## REBUTTAL ARGUMENT IN FAVOR OF MEASURES

This Rebuttal Argument in Favor of Measure S was submitted pursuant to Section 9285 of the California Elections Code. It is the opinion of the author, and has been printed exactly as submitted.

There is nothing misleading or deceptive about the tax proposed in Measure S. The City Council has been completely forthright about the large budget deficits that this City faces, the risks of municipal bankruptcy, and the dire need to find sources of revenue. Measure S is designed to restructure the business tax system to both <u>relieve</u> the tax burden on small businesses and provide a minor, but stable, source of revenue from businesses generating annual revenue of over \$200,000.

Contrary to the argument submitted against Measure S, this tax measure does not authorize double taxation. Instead, all business license taxes would be limited to 0.05 percent of the business' revenue generated within the City of Adelanto. Therefore, the proposed tax would decrease the local tax burden on small businesses generating less than \$200,000 of annual revenue in the City. Further, the 0.05 percent tax on larger businesses would be extremely minimal.

Of course, businesses will still be subject to all applicable State and federal taxes and licensing fees, but many small business in the City will see a reprieve from the local business tax pursuant to this Measure. As a result, this tax will not drive businesses or jobs away from the City; rather it will encourage business ventures and entrepreneurship in Adelanto.

s/ Richard Kerr, Mayor

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