Measure K

Carson Essential City Services, Emergency Response Protection Measure

IMPARTIAL ANALYSIS

The Carson City Council placed Measure K on the ballot for the November 3, 2020, general municipal election by the following vote: YES: 4; NO: 1; ABSENT: 0. The total "sales tax" rate that is currently levied in Carson ("City") is 9.5% (includes various State, county, City and other district taxes). Measure K, if approved by voters, establishes a general transactions and use (sales) tax at the rate of three quarters of a cent per dollar (i.e., 0.75%) by adding a new Chapter 1.5 to Article 6 of the City's Municipal Code. Thus, if Measure K is approved, the total "sales tax" rate in Carson would be 10.25%.

This general transactions and use tax of 0.75% would be imposed upon retailers' gross receipts from the retail sale of most tangible personal property sold within the City, and an excise tax upon the storage, use or other consumption of tangible personal property purchased from retailers for storage, use or other consumption within the City at a rate of 0.75% of the sales price of the property, where "sales price" includes delivery charges subject to State sales or use tax, regardless of delivery destination.

Measure K is a general tax and will generate approximately \$12,000,000 annually for the funding of general City services until ended by voters. Funds generated would be placed in the City's general fund, are not restricted, and may be used for any City general fund purposes, including, but not limited to:

- Public safety, natural disaster/public health emergency preparedness
- 9-1-1 emergency response
- Local drinking water/environment protection
- Local small business assistance/job retention
- Street/pothole repair
- Other general City services

Purchasers of goods, including visitors, in the City will be subject to the tax. The specific transactions and uses subject to the tax would be determined under California Department of Tax and Fee Administration ("CDTFA") regulations. The CDTFA will also administer the tax under contract with the City.

Measure K includes accountability requirements (e.g., audits to ensure tax revenues are properly collected, managed and expended).

A "YES" vote is a vote to approve the 0.75% general transactions and use tax. A "NO" vote is a vote against the 0.75% general transactions and use tax. The transactions and use general tax proposed by Measure K would take effect only if it receives a majority "YES" vote at the November 3, 2020, general municipal election.

The above statement is an impartial analysis of the Measure. If you desire a copy of the ordinance or measure, please contact the Carson City Clerk's Office at (310) 952-1720 and a copy will be mailed at no cost to you.

/s/

Sunny K. Soltani City Attorney City of Carson