

IMPARTIAL ANALYSIS BY CITY ATTORNEY MEASURE V

In June 2012, the voters of the City of Sonoma adopted a local transaction and use tax (sales tax) (called "Measure J") for the purpose of increasing revenues to assist the City in maintaining the financial viability of the City and maintaining staffing and service levels within the City. The sales tax rate established by the passage of Measure J was one half of one percent (0.5%).

In November 2016, the voters extended Measure J's sales tax to September 30, 2022, by adoption of Measure "U".

The Sonoma City Council has placed Measure V (an ordinance) on the ballot to continue and extend the sales tax beyond September 30, 2022. If adopted by a majority of the voters, Measure V will operate to continue the same tax at the same rate as was imposed under both Measures J and U for an indefinite period of time. Measure V's only change to Measure U is to extend the duration of the tax beyond September 30, 2022. Measure V will continue the authorization of a sales tax for the purpose of generating revenues to be placed in the City's General Fund usable for any general city purpose, thus assisting the City in maintaining the financial viability of the City and maintaining staffing and service levels within the City.

Prior to the COVID-19 pandemic, the sales tax was annually contributing approximately \$2.5 million to the General Fund.

The tax will continue to be levied on retailers for the selling of tangible personal property at retail and on the storage, use or other consumption in the City of tangible personal property purchased from any retailer. Measure V will retain the same exemptions found in Measures J and U, namely, certain exemptions and exclusions from the computation of the amount of the transactions and use tax on certain purchases, including those exemptions already applicable under State law.

Measure V continues this general tax at the existing rate of 0.50%. Including the sales tax adopted and continued by Measures J and U (and proposed to be extended under Measure V), State and local tax on retail sales and use in Sonoma is currently 8.75% of the purchase price. The revenues from the tax to be continued by Measure V would go only to the City, and cannot be taken by the State or any other governmental entity.

Article XIII B of the California Constitution establishes a ceiling on local government appropriations. Section 4 of Article XIII B permits the voters to alter the appropriations limit by a majority vote. If approved by a majority of the voters, this measure would increase the appropriations limit in an amount equal to the sales tax revenues generated under this measure for the next four fiscal years.

State law authorizes the City to implement this ordinance upon its approval by a simple majority of voters who vote on the measure.



Jeffrey A. Waller, City Attorney
City of Sonoma

TO COUNTY ELECTIONS OFFICIALS:

**IF THE ENTIRE TEXT OF THE MEASURE IS NOT PRINTED ON THE BALLOT,
NOR IN THE VOTER INFORMATION PORTION OF THE SAMPLE BALLOT,
PLEASE PRINT THE FOLLOWING LANGUAGE IMMEDIATELY BELOW MY
IMPARTIAL ANALYSIS, AND BEFORE MY SIGNATURE BLOCK. THANK YOU.**

The above statement is an impartial analysis of Measure V. If you desire a copy of the Measure, please call the elections official's office at 707-933-2216 and a copy will be mailed at no cost to you.