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*California
Local Motor
Vehicle Fuel
Taxation Law*

*Revenue and Taxation Code
Part 4 of Division 2*

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LOCAL MOTOR VEHICLE
FUEL
TAXATION LAW

CONTENTS

PART 4.	LOCAL MOTOR VEHICLE FUEL TAXATION	Page
Section 9501	Imposition of tax	5
9502	Requirements; Voter approval.....	5
9502.5	Allocation of Proceeds; Los Angeles County	6
9503	Administration; Required Contract with Board.....	6
9504	Board Authorization to Adopt Rules and Regulations.....	6
9505	Transmittal of Taxes to County and Cities.....	7
9506	Required Provisions	7
9507	Expenditure of Net Revenues	7
Index		9

LOCAL MOTOR VEHICLE FUEL TAXATION

(Part 4, Division 2, Revenue and Taxation Code *)

Enacted by Statutes of 1981, Chapter 541, amended Statutes 1981, Chapter 790. Statutes 1982, Chapters 1085 and 1589.

PART 4. LOCAL MOTOR VEHICLE FUEL TAXATION

- § 9501. Imposition of tax.
- § 9502. Requirements; voter approval.
- § 9502.5. Allocation of proceeds; Los Angeles County.
- § 9503. Administration; required contract with Board.
- § 9504. Board authorization to adopt rules and regulations.
- § 9505. Transmittal of taxes to county and cities.
- § 9506. Required provisions.
- § 9507. Expenditure of net revenues.

9501. **Imposition of tax.** (a) Except as specified in subdivision (c), in addition to taxes imposed pursuant to Chapter 5 (commencing with Section 99500) of Part 11 of Division 10 of the Public Utilities Code, Part 2 (commencing with Section 7301), Part 3 (commencing with Section 8601), and Part 31 (commencing with Section 60001) of this division, on motor vehicle fuel, a tax may be imposed by a county on a countywide basis in accordance with this part.

(b) The tax shall be imposed in increments of one cent (\$0.01) per gallon or, in the case of compressed natural gas, one cent (\$0.01) per 100 cubic feet as measured at standard pressure and temperature.

(c) No tax shall be imposed under this part on fuel used in propelling an aircraft or a vessel.

History.—Stats. 1995, Ch. 555, in effect January 1, 1996, added a comma after "Public Utilities Code" and after "Section 7301)" and added ", and Part 31 (commencing with Section 60001)" after "Section 8601)" in subdivision (a); and added "(\$0.01)" after "of one cent" and after "gas, one cent" in subdivision (b).

9502. **Requirements; voter approval.** (a) Prior to imposition and collection of any tax under this part, a proposition granting authority to the county to impose the tax shall be submitted to and approved by the voters at an election. The proposition shall specify the maximum tax to be imposed and may specify the period for which the tax will be imposed.

(b) A proposition may be submitted to the voters under subdivision (a) only if (1) it is approved by the board of supervisors and a majority of the city councils of the cities having a majority of the population in the incorporated areas of the county, as provided in subdivision (c), and (2) the county and the majority of the cities having a majority of the population in the incorporated areas of the county have a written agreement with respect to allocation of the revenues between the county and the cities.

* The provisions of this part, except as otherwise noted, became effective September 17, 1981.

(c) If the board of supervisors approves the proposition prior to the approval of a majority of the city councils of the cities having a majority of the population in the incorporated area of the county, the approval of the other city councils to secure both of those majorities shall be secured within one year of the approval of the board of supervisors. If the board of supervisors approves the proposition after the approval of the city councils with both of those majorities, the approval of the board of supervisors shall be made within one year of the date of the approval of the city council which results in the proposition being approved by the city councils with both of those majorities.

History.—Stats. 1982, Ch. 1085, in effect September 16, 1982, substituted "the majority . . . areas of" for "the cities within" after "county and" in subdivision (b).

9502.5. Allocation of proceeds; Los Angeles County. If the countywide tax is imposed within the County of Los Angeles, the portion of the proceeds of the tax allocated and spent within the boundaries of the San Fernando Valley Statistical Area, as defined in Section 11093 of the Government Code, shall be not less, on a percentage basis, than the percent that the population of the San Fernando Valley Statistical Area is of the total population of Los Angeles County.

History.—Added by Stats. 1981, Ch. 790, in effect January 1, 1982.

9503. Administration; required contract with board. (a) The county shall contract with the State Board of Equalization for the administration of any tax imposed under this part, and the state board shall be reimbursed for its cost in the administration of the tax.

(b) The county shall also reimburse the state board for its cost of preparation to administer the tax.

9504. Board authorization to adopt rules and regulations. The State Board of Equalization shall adopt the necessary rules and regulations to administer the tax.

9505. **Transmittal of taxes to county and cities.** After deducting its cost in administering the tax, the State Board of Equalization shall transmit the net revenues to the county periodically as promptly as possible for distribution in accordance with the allocation agreement between the county and cities. The transmittals from the Board of Equalization to counties and the transmittal from counties to cities shall be made at least twice in each calendar quarter.

History.—Stats. 1982, Ch. 1589, in effect January 1, 1982, deleted "and cities" before "periodically" and added "for distribution" after "possible" in the first sentence, and added "from the . . . to cities" after "transmittal" in the second sentence.

9506. **Required provisions.** The ordinance shall include provisions identical to those contained in Part 2 (commencing with Section 7301), Part 3 (commencing with Section 8601), and Part 31 (commencing with Section 60001), except that the name of the county as the taxing agency shall be substituted for that of the state.

History.—Stats. 1995, Ch. 555, in effect January 1, 1996, added a comma after "with Section 7301" and added "an Part 31 (commencing with Section 60001), after "with Section 8601),".

9507. **Expenditure of net revenues.** The net revenues received by counties and cities from taxes imposed under this part shall be expended only for the purposes authorized by Article XIX of the California Constitution.

INDEX

Administration
 by board . . . 9503
 rules and regulations . . . 9504
 transmittal of taxes to county and cities . . . 9505
Allocation of proceeds; Los Angeles County . . . 9502.5

Expenditure of net revenues . . . 9507

Imposition of tax . . . 9501

Required provisions . . . 9506
Rules and Regulations . . . 9504

Transmittal of taxes to county and cities . . . 9505

Voter approval . . . 9502