



## **Measure O – Rio Vista General City Services Tax Measure Impartial Analysis by City Attorney, City of Rio Vista**

The City Council of the City of Rio Vista has placed Measure O on the November 8, 2016 ballot. California Revenue and Taxation Code section 7285.9 authorizes the City Council to levy a transactions and use tax via ordinance, provided the ordinance establishing the tax is ultimately approved by the voters.

If approved by Rio Vista voters, Measure O will extend the three-quarters (0.75%) transactions and use tax which was previously approved by the voters in 2012, for an additional period of five years.

A transactions and use tax is administered by the State Board of Equalization and is commonly referred to as a sales tax. Once established, this tax is allocated to the city where any goods are delivered or placed into use. The transactions and use tax that would be established by Measure O is also considered to be a “general tax.”

As a “general tax,” the revenue generated by Measure O will be deposited in the City’s general fund. Further, the ballot question for Measure O states that the 0.75 percent transactions and use tax is to be used for funding City services “including police, fire, parks and other city services.” Because this transactions and use tax would be a “general tax,” the City of Rio Vista would be able to use tax proceeds for any legal governmental purpose without restriction. The City of Rio Vista would not be legally bound in any way to use the tax monies for any special purpose or for any particular program or service.

The tax derived from Measure O 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. All revenues raised by the tax would belong to the City and would not be shared with the State or any other agency.

Also, because Measure O is a “general tax,” it will be approved if a simple majority (50% + 1) of voters vote in favor of it. If approved, Measure O would become effective in 2017 and remain in effect until 2022. The tax would expire at the end of the five-year period unless it is reauthorized by a majority of the voters at a future election that occurs prior to the expiration of the tax.

A “YES” vote is a vote to approve the ordinance extending the 0.75 percent transactions and use tax for a period of five years. A “NO” vote is a vote against the extension of the tax.

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