

Senate Bill No. 724

CHAPTER 962

An act to add Section 50026.5 to the Government Code, and to amend Section 4511 of the Revenue and Taxation Code, relating to taxation.

[Approved by Governor October 16, 1995. Filed
with Secretary of State October 16, 1995.]

LEGISLATIVE COUNSEL'S DIGEST

SB 724, Lockyer. Local taxes: securities transactions: property taxes: tax certificates.

Existing law prohibits the legislative body of any city, county, or city and county that is authorized to impose specified taxes from imposing any tax, fee, or charge on the earnings of any employee who is not a resident of the taxing jurisdiction, except as specified.

This bill would additionally prohibit the legislative body of any city, county, or city and county from imposing any tax, fee, or charge on or measured by the sale of any stocks, bonds, or any other securities.

Existing property tax law permits a county, by resolution of the county board of supervisors adopted not later than September 15 of the fiscal year for which it is to first apply, to sell tax certificates, as defined.

This bill would instead provide that the resolution be adopted during the fiscal year for which it is to first apply.

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

SECTION 1. Section 50026.5 is added to the Government Code, to read:

50026.5. (a) The legislative body of any local agency, chartered or general law, which is otherwise authorized by law or charter to impose any tax, shall not impose any tax, fee, or charge on or measured by the sale of any stocks, bonds, or any other securities.

(b) It is the intent of the Legislature to prohibit any imposition of any local tax, fee, or charge, in connection with the sale of those securities, whether that imposition is imposed on the transaction itself, on the privilege of engaging in any transaction, or in any other form.

(c) The Legislature finds and declares that the need for uniform statewide regulation and taxation of securities transactions is a matter of statewide concern, and it is the Legislature's intent to regulate the subject matter of securities comprehensively and to occupy the field to the exclusion of local action.

SEC. 2. Section 4511 of the Revenue and Taxation Code, as amended by Chapter 189 of the Statutes of 1995, is amended to read:

4511. Any county may, upon the recommendation of the tax collector, and by resolution of the board of supervisors of that county adopted during the fiscal year for which it is to first apply, sell tax certificates. If the board orders the discontinuance of the procedures authorized by this part, all of the following shall occur:

(a) All of the provisions of this part, other than Section 4521, shall remain in full force and effect until all tax certificates have been canceled.

(b) The county shall maintain the Tax Certificate Redemption Fund until all tax certificates have been canceled.

(c) After all tax certificates have been canceled, all funds on deposit in the Tax Certificate Redemption Fund shall be paid to the tax collector to be applied and distributed in the same manner as amounts received from the collection of taxes and assessments and any costs, fees, penalties, or other amounts related thereto.

