



Special Notice

New Tax Rates to Take Effect on April 1, 2007

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Taxpayers' Rights
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Voters in cities and counties (referred to as taxing “districts”) throughout California have approved new transactions and use taxes. Some taxes apply to an entire county, and some apply only within city limits. Please read the information below to see if you are affected by the 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 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 (1) have any type of business location there, (2) deliver into the district using your own vehicles, or (3) have an agent or representative in the district to take orders or sell or deliver merchandise you sell.
- Are a dealer of vehicles, undocumented vessels, or aircraft and sell those items to customers who register them at an address located in the district.
- Collect tax on lease payments you receive for leased property the lessee uses in the district.

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 before April 1, 2007, are subject to the tax rates in effect at the time you and your customer entered into the contract. For a contract 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 specified rate—that is, the rate in effect at the time you entered into the contract.

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 this page on the Board’s website: www.boe.ca.gov/sutax/cityaddresses.htm.

Rate charts available

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

New District Sales and Use Tax Rates

District Tax Area	County	Acronym	Code	New District Tax Add-on Rate	Total Tax Rate in District
* City of Williams	Colusa	WLMS	139	0.50%	7.75%
* City of Pinole	Contra Costa	PNLE	141	0.50%	8.75%
* City of Inglewood	Los Angeles	IGWD	143	0.50%	8.75%
* City of Del Rey Oaks	Monterey	DLRY	145	1.0%	8.25%
* City of Nevada City	Nevada	NVSI	147	0.50%	7.875%
* City of San Bernardino	San Bernardino	SBRN	149	0.25%	8.00%
* City of Vista	San Diego	VSTA	151	0.50%	8.25%
* City of Manteca	San Joaquin	MTPS	153	0.50%	8.25%
* City of Arroyo Grande	San Luis Obispo	ARGD	154	0.50%	7.75%
* City of San Luis Obispo	San Luis Obispo	SLOG	157	0.50%	7.75%
* City of Grover Beach	San Luis Obispo	GRBH	155	0.50%	7.75%
* City of Morro Bay	San Luis Obispo	MRBY	156	0.50%	7.75%
* City of Santa Cruz	Santa Cruz	STCZ	159	**0.50%	8.50%
* City of Watsonville	Santa Cruz	WTVL	161	0.25%	8.25%
Madera County	Madera	MCTC	144	0.50%	7.75%
Tulare County	Tulare	TCTA	162	0.50%	7.75%
***City of Visalia	Tulare		163		8.00%
***City of Farmersville	Tulare		164		8.25%
***City of Dinuba	Tulare		165		8.50%
***City of Porterville	Tulare		166		8.25%
***City of Tulare	Tulare		167		8.25%

* The tax rate in areas of the county outside this district and not in another district will remain at the county tax rate.

** Voters in the City of Santa Cruz approved a new district tax of 0.50% to replace the existing 0.25% district tax.

*** City currently has a district tax. The total tax rate in the city will increase by 0.50% due to the new district tax in Tulare County. All other cities and areas in Tulare County will have a total tax rate of 7.75%.

For more information

If you have any questions regarding this notice, please call our Information Center at 800-400-7115. Staff are available from 8:00 a.m. to 5:00 p.m., Pacific time, Monday through Friday, except state holidays.