FILED

TOWN OF YUCCA VALLEY - MEASURE Z

REGISTRAR OF VOSEPScial Sewer Assessment Reduction Transactions and Use Tax

IMPARTIAL ANALYSIS

The Town Council has prepared and is submitting Measure Z to voters of the Town of Yucca Valley to add a new Chapter 3.28 to the Town's Municipal Code, titled "Sewer Implementation and Assessment Assistance and Transactions and Use Tax." If approved at the general election on November 8, 2016, Measure Z will impose a ½ cent per dollar (0.5%) special transaction and use tax for sewer purposes lasting for 10 years. Specifically, Measure Z places a tax of 0.5% upon retailers' gross receipts from the retail sale of most tangible personal property sold within the Town for 10 years, and an excise tax upon the storage, use or other consumption of tangible personal property purchased from any retailer for storage, use or other consumption within the Town at a rate of 0.5% for 10 years.

Measure Z is a special tax, meaning all proceeds raised by the tax are dedicated to a specific purpose. Measure Z's proceeds would be dedicated to Town-wide sewer implementation, with the specific purpose of lowering sewer project assessments levied on Town citizens through Hi-Desert Water District's Assessment District 2014-1 and subsequent assessment districts formed or annexed in relation thereto. It is estimated that the special tax could reduce Assessment District rates by up-to 30% annually.

It is estimated that Measure Z could generate upwards of \$1,500,000 annually. To assure that Measure Z funds are properly applied to sewer assessments, the Measure includes provisions for an independent taxpayers' oversight committee, mandatory financial audits and yearly public reports.

As a sales tax, Measure Z will apply to everyone who purchases retail goods within the Town of Yucca Valley. Visitors and tourists who visit Yucca Valley will also bear part of the tax burden imposed by their local activities and will thus contribute to the Town's subsidy of sewer costs.

The tax would be administered by the California Board of Equalization under contract with the Town of Yucca Valley.

A "YES" vote is a vote to approve a 0.5% retail transactions and use special tax for sewer purposes. A "NO" vote is a vote against a 0.5% retail transactions and use special tax for sewer purposes. The special tax would take effect only if it receives a two-thirds (2/3) vote of "YES" at the November 8, 2016 municipal election. Measure Z, if voter approved, will not be imposed before March 1, 2017.

The above statement is an impartial analysis of Measure Z prepared by the Town Attorney. If you desire a copy of the ordinance or Measure, please call the elections

you.	
Dated: August 17, 2016	/s/
	Lona N. Laymon,
	Yucca Valley Town Attorney

official (Town Clerk) at (760) 369-7209, x226, and a copy will be mailed at no cost to