

CITY ATTORNEY'S IMPARTIAL ANALYSIS

Measure BB is the “Seal Beach Neighborhood and Essential Services Protection Measure.” If approved by the voters, it would adopt Ordinance No. 1671, the City of Seal Beach Transactions and Use Tax Ordinance of 2018 (the “Sales Tax Ordinance”). Measure BB would increase the City’s existing sales tax rate by 1%, or one cent, on every dollar of taxable sales of goods in the City, and on the taxable storage, use or consumption in the City of goods purchased.

The proposed tax is a general tax. The City estimates that this Measure will raise approximately \$5 million per year in new local revenue for use in the City. The City Council’s adopted ballot question states this new revenue would be used for essential services including community police patrols, paramedic services, fire protection, marine safety and lifeguards, school safety, and 911 response times, as well as other general services. California law gives cities the authority to adopt local tax measures like this one, in the amount proposed, with the voters’ approval. Under current state law, the local tax may not be increased beyond the rate proposed in the Sales Tax Ordinance and will be in effect until ended by the voters. Measure BB was placed on the ballot by the unanimous vote of the Seal Beach City Council.

The Sales Tax Ordinance provides that the revenue will be collected by the State of California under a contract in the same way the existing sales tax is collected, and paid over to the City. Accountability over revenue and expenditures from the Sales Tax Ordinance will be part of the City’s annual independent audit, the report of which is available to the public. Financial information also will be disclosed in the City’s Comprehensive Annual Financial Report and other public documents. The total sales tax rate paid in Seal Beach, which also includes the sales tax collected for the State of California and other public agencies such as OCTA, is 7.75% now. If the Measure is approved by the voters, the total sales tax rate in the City will be 8.75% subject to any changes in state law. Sales tax is not collected on items such as prescription medications or food bought as groceries.

Article XIIC of the California Constitution, commonly known as Proposition 218, requires that the proposed general tax be approved by a majority of the voters voting on the Measure. A “yes” vote on Measure BB is to adopt the Sales Tax Ordinance. A “no” vote on Measure BB is to not adopt the Sales Tax Ordinance.



Craig A. Steele
Seal Beach City Attorney

The above statement is an impartial analysis of Measure BB as required by Elections Code Section 9280. If you desire a complete copy of the Sales Tax Ordinance, please call the City Clerk at (562) 431-2527 and a copy will be sent to you at no cost to you.