



State Board of Equalization

News Release

Chairman Jerome E. Horton

4th District – Los Angeles

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www.boe.ca.gov

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Statewide Sales and Use Tax Rate Decreases by 1% July 1

The statewide sales and use tax rate will decrease from 8.25 percent to 7.25 percent on July 1, 2011, Board of Equalization Chairman Jerome E. Horton announced today.

The 1 percent decrease applies, generally, to all taxable transactions in California. In areas where voters have approved additional sales taxes, the total tax rate applied to purchases will be the statewide base tax rate of 7.25 percent, plus any applicable local sales tax. Retailers should check the BOE website, www.boe.ca.gov, for updates.

Part of a 2008-09 budget agreement, Assembly Bill x3 3 temporarily increased the General Fund portion of the sales and use tax rate by 1 percent in April of 2009, and will sunset on June 30, 2011.

The sales and use tax rate in California currently ranges from 8.25 percent to 10.75 percent, depending on whether additional regional voter-approved sales taxes apply. Beginning July 1, 2011, the range will be 7.25 percent to 9.75 percent.

Elected in 2010, Chairman Jerome E. Horton is the Fourth District Member of the California State Board of Equalization, representing more than 8.5 million residents in Los Angeles County. He is also the Board of Equalization Legislative Committee chairman. He is the first to serve on the Board of Equalization with over 21 years of experience with the Board of Equalization. Horton previously served as an Assembly Member of the California State Assembly from 2000-2006.

The five-member California State Board of Equalization is a publicly elected tax board. The Board of Equalization collects more than \$48 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 Sales and Use Tax Rates Effective July 1, 2011: <http://www.boe.ca.gov/cgi-bin/rates.cgi>

Special Notice: <http://www.boe.ca.gov/news/pdf/1277.pdf>

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