to make sales, deliveries, or take orders.
- Sell automobiles, boats, or aircraft to customers who register them in the area.
- Collect tax on lease payments from property used in the area.

If a retailer is not required to collect the additional tax as described above, the buyer may be liable for that tax.

For more information, visit [Special Notices](#) on the BOE website www.boe.ca.gov or call 800-400-7115.

- [Special Notice: New Local Sales Tax Rates Effective July 1, 2009](#)
- [Publication 44 Tax Tips for District Taxes](#)
- [Publication 105 District Taxes and Delivered Sales](#)

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.

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