CHINO BUSINESS LICENSE TAX MEASURE

CITY ATTORNEY'S IMPARTIAL ANALYSIS

Measure __ was placed on the ballot by the Chino City Council. If approved by a majority of voters voting on the measure, it would adopt an ordinance adding Chapter 3.44 to the Chino Municipal Code and repealing related existing business license tax provisions.

The City currently imposes a business license tax on businesses operating in the City. The measure would replace portions of the existing business license tax structure with a gross receipts-based tax. The tax would apply to gross receipts attributable to business activity conducted in the City.

For businesses with $75,000 or less in gross receipts, the tax would be $25. For gross receipts above $75,000, the measure would impose the following maximum tax rates on gross receipts above $75,000:

General/retail businesses: $0.60 per $1,000
Contractors: $1.00 per $1,000
Services: $1.00 per $1,000
Professional/advanced businesses: $1.50 per $1,000
Real property/rental businesses: $1.50 per $1,000

The measure would authorize the City to administer, collect, and enforce the business license tax, including through rules, procedures, audits, determinations, penalties, interest, refund procedures, and collection remedies, as provided in the ordinance. The City Council could adopt implementing rules and make amendments to administer the ordinance, clarify procedures, correct errors, conform the ordinance to law, or reduce, suspend, or repeal the tax. The City Council could not, without further voter approval, increase any tax rate above the voter-approved maximum rate, expand the tax to persons or activities not subject to the tax, or otherwise increase the tax in a manner requiring voter approval.

The measure is a general tax. Revenue from the tax would be deposited into the City's General Fund and could be used for any lawful municipal purpose. The measure states that revenue may be used for general City services, including police and 911 emergency response, streets, public area safety and cleanliness, protecting local drinking water sources, and other general City services. The measure does not legally restrict the use of revenues to those purposes.

If the measure is approved, the ordinance would be considered adopted when the City Council declares the election results and would become operative on the date specified in the ordinance. If the measure is not approved by a majority of voters voting on it, the ordinance would not be adopted and would have no force or effect.

A "Yes" vote is a vote to approve the business license tax ordinance.

A "No" vote is a vote against approving the business license tax ordinance.

The above statement is an impartial analysis of the Measure. If you desire a copy of the ordinance or measure, please call the elections official's office (City Clerk) at (909) 334-3306 and a copy will be mailed at no cost to you.

s/Fred Galante, City Attorney
City of Chino
Dated: August 7, 2026