

**CITY ATTORNEY'S IMPARTIAL ANALYSIS
MEASURE __**

Measure __ was placed on the ballot by the Monterey Park City Council. This Measure would raise revenue for general city purposes by authorizing a $\frac{3}{4}$ cent sales tax within Monterey Park. This tax would be paid in addition to current sales taxes. California law authorizes the City Council to impose this sales tax, provided the tax is approved by a majority of the voters.

California sales taxes are comprised of three different components: (a) a state tax; (b) a county tax; and (c) a tax that may be imposed by a city. Currently, the combined sales tax imposed by the state, county, and other entities (including the City) is 9.5%. The City receives 1% of the revenue from this sales tax.

The maximum rate for all sales taxes cannot exceed 10.25%. Accordingly, a public entity (including the City) could impose up to an additional .75% (or $\frac{3}{4}$ cent) tax before reaching the maximum tax rate. If a public entity other than the City is able to increase the sales tax up to the maximum amount of 10.25%, then the City will receive zero percent of that increased sales tax revenue.

Measure __ proposes to approve a .75% (or $\frac{3}{4}$ cent) sales tax for the City to reach the maximum tax rate of 10.25%. If the sales tax proposed by Measure __ is collected, all revenue would benefit the City of Monterey Park. Public documents project that this tax would result in approximately \$6,000,000 of additional annual revenue. Only the voters could terminate this tax.

All the taxes implemented by Measure __ may be suspended or reduced by City Council action.

Measure __ would impose a general tax. Therefore, all tax revenue would be available for use by the City to pay for general City operations and services, such as police and fire services, parks and park maintenance, street maintenance, and library services. The City would not be legally bound in any way to use the tax monies for any special purpose or for any particular facility or program. The ballot measure proposes a general tax and requires approval by a simple majority of the City's voters.

A "yes" vote on Measure __ favors the Measure. A "no" vote on Measure __ opposes the Measure.

[TOTAL WORD COUNT: 375]