

IMPARTIAL ANALYSIS OF MEASURE C

By City of Cerritos City Attorney

The Cerritos City Council has placed Measure C on the ballot for the March 3, 2020, general election to ask the City's voters to approve a three-quarters percent (0.75%) transactions and use tax to be added to the current sales tax. The proposed measure would add a three-quarters of one percent tax on the retail sales price. As examples, Measure C would add fifteen cents (.15¢) to items purchased for a total of twenty dollars (\$20.00), or would add seventy-five cents (.75¢) to items purchased for a total of one-hundred dollars (\$100.00).

Measure C is a "transactions and use tax" that is levied on the same type of purchases as the existing sales tax. The current combined sales tax rate in Cerritos is 9.50%. Of the 9.50% tax rate, the allocation to Cerritos is 1.00%. This Measure would increase the combined sales tax rate in Cerritos to 10.25% and the allocation to Cerritos would increase 0.75% to a total of 1.75%.

The Measure is estimated to generate \$11,400,000 annually for the City's general fund to be used locally in Cerritos. All of the funds generated by Measure C will remain in Cerritos. As a general tax, the revenue by the Measure can be used to maintain and expand funding for general governmental services and facilities, including:

- Public safety services
- Public infrastructure, including streets and sidewalks, and public facilities
- Parks and Recreation services, including facilities
- Library services

The funds generated by Measure C and the expenditures will be subject to independent annual audits that will be presented to the City Council at a meeting open to the public and posted on the City's website.

The Measure will be approved if it receives a simple majority of "Yes" votes. Once approved, it will continue unless and until ended by voters. A "yes" vote is for approving the 0.75% local tax and a "No" vote is against approving the 0.75% local tax.

The above statement is an impartial analysis of Measure C, a proposed ordinance. If you desire the full text of the ordinance, please call the City of Cerritos Office of the City Clerk/Elections Official at (562) 916-1248 or email election2020@cerritos.us and a copy will be mailed or transmitted at no cost to you.