

## Local Countywide Transportation Sales Taxes

Transportation sales taxes are important revenue sources to the funding of regional transportation improvements throughout California. Transportation sales taxes are increases to the combined sales and use tax rate within the counties that approve them.

These transportation sales taxes are actually a kind of transactions and use tax. Under California law, transactions and use taxes may be approved locally and added to the combined state and local sales and use tax rate. The statewide sales and use tax, currently at 8.25%, includes portions that go to the state general fund, to several specific state funds including some for local allocation and use, and to the cities and counties essentially based on the location of the purchase.<sup>1</sup>

Although collected along with the statewide base sales and use tax, transactions and use taxes differ somewhat in application and allocation from the sales and use tax. Transactions and Use Taxes generally apply to merchandise that is delivered in a jurisdiction which imposes such a tax. In practice the tax application and allocation for most retail sales will not differ from the sales and use tax. But there are some differences. Importantly, in the case of a sale or lease of a vehicle, vessel, or aircraft, a transactions and use tax is charged and allocated base on the location in which the property will be registered.<sup>2</sup>

### Transportation Transactions (Sales) and Use Taxes.

There are currently twenty counties with transactions and use taxes for public transportation or transit. [See Exhibit B] Nineteen of these counties are so-called “self-help counties,” in which the tax is used to fund a long term transportation improvement plan and thereby garner state and federal matching funds. All but two of these taxes are at the ½ percent rate. Sonoma County’s Transportation Tax is ¼ percent. Los Angeles County voters have approved three ½ percent transportation sales taxes for a combined rate of 1.5%.

#### Exhibit A

### Transactions & Use Tax Measures

Approved/Proposed

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009 (thruSept)	2010	Total
General	1/1	1/1		0/5	0/2	2/5	0/1	2/3		13/31	7/9	15/22	2/7	19/26	2/8	6/6	70/127
Special	0/1	0/6	0/2	6/18	2/3	3/8		2/9	3/4	14/30	3/4	8/29	2/2	12/21	0/1		55/138
	1/2	1/7	0/2	6/23	2/5	5/13	0/1	4/12	3/4	27/61	10/13	23/51	4/9	31/47	2/9	6/6	125/265
City	0/1	0/3		2/6	1/1	3/3		2/3	2/2	16/37	9/12	17/29	4/9	24/36	2/9	6/6	88/157
County/Special Distr	1/1	1/4	0/2	4/17	1/4	2/10	0/1	2/9	1/2	11/24	1/1	6/22		7/11			37/108
	1/2	1/7	0/2	6/23	2/5	5/13	0/1	4/12	3/4	27/61	10/13	23/51	4/9	31/47	2/9	6/6	125/265
<b>Special Tax Uses</b>																	
Police & Fire			0/1	1/3	1/1					3/10	2/2	1/6	2/2	4/7	0/1		14/33
Hospital/Medical		0/1		0/1						1/2	1/1			0/1			3/7
Streets/Roads	0/1	0/1		1/2					2/2	1/1	0/1	10/4		1/2			5/14
<b>Transportation-Countywide</b>				<b>0/3</b>		<b>2/4</b>		<b>1/6</b>	<b>1/2</b>	<b>7/10</b>		<b>5/15</b>		<b>5/7</b>			<b>21/47</b>
Libraries		0/2		3/7	1/2	0/1		1/1		1/4		0/1		1/2			7/20
Other		0/2	0/1	1/2		0/2		0/2		2/3		1/3		1/2			5/17
	0/1	0/6	0/2	6/18	2/3	3/8	0/0	2/9	3/4	14/30	3/4	8/29	2/2	12/21	0/1		55/138

San Francisco is counted as a county.

**Exhibit B**

**California Countywide Sales Taxes for Transportation or Transit**

Transportation Authority / Transit District	Rate	Self-Help	Effective		
			Date	End Date	
Alameda County Transportation Improvement Authority	0.50%	❖	1-Apr-87	31-Mar-22	<i>extended 11/2000</i>
Contra Costa Transportation Authority	0.50%	❖	1-Apr-89	31-Mar-34	<i>extended 11/04</i>
Fresno County Transportation Authority	0.50%	❖	1-Jul-87	30-Jun-27	<i>extended 11/06</i>
Imperial County Local Transportation Authority	0.50%	❖	1-Apr-90	31-Mar-50	<i>extended 11/08</i>
Los Angeles County Transportation Commission	0.50%		1-Apr-91	none	
Los Angeles County Transportation Commission	0.50%	❖	1-Jul-82	none	
Los Angeles County Metro Transportation Authority	0.50%	✔	1-Jul-09	30-Jun-39	<i>new 11/08 for 30yrs</i>
Madera County Transportation Authority	0.50%	✔	1-Apr-07	30-Mar-27	<i>new 11/06 for 20 yrs</i>
Marin County Transportation Authority	0.50%	❖	1-Apr-05	30-Mar-25	<i>new 11/04 for 20 yrs</i>
Orange County Local Transportation Authority	0.50%	❖	1-Apr-91	30-Mar-41	<i>extended 11/06</i>
Riverside County Transportation Commission	0.50%	❖	1-Jul-89	30-Jun-39	<i>extended 11/02</i>
Sacramento Transportation Authority	0.50%	❖	1-Apr-89	31-Mar-39	<i>extended 11/04</i>
San Bernardino County Transportation Authority	0.50%	❖	1-Apr-90	31-Mar-40	<i>extended 11/04</i>
San Diego County Regional Transportation Commission	0.50%	❖	1-Apr-88	31-Mar-48	<i>extended 11/04</i>
San Francisco County Transportation Authority	0.50%	❖	1-Apr-90	31-Mar-40	<i>extended 11/03</i>
San Joaquin Transportation Authority	0.50%	❖	1-Apr-91	31-Mar-41	<i>extended 11/06</i>
San Mateo County Transportation Authority	0.50%	❖	1-Jan-89	31-Dec-34	<i>extended 11/04</i>
Santa Barbara County Local Transportation Authority	0.50%	❖	1-Apr-90	31-Mar-40	<i>extended 11/08</i>
Santa Clara County Transit District (now SCVTA)	0.50%	✔	1-Oct-76	none	
Santa Clara County Valley Transportation Authority	0.50%	❖	1-Apr-97	31-Mar-37	<i>extended 11/2000</i>
Santa Clara County Valley Transportation Authority	0.125%		*	*	<i>new 11/08 for 30yrs</i>
Santa Cruz Metropolitan Transit District	0.50%	✔	1-Jan-79	none	
Sonoma County Transportation Authority	0.25%	❖	1-Apr-05	30-Mar-25	<i>new 11/04 for 20yrs</i>
Sonoma-Marin Rail Transit District	0.25%		1-Apr-09	31-Mar-29	<i>new 11/08 for 20yrs</i>
Tulare County Transportation Authority	0.50%	❖	1-Apr-07	31-Mar-37	<i>new 11/06 for 30yrs</i>
Bay Area Rapid Transit District (BART)	0.50%		1-Apr-70	none	

\*Imposition of Santa Clara County's Measure B of 11/2008 is contingent on the receipt of certain state and federal matching funds.

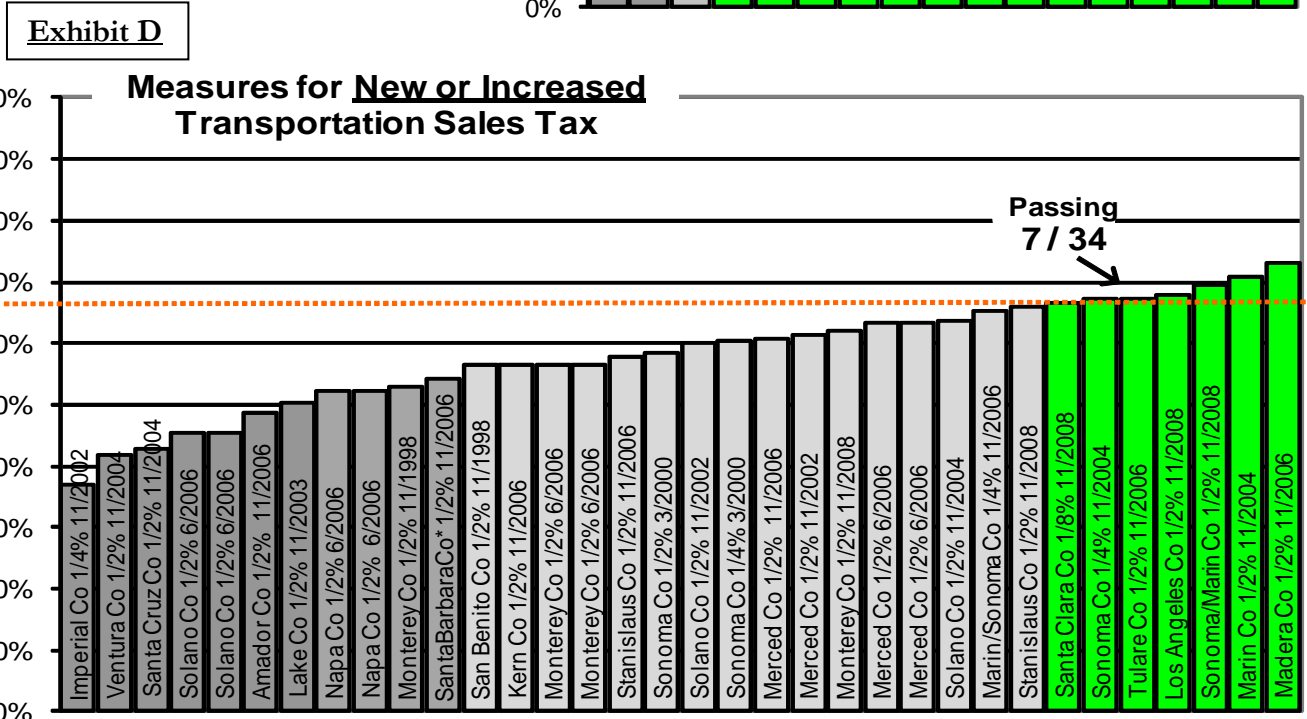
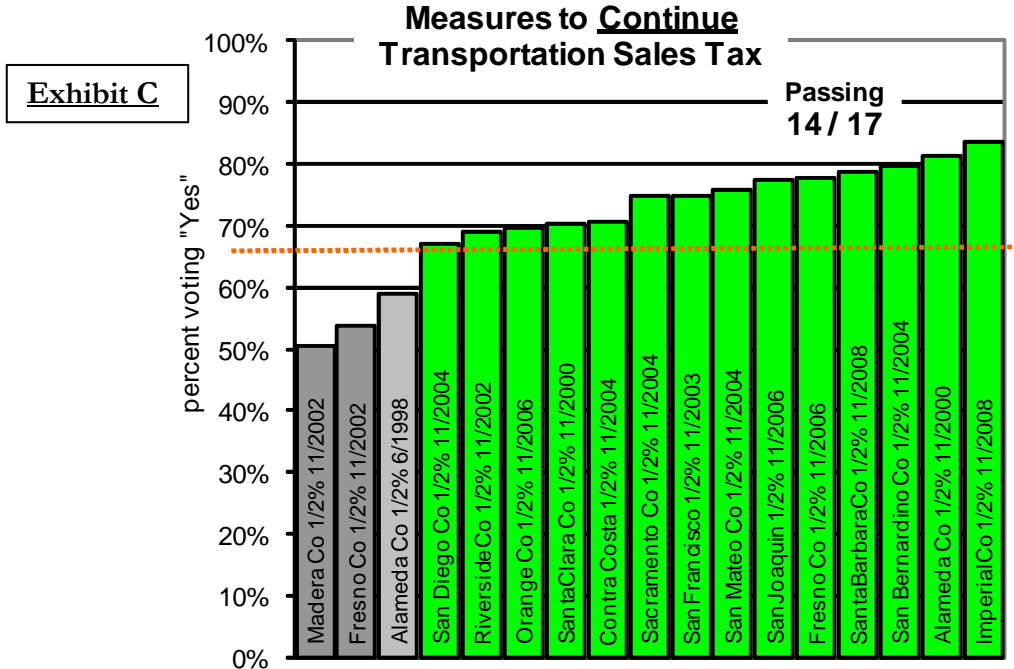
Election Outcomes of Transportation Sales Taxes

Since 1995, local voters have considered 47 countywide transportation sales tax measures. [See *Exhibit A*] Twelve of the 47 were to extend existing transportation sales taxes; the remaining 35 involved a sales tax increase for a new countywide transportation or transit funding program. In addition to transportation sales tax proposals, voters have considered 218 other sales tax add-on proposals since 1995.

The record of transportation sales tax elections demonstrates how difficult two-third voter approval is to achieve. Among the 34 measures for new taxes, just seven garnered 66.67% of the vote for passage. Sonoma County's success in November 2004 came after failure in March 2000. The Los Angeles and Santa Clara measures were for additional rates on top of existing transportation sales taxes. The Madera measure restored a rate that had expired years earlier. [See *Exhibit D*]

Measures to continue an existing sales tax have fared far better with 14 out of 17 proposals succeeding. Moreover, all three failing measures succeeded in later attempts. Alameda County failed to get voter approval for an extension in June 1998 but succeeded in a second attempt in November 2000.

Fresno County failed in November 2002 to extend that county 1/2 cent transportation sales tax that would have expired June 30, 2007. But county voters said yes to a renewal measure in November 2006. Madera County's failure in November 2002 led to the expiration of its previous 1/2 cent transportation sales tax in September 2005, but the tax was restored by the voters in November 2006 with a record yes vote for a transportation sales tax measure.



\*SantaBarbara's 11/06 measure would have extended the existing 1/2% and increased it to 3/4%.  
An 11/08 measure to extend the existing rate passed.



**For More Information:**

- On the Sales & Use Tax in California: <http://www.californiacityfinance.com/#SALESTAX>
- On local tax measures and election results: <http://www.californiacityfinance.com/#VOTES>
- Current tax rates for cities and counties. California State Board of Equalization. <http://www.boe.ca.gov/cgi-bin/rates.cgi>
- Transactions and Use Tax rates and effective dates. Calif. BOE. <http://www.boe.ca.gov/sutax/pdf/districtratelist.pdf>

**APPENDIX ONE**

**City Transactions & Use Taxes Currently in Effect**

<u>City</u>	<u>County</u>	<u>Rate</u>	<u>Effective</u>	<u>End</u>	<u>Purpose</u>	<u>Authority in State Law</u>
Arcata	Humboldt County	0.75%	4/1/2009	None	General	Rev & Tax Code § 7285.9
Arroyo Grande	San Luis Obispo County	0.50%	4/1/2007	None	General	Rev & Tax Code § 7285.9
Arvin	Kern County	1.00%	4/1/2009	None	General	Rev & Tax Code § 7285.9
Avalon	Los Angeles County	0.50%	10/1/2000	None	Medical	Rev & Tax Code § 7286.25
Calexico	Imperial County	0.50%	10/1/2010	9/30/2030	General	Rev & Tax Code § 7285.9
Campbell	Santa Clara County	0.25%	4/1/2009	None	General	Rev & Tax Code § 7285.9
Capitola	Santa Cruz County	0.25%	4/1/2005	12/31/2017	General	Rev & Tax Code § 7285.9
Cathedral City	Riverside County	1.00%	10/1/2010	9/30/2015	General	Rev & Tax Code § 7285.9
Ceres	Stanislaus County	0.50%	4/1/2008	None	Police, fire	Rev & Tax Code § 7285.91
Clearlake	Lake County	0.50%	7/1/1995	None	Police, fire	Rev & Tax Code § 7286.45
Clovis	Fresno County	0.30%	4/1/2000	None	Police, fire	Rev & Tax Code § 7286.48
Cotati	Sonoma County	0.50%	10/1/2010	9/30/2015	General	Rev & Tax Code § 7285.9
Davis	Yolo County	0.50%	4/1/2004	12/31/2016	General	Rev & Tax Code § 7285.9
Del Rey Oaks	Monterey County	1.00%	4/1/2007	3/31/2012	General	Rev & Tax Code § 7285.9
Delano	Kern County	1.00%	4/1/2008	4/1/2018	General	Rev & Tax Code § 7285.9
Dinuba	Tulare County	0.75%	4/1/2006	None	Police, fire	Rev & Tax Code § 7285.91
El Cajon	San Diego County	0.50%	4/1/2005	3/31/2015	Public safety facilities	Rev & Tax Code § 7285.91
		0.50%	4/1/2009	3/31/2029	General	Rev & Tax Code § 7285.9
El Cerrito	Contra Costa County	0.50%	7/1/2008	None	Roads	Rev & Tax Code § 7285.91
El Monte	Los Angeles County	0.50%	4/1/2009	3/31/2014	General	Rev & Tax Code § 7285.9
Eureka	Humboldt County	0.25%	4/1/2009	None	General	Rev & Tax Code § 7285.9
Farmersville	Tulare County	0.50%	4/1/2005	None	General	Rev & Tax Code § 7285.9
Fort Bragg	Mendocino County	0.50%	1/1/2005	12/31/2014	Roads	Rev & Tax Code § 7285.91
Galt	Sacramento County	0.50%	4/1/2009	None	Police, fire, EMS	Rev & Tax Code § 7285.91
Grover Beach	San Luis Obispo County	0.50%	4/1/2007	None	General	Rev & Tax Code § 7285.9
Gustine	Merced County	0.50%	4/1/2010	None	General	Rev & Tax Code § 7285.9
Hollister	San Benito County	1.00%	4/1/2008	4/1/2013	General	Rev & Tax Code § 7285.9
Inglewood	Los Angeles County	0.50%	4/1/2007	None	General	Rev & Tax Code § 7285.9
La Habra	Orange County	0.50%	4/1/2009	3/31/2029	General	Rev & Tax Code § 7285.9
La Mesa	San Diego County	0.75%	4/1/2009	3/31/2029	General	Rev & Tax Code § 7285.9
Laguna Beach	Orange County	0.50%	7/1/2006	6/30/2012	General	Rev & Tax Code § 7285.9
Lakeport	Lake County	0.50%	4/1/2005	None	General	Rev & Tax Code § 7285.9
Los Banos	Merced County	0.50%	4/1/2005	None	Police, fire	Rev & Tax Code § 7285.91
Mammoth Lakes	Mono	0.50%	10/1/2008	None	Parks, recr	Rev & Tax Code § 7285.91
Manteca	San Joaquin County	0.50%	4/1/2007	None	Police, fire	Rev & Tax Code § 7285.91
Merced	Merced County	0.50%	4/1/2006	3/31/2026	General	Rev & Tax Code § 7285.9
Montclair	San Bernardino County	0.25%	4/1/2005	None	General	Rev & Tax Code § 7285.9
Morro Bay	San Luis Obispo County	0.50%	4/1/2007	None	General	Rev & Tax Code § 7285.9
National City	San Diego County	1.00%	10/1/2006	9/30/2016	General	Rev & Tax Code § 7285.9
Nevada City	Nevada County	0.50%	4/1/2007	3/31/2023	Roads	Rev & Tax Code § 7285.9
Oxnard	Ventura County	0.50%	4/1/2009	3/31/2029	General	Rev & Tax Code § 7285.9
Pacific Grove	Monterey	1.00%	10/1/2008	None	General	Rev & Tax Code § 7285.9
Pico Rivera	Los Angeles County	1.00%	4/1/2009	None	General	Rev & Tax Code § 7285.9

**APPENDIX ONE (continued)**

**City Transactions & Use Taxes Currently in Effect**

<u>City</u>	<u>County</u>	<u>Rate</u>	<u>Effective</u>	<u>End</u>	<u>Purpose</u>	<u>Authority in State Law</u>
Pinole	Contra Costa County	0.50%	4/1/2007	None	General	Rev & Tax Code § 7285.9
Pismo Beach	San Luis Obispo	0.50%	10/1/2008	3/31/2015	General	Rev & Tax Code § 7285.9
Placerville	El Dorado County	0.25%	4/1/1999	None	Police	Rev & Tax Code § 7286.70
Point Arena	Mendocino County	0.50%	4/1/2004	None	Roads	Rev & Tax Code § 7286.24
Port Hueneme	Ventura County	0.50%	4/1/2009	None	General	Rev & Tax Code § 7285.9
Porterville	Tulare County	0.50%	4/1/2006	None	Police, fire	Rev & Tax Code § 7285.91
Reedley	Fresno County	0.50%	7/1/2008	None	Police, fire	Rev & Tax Code § 7285.91
Richmond	Contra Costa County	0.50%	4/1/2005	None	General	Rev & Tax Code § 7285.9
Rohnert Park	Sonoma County	0.50%	10/1/2010	9/30/2015	General	Rev & Tax Code § 7285.9
Salinas	Monterey County	0.50%	4/1/2006	3/31/2016	General	Rev & Tax Code § 7285.9
San Bernardino	San Bernardino County	0.25%	4/1/2007	3/31/2022	General	Rev & Tax Code § 7285.9
San Juan Bautista	San Benito County	0.75%	4/1/2005	None	General	Rev & Tax Code § 7285.9
San Luis Obispo	San Luis Obispo County	0.50%	4/1/2007	3/31/2015	General	Rev & Tax Code § 7285.9
San Mateo	San Mateo County	0.25%	4/1/2010	3/31/2018	General	Rev & Tax Code § 7285.9
San Rafael	Marin County	0.50%	4/1/2006	3/31/2016	General	Rev & Tax Code § 7285.9
Sand City	Monterey County	0.50%	4/1/2005	None	General	Rev & Tax Code § 7285.9
Sanger	Fresno County	0.75%	7/1/2008	None	Police, fire	Rev & Tax Code § 7285.91
Santa Cruz	Santa Cruz County	0.50%	4/1/2007	None	General	Rev & Tax Code § 7285.9
Santa Rosa	Sonoma County	0.25%	4/1/2005	None	Police, fire	Rev & Tax Code § 7285.91
Scotts Valley	Santa Cruz County	0.25%	4/1/2006	3/31/2011	General	Rev & Tax Code § 7285.9
Seaside	Monterey County	1.00%	7/1/2008	None	General	Rev & Tax Code § 7285.9
Sebastopol	Sonoma County	0.25%	4/1/2005	None	General	Rev & Tax Code § 7285.9
Selma	Fresno County	0.50%	4/1/2008	None	Police, fire	Rev & Tax Code § 7285.91
Sonora	Tuolumne County	0.50%	1/1/2005	None	General	Rev & Tax Code § 7285.9
South Gate	Los Angeles	1.00%	10/1/2008	None	General	Rev & Tax Code § 7285.9
South Lake Tahoe	El Dorado County	0.50%	4/1/2005	None	General	Rev & Tax Code § 7285.9
Stockton	San Joaquin County	0.25%	4/1/2005	None	Police, fire	Rev & Tax Code § 7285.91
Trinidad	Humboldt County	0.75%	4/1/2009	3/31/2013	General	Rev & Tax Code § 7285.9
Truckee	Nevada County	0.50%	10/1/2010	9/30/2030	General	Rev & Tax Code § 7285.9
Tulare	Tulare County	0.50%	4/1/2006	None	General	Rev & Tax Code § 7285.9
Ukiah	Mendocino County	0.50%	10/1/2005	9/30/2015	General	Rev & Tax Code § 7285.9
Visalia	Tulare County	0.25%	7/1/2004	None	General	Rev & Tax Code § 7285.9
Vista	San Diego County	0.50%	4/1/2007	3/31/2037	General	Rev & Tax Code § 7285.9
Watsonville	Santa Cruz County	0.25%	4/1/2007	None	General	Rev & Tax Code § 7285.9
West Sacramento	Yolo County	0.50%	4/1/2003	3/31/2013	General	Rev & Tax Code § 7286.75
		0.25%	4/1/2013	3/31/2033	General	Rev & Tax Code § 7285.9
Williams	Colusa County	0.50%	4/1/2007	3/31/2013	General	Rev & Tax Code § 7285.9
Willits	Mendocino County	0.50%	10/1/2003	None	Roads	Rev & Tax Code § 7286.24
Woodland	Yolo County	0.50%	10/1/2006	9/30/2018	General	Rev & Tax Code § 7286.52
Woodland	Yolo County	0.25%	10/1/2010	9/30/2014	General	Rev & Tax Code § 7285.9

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<sup>1</sup> Includes a temporary 1% state rate that under current law will sunset June 30, 2011, bringing the state and local base rate back down to 7.25%. The components of the statewide sales and use tax and their allocation are discussed in some detail in the Board of Equalization's Publication #28: "Tax Information for City and County Officials" <http://www.boe.ca.gov/pdf/pub28.pdf> and other resources at <http://www.californiacityfinance.com/#SALESTAX>.

<sup>2</sup> For more detail on rules for the collection and allocation of transactions and use taxes see California State Board of Equalization Publication #44, "Tax Tips for District Taxes" at <http://www.boe.ca.gov/pdf/pub44.pdf> and Publication #105 "District Taxes and Delivered Sales" at <http://www.boe.ca.gov/pdf/pub105.pdf>