

MEASURE

CITY ATTORNEY'S IMPARTIAL ANALYSIS

If approved, Measure would authorize a one percent (1% - one cent on every dollar) transactions and use (sales) tax within the City of Chino Hills. It is estimated that Measure will provide an additional \$11,500,00.00 annually to the City's general fund, which is used mainly to fund police services, open space maintenance (including wildfire prevention services), park and street maintenance, and community programs and events. This tax would be a "general tax," meaning that revenues raised from the tax would be deposited into the City's general fund and could be used for any lawful City purpose.

The sales tax would generally be applicable to retail sales of tangible items. Like the existing sales tax, it would not apply to sales of certain food products for human consumption, sales of prescription medicine, tuition, rent, or utilities. Labor and services are also generally exempt from sales tax.

California Revenue and Taxation Code section 7285.9 authorizes the City to levy a general transactions and use (sales) tax so long as the tax is approved by a majority of the voters voting in an election on the issue. If approved, the tax would remain in effect until ended by Chino Hills voters voting at a subsequent election. The City Council may also choose to suspend all or a portion of the tax at any time in its discretion.

The current sales tax rate in Chino Hills is 7.75%, of which the state receives 6%, the City receives 1%, and the county receives 0.75%. The proposed 1% sales tax would be in addition to the current sales tax rate. However, all revenues raised by the proposed tax would be controlled by the City and available for local use. Neither the state nor the county would share in the tax revenue.

The Chino Hills City Council placed Measure on the ballot. It takes a simple majority of the votes cast to pass Measure .

A "yes" vote is a vote in favor of the 1% transactions and use (sales) tax.

A "no" vote is a vote against the 1% transactions and use (sales) tax.

The above statement is an impartial analysis of Measure . If you desire a copy of the Measure, please call the City's elections official at (909) 364-2620 and a copy will be mailed at no cost to you.