



# Special Notice

## New Tax Rates to Take Effect on July 1, 2008

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[www.boe.ca.gov](http://www.boe.ca.gov)

Taxpayers' Rights  
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July 2008

Voters in the cities listed in the chart have approved new transactions and use taxes. These taxes apply only within the city limits. Please read the information below to see if you are affected by the new taxes.

CITY	COUNTY	ACRONYM	CODE	DISTRICT TAX RATE INCREASE	TOTAL TAX RATE FOR CITY
El Cerrito	Contra Costa	ECSI	175	0.50%	8.75%
Reedley	Fresno	RDPS	177	0.50%	8.475%
Sanger	Fresno	SGPS	179	0.75%	8.725%
Seaside	Monterey	SEAS	180	1.00%	8.25%

*Please note:* The tax rate in areas outside these cities will remain the same.

### Which retailers must collect tax at the new rate?

You must apply the new sales and use tax rate if you:

- Are a retailer in the district and you sell and deliver merchandise within the district.
- Are a dealer of vehicles, undocumented vessels, or aircraft and sell to customers who register them at an address located in the district.
- Collect tax on lease payments you receive for leased property used by the lessee in the district.
- Are a retailer located outside of the district who is engaged in business in the district and you deliver or ship merchandise into the district for use in the district or participate within the district in making the sale. You are considered to be engaged in business in the district if you:
  - a) have any type of business location there,
  - b) deliver into the district using your own vehicles, or
  - c) have an agent or representative in the district for the purpose of taking orders, or selling or delivering merchandise.

*Note:* If you are not required to collect the additional district tax, as described above, the purchaser may be liable for the district tax.

### Is there an exemption from the tax rate increase?

In general, fixed-price contracts and fixed-price lease agreements entered into prior to July 1, 2008, are not subject to the tax increase. To qualify as fixed-price, neither party can have the unconditional right to adjust the price for an increase in costs or terminate the contract or lease [Revenue and Taxation Code, sections 7261(g) or 7262(f)]. In addition, the tax amount or rate must be specifically stated in the contract or lease agreement. If the contract or lease qualifies as fixed-price, you should continue to report and pay the tax at the rate in effect at the time you entered into the contract.

### Is your address in the city limits or unincorporated county?

District boundaries are generally defined by city and county lines. Many California zip codes overlap city and county lines. To determine which district taxes affect your sales, visit this page on the Board of Equalization's (BOE's) Internet website: [www.boe.ca.gov/sutax/cityaddresses.htm](http://www.boe.ca.gov/sutax/cityaddresses.htm).

### Rate charts available

For your convenience, tax rate charts are available for sale transactions up to \$100 (BOE-180, *Sales Tax Reimbursement Schedules*). If you would like to order a copy of any of these rate charts, please check online at [www.boe.ca.gov](http://www.boe.ca.gov) or call our Taxpayer Information Section.

### For more information

If you have any questions regarding this notice, you may visit our website at [www.boe.ca.gov](http://www.boe.ca.gov), or call our Taxpayer Information Section at 800-400-7115. Staff are available from 8:00 a.m. to 5:00 p.m., Pacific time, Monday through Friday, excluding state holidays.