

**MEASURE \_\_\_: GRAND TERRACE GENERAL SERVICES MEASURE**

**IMPARTIAL ANALYSIS**

The Grand Terrace City Council voted to place the “Grand Terrace General Services Measure” (“Measure”) on the November 5, 2024 general municipal election ballot. The Measure, if adopted, will add a new Chapter 3.32 to the City of Grand Terrace’s Municipal Code, establishing a one percent (1.00%) transactions and use tax (commonly known as a “sales tax”) for City general fund purposes.

State law allows certain entities, including municipalities, to increase sales taxes, if approved by the voters. If approved, the Measure imposes a 1.00% tax upon retailers’ gross receipts from the retail sale of most tangible personal property sold within the City. The Measure also imposes an excise tax upon the storage, use or consumption of most tangible personal property purchased from any retailer for storage, use or other consumption in the City at a rate of 1.00% of the sales price of the property, where “sales price” includes delivery charges when such charges are subject to state sales or use tax, regardless of the place to which delivery is made.

It is estimated that this tax will generate approximately \$1,000,000 annually in revenue. Funds generated would be unrestricted and be placed in City’s general fund and may be used for any City general fund purposes, such as the following:

- Law enforcement services,
- Responding to non-emergency calls for service,
- Funding general public services provided by the City.

Food purchased as groceries and prescription medication will not be taxed under the Measure. Visitors to Grand Terrace will bear part of the tax burden imposed by their local activities and thus contribute to the City’s ability to maintain general public services they use while visiting. Residents and other purchasers of goods in the City will also be subject to the tax. The specific retail sales and uses subject to the tax would be determined under California Department of Tax and Fee Administration (“CDTFA”) regulations and the CDTFA would administer the tax under contract with the City of Grand Terrace.

While the ordinance permits future amendments by the City Council, any tax increase must be approved by voters. A “YES” vote is a vote to approve a 1.00% transactions and use general tax. A “NO” vote is a vote against a 1.00% transactions and use general tax. The transactions and use tax proposed by the Measure would take effect only if it receives a majority “YES” vote at the November 5, 2024, general municipal election.

**FILED**  
**JUL 18 2024**  
BY  DEPUTY  
REGISTRAR OF VOTERS

**The above statement is an impartial analysis of the Measure. If you desire a copy of the ordinance or measure, please call the Grand Terrace City Clerk's Office at (909) 954-5207 and a copy will be mailed at no cost to you.**

Dated:

A handwritten signature in blue ink that reads "Adrian R. Guerra". The signature is written in a cursive style with a horizontal line underneath the name.

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Adrian R. Guerra, City Attorney  
City of Grand Terrace