



San Benito County

Sales Tax Measure November 2022 election

CA Detailed Description of the Sales & Use Tax Rate

Rate	Jurisdiction	Purpose	Authority
3.6875%	State	Goes to State's General Fund	Revenue and Taxation Code Sections 6051, 6201
0.25%	State	Goes to State's General Fund	Revenue and Taxation Code Sections 6051.3, 6201.3 (Inoperative 1/1/01 – 12/31/01)
0.50%	State	Goes to Local Public Safety Fund to support local criminal justice activities (1993)	Section 35, Article XIII, State Constitution
0.50%	State	Goes to Local Revenue Fund to support local health and social services programs (1991 Realignment)	Revenue and Taxation Code Sections 6051.2, 6201.2
1.0625%	State	Goes to Local Revenue Fund 2011	Revenue and Taxation Code Sections 6051.15 and 6201.15
1.25%	Local	0.25% Goes to county transportation funds 1.00% Goes to city or county operations	Revenue and Taxation Code Sections 7202 and 7203
Total:			
7.25%	State/Local	Total Statewide Base Sales and Use Tax Rate	

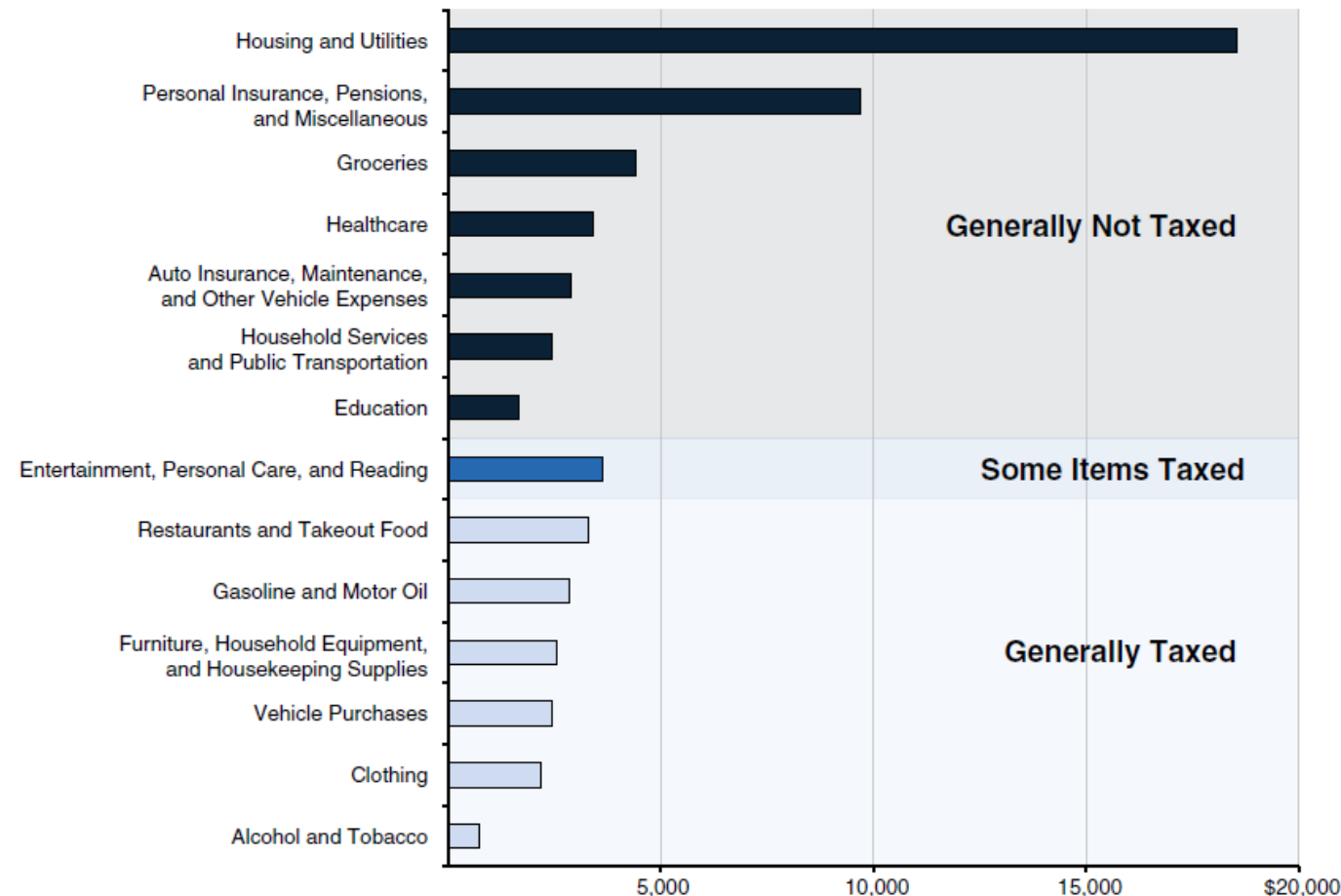
California Sales Tax

- ▶ Lowest sales tax (7.25%)
- ▶ Highest sales tax (10.75%)
- ▶ **Average Sales Tax (With Local):** 8.492%, of 513 local tax jurisdictions across the state
- ▶ California has a state sales tax of 7.25%, and allows local governments to collect a local option sales tax of up to 2 %













Subject to Sales Tax

Most Household Spending Is Not Subject to the Sales Tax

Dollars Spent Per Household Per Year in California's Three Largest Metro Areas, 2012-2013



Subject to Sales Tax?

YES	NO
DVD rentals 	Movies viewed at theatres 
Books printed on paper 	Electronic books 
Over-the-counter pain medication 	Prescription pain medication 
Fresh-baked pizza (pickup or delivery) 	Take-and-bake pizza 
Pine trees 	Pear trees 
Newspaper subscriptions 	Magazine subscriptions 

Current Sales Tax by Jurisdiction

- ▶ County of San Benito 8.25%
 - City of Hollister 9.25%
 - City of San Juan Bautista 9%
- ▶ County of San Cruz County 9%
 - City of Watsonville 9.25%
 - City of Santa Cruz 9.25%
 - City of Scotts Valley 9.75 %
- ▶ County of Monterey 7.75%
 - City of Salinas 9.25%
 - City of Seaside 9.25%
 - City of Monterey 9.25%
- ▶ County of Santa Clara 9.13%
- ▶ County of San Luis Obispo 7.25%



Sales Tax Trends and Estimate Transaction Tax



SAN BENITO COUNTY ALL AGENCIES

SALES TAX TRENDS FOR ALL AGENCIES - BY 4 QUARTER TOTALS

ADJUSTED FOR
ECONOMIC DATA *

Agency allocations reflect "point of sale" receipts

Agency Name	Count	4 Qtrs Ending 1Q 2021	4 Qtrs Ending 1Q 2020	Share of County Pool	Actual Receipts % Change	Adjusted % Change
Hollister	1,058	4,565,879	4,265,998	69.8%	+ 5.1%	+ 7.0%
San Benito Co. Uninc	538	1,774,830	1,783,435	28.3%	+ 6.4%	- 0.5%
San Juan Bautista	250	131,408	174,566	1.9%	- 26.4%	- 24.7%

QTR and YR	Countywide TT (Gross minus Admin	Hollister 1% TT Last 4 Qtrs	County TT minus Hollister	Unincorp population is approx 92% of this area	Estimate for 2021-22 at 2% growth	Total TT tax
Q1 2021	10,638,278	7,078,800	3,559,478	3,274,720	3,340,000	7,081,720
Q4 2020						
Q3 2020						
Q2 2020						

General and special Tax

- ▶ **A general tax** is any tax levied to fund general government purposes and which goes into the local government entity's general fund. General taxes imposed by local governments must be approved by voters and, moreover, they must be put before voters during regularly scheduled general elections. General taxes require approval from a simple majority of voters—50 percent + one vote.
- ▶ **A special tax** is any tax levied for a specific purpose. If revenue from a tax is earmarked in a legally binding way for a service such as education, transportation, fire or police safety, parks and recreational facilities, or mental health services it is a special tax. Special taxes imposed by local governments require a two-thirds (66.67 percent) supermajority vote at the ballot box for approval. If a district or taxing authority was created for a specific purpose, such as a fire protection district or a school district, it has no ability to impose general taxes and can only submit special taxes to the voters

Measures for November 2022 election

- ▶ July 18, 2022, filing period opens
- ▶ July 27, 2022, 5 pm Deadline for review and approval by County Board of Supervisors.
- ▶ August 12, 2022, deadline for submitting a measure to the Elections Department
- ▶ August 12–22 public inspection of the measure
- ▶ August 17, 2022, deadline to withdraw a measure
- ▶ August 16, 2022, deadline to submit arguments IN FAVOR OF or AGAINST

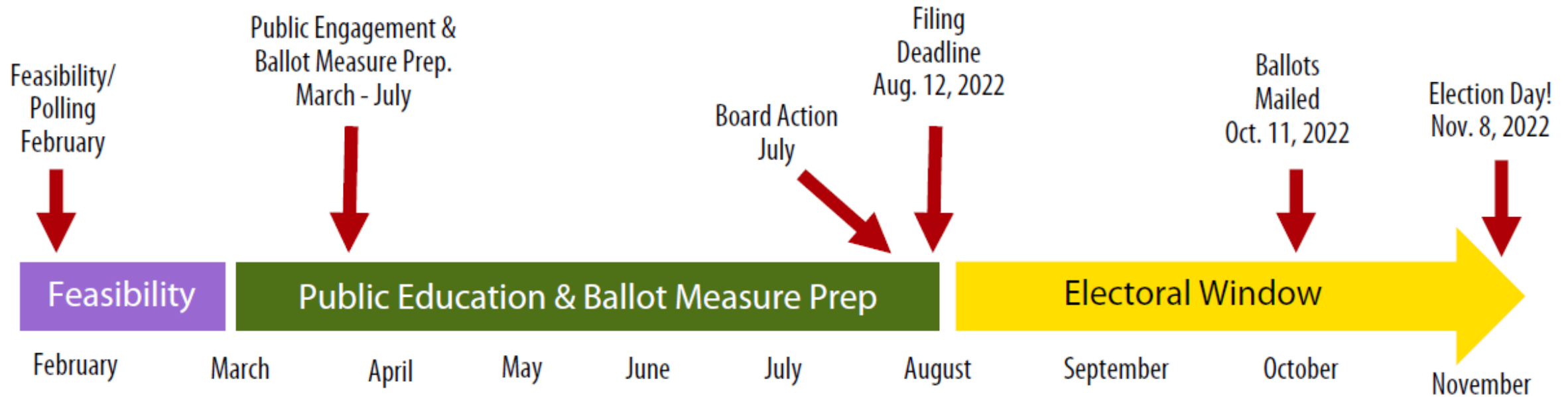
ARGUMENTS, REBUTTALS, & PUBLIC REVIEW PERIODS

- ▶ August 16, 2022, deadline to submit arguments IN FAVOR OF or AGAINST
- ▶ August 17, 2022 To August 26, 2022 the 10–calendar day public review period for Arguments IN FAVOR OF or AGAINST any measure
- ▶ August 26, 2022 deadline to submit rebuttals to arguments IN FAVOR OF or AGAINST
- ▶ August 27, 2022 To Sept 5, 2022 10–calendar day public review period for rebuttals to arguments IN FAVOR OF or AGAINST

Timeline

Midterm General Election

Election Day: November 8, 2022



Recommending

- ▶ Provide staff direction on a Sales Tax Measure for November 2022 election:
 - Countywide voters
 - Unincorporated Sales Tax: If approved would match City of Hollister 9.25%
 - 1% Amount of Transaction Tax
 - General Tax
 - Term/Length of 15 years
 - No Polling

Questions

