

# TAXES AND FEES ADMINISTERED BY THE CALIFORNIA STATE BOARD OF EQUALIZATION, 2003-04

TAX PROGRAM	YEAR IMPLEMENTED	WHAT IS TAXED	WHO PAYS; NUMBER OF REGISTRANTS AS OF JUNE 30, 2004	TAX RATE	03-04 REVENUES/ CHANGE FROM 02-03	FUND ALLOCATION— HOW FUNDS ARE USED	
<b>PROPERTY TAXES</b>							
Private Railroad Car Tax	1938	Private railcars operated within California	Railcar owners; 241	1.064% of assessed value	\$6.64 million +3.45%	General Fund	
Timber Yield Tax	1977	Timber harvested for forest products	Timber owners; 2,128	2.9% of immediate harvest value	\$14.50 million +15.70%	Distributed to counties where timber was harvested	
<b>SALES AND USE TAXES</b>							
Sales and Use Tax	Sales tax— 1933 Use tax— 1935	Sales of tangible personal property; use or storage of property when sales tax not paid	Retailers of tangible personal property; purchasers, under certain circumstances; 1,067,374	6.00 % (state portion of 7.25% uniform statewide rate)	\$26.51 billion +6.46%	5.00% General Fund 0.50% Local Revenue Fund	
					\$2.44 billion +7.15%	0.50% Local Public Safety Fund	
Bradley-Burns Uniform Local Sales and Use Tax	1956	See above	See above; 1,067,374	1.25% (local portion of uniform statewide rate indicated above)	\$6.03 billion +6.51%	1.00% County and incorporated city general funds 0.25% County transportation funds	
District Transactions and Use Tax	1970	See above; applies to transactions within special tax districts and certain shipments into them	See above; n/a	0.125% to 0.50% per tax	\$3.08 billion +6.22%	Special tax districts—transportation, hospitals, schools, libraries, open space, other	
<b>SPECIAL TAXES AND FEES</b>							
<b>EXCISE TAXES</b>	Cigarette and Tobacco Products Tax Cigarettes	1959	Cigarette distributions	Cigarette distributors; 1,831. Cigarette consumers who buy directly from out-of-state vendors; n/a	87¢ per pack	\$1.02 billion +0.09%	2¢ Breast Cancer Fund 10¢ General Fund 25¢ Special Fund 1—see below 50¢ Special Fund 2—see below
	Tobacco products	1989	Distribution of tobacco products, including cigars, chewing tobacco, pipe tobacco, and snuff	Tobacco products distributors (registrants included with cigarette figures)	46.76% of the wholesale price	\$44.17 million +7.73%	Special Fund 1: 35% hospital services, 20% health education, 10% physician services, 5% research, 5% public resources, 25% not allocated Special Fund 2: Early childhood development, 20% state, 80% counties
	Cigarette and Tobacco Products Licensing Program	2004	The activity of selling cigarettes and tobacco products in California	Cigarette manufacturers and importers: 47; Cigarette and tobacco product distributors: 585; wholesalers: 318; and retailers: 34,601.	Manufacturers: \$0.01 per package of cigarettes Distributors and wholesalers: \$1,000 annual license fee per location. Retailers: \$100 one-time license fee	\$18.48 million n/a	Cigarette and Tobacco Products Compliance Fund—tobacco sales licensing, inspection, and related activities
	Energy Resources Surcharge	1975	Use of electricity	Electrical energy consumers and utilities; 115	0.0003¢ per kilowatt hour (three tenths of a mill)	\$58.17 million +26.23%	Energy Resources Programs Account—ongoing energy programs and projects
	Emergency Telephone Users Surcharge	1977	Charges for intrastate telephone communication services	Telephone users, paid through telephone service suppliers; 577	0.72% of charges for services	\$136.12 million +3.72%	Local entities—operation of the 911 system
	Alcoholic Beverage Tax	1933	Sale of alcoholic beverages	Persons manufacturing, selling, or importing alcoholic beverages; 3,908	(All rates per gallon) Distilled spirits 100 proof or lower—\$3.30 over 100 proof—\$6.60 Beer & wine—\$0.20 Champagne & sparkling wine—\$0.30	\$293.38 million +0.96%	General Fund—education, public safety, health and social services programs, resource management, other
	California Tire Fee	1991	New tires purchased from a retailer	Person purchasing new tire; paid through tire retailers; 12,434	\$1 per tire	\$33.18 million +4.02%	Programs for recycling, disposal, and reuse of used tires
	Insurance Tax	1911	Gross premiums, ocean marine insurance underwriting profits, title insurance company income	Insurance companies; 1,909 Surplus line brokers; 416	5.00% ocean marine 2.35% all others	\$1.83 billion +15.92%	General Fund
	Integrated Waste Management Fee	1989	Disposed waste, by volume	Solid waste landfill operators and wood waste facility operators; 182	\$1.34 per ton—solid waste \$0.75 per ton—wood waste	\$56.29 million +2.38%	Integrated Waste Management Fund—landfill-related environmental programs
	Natural Gas Surcharge	2001	Natural gas used by customers of a public utility gas corporation or interstate pipeline.	Gas utility companies; 13	Varies, depending on utility's service area and program costs. Rates increased eff. 1/1/04.	\$262.61 million +15.21%	Programs for low-income assistance, energy conservation, and related purposes
Water Rights Fee	2004	Applications for and annual fees for water rights permits and licenses	Holders of and applicants for water rights permits and licenses; 13,464	Set each reporting period.	\$6.80 million n/a	Operation of the State Water Resources Control Board's Division of Water Rights	

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<b>SPECIAL TAXES AND FEES (Continued)</b>							
<b>FUEL TAXES</b>	<b>Diesel Fuel Tax</b>	1995	Diesel fuel, upon removal from the terminal rack, importation into the state, or sale	Suppliers of diesel fuel; 123 suppliers, 35,487 other accounts	18¢ per gallon	\$501.23 million +5.52%	Transportation Tax Fund—to construct and maintain public roads and mass transit systems
	<b>Interstate User Tax</b>	1995	Use of diesel fuel to operate qualified motor vehicles interstate	Motor carriers who use diesel fuel in interstate operations; 14,595	26.3¢ per gallon eff. 1/03 27.8¢ per gallon eff. 1/04	\$61.80 million +12.46% included in revenue for diesel fuel tax	Transportation Tax Fund, above
	<b>Use Fuel Tax</b>	1937	Vehicular use of liquid natural gas, compressed natural gas (CNG), and certain other fuels	Owners and operators of vehicles powered by covered fuels, use fuel vendors; 1,338	6-18¢ per gallon of fuel (varies by type), 7¢ per 100 cubic feet of CNG, or annual fee based on vehicle weight	Included in revenue for diesel fuel tax	Transportation Tax Fund, above
	<b>Motor Vehicle Fuel Tax</b>	2002 <sup>1</sup>	Gasoline, upon removal from the terminal rack, importation into the state, or sale	Gasoline suppliers; 111 suppliers, 128 other accounts	18¢ per gallon	\$2.87 billion +1.49%	Transportation Tax Fund—to construct and maintain public roads and mass transit systems
	<b>Aircraft Jet Fuel Tax</b>	1969	Sales of jet fuel to jet fuel users	Jet fuel dealers; 226	2¢ per gallon	\$2.19 million -9.87%	State Transportation Fund, Aeronautics Account—airport programs
	<b>Underground Storage Tank Maintenance Fee</b>	1989	Storage of petroleum products in underground tanks	Owners of underground fuel storage tanks; 6,967	1.2¢ per gallon	\$211.57 million +2.32%	Program that ensures cleanup of leaking underground petroleum storage tanks
	<b>Childhood Lead Poisoning Prevention Fee</b>	1993	Motor vehicle fuel; architectural coatings; lead releases into California air	The petroleum industry, the architectural coatings industry, and facilities reporting releases of lead into the air; 970	Reestablished each reporting period	\$13.34 million -32.21%	Lead poisoning prevention program for children
	<b>Oil Spill Response, Prevention, and Administration Fees</b> Oil Spill Prevention and Administration Fee	1991	Crude oil and petroleum products received at marine terminals in California or moved through pipelines	Marine pipeline operators; owners of crude oil and petroleum products received at marine terminals; 30	5¢ per barrel eff. 1-20-03	\$33.20 million +59.42%	Oil spill prevention programs and studies of spill effects, prevention, and response
	Oil Spill Response Fee	1991	Petroleum products received at marine terminals, moved through pipelines, or received at refineries	Owners of petroleum products received at marine terminals, marine pipeline operators, oil refineries, marine pipelines; 36	25¢ per barrel	No fees collected in 2003-04; \$50 million Oil Spill Response Trust Fund is at maximum	Oil Spill Response Trust Fund—pays for response to and cleanup of marine oil spills; related wildlife care; spill-related damages
<b>ENVIRONMENTAL FEES</b>	<b>Hazardous Substances Tax</b> Environmental Fee	1989	Activity by certain types of corporations	Corporations with at least 50 employees, in industry groups that use, generate, store, or conduct activities relating to hazardous materials; 42,487	\$236-\$11,275 per year, based on number of workers employed in California more than 500 hours annually	\$30.37 million -1.51%	Cleanup of contaminated sites
	Activity Fee	1989	Applications and modification requests for hazardous waste permits	Hazardous waste activity applicants; n/a	Varies according to activity requested	\$0.52 million +11.43%	Regulation of hazardous waste management
	Generator Fee	1986	Generation of hazardous waste at a specific site	Generators of hazardous waste who do not pay a facility fee; 7,037	\$167-\$66,640, based on amount of waste generated	\$23.43 million -4.55%	See above
	Disposal Fee	1985	Hazardous waste disposed of by depositing on or into land	Hazardous waste disposal facilities; 10	Rates per ton vary, depending on waste category, volume, and disposal method	\$5.54 million -9.12%	See above
	Facility Fee and Tiered Permit Fees	1986	Storage, treatment, or disposal of hazardous waste	Hazardous waste facility operators; 265	Varies according to size and type of facility	\$4.51 million -6.93%	See above
	<b>Occupational Lead Poisoning Prevention Fee</b>	1991	Industrial activity by employers in certain industrial classifications	Employers with 10 or more employees in industries with documented evidence of potential occupational lead poisoning; 17,016	\$243-\$2,790 per year, based on number of employees and industrial classification	\$2.70 million +3.98%	Occupational lead poisoning prevention program
	<b>Marine Invasive Species Fee<sup>2</sup></b>	2000	Ships entering California with ballast water from outside a defined coastal zone	Owners and operators of vessels arriving in California ports; 2,393	\$200 per qualifying vessel voyage through 1/31/04; \$500 per qualifying vessel voyage eff. 2/1/04.	\$1.89 million +66.15%	Program that addresses the introduction of non-native aquatic species into the state's waters

<sup>1</sup> Originally the Motor Vehicle Fuel License Tax, implemented in 1941.

<sup>2</sup> Known as the Ballast Water Management Fee through December 31, 2003.