

Impartial Analysis of Measure \_\_\_\_  
Prepared by the City Attorney

The City Council of the City of Folsom has placed Measure \_\_\_\_ on the November 6, 2018 ballot. Measure \_\_\_\_ is a ballot measure that, if approved by a majority of the voters voting on the issue, would amend the Folsom Municipal Code to enact a one-half percent (0.50%) transactions and use tax (sales tax) for a period of 10 years.

The Measure is a “general” tax, which means the City of Folsom may use the tax revenues for all general governmental purposes, including, but not limited to capital improvement projects for transportation and traffic improvements, parks, trails, and bike paths; promote economic development, fire, paramedic, police emergency response and crime prevention programs; and expand parks, recreation, senior, library, education, arts, cultural and historical programs. If approved, Measure \_\_\_\_ would require independent annual financial audit and yearly reports of the tax revenues and expenditures to the City Council.

Currently, the cumulative tax rate on retail sales in Folsom is 7.75% of the purchase price. The tax revenue is allocated among the State, Sacramento County, the City of Folsom, and other public agencies. Folsom’s share is 1.0% of the purchase price. Measure \_\_\_\_ would increase the cumulative tax rate in Folsom to 8.25%, and Folsom’s share would increase from 1.0% to 1.5%. The proposed tax would be administered by the State, in the same manner that sales tax is currently administered, in order to reduce the cost of collecting the tax and to minimize the burden of record-keeping upon retailers subject to the tax. Collection of the tax would begin on April 1, 2019, and would automatically terminate in 10 years unless extended by the voters in a future election. Staff estimates that the Measure would initially generate approximately \$8.4 million per year. All proceeds from the tax would stay locally in the City.

The tax revenue can be spent for “unrestricted general revenue purposes”.

A “yes” vote is a vote in favor of authorizing the proposed sales tax for a period of 10 years. A “no” vote is a vote against authorizing the proposed sales tax. To pass, this Measure must obtain at least 50% plus one of those votes cast on the Measure as “yes” votes.

This Measure was placed on the ballot by a vote of the City Council.

The above statement is an impartial analysis of Measure \_\_\_\_\_. If you desire a copy of the Measure, please call the elections official’s office at (916) 461-6035 and a copy will be mailed at no cost to you. The full text of Measure \_\_\_\_\_ can also be found on the City’s website at: [www.folsom.ca.us](http://www.folsom.ca.us)

By: \_\_\_\_\_  
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City of Folsom

Dated: April 23, 2018