

City Attorney's Impartial Analysis

Measure J

The City of California City currently imposes a transient occupancy tax ("TOT") as established at Sec. 3-2.1.401 of the California City Municipal Code, also known as a hotel room tax or bed tax, at the rate of 6% of the rent paid to occupy a room or other space in a "Hotel" as defined in the Municipal Code.

The City Council of California City placed Measure J on the ballot. If approved, Measure J would increase the City of California City's ("City") existing TOT. The TOT is only paid by persons staying at a hotel or other lodging who are defined as "Transients" by existing law. The "Operator" collects the TOT from transients on the City's behalf. TOT revenue collected by the operator is then remitted to the City.

Currently, the City charges a 6% TOT. If approved, this Measure would amend the Municipal Code to increase the TOT rate by 4% for a total TOT of 10% and would generate an estimated \$75,000 per year in additional revenue. The Measure's 4% increase is a "general tax." Thus, revenue generated by the Measure is unrestricted and may be used for any general governmental purpose of the City.

A "yes" vote would allow the City to establish a TOT of 10%. A "no" vote would prohibit the City from imposing a 10% TOT and maintain the TOT at 6%. This Measure requires a simple majority of votes in favor to pass (50% + 1).

The above statement is an impartial analysis of the Measure. If you desire a copy of the Measure, please call the City of California City's City Clerk's Office at (760) 3733-7140 and a copy will be mailed at no cost to you. Copies of the Measure can also be obtained by sending a request to the City's Clerk's office at jmaier@californiacity-ca.gov.

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