



Local Ballot Measure: AA

Impartial Analysis of Measure AA

Under the California Constitution and other related state laws, local governments may levy a general transaction and use tax if approved by at least two-thirds of all members of the Board of Supervisors and subsequently approved by a majority of qualified voters. Transaction and use taxes, also known as “sales taxes,” are taxes imposed for the privilege of selling tangible personal property at retail and for the storage, use, or other consumption of tangible personal property purchased from a retailer. Under state law, certain types of items are excluded from local sales taxes, such as many foods and groceries, prescription medicine and some medical devices, diapers, and hygiene products.

Measure AA will raise the retail transactions and use tax (Sales Tax) in the unincorporated area of the County of Monterey by one percent (1%). The one percent (1%) Sales Tax will provide approximately \$29,000,000 annually, to be spent locally only, until ended by voters.

Pursuant to section 2 of article XII C of the California Constitution, Government Code section 53723 and Elections Code sections 9160 and 10148, the County of Monterey, Board of Supervisors called for an election for the purpose of submitting to voters Measure AA. Revenue and Taxation Code section 7285 authorizes a county board of supervisors to levy, increase, or extend a transactions and use tax throughout the entire county or within the unincorporated area of the county for general purposes.

Currently, the Sales Tax in the unincorporated area of the County of Monterey is charged at the rate of 7.75%. If Measure AA is approved by the majority of voters, the new sales tax rate will be 8.75% in the unincorporated area of the County. Sales tax rates within the jurisdiction of any incorporated city will not be affected.

The increase in Sales Tax will raise revenue for general governmental purposes of the County of Monterey, in that all of the proceeds from the tax shall be placed in the County’s General Fund and be used for the usual current expenses of the County. It shall not be used for regulatory purposes. The Sales Tax will be used to provide funding for critical County services, including, but not limited to: street maintenance and pothole repair; enhanced public safety; emergency services and disaster response, prevention and recovery; programs for homelessness; libraries, parks and recreational facilities; water and sewer infrastructure maintenance.

Should Measure AA pass, an ordinance will go into effect which will be referred to as County of Monterey Transactions and Use Tax Ordinance.

A “Yes” vote on Measure AA is a vote in favor of raising the retail transactions and use tax (Sales Tax) in the unincorporated area of the County of Monterey by one percent (1%).

A “No” vote on Measure AA is a vote against raising the retail transactions and use tax (Sales Tax) in the unincorporated area of the County of Monterey by one percent (1%).

Dated: August 13, 2024

/s/ Susan Blitch
County Counsel,
County of Monterey