



State Board of Equalization

News Release

George Runner, Member

2nd District – Lancaster

Kristine Cazadd
Interim Executive Director
www.boe.ca.gov

For Immediate Release
June 29, 2011

Contact: NR 77-11-R
Anita Gore
916-327-8988

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, Senator George Runner, Second District Member of the California State Board of Equalization (BOE), announced today.

“A lower sales tax rate will put more dollars in Californians’ pockets,” said Senator Runner. “That’s a good thing for folks who are struggling to pay their bills or find work, and it’s a good thing for local business owners who could benefit from some increased customer spending. But even with this reduction, Californians will still pay the highest statewide sales tax rate in the nation.”

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 November 2010, taxpayer advocate George Runner represents the Second District of the Board of Equalization. Runner was sworn in as Second District Board Member on January 3, 2011. Prior to his election to the Board, Runner served twelve years in the State Legislature. As a thoughtful conservative, his legislative priorities included improving the economy, business growth, education excellence, and public safety for all Californians. As a member of the Senate Revenue and Taxation Committee, Runner consistently led the fight against tax increases and supported tax relief for families and businesses.

The five-member California State Board of Equalization (BOE) is a publicly elected tax board. The BOE 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>

###