

CITY OF SAN BERNARDINO
CITY ATTORNEY'S IMPARTIAL ANALYSIS OF MEASURE "S"
1% TRANSACTIONS AND USE (SALES) TAX

On July 15, 2020, the City Council voted to place Measure "S" on the November 3, 2020 general municipal election ballot. By placing Measure "S" on the ballot, the City complies with Article XIII C of the California Constitution (Proposition 218), which requires a majority of the voters to approve an ordinance which establishes a general tax.

Currently, the City has a one-quarter percent (1/4%) retail transactions and use (sales) tax, that generates approximately \$9 million annually. The current tax expires on March 31, 2022. If this Measure is approved by a majority of San Bernardino voters, this Measure would authorize an increase of the retail transactions and use (sales) tax from one-quarter percent (1/4%) to one percent (1%) within the City of San Bernardino. A 1% rate equates to \$1 per \$100 purchased. Staff estimates that Measure "S" could generate approximately \$40,000,000 in annual local funding for general City services. These services include public safety; street, park, and library maintenance; and, youth, senior, and homeless services programs. This tax would be a "general tax," meaning that revenues raised from the tax would go into the City's general fund to pay for any lawful City program, improvement, or service.

California Revenue and Taxation Code section 7285.9 authorizes the City to levy a general transactions and use/sales tax at a rate of one percent (1%) so long as the tax is approved by a majority of the voters voting in an election on that issue. If approved, the tax would remain in effect until repealed by San Bernardino voters voting at a subsequent election.

The tax would be paid in addition to current sales taxes and would be collected at the same time and in the same manner as existing sales taxes. All revenues raised by the tax would remain in the City and would not be shared with the State, County, or any other agency.

A "yes" vote on Measure "S" will authorize the 1% transactions and use (sales) tax.

A "no" vote on Measure "S" will not authorize the 1% transactions and use (sales) tax.

The above statement is an impartial analysis of Measure "S". If you desire a copy of the Measure, please call the City's elections official at (909) 384-5002 and a copy will be mailed at no cost to you.

/s/ SONIA CARVALHO
City Attorney