

Impartial Analysis of Measure N
City of Dixon Streets Transactions and Use Tax

California Elections Code section 9280 requires the City Attorney to prepare an analysis of any proposed ballot measure showing the effect of the measure on existing law and describing the operation of the measure.

The City Council of the City of Dixon (“City”) has authorized Measure N to be placed on the ballot, which would impose an additional 0.5 percent transactions and use tax on the gross receipts of retail sales in the City, for 10 years. Transaction and use taxes are collected in the same manner as sales taxes.

The City’s existing sales tax is set at 7.375 percent, near the statewide minimum. The City directly receives only 1 percent of all sales tax revenues collected. The majority of sales tax revenues go to the state of California, and the remainder is allocated towards county programs and transportation funds.

If Measure N is adopted, the City would receive all of the additional tax revenue. The City has projected that a 0.5 percent increase in sales tax would result in approximately \$1.4 million in annual revenue.

Measure N is proposed as a special sales tax for street maintenance and roadway improvement purposes. The measure, therefore, requires approval by at least two-thirds of City voters for it to go into effect. As a special tax, all revenues will be placed in a special fund for street improvement projects, rather than the City's general fund. The City's Transportation Advisory Commission would serve as an oversight committee to monitor and report on the City's expenditures during the 10 year duration of the tax.

All expenditures must be for street maintenance and roadway improvements within the City. Proceeds from the tax would be used to reduce the backlog of pavement maintenance projects and fund roadway improvements, with priority given to the Parkway Boulevard overcrossing project.

A 'YES' vote would approve the proposed increase in sales tax.

A 'NO' vote is a vote against the proposed sales tax increase.

/s/

Douglas White, City Attorney
City of Dixon

The above statement is an impartial analysis of Measure N. If you desire a copy of Measure N, please contact the City Clerk at (707) 678-7000 and a copy will be mailed at no cost to you.