Subchapter Two: Sales Tax

7.02.010 Short Title.

This ordinance shall be known as the Uniform Local Sales and Use Tax Ordinance.

[*History*: formerly § 7.201 ORD. 296, 4/11/84;; ORD. 638, 12/14/05]

7.02.020 Rate.

The rate of sales tax and use tax imposed by this ordinance shall be 95/100th of one (1%) per cent.

[*History*: formerly § 7.202 ORD. 296, 4/11/84;; ORD. 638, 12/14/05]

7.02.030 Operative Date.

This ordinance shall be operative on January 1, 1974.

[*History*: formerly § 7.203; ORD. 296, 4/11/84; ORD. 638, 12/14/05]

7.02.040 Purpose.

The City Council hereby declares that this ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

(a) To adopt a sales and use tax ordinance which complies with the requirements and limitations contained in Part 1.5 of Division 2 of the Revenue and Taxation Code;

(b) To adopt a sales and use tax ordinance which incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.5 of Division 2 of the Revenue and Taxation Code;

(c) To adopt a sales and use tax ordinance which imposes a tax and provides a measure therefore that can be administered and collected by the State Board of Equalization in a manner that adopts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes;

(d) To adopt a sales and use tax ordinance which can be administered in a manner that will, to the degree possible consistent with the provisions of Part 1.5 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting city sales and use taxes and, at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

[*History*: formerly § 7.204; ORD. 296, 4/11/84; ORD. 638, 12/14/05]

7.02.050 Contract with State.

Prior to the operative date this city shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this sales and use tax ordinance; provided that, if this city shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract rather than the first day of the first calendar quarter following the adoption of this ordinance.

[*History*: formerly § 7.205; ORD. 296, 4/11/84; ORD. 638, 12/14/05]

7.02.060 Sales Tax.

For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the city at the rate stated in Section 7.02.020 of the gross receipts of the retailer from the sale of all tangible personal property sold at retail in this city on and after the operative date.

[*History*: formerly § 7.206; ORD. 296, 4/11/84; ORD. 638, 12/14/05]

7.02.070 Place of Sale.

For the purposes of this ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the state or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

[*History*: formerly § 7.207; ORD. 296, 4/11/84; ORD. 638, 12/14/05]

7.02.080 Use Tax.

An excise tax is hereby imposed on the storage, use or other consumption in this city of tangible personal property purchased from any retailer on and after the operative date for storage, use or other consumption in this city at the rate stated in Section 7.202 of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

[*History*: formerly § 7.208; ORD. 296, 4/11/84; ORD. 638, 12/14/05]

7.02.090 Adoption of Provisions of State Law.

Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Part 1.5 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

[*History*: formerly § 7.209; ORD. 296, 4/11/84; ORD. 638, 12/14/05]

7.02.100 Limitations on Adoption of State Law.

In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, wherever the State of California is named or referred to as the taxing agency, the name of this city shall be substituted therefore. The substitution, however, shall not be made when the word "State" is used as part of the title of the State Controller, the State Treasurer, the State Board of Control, the State Board of Equalization, the State Treasury, or the Constitution of the State of California; the substitution shall not be made when the result of that substitution would require action to be taken by or against the city, or any agency thereof, rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this ordinance; the substitution shall not be made in those sections including, but not necessarily limited to, sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or to impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provisions of that Code; the substitution shall not be made in Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code; and the substitution shall not be made for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 or in the definition of that phrase in Section 6203.

[*History*: formerly §7.210; ORD. 296, 4/11/84; ORD. 638, 12/14/05]

7.02.110 Permit Not Required.

If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional seller's permit shall not be required by this ordinance.

[*History*: formerly § 7.211; ORD. 296, 4/11/84; ORD. 638, 12/14/05]

7.02.120 Exclusions and Exemptions.

There shall be excluded from the measure of tax:

(a) The amount of any sales or use tax imposed by the State of California upon a retailer or consumer;

(b) The storage, use of other consumption of tangible personal property, the gross receipts from the sale of which has been subject to sales tax under a sales and use tax ordinance enacted in accordance with Part 1.5 of Division 2 of the Revenue and Taxation Code by any city and county, county, or city in this State;

(c) The gross receipts from sales to, and the storage, use or other consumption of property purchased by, operators of common carriers and waterborne vessels to be used or consumed in the operation of such common carriers or waterborne vessels principally outside this city;

(d) The storage or use of tangible personal property in the transportation or transmission of persons, property or communications, or in the generation, transmission of persons, property or communications, or in the generation, transmission or distribution of electricity or in the manufacture, transmission or distribution of gas in intrastate, interstate or foreign commerce by public utilities which are regulated by the Public Utilities Commission of the State of California.

[*History*: formerly § 7.212; ORD. 296, 4/11/84; ORD. 638, 12/14/05]

7.02.130 Exclusions and Exemptions.

(a) The amount subject to tax shall not include any sales or use tax imposed by the State of California upon a retailer or consumer;

(b) The storage, use, or other consumption of tangible personal property, the gross receipts from the sale of which have been subject to tax under a sales and use tax ordinance enacted in accordance with Part 1.5 of Division 2 of the Revenue and Taxation Code by any city and county, county, or city in this State shall be exempt from the tax due under this ordinance;

(c) There are exempted from the computation of the amount of the sales tax the gross receipts from the sale of tangible personal property to operators of aircraft to be used or consumed principally outside the city in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this state, the United States, or any foreign government;

(d) In addition to the exemption provided in Section 6366 and 6366.1 of the Revenue and Taxation Code, the storage, use or other consumption of tangible personal property purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate or public convenience and necessity issued pursuant to the laws of this state, the United States, or any foreign government is exempted from the use tax.

[*History*: formerly § 7.213.1; ORD. 296, 4/11/84; ORD. 638, 12/14/05]

7.02.140 Exclusions and Exemptions.

(a) The amount subject to tax shall not include any sales or use tax imposed by the State of California upon a retailer or consumer.

(b) The storage, use or other consumption of tangible personal property, the gross receipts from the sale of which have been subject to tax under a sales and use tax ordinance enacted in accordance with Part 1.5 of Division 2 of the Revenue and Taxation Code by any city and county, county, or city in this state shall be exempt from the tax due under this ordinance.

(c) There are exempted from the computation of the amount of the sales tax the gross receipts from the sale of tangible personal property to operators of waterborne vessels to be used or consumed principally outside the city in which the sale is made and directly and exclusively in the carriage of persons or property in such vessels for commercial purposes.

(d) The storage, use, or other consumption of tangible personal property purchased by operators of waterborne vessels and used or consumed by such operators directly and exclusively in the carriage of persons or property of such vessels for commercial purposes is exempted from the use tax.

(e) There are exempted from the computation of the amount of the sales tax the gross receipts from the sale of tangible personal property to operators of aircraft to be used or consumed principally outside the city in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this state, the United States, or any foreign government.

(f) In addition to the exemptions provided in Section 6366 and 6366.1 of the Revenue and Taxation Code the storage use or other consumption of tangible personal property purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under certificate of public convenience and necessity issued pursuant to the laws of this state, the United States, or any foreign government is exempted from the use tax.

[*History*: formerly § 7.213.2; ORD. 296, 4/11/84; ORD. 638, 12/14/05]

7.02.150 Effective Date.

Section 7.02.130 shall be operative January 1, 1984.

[*History*: formerly § 7.213.3; ORD. 296, 4/11/84; ORD. 638, 12/14/05]

7.02.160 Effective Date.

Section 7.02.140 shall be operative on the operative date of any act of the Legislature of the State of California which amends Section 7202 of the Revenue and Taxation Code to provide an exemption from city sales and use taxes for operators of waterborne vessels in the same, or substantially the same, language as that existing in subdivision (i)(7) and (i)(8) of Section 7202 as those subdivisions read on October 1, 1983.

[*History*: formerly § 7.213.4; ORD. 296, 4/11/84; ORD. 638, 12/14/05]

7.02.170 Application of Provisions Relating to Exclusions and Exemptions.

(a) Section 7.213.1 herein shall become operative on January 1 of the year following the year in which the State Board of Equalization adopts an assessment ratio for state-assessed property which is identical to the ration which is required for local assessments by Section 401 of the Revenue and Taxation Code, at which time Section 7.212 herein shall become inoperative.

(b) In the event that Section 7.213.1 herein becomes operative and the State Board of Equalization subsequently adopts an assessment ratio for the state-assessed property which is higher than the ratio which is required for local assessments by Section 401 of the Revenue and Taxation Code, Section 7.212 herein shall become operative on the first day of the month in which such higher ratio is adopted, at which time Section 7.213.1 herein shall be inoperative until the first day of the month following the month in which the Board again adopts an assessment ratio for state-assessed property which is identical to the ratio required for local assessments by Section 401 of the Revenue and Taxation Code, at which time Section 7.213.1 shall again become operative and Section 7.212 shall become inoperative.

[*History*: formerly § 7.214; ORD. 296, 4/11/84; ORD. 638, 12/14/05]

7.02.180 Amendments.

All subsequent amendments of the Revenue and Taxation Code which relate to the sale and use tax and which are not inconsistent with Part 1.5 of Division 2 of the Revenue and Taxation Code shall automatically become a part of this ordinance.

[*History*: formerly § 7.215; ORD. 296, 4/11/84; ORD. 638, 12/14/05]

7.02.190 Enjoining Collection Forbidden.

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the state or this city, or against any officer of the state or city, to prevent or enjoin the collection under this ordinance, or Part 1.5 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

[*History*: formerly § 7.216; ORD. 296, 4/11/84; ORD. 638, 12/14/05]

7.02.200 Penalties.

Any person violating any of the provisions of this subchapter shall be an infraction, which shall be punishable as set forth in section 1.05.010 et seq.

[*History*: formerly § 7.217; ORD. 296, 4/11/84; ORD. 638, 12/14/05; ORD. 643, 4/12/06]

7.02.210 Severability.

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

[*History*: formerly § 7.218; ORD. 296, 4/11/84; ORD. 638, 12/14/05]