

IMPARTIAL ANALYSIS BY CITY ATTORNEY CITY OF SANTA ANA
MEASURE __

Measure __ was put on the ballot by a vote of the Santa Ana City Council. The Measure calls for the restructuring of non-cannabis business license tax rates. Currently, businesses with larger gross receipts pay a business license tax rate that is less than businesses with smaller gross receipts. The Measure would change business license tax rates to a flat fee per business classification plus an additional fee for every \$1,000 worth of gross receipts. The flat fee per business classification could be adjusted annually for inflation or deflation based upon changes to the consumer price index. The additional fee would apply to all businesses in the classification regardless of the amount of the gross receipts of the business. The Measure also eliminates the tax exclusion for public utilities making franchise payments and for private doctors with patient offices at a hospital. The Measure creates a business license tax exemption for businesses that only provide childcare services to their own immediate and extended family members residing within the City.

Measure __ also adjusts flat and variable rates for defined businesses and removes some out dated business type categories. The Measure authorizes a business tax holiday program for unlicensed, past due, or under-assessed businesses to obtain a valid business license or satisfy unpaid or unassessed taxes.

Measure __ requires a majority of the Santa Ana voters that vote in the election on November 8, 2022 to become law. If approved, the ordinance shall be considered as adopted upon the date that the vote is declared by the City Council, and shall go into effect 10 days after that date.

In summary:

A “YES” vote on the measure is a vote in favor of restructuring non-cannabis business license tax rates.

A “NO” vote on the measure is a vote against restructuring non-cannabis business license tax rates.

The above statement is an impartial analysis of Measure _____. If you desire a copy of the measure, please call the City Clerk at (714) 647-6250 and a copy will be mailed at no cost to you.

Santa Ana City Attorney