



Local Ballot Measure: T

Impartial Analysis of Measure T

On July 9, 2024, the City Council unanimously voted to place Measure T on the November 5th, 2024 statewide general election ballot. Measure T amends Chapter 3.22 of the City of King Municipal Code, increasing the existing transaction and use tax on tangible personal property transactions (“sales tax”) by an additional half percent (0.5%) for City general fund purposes, and extending its deadline to April 1, 2037 or twelve (12) years after April 1, 2025.

State law allows the governing body of a city to increase a transaction and use tax if approved by the majority city-resident registered voters by election (RTC § 7285.9). This Measure increases the existing sales tax of one percent (1%) to one and one half percent (1.5%) upon retailers’ gross receipts from the sale, use and storage of most tangible personal property sold within the City. Delivery charges are also subject to the sales tax as provided by state law. If the City were not to impose this tax, the existing sales tax of 1% will remain – until March, 31, 2029.

The Current sales tax rate levied within the City is 8.75%. If Measure T is approved, the new sales tax rate will be 9.25%. The measure will generate approximately \$1,200,000 annually from the 1/2% tax and \$3,600,000 annually from the 1 1/2 % tax..

As a “general tax,” Measure T would provide more revenue for the City’s general fund, where the City would pay for any lawful City program, improvement, or service, including, but not limited to:

- public safety;
- street improvements
- maintaining parks and facilities
- collecting reserves

As currently, food purchased as groceries, prescription medication, medical and dental services, real estate, rent, utilities, education, personal services and labor will not be taxed. The specific retail sales and uses subject to the tax would be determined under California Department of Tax and Fee Administration (“CDTFA”) regulations and applicable law. The tax would be administered by the CDTFA under contract with the City of King. The ordinance provides provisions for independent audits, and maintains a committee to oversee expenditure.

Any additional increase or change to the sales tax must be approved by the voters. The sales tax increase proposed by Measure T would take effect only if it receives a majority “YES” vote (50% plus 1) at the November 5, 2024, state general election.

A “**Yes**” vote means you approve the 1 1/2 % sales tax for general fund uses to April 1, 2037.

A “**No**” vote means you oppose the 1 1/2 % sales tax for general fund uses to April 1, 2037.

The above statement is an impartial analysis of Measure T. If you desire a copy of the Measure, please call the elections official’s office (City Clerk) at (831) 386-5971 and a copy will be mailed at no cost to you, or you may access the text from the internet at <https://www.kingcity.com/Elections-Voter-Registration>.

Roy Santos, City Attorney

City of King

Dated: July 31, 2024