

For Immediate Release
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New Local Sales Tax Rates Take Effect April 1, 2010

Two voter-approved sales and use tax increases – designed to provide revenue for local purposes – will take effect April 1, the California State Board of Equalization (BOE) reminded taxpayers today.

These increases, approved by voters locally, will fund programs at the city level. The tax rates for areas in each county outside these cities will remain unchanged.

City/County	Change	New Rate
City of Gustine (Merced County)	+.50%	8.75%
City of San Mateo (San Mateo County)	+.25%	9.50%

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 either:
 - 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 responsible for reporting and remitting use tax to the BOE, depending on the circumstances of the sale or use of the property. The use tax, which has been law since 1935, is the same rate for any California location as the sales tax rate.

For more information, visit the BOE website www.boe.ca.gov or call 800-400-7115.

The 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. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

California City and County Sales and Use Tax Rates: <http://www.boe.ca.gov/sutax/pam71.htm>

Publication 44, *Tax Tips for District Taxes*: <http://www.boe.ca.gov/pdf/pub44.pdf>

Publication 105, *District Taxes and Delivered Sales*: <http://www.boe.ca.gov/pdf/pub105.pdf>

California Use Tax Information: <http://www.boe.ca.gov/ads/news06.htm>

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