

CITY OF LAWNSDALE – MEASURE L

City of Lawnsdale Vital City Services Measure

IMPARTIAL ANALYSIS

The City Council has prepared and is submitting Measure L to the voters of the City of Lawnsdale to add a new Chapter 3.22 to the City’s Municipal Code, titled “Transactions and Use Tax.” If approved at the November 6, 2018, election, Measure L will impose a ¾ cent per dollar (0.75%) transactions and use tax (i.e., sales tax) for general fund purposes. Specifically, Measure L places a tax of 0.75% upon City 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 any retailer 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.

It is estimated that revenues from this tax will generate approximately \$2,100,000 annually for the purpose of funding general City services. Funds generated by the proposed tax are not restricted and may be used for any City general fund purposes, including, without limitation, maintaining:

- 9-1-1 response times
- Fighting gangs/drugs
- Ensuring safe drinking water
- Programs that attract businesses and create jobs
- Neighborhood police patrols
- Number of sheriff deputies

Measure L includes provisions for the establishment of an independent citizens’ oversight committee and annual financial audits.

As a sales tax, Measure L will apply to everyone who purchases retail goods within City limits. Food purchased as groceries and prescription medication will not be taxed under this measure. Visitors to Lawnsdale will bear part of the tax burden imposed by their local activities and thus contribute to the City’s ability to maintain general public services that they use while visiting. Residents and other purchasers of goods in the City will also be subject to the tax.

The tax would be administered by the California Board of Equalization under contract with the City of Lawnsdale.

A “YES” vote is a vote to approve a 0.75% retail transactions and use general tax. A “NO” vote is a vote against a 0.75% retail transactions and use general tax. The transactions and use tax in Measure L would take effect only if it receives a majority “YES” vote at the November 6, 2018, general municipal election. The tax, if approved by the voters, will take effect 10 days after the City Council

declares voter approval. As a local, voter-approved measure, current law would protect the funds generated by Measure L from being taken by the State.

The above statement is an impartial analysis of Measure L prepared by the City Attorney. If you desire a copy of the ordinance or measure, please call the elections official's office (City Clerk) at (310) 973-3213 and a copy will be mailed at no cost to you.