

**For Immediate Release**  
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## **Local Sales & Use Tax Rates Increase in Five Cities October 1, 2010**

### *Voter-Approved Rates Take Effect*

Voter approved local sales and use tax increases in five cities will take effect October 1, 2010, the BOE reminded taxpayers today. The affected cities include City of Calexico, Cathedral City, City of Cotati, City of Rohnert Park, and City of Woodland.

| <b>New Sales and Use Tax Rate: General Tax Measures (Majority voter approval required)</b> |                |                      |               |                 |
|--|----------------|----------------------|---------------|-----------------|
| <b>City</b>  | <b>Measure</b> | <b>Rate Increase</b> | <b>Sunset</b> | <b>New Rate</b> |
| City of Calexico   | Measure H      | ½ cent (0.50%)       | 20 yrs        | 9.25%           |
| City of Cathedral City   | Measure H      | 1 cent (1.00%)       | 5yrs          | 9.75%           |
| City of Cotati   | Measure A      | ½ cent (0.50%)       | 5yrs          | 9.50%           |
| City of Rohnert Park   | Measure E      | ½ cent (0.50%)       | 5yrs          | 9.50%           |
| City of Woodland   | Measure V      | ¼ cent (0.25%)       | 4yrs          | 9.00%           |

Four of the cities, Calexico, Cathedral City, Woodland, and Rohnert Park had the local measures approved by voters in the June 2010 Primary Election for sales tax add-ons (transactions and use taxes) for general purposes. Voters in Cotati approved the increase in April, 2010. The proposals ranged from increases of ¼ percent to 1 percent and required majority voter approval. All of the cities' local add-on sales tax rates are effective October 1, 2010. In a sixth city, Davis (Yolo County), voters approved Measure Q in the June 2010 Primary Election, an extension for six years of an existing ½ cent (0.50%) sales tax add on and the rate in the City of Davis remains 8.75%.

**Retailers generally need to apply the new local sales tax rates if the retailers:**

- Operate within the city with the new tax rate and have merchandise sold and delivered within the city.
- Operate outside of the city but are engaged in business within the city and sell merchandise for use in the city.
- Are engaged in business in the city; a retailer is considered to be in business in the city if the retailer either:
  - Has a business location in the taxing city.
  - Delivers into the taxing city using its vehicles.
  - Has an agent or representative in the taxing city to make sales, deliveries, install, or take orders.
  - Sell autos, boats, or aircraft to customers that register the autos, boats, or aircraft within the taxing city.
  - Collects taxes on lease payments from property used in the taxing city.

If a retailer is not required to collect the additional *sales* tax as described above, the purchaser may be responsible for reporting and remitting *use* tax to the BOE, depending on the circumstances of the sale or use of the property. The use tax, which has been law since 1935, is the same rate for any California location as the sales tax rate. The increases, approved by voters locally, will fund programs at the city level. The tax rates for areas in each county outside these cities will remain unchanged.

For more information on California City & County Sales & Use Tax Rates, visit: [www.boe.ca.gov/sutax/pam71.htm](http://www.boe.ca.gov/sutax/pam71.htm) or call the BOE Taxpayer Information Call Center at 800-400-7115.

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](http://www.taxes.ca.gov).

- Special Notice on New Sales and Use Tax Rates Effective October 1, 2010: [www.boe.ca.gov/news/pdf/l261.pdf](http://www.boe.ca.gov/news/pdf/l261.pdf)
- List of District Taxes, Rates, and Effective Dates: [www.boe.ca.gov/sutax/pdf/districtatelist.pdf](http://www.boe.ca.gov/sutax/pdf/districtatelist.pdf)
- BOE Publication 71: California City and County Sales and Use Tax Rates:: <http://www.boe.ca.gov/pdf/pub71.pdf>

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