

CITY ATTORNEY IMPARTIAL ANALYSIS OF MEASURE L

In 2014, Sausalito voters approved a one-half percent (.5%) transaction and use tax for ten years commencing on April 1, 2015 and expiring on April 1, 2025. A “transaction and use tax” is commonly referred to as a “sales tax.”

The City Council has placed Measure L on the ballot. The Measure would amend and restate Chapter 3.06 to Title 3 of the Sausalito Municipal Code. If Measure L is approved by voters, the sales tax would increase from .5% to 1% commencing on on April 1, 2023 and expiring on April 1, 2025. In other words, the Measure would impose a City tax that would add one cent to the cost of a \$1.00 item purchased in Sausalito. The tax would be assessed on the sale of tangible personal property and the storage, use, or other consumption of such property.

The tax would be a general tax, meaning that revenues raised would go into the City’s general fund and could be used for any general governmental purposes of the City, including, but not limited to, essential services including storm drain repairs to protect the Bay, street/sidewalk maintenance, pothole repair, parks maintenance, youth/senior programs, disabled access, public safety, and other general services.

If approved, the California Board of Equalization would administer the tax. The tax would be paid in addition to current sales taxes and would be collected at the same time and in the same manner as existing sales taxes. Both City residents and visitors would pay this tax on retail sales activity in Sausalito. Certain necessities of life, such as groceries or prescription medicine, would be exempt from the tax. By law, all revenues raised by the Measure would belong to the City of Sausalito and could not be taken by the State or any other agency.

The City estimates that the proposed sales tax will generate an additional \$2.8 million annually, but the actual amounts raised will vary based on the level of sales and use occurring in Sausalito. The Measure requires annual independent audits by a certified public accountant with mandatory public expenditure reports.

In order for Measure L to be approved, the voters must pass the Measure by a simple majority vote (greater than fifty percent (50%)) vote.

A “yes” vote is a vote to increase the existing sales tax from .5% to 1% and extend it from 2025 to 2033.

A “no” vote is a vote to preserve the existing .5% sales tax until its expiration on April 1, 2025.

The above statement is an impartial analysis of Measure L. The full text of Measure L is printed in the Voter’s Information Pamphlet and is also available on the City of Sausalito’s website at: <http://www.sausalito.gov>. If you desire a copy of the Measure, please call the City Clerk’s office at (415) 289-4165 and a copy will be mailed at no cost to you.