

Senate Bill No. 703

CHAPTER 651

An act to amend the heading of Chapter 3.7 (commencing with Section 7291) of, and to add and repeal Chapter 2.66 (commencing with Section 7286.27), Chapter 3.73 (commencing with Section 7292.2), and Chapter 3.74 (commencing with Section 7292.4) of, Part 1.7 of Division 2 of the Revenue and Taxation Code, relating to taxation.

[Approved by Governor October 10, 2017. Filed with
Secretary of State October 10, 2017.]

LEGISLATIVE COUNSEL'S DIGEST

SB 703, Skinner. Transactions and use taxes: Counties of Alameda and Santa Clara and City of Santa Fe Springs.

Existing law authorizes cities and counties, subject to certain limitations and approval requirements, to levy a transactions and use tax for general or specific purposes, in accordance with the procedures and requirements set forth in the Transactions and Use Tax Law, including a requirement that the combined rate of all taxes that may be imposed in accordance with that law in the county not exceed 2%.

This bill would authorize the Counties of Alameda and Santa Clara to impose a transactions and use tax for general or specific purposes at a rate of no more than 0.5% or 0.625%, respectively, and the City of Santa Fe Springs to impose a transactions and use tax for general or specific purposes at a rate of no more than 1% that, in combination with other transactions and use taxes, would exceed the above-described combined rate limit of 2%, if either county or the city adopts an ordinance proposing the tax and the ordinance proposing the tax is approved by the voters, subject to applicable voter approval requirements, as specified. The bill would repeal this authorization on December 31, 2022, for either county or the city if an ordinance proposing the tax has not been approved by that date in that county or city. The bill would also make a technical conforming correction.

This bill would make legislative findings and declarations as to the necessity of a special statute for the Counties of Alameda and Santa Clara and the City of Santa Fe Springs.

The people of the State of California do enact as follows:

SECTION 1. Chapter 2.66 (commencing with Section 7286.27) is added to Part 1.7 of Division 2 of the Revenue and Taxation Code, to read:

CHAPTER 2.66. SANTA FE SPRINGS TRANSACTIONS AND USE TAX

7286.27. Notwithstanding any other law, the City of Santa Fe Springs may impose a transactions and use tax for general or specific purposes to support citywide programs at a rate of no more than 1 percent that would, in combination with all taxes imposed in accordance with the Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251)), exceed the limit established in Section 7251.1, if all of the following requirements are met:

(a) The city adopts an ordinance proposing the transactions and use tax by any applicable voting approval requirement.

(b) The ordinance proposing the transactions and use tax is submitted to the electorate and is approved by the voters voting on the ordinance pursuant to Article XIII C of the California Constitution.

(c) The transactions and use tax conforms to the Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251)), other than Section 7251.1.

7286.28. If, as of December 31, 2022, an ordinance proposing a transactions and use tax has not been approved in the City of Santa Fe Springs as required by subdivision (b) of Section 7286.27, this chapter shall be repealed as of that same date.

SEC. 2. The heading of Chapter 3.7 (commencing with Section 7291) of Part 1.7 of Division 2 of the Revenue and Taxation Code is amended to read:

CHAPTER 3.7. CONTRA COSTA TRANSPORTATION AUTHORITY
TRANSACTIONS AND USE TAX

SEC. 3. Chapter 3.73 (commencing with Section 7292.2) is added to Part 1.7 of Division 2 of the Revenue and Taxation Code, to read:

CHAPTER 3.73. LOCAL GOVERNMENT FINANCE IN THE COUNTY OF
ALAMEDA

7292.2. Notwithstanding any other law, the County of Alameda may impose a transactions and use tax for general or specific purposes to support countywide programs at a rate of no more than 0.5 percent that would, in combination with all taxes imposed in accordance with the Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251)), exceed the limit established in Section 7251.1, if all of the following requirements are met:

(a) The county adopts an ordinance proposing the transactions and use tax by any applicable voting approval requirement.

(b) The ordinance proposing the transactions and use tax is submitted to the electorate and is approved by the voters voting on the ordinance pursuant to Article XIII C of the California Constitution.

(c) The transactions and use tax conforms to the Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251)), other than Section 7251.1.

7292.3. If, as of December 31, 2022, an ordinance proposing a transactions and use tax has not been approved in the County of Alameda as required by subdivision (b) of Section 7292.2, this chapter shall be repealed as of that same date.

SEC. 4. Chapter 3.74 (commencing with Section 7292.4) is added to Part 1.7 of Division 2 of the Revenue and Taxation Code, to read:

CHAPTER 3.74. LOCAL GOVERNMENT FINANCE IN THE COUNTY OF SANTA CLARA

7292.4. Notwithstanding any other law, the County of Santa Clara may impose a transactions and use tax for general or specific purposes to support countywide programs at a rate of no more than 0.625 percent that would, in combination with all taxes imposed in accordance with the Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251)), exceed the limit established in Section 7251.1, if all of the following requirements are met:

(a) The county adopts an ordinance proposing the transactions and use tax by any applicable voting approval requirement.

(b) The ordinance proposing the transactions and use tax is submitted to the electorate and is approved by the voters voting on the ordinance pursuant to Article XIII C of the California Constitution.

(c) The transactions and use tax conforms to the Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251)), other than Section 7251.1.

7292.41. If, as of December 31, 2022, an ordinance proposing a transactions and use tax has not been approved in the County of Santa Clara as required by subdivision (b) of Section 7292.4, this chapter shall be repealed as of that same date.

SEC. 5. The Legislature finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique fiscal pressures being experienced in the Counties of Alameda and Santa Clara and the City of Santa Fe Springs in providing essential programs.