



Special Notice

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New Tax Rates to Take Effect on April 1, 2009

Voters in cities and counties (referred to as taxing "districts") throughout California have approved new transactions and use taxes in their areas. Some taxes apply to the entire county, and some apply only within city limits. Please read the information below to see if you are affected by these new taxes, which are listed on the reverse side.

Which retailers must collect tax at the new rate?

You must apply the new sales and use tax rate if you:

- Are a retailer in the district and you sell and deliver merchandise within the district.
- Are a dealer of vehicles, undocumented vessels, or aircraft and sell to customers who register them at an address located in the district.
- Collect tax on lease payments you receive for leased property used by the lessee in the district.
- Are a retailer located outside of the district who is engaged in business in the district and you deliver or ship merchandise into the district for use in the district or participate within the district in making the sale. You are considered to be engaged in business in the district if you:
 - a. have any type of business location there,
 - b. deliver into the district using your own vehicles, or
 - c. have an agent or representative in the district for the purpose of taking orders, or selling or delivering merchandise.

Note: If you are not required to collect the additional district tax, as described above, the purchaser may be liable for the district tax.

Is there an exemption from the tax rate increase?

In general, fixed-price contracts and fixed-price lease agreements entered into prior to April 1, 2009, are not subject to the tax increase. To qualify as fixed-price, neither party can have the unconditional right to adjust the price for an increase in costs or terminate the contract or lease [Revenue and Taxation Code, sections 7261(g) or 7262 (f)]. In addition, the tax amount or rate must be specifically stated in the contract or lease agreement. If the contract or lease qualifies as fixed-price, you should continue to report and pay the tax at the rate in effect at the time you entered into the contract or lease.

The fixed-price contract exemption, however, is designed to protect the business expectations of the parties when they entered into the contract and protect them from an unplanned increase in tax rate. If the tax rate should go down after the terms of your contract have been established, any sales made after the date of the tax decrease would be taxed at the new, lower rate.

Is your address in the city limits or unincorporated county?

District boundaries are generally defined by city and county lines. Many California zip codes overlap city and county lines. To determine which district taxes affect your sales, visit our website: www.boe.ca.gov/sutax/cityaddresses.htm for a listing of city links. If you do not find the city you are looking for on our website, you may contact the city directly to determine whether or not your business or your customer is located within the city boundaries.

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District Tax Area	County	Acronym	Code	District Tax Rate Increase or Decrease	Total Tax Rate in District***
AMADOR COUNTY	AMADOR	AMCG	194	0.50%	8.75%
CITY OF ARCATA	HUMBOLDT	ARGF	195	0.75%	9.00%
CITY OF TRINIDAD	HUMBOLDT	TRGF	196	0.75%	9.00%
CITY OF EUREKA	HUMBOLDT	ERKA	197	0.25%	8.50%
CITY OF ARVIN	KERN	ARVN	198	1.00%	9.25%
CITY OF EL MONTE	LOS ANGELES	EMGF	200	0.50%	9.75%
CITY OF PICO RIVERA	LOS ANGELES	PCRV	202	1.00%	10.25%
CITY OF LA HABRA	ORANGE	LHBR	204	0.50%	9.25%
CITY OF GALT	SACRAMENTO	GLTS	206	0.50%	9.25%
CITY OF EL CAJON	SAN DIEGO	ECGF	208	0.50%	9.75%
CITY OF LA MESA	SAN DIEGO	LMSA	210	0.75%	9.50%
CITY OF CAMPBELL	SANTA CLARA	CMPL	212	0.25%	9.50%
*CITY OF SCOTTS VALLEY	SANTA CRUZ	SVGF	216	-0.25%	9.25%
SONOMA & MARIN COUNTIES	SONOMA/MARIN	SMRT	187 (SONOMA) 191 (MARIN)	0.25%	9.00%
**CITY OF SAN RAFAEL	MARIN		192		9.50%
**CITY OF SANTA ROSA	SONOMA		189		9.25%
**CITY OF SEBASTOPOL	SONOMA		188		9.25%
CITY OF OXNARD	VENTURA	OXND	213	0.50%	8.75%
CITY OF PORT HUENEME	VENTURA	PTHN	214	0.50%	8.75%

* The City of Scotts Valley Transactions and Use Tax rate will decrease to 0.25% from 0.50%. The total tax rate in the city will be 9.25%. Please note the new code and acronym above.

** City currently has a district tax. The total tax rate in the city will increase by 0.25% due to the new district tax in Sonoma and Marin Counties. All other cities and areas in Sonoma and Marin Counties will have a total tax rate of 9.00%.

*** The total includes the 1% state tax increase that is effective April 1, 2009. See *Special Notice, Sales and Use Tax Rate Increases on April 1, 2009*.

Rate charts available

For your convenience, tax rate charts are available for sale transactions up to \$100 (BOE-180, *Sales Tax Reimbursement Schedules*). If you would like to order a copy of any of these rate charts, please visit our website at www.boe.ca.gov or call our Taxpayer Information Section at 800-400-7115.

Taxpayer Information Section

If you have any questions regarding this notice, please call our toll-free number to speak with a Customer Service Representative. Representatives are available weekdays from 8:00 a.m. to 5:00 p.m. (Pacific time), except state holidays. Please call:

800-400-7115 TDD/TTY: 800-735-2929

In addition to English, assistance is available in other languages.