

CITY ATTORNEY'S IMPARTIAL ANALYSIS – MEASURE S

The City of Solana Beach placed Measure S on the ballot for the voters to decide whether to approve adding a one percent (1%) general transactions and use tax (commonly known as “sales tax”) to the retail sales price, or one cent for an item that costs one dollar.

Currently, the tax on retail sales within the City of Solana Beach is 7.75%, which includes the base tax rate of 7.25% and the County of San Diego’s 0.50% TransNet local tax administered by SANDAG. Of the 7.25% base tax collected by the State, the City of Solana Beach receives 1.00% directly.

The City estimates the 1% transaction and use tax increase would result in additional revenue of approximately \$3 million annually to the City of Solana Beach until repealed by the voters.

Because this measure does not legally restrict the use of tax revenue to any specific purposes, it is classified as a “general tax”, not a “special tax”. The proceeds may be used for general municipal services and all lawful public purposes including, but not limited to, maintaining local streets and repairing potholes; providing quick responses to 911 emergencies; providing fire protection and paramedic services; repairing and maintaining public buildings and infrastructure, including sidewalks, curbs and storm drains; keeping trash and pollution out of local waterways and off the beaches in the City of Solana Beach; keeping neighborhoods, parks, beaches and public areas safe and clean; improving roads and intersections to better manage traffic congestion on streets; reducing property-related crimes such as thefts; and to preserve or improve upon the level of City services to residents.

A unanimous City Council approved the ordinance for submittal to the voters on July 13, 2022. If approved by a majority of the voters at the November 8, 2022 election, California law authorizes the City of Solana Beach to levy the proposed tax and a one cent per dollar tax will be levied on the sale or use of all tangible personal property sold at retail within the City of Solana Beach. It would be collected in the same manner and at the same time as sales taxes. Proceeds will be deposited in the City’s general fund and subject to the same independent annual audit as other general fund revenue. An accounting of revenues received and expenditures made from the tax will be presented annually to the City Council and made available for public review.

A “Yes” vote is a vote in favor of the tax. A “No” vote is a vote against the tax. Measure S will be approved if it receives a simple majority of “Yes” votes. If this measure is approved, the total sales tax rate within the City of Solana Beach will increase to 8.75%.

Johanna N. Canlas
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The above statement is an impartial analysis of Measure S. If you desire a copy of the ordinance or measure, please call the elections official's office at (858) 720-2420 and a copy will be mailed at no cost to you. You may also view the full text of Measure S at www.cityofsolanabeach.org.