

**For Immediate Release**  
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## **3Q10 Local Sales Tax Allocations Remain Flat**

The California State Board of Equalization announced today that September sales tax allocations to local governments will remain flat. Statewide cash receipts from taxable transactions for the third quarter of 2010 declined over nine percent from the same period a year earlier.

An analysis of third quarter 2010 data, including cash receipts in July, prompted the BOE to proceed without an increase to local jurisdictions while continuing to monitor the statewide cash receipts for the remainder of the calendar quarter to determine whether further adjustments will be required. The latest Department of Finance sales tax projections estimated an anticipated 6.6 percent increase.

BOE makes monthly allocations to 764 local jurisdictions based on a formula that includes historical allocations, growth factor adjustments to the base, transfers and audits, and actual cash receipts. Beginning in the fourth quarter of 2008, the BOE reduced advance payments to local taxing jurisdictions beyond adjustments based on the negative growth factors projected at the time by the Department of Finance due to an unprecedented drop in taxable sales stemming from the recession.

The five-member California State Board of Equalization 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).

Schedule of September 2010 Payments: [http://www.boe.ca.gov/news/2010/3q10\\_schedule\\_of\\_payments.xls](http://www.boe.ca.gov/news/2010/3q10_schedule_of_payments.xls)

Sample Letter: [http://www.boe.ca.gov/news/2010/3q10\\_growth\\_factor\\_letter.pdf](http://www.boe.ca.gov/news/2010/3q10_growth_factor_letter.pdf)

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