



# Special Notice

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## New Tax Rates to Take Effect on April 1, 2005

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OF EQUALIZATION

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Voters in districts throughout California have approved new transactions and use taxes in their area. Some taxes apply to the entire county, and some apply only within the city limits. Please read the information below to see if you are affected by these new taxes. The new rates are listed on the reverse side of this notice.

### 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 your merchandise is sold and delivered within the district.
- Are a retailer located outside the district who is engaged in business in the district and you sell merchandise for use in the district. You are considered to be engaged in business in the district if you (1) have any type of business location there, (2) deliver into the district using your own vehicles, or (3) have an agent or representative in the district for the purpose of taking orders, selling, delivering, installing, or assembling.
- Are a dealer of vehicles, vessels, or aircraft and sell those items to customers who register them to an address located in the district.
- Collect tax on lease payments you receive for leased property used by the lessee in the district.

If you are not required to collect the additional district tax, as described above, the purchaser is liable for the district use tax.

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

In general, fixed-price contracts and fixed-price lease agreements entered into prior to April 1, 2005, are subject to the tax rates in effect at the time you and your customer entered into the contract. 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 remit the specified tax rate—that is, the rate in effect at the time you entered into the contract.

### Rate Charts Available

For your convenience, tax rate charts are available for sales up to \$100 (form BOE-180). If you would like to order a copy of any of these rate charts, please go online to [www.boe.ca.gov](http://www.boe.ca.gov) or call our Information Center.

### For More Information

If you have any questions regarding this notice, please call our Information Center at 800-400-7115. Staff are available from 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding state holidays.

## New District Sales and Use Tax Rates

District Tax Area	County	District Tax Rate	Total District Tax Rate	County Tax Rate
* City of Richmond Transactions and Use Tax	Contra Costa	0.50%	8.75%	8.25%
* City of South Lake Tahoe Transactions and Use Tax	El Dorado	0.50%	7.75%	7.25%
Fresno County Zoo Transactions and Use Tax	Fresno	0.10%	7.975%	7.975%
* City of Lakeport Transactions and Use Tax	Lake	0.50%	7.75%	7.25%
Marin County Transportation Transactions and Use Tax	Marin	0.50%	7.75%	7.75%
Mariposa County Healthcare Transactions and Use Tax	Mariposa	0.50%	7.75%	7.75%
* City of Los Banos Transactions and Use Tax	Merced	0.50%	7.75%	7.25%
* City of Sand City Transactions and Use Tax	Monterey	0.50%	7.75%	7.25%
* City of San Juan Bautista Transactions and Use Tax	San Benito	0.75%	8.00%	7.25%
* City of Montclair Transactions and Use Tax	San Bernardino	0.25%	8.00%	7.75%
* City of El Cajon Public Safety Facilities Transactions and Use Tax	San Diego	0.50%	8.25%	7.75%
* City of Stockton Public Safety Transactions and Use Tax	San Joaquin	0.25%	8.00%	7.75%
* City of Capitola Transactions and Use Tax	Santa Cruz	0.25%	8.25%	8.00%
* City of Sebastopol Transactions and Use Tax	Sonoma	**0.25%	8.00%	7.75%
* City of Santa Rosa Transactions and Use Tax	Sonoma	0.25%	8.00%	7.75%
Sonoma County Transportation Transactions and Use Tax	Sonoma	0.25%	7.75%	7.75%
* City of Farmersville Transactions and Use Tax	Tulare	0.50%	7.75%	7.25%

\* The tax rate in the areas of the county outside this city will remain at the county tax rate. For other cities within the county with district taxes, their rates do not change.

\*\* Voters in the City of Sebastopol approved a new tax rate of 0.25% to replace the existing 0.125% tax rate.