

For Immediate Release
March 19, 2012

NR 29-12-G
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New Sales Tax Rates Take Effect April 1, 2012

Voter-approved sales and use tax rate increases will take effect April 1 for cities in five California counties, the California State Board of Equalization (BOE) announced today.

The cities of Fairfax, Palm Springs, Oakdale, and Vallejo are increasing sales tax rates within their respective boundaries, while an increase throughout Mendocino County will raise the sales tax rate in each of its four incorporated cities, as well as in the unincorporated areas of the county.

The following table summarizes the new sales and use tax rates:

City	County	Old Rate	New Rate
Fairfax	Marin	8.000%	8.500%
Palm Springs	Riverside	7.750%	8.750%
Oakdale	Stanislaus	7.375%	7.875%
Vallejo	Solano	7.375%	8.375%
Willits	Mendocino	7.750%	7.875%
Point Arena	Mendocino	7.750%	7.875%
Fort Bragg	Mendocino	7.750%	7.875%
Ukiah	Mendocino	7.750%	7.875%
Mendocino County (unincorporated areas)	Mendocino	7.250%	7.375%

Retailers generally need to apply the new sales tax rates if they:

- Operate within the taxing area (the city/county with the new tax rate) and have merchandise sold and delivered within the area.
- Operate outside of the taxing area but are engaged in business within the area and sell merchandise for use in the area.
- Are engaged in business in the area. Retailers are considered to be engaged in business in the area if they:
 - Have a business location in the tax area.
 - Deliver into the tax area using their vehicles.
 - Have an agent or representative in the area to make sales, deliveries, installations, or take orders.
- Sell autos, boats, or aircraft to customers that register them within the taxing area.

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- Collect tax on lease payments from property used in the taxing area.

If a retailer is not required to collect or report the additional tax as described above, the purchaser may be responsible for reporting and remitting *use tax* to the BOE, depending on the circumstances of the sale or use of the property. The use tax, which has been law since 1935, is the same rate for any California location as the sales tax rate.

For more information, visit www.boe.ca.gov or call the Taxpayer Information Center at 800-400-7115.

For a complete list of city and county sales tax rates in California, visit www.boe.ca.gov/cgi-bin/rates.cgi.

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The five-member California State Board of Equalization (BOE) is a publicly elected tax board. The BOE collects more than \$50 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

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