

## CITY ATTORNEY'S IMPARTIAL ANALYSIS OF MEASURE [REDACTED]

BY ALLISON BURNS, CITY ATTORNEY

Measure [REDACTED] (the "Measure"), if approved by the voters, would amend the Lancaster Transactions and Use Tax Ordinance (the "Sales Tax Ordinance") to provide an automatic increase, to the maximum extent permitted by applicable law, to the City's sales and use tax rate if, when, and to the extent the rate may lawfully be increased — whether because another use tax expires, the Legislature increases the statutory aggregate maximum use tax applicable to the City, or otherwise. The current total sales tax rate paid in the City, which includes the sales tax collected for the State of California, County of Los Angeles, and other public agencies, is now 10.25%, which is currently the maximum amount permitted by applicable law. Consequently, the Measure will not increase the City's sales and use tax rate unless and until an existing component of the current sales tax rate ends and/or the Legislature increases the current 10.25% aggregate limit. If, when, and to the extent that occurs, the Measure provides that the City's sales and use tax rate will automatically increase to the maximum extent permitted by applicable law.

The proposed tax increase is a general tax. The City Council's adopted ballot question states this increased revenue will be used to maintain essential city services, repair streets/potholes, address homelessness, maintain 911 emergency response, keep public areas safe/clean for all, retain local businesses, protect local water sources, and maintain veterans, senior, mental health, and community programs. However, as a general tax, the increased revenue may be used for any municipal purpose. California law gives cities the authority to adopt local tax measures like this one, in the amount proposed, with the voters' approval. Under current state law, the local tax rate may not be increased beyond the rate proposed in the Measure. If passed, the Measure will remain in effect until amended or repealed by the voters. The Measure was placed on the ballot by the unanimous vote of City Council members voting on the matter.

If the Measure is approved by the voters, it will change the Sales Tax Ordinance only as provided above. Other provisions of the Sales Tax Ordinance will remain unchanged, including the following: (1) revenue will be collected by the State of California under a contract in the same way the existing sales tax is collected, and paid over to the City; (2) the City Council shall appoint a five-member Citizen's Advisory Committee and adopt guidelines for the duties of the Citizen's Advisory Committee; and (3) revenue from the Sales Tax Ordinance tax shall not be spent by the City until after the Citizen's Advisory Committee has reviewed and commented on proposed expenditures. Sales tax is not collected on items such as prescription medications or food bought as groceries.

A "yes" vote on the Measure is to adopt the amendment to the Sales Tax Ordinance. A "no" vote on the Measure is to not adopt the amendment to the Sales Tax Ordinance.

Allison E. Burns  
City Attorney for the City of Lancaster

**The above statement is an impartial analysis of Measure [REDACTED]. If you desire a copy of the Measure, which includes the proposed amendment to the Sales Tax Ordinance, please call the City Clerk's office at (661) 723-6020 and a copy will be mailed at no cost to you.**