

# Herding Cats: How Our Revenues Got This Way

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*CaliforniaCityFinance.com*

*The California Local Government Finance Almanac*

## The Latest Anti-Local Gov't \$ Initiative

**Initiative 25-0006 v.3** The “Local Taxpayer Protection Act to Save Proposition 13”

1. Applies 2/3 voter approval requirement for special taxes to include “the electorate of a local government exercising initiative power.”
2. Prohibits Real Property Transfer Taxes (RPTTs) other than Documentary Transfer Taxes (DTTs) in compliance with Rev & Tax Code §11911 et seq.

➤ *26 cities lose about \$2 million per year combined.*

*About half of that is Los Angeles alone.*

➤ *Losses average 10% of general fund*

*... range from 1% to 28% (Berkeley).*



# California's Local Tax Voting Rules

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## California Tax Approval Rules

**1978**  
*Proposition 13*  
"Special Tax"  
requires 2/3 approval

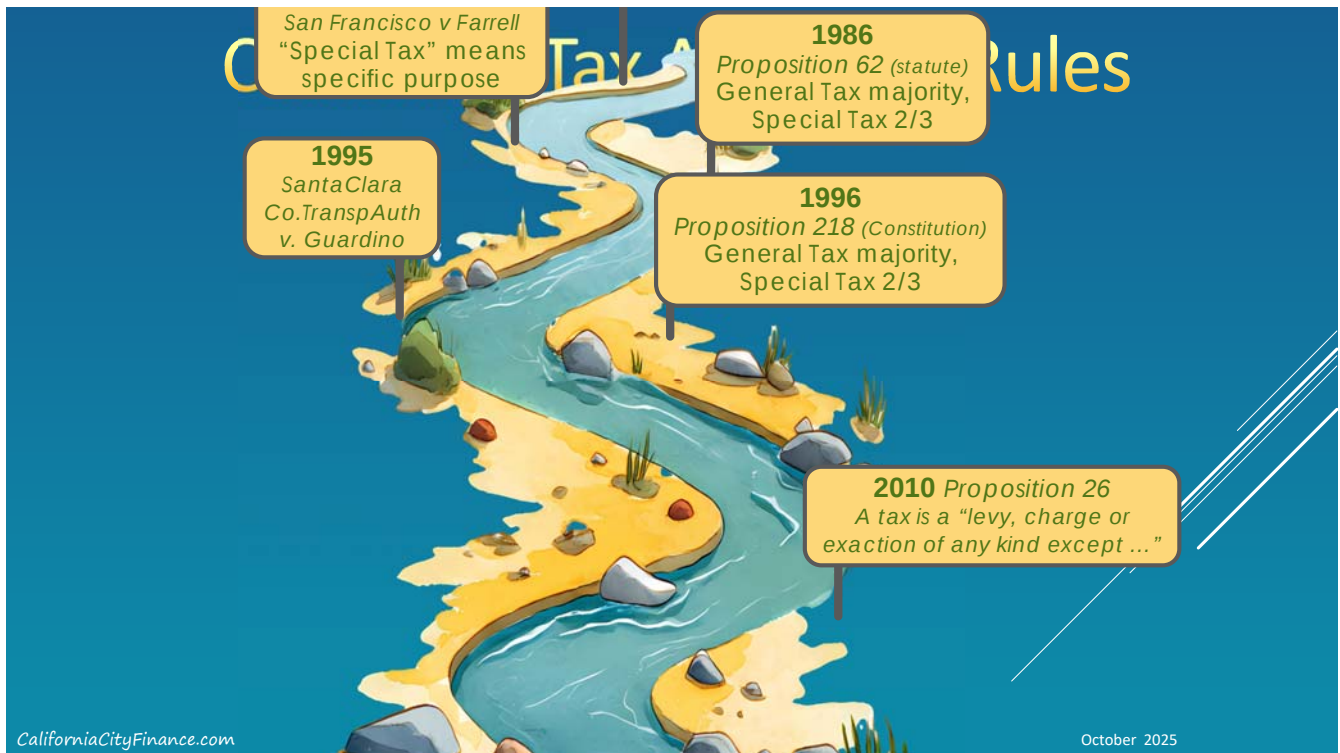
**1982**  
*San Francisco v Farrell*  
"Special Tax" means  
specific purpose

**1986**  
*Proposition 62 (statute)*  
General Tax majority,  
Special Tax 2/3

**1995**  
*Santa Clara  
Co. Transp Auth  
v. Guardino*

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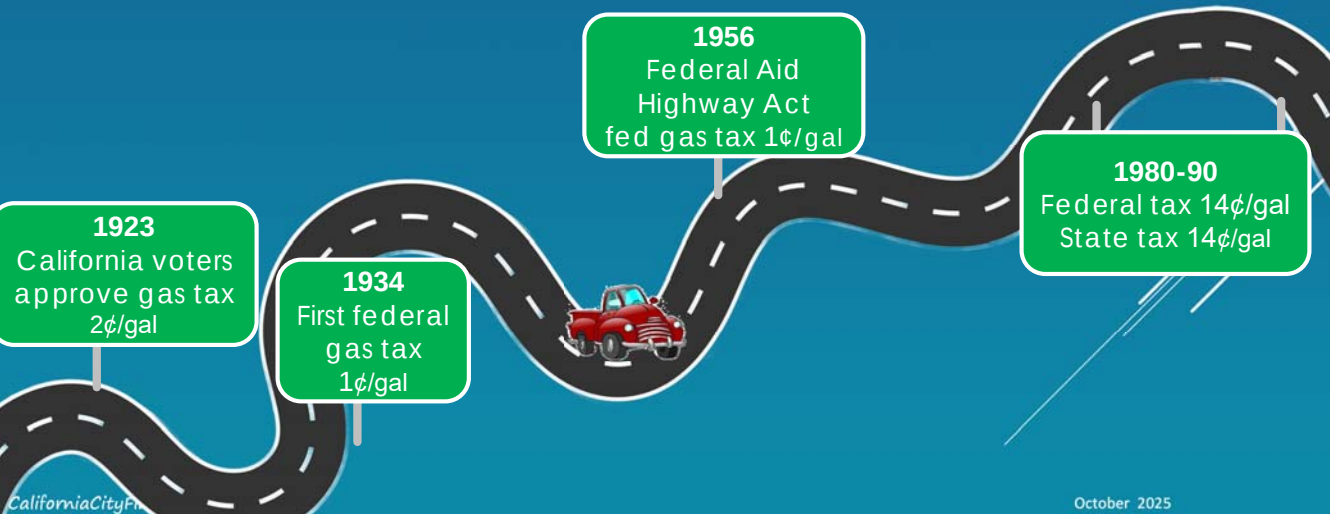


# California's Local Streets and Roads Revenues

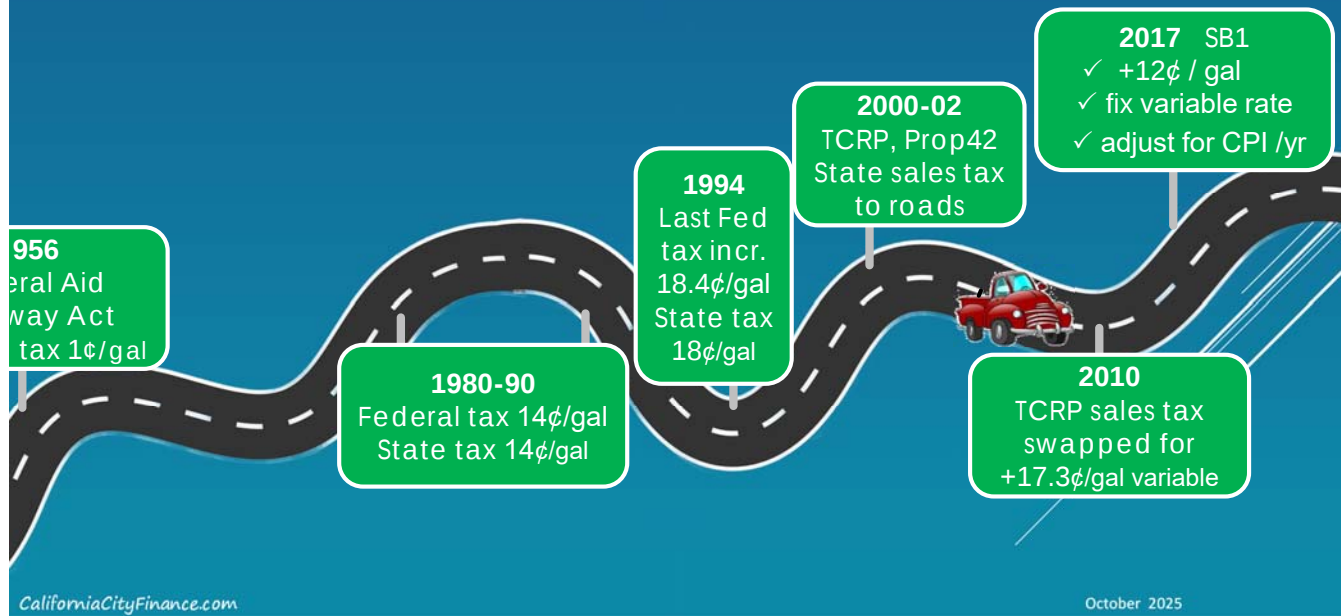
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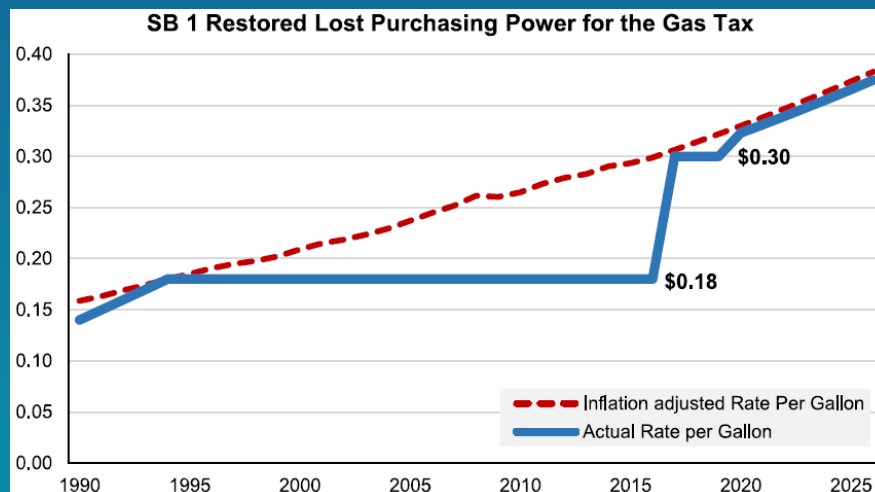
## California Gasoline Taxes



# California Gasoline Taxes



## The Road Repair and Accountability Act of 2017

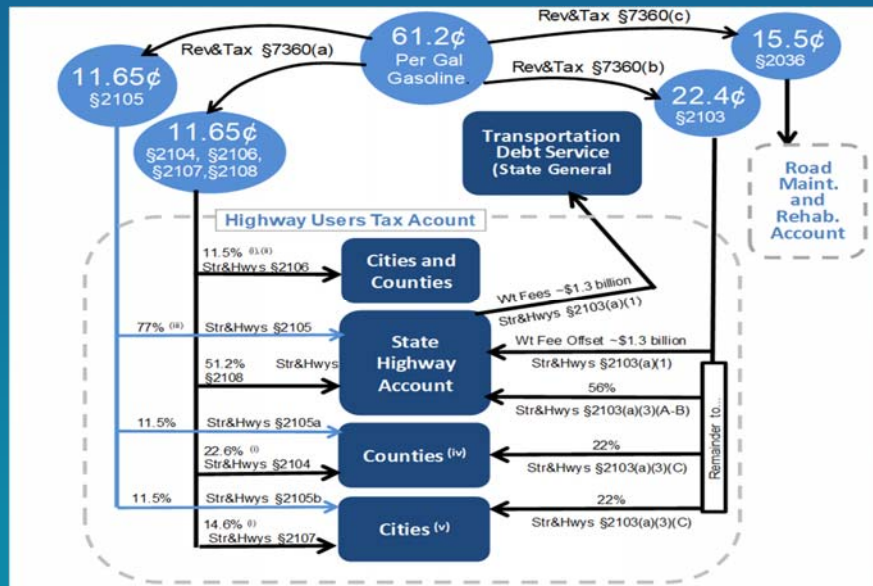


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Source: Governor's Proposed 2018-19 Budget Summary Figure INT-06 October 2025

# Gasoline Excise Tax Allocation

Effective July 1, 2025

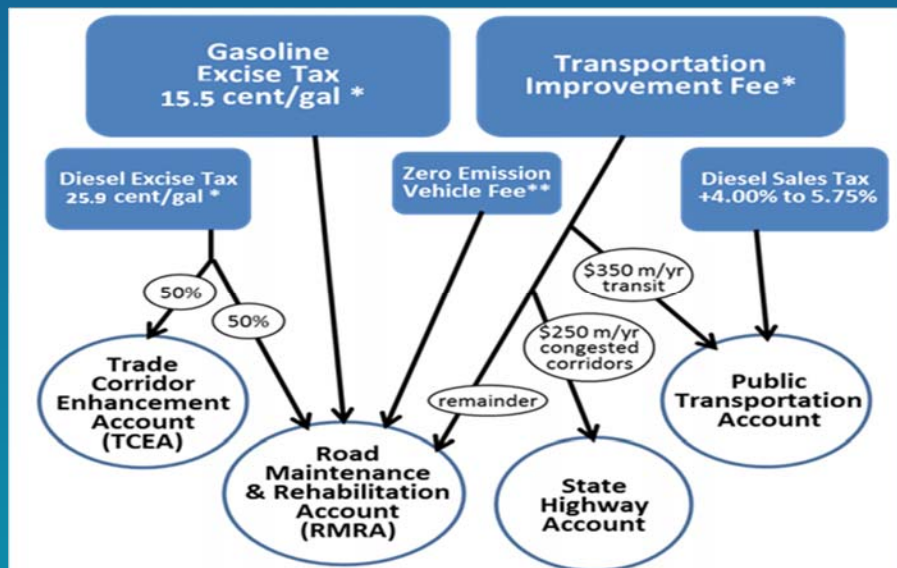


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# SB1 Road Maint. & Rehab. Account

Effective July 1, 2025



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# Transportation Funding in California

## Paid by Users

Federal  
Fuel Taxes

State  
Fuel Taxes

Vehicle  
Registration  
Fees

Vehicle  
Weight  
Fees

Tolls

Cap-n-  
Trade  
Funds

Public  
Transit  
Fares

Federal State Local

## Paid by All

Dedicated  
**Sales  
Taxes**

incl. "self help"

Local ¼%  
T.D.A.  
**Sales  
Tax**

Benefit  
**Assessments**  
and Mello-  
Roos Taxes

**Developer  
Fees and  
Exactions**

Dedicated  
**Parcel Taxes**

Local  
**General  
Funds**

(incl. G.O. Bond  
Debt Service)

~~State  
General  
Fund~~

~~Redevelopment  
Tax Increment~~

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# Local Streets and Roads Revenues

Local \$ to  
**HUTA**

Str&Hwy2103  
Previously price-based  
**Gasoline Excise Tax**  
reset to @17.3¢ on 7/1/19

Now 22.4 ¢

inflation adjusted  
annually July 1

Str&Hwy2104-2108  
Base rate  
**Gasoline  
Excise Tax** 18¢

Now 23.3 ¢

inflation adjusted  
annually July 1

Local \$ to  
**RMRA &  
grants**

**Gasoline  
Excise Tax** +12¢

Now 15.5 ¢

inflation adjusted  
annually July 1

**Transportation  
Improvement Fee**  
\$25 to \$175/year  
depending on auto value

Now \$32-\$227

inflation adjusted  
annually January 1

**Diesel  
Excise Tax**  
+20¢/gal

Now 25.9 ¢

inflation adjusted  
annually July 1

**ZEV Registration Fee**  
\$100/yr on 2020 models / later  
Now \$118

inflation adjusted  
annually January 1

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# Local Streets and Roads Revenues



## California Gasoline Excise Tax Rates - Per Gallon

| Effective Date | Base Rate | Sec2103  | SB1 Rate | Total    |
|----------------|-----------|----------|----------|----------|
| July 1, 2015   | \$ 0.180  | \$ 0.120 |          | \$ 0.300 |
| July 1, 2016   | \$ 0.180  | \$ 0.098 |          | \$ 0.278 |
| July 1, 2017   | \$ 0.180  | \$ 0.117 |          | \$ 0.297 |
| Nov 1, 2017*   | \$ 0.180  | \$ 0.117 | \$ 0.120 | \$ 0.417 |
| July 1, 2019   | \$ 0.180  | \$ 0.173 | \$ 0.120 | \$ 0.473 |
| July 1, 2020   | \$ 0.192  | \$ 0.185 | \$ 0.128 | \$ 0.505 |
| July 1, 2021   | \$ 0.194  | \$ 0.187 | \$ 0.130 | \$ 0.511 |
| July 1, 2022   | \$ 0.205  | \$ 0.197 | \$ 0.137 | \$ 0.539 |
| July 1, 2023   | \$ 0.220  | \$ 0.212 | \$ 0.147 | \$ 0.579 |
| July 1, 2024   | \$ 0.227  | \$ 0.218 | \$ 0.151 | \$ 0.596 |
| July 1, 2025   | \$ 0.233  | \$ 0.224 | \$ 0.155 | \$ 0.612 |

+1.3¢

## California Diesel Excise Tax Rates

| Effective Date | Base Rate | SB1 Rate | Total    |
|----------------|-----------|----------|----------|
| July 1, 2017   | \$ 0.160  |          | \$ 0.160 |
| Nov 1, 2017*   | \$ 0.160  | \$ 0.200 | \$ 0.360 |
| July 1, 2019   | \$ 0.160  | \$ 0.200 | \$ 0.360 |
| July 1, 2020   | \$ 0.171  | \$ 0.214 | \$ 0.385 |
| July 1, 2021   | \$ 0.173  | \$ 0.216 | \$ 0.389 |
| July 1, 2022   | \$ 0.182  | \$ 0.228 | \$ 0.410 |
| July 1, 2023   | \$ 0.196  | \$ 0.245 | \$ 0.441 |
| July 1, 2024   | \$ 0.202  | \$ 0.252 | \$ 0.454 |
| July 1, 2025   | \$ 0.207  | \$ 0.259 | \$ 0.466 |

## SB1 Transportation Improvement Fee

| Vehicle Value       | Jan 2018 | Jan 2020 | Jan 2021 | Jan 2022 | Jan 2023 | Jan 2024 | Jan 2025 |
|---------------------|----------|----------|----------|----------|----------|----------|----------|
| 0 - \$4,999         | \$ 25    | \$ 27    | \$ 27    | \$ 28    | \$ 29    | \$ 32    | \$ 32    |
| \$5,000 - \$24,999  | \$ 52    | \$ 54    | \$ 55    | \$ 56    | \$ 59    | \$ 65    | \$ 65    |
| \$25,000 - \$34,999 | \$ 105   | \$ 107   | \$ 110   | \$ 112   | \$ 118   | \$ 129   | \$ 129   |
| \$35,000 - \$59,999 | \$ 157   | \$ 161   | \$ 165   | \$ 168   | \$ 177   | \$ 194   | \$ 194   |
| \$60,000 & over     | \$ 183   | \$ 188   | \$ 192   | \$ 196   | \$ 206   | \$ 227   | \$ 227   |

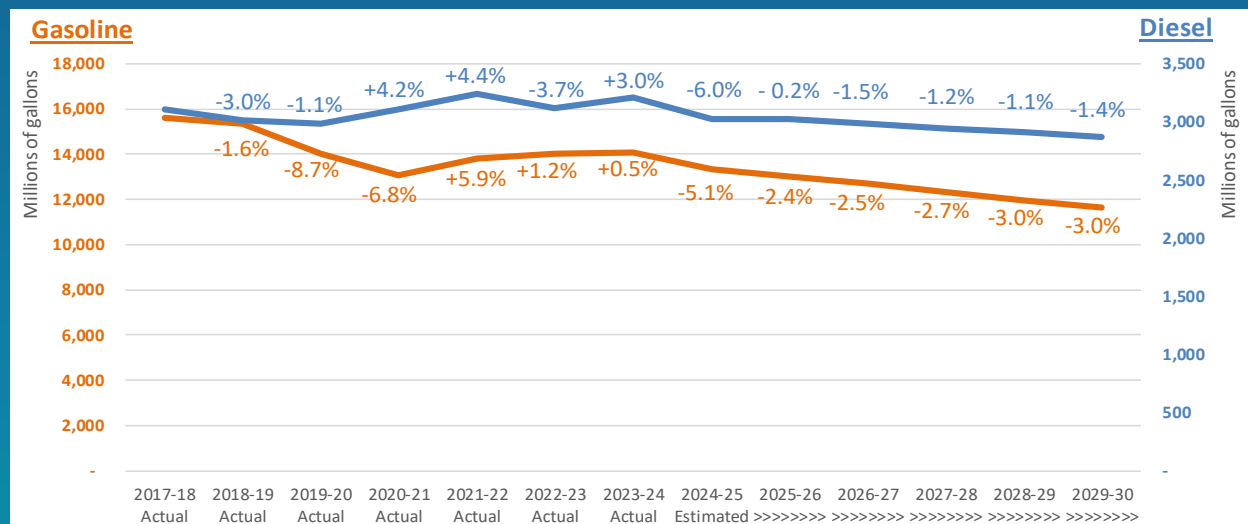
## SB1 Road Improvement Fee (RIF)

|              | Jan 2020 | Jan 2021 | Jan 2022 | Jan 2023 | Jan 2024 | Jan 2025 |
|--------------|----------|----------|----------|----------|----------|----------|
| ZEV vehicle* | \$ 100   | \$ 101   | \$ 103   | \$ 108   | \$ 118   | \$ 118   |

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# Fuel Consumption



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