AMENDED IN SENATE APRIL 30, 2002

AMENDED IN SENATE APRIL 17, 2002

SENATE BILL No. 1889

Introduced by Senator Johannessen

February 22, 2002

An act to add Chapter 2.90 (commencing with Section 7286.47) to Part 1.7 of Division 2 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SB 1889, as amended, Johannessen. Transactions and use tax: Redding.

Existing law authorizes various local governmental entities, in accordance with certain limitations and approval requirements, to levy transactions and use taxes in accordance with the procedures and requirements set forth in the Transactions and Use Tax Law.

This bill would additionally authorize the City of Redding, subject to the approval of a majority of the voters voting on the issue at an election, to levy a transactions and use tax pursuant to the Transactions and Use Tax Law at a rate of ~~0.125% to 0.5%~~ *0.25%* for general governmental purposes.

This bill would make legislative findings and declarations as to the necessity of a special statute.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Chapter 2.90 (commencing with Section 7286.47) is added to Part 1.7 of Division 2 of the Revenue and Taxation Code, to read:

CHAPTER 2.90. REDDING TRANSACTIONS AND USE TAX

7286.47. (a) Subject to subdivision (b), the City of Redding may levy a transactions and use tax at a rate of ~~0.125 percent to 0.5~~ *0.25* percent, if an ordinance or resolution proposing that tax is approved by a two-thirds vote of all the members of the city council and the tax is approved by a majority vote of the qualified voters of the city voting in an election on the issue.

(b) (1) Any transactions and use tax levied under this section shall be levied pursuant to the Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251)).

(2) The net revenues derived from a tax levied under this section shall be expended for general governmental purposes.

SEC. 2. The Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the uniquely difficult fiscal pressures being experienced by the City of Redding in providing essential services and funding for city programs and operations.

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