

CITY ATTORNEY'S IMPARTIAL ANALYSIS OF MEASURE ____

This ballot measure establishes a local transactions and use tax in the City of Adelanto. The ballot measure amends the Adelanto Municipal Code to add Chapter 3.70 to include the tax.

It is estimated that the tax will raise approximately \$3,000,000 for the City of Adelanto. All funds raised would go to the City's General Fund and could be used for any legitimate municipal purpose including, but not limited to, repairing and improving streets and infrastructure such as storm drains, sidewalks and public facilities, maintaining parks and public areas, fire protection, paramedic and emergency response services, public safety and crime prevention efforts, homelessness response activities, and other municipal services identified through the annual City budget process.

A transactions tax is generally known as a sales tax. The sales tax is imposed on all retailers within the City of Adelanto at the rate of 1% (one percent) of the gross receipts of the retailer from the sale of all tangible personal property sold within the City.

The use tax is similar to a sales tax and it applies when one purchases an item from a retailer outside of the City of Adelanto that does not collect sales tax. The use tax is at the rate of 1% (one percent) of the sales price of the property and includes delivery charges when such charges are subject to state sales or use taxes. Use taxes are charged in order to treat transactions equally and not penalize local retailers that are subject to a sales tax.

Any transaction is only charged a sales or use tax and not both taxes. The 1% (one percent) tax is only charged once to any transaction. The tax is not only on transactions involving City residents, but the tax is also charged on transactions by non-residents that occur within the City.

The tax is not charged to transactions that are exempt from such taxation under applicable law.

If approved, the tax would go into effect April 1, 2027.

The proceeds of the tax shall be subject to an annual audit by an independent certified public accountant and the results of the audit shall be reported to the City Council in a document posted on the City's website and available for public inspection.

The measure will be adopted if a majority of voters who vote on the measure vote to approve the measure.

The measure was placed on the ballot by the Adelanto City Council.

The above statement is an impartial analysis of Measure ___. If you desire a copy of the measure, please call the City Clerk's office at **760-246-2300 x11123** and a copy will be mailed at no cost to you.

Todd Litfin, City Attorney