

Introduced by Senator DeSaulnier

February 20, 2014

An act to add Chapter 3.8 (commencing with Section 7293) to Part 1.7 of Division 2 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SB 1183, as introduced, DeSaulnier. Bicycle tax.

Existing law does not provide for the imposition of a tax specific to the point of sale of a bicycle, other than sales and use taxes generally applicable to tangible personal property.

This bill would authorize a city, county, or regional park district to impose, as a special tax, a point of sale tax on new bicycles, with the rate of the tax to be determined by the local agency. The bill would exclude from the tax bicycles with wheels of 20 inches or less in diameter. The bill would require the State Board of Equalization to collect the bicycle tax in a manner similar to the collection of local transactions and use taxes, and to transmit the net revenues from the tax to the local agency. The bill would require the local agency to use bicycle tax revenues for improvements to paved and natural surface trails, including existing and new trails, and for associated maintenance purposes.

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

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

- 1 SECTION 1. Chapter 3.8 (commencing with Section 7293) is
- 2 added to Part 1.7 of Division 2 of the Revenue and Taxation Code,
- 3 to read:

CHAPTER 3.8. BICYCLE TAX

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

7293. As used in this chapter, the following terms have the following meanings:

(a) "Bicycle" shall have the meaning as defined in Section 231 of the Vehicle Code.

(b) "Regional park district" shall have the same meaning as "district" as defined in Section 5500 of the Public Resources Code.

7293.1. A city, county, or regional park district may impose, as a special tax subject to subdivision (d) of Section 2 of Article XIII C of the California Constitution, a point of sale tax on new bicycles, excluding bicycles with wheels of 20 inches or less in diameter.

7293.2. The rate of the tax to be imposed shall be specified in an ordinance adopted by the governing board of the local agency proposing to impose the tax. The tax shall be imposed in addition to any other tax imposed by law.

7293.3. The tax imposed under this chapter shall be collected by the state board in a manner similar to the collection of local transactions and use taxes. The net proceeds of the tax shall be transmitted by the state board to the local agency imposing the tax.

7293.4. The net proceeds of the tax shall be used by the local agency for improvements to paved and natural surface trails, including the rehabilitation, restoration, and expansion of existing trails, the development of new trails, and the maintenance and upkeep of local and regional trail systems and networks.