



4

DEPARTMENT OF  
FINANCE

CITY OF SACRAMENTO  
CALIFORNIA

CITY HALL  
ROOM 14  
915 I STREET  
SACRAMENTO, CA  
95814-2685

BETTY MASUOKA  
DIRECTOR

September 18, 1990

916-449-5736

Budget and Finance Committee and  
Law and Legislation Committee  
Sacramento, California

DIVISIONS:  
ACCOUNTING  
BUDGET  
REVENUE  
RISK MANAGEMENT

Honorable Members in Session:

**SUBJECT: Report Recommending a Change in the Implementation Date  
for the Increase in the Transient Occupancy Tax from  
January 1, 1992, to November 1, 1990**

**SUMMARY/RECOMMENDATION**

Staff recommends that the joint committees approve the attached report which changes the implementation date for the increase in the Transient Occupancy Tax (11.0% to 11.5%) from January 1, 1992, to November 1, 1990

The attached ordinance will be on the Council agenda this evening (September 25, 1990) to be passed for publication. The ordinance will be presented for adoption on October 2, 1990.

Respectfully submitted,

BETTY MASUOKA  
Director of Finance

for  
RECOMMENDATION APPROVED

SOEUN WISHAM, JR.  
Deputy City Manager

September 25, 1990  
All Districts



DEPARTMENT OF  
FINANCE

BETTY MASUOKA  
DIRECTOR

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ACCOUNTING  
BUDGET  
REVENUE  
RISK MANAGEMENT

City Council  
Sacramento, California

Honorable Members in Session:

**SUBJECT: Report Recommending a Change in the Implementation Date  
for the Increase in the Transient Occupancy Tax from  
January 1, 1992, to November 1, 1990**

**SUMMARY**

This report recommends that the attached ordinance relating to the implementation date of the additional 0.5% increase in the Transient Occupancy Tax be changed from January 1, 1992, to November 1, 1990 be passed for publication. The ordinance will be presented for adoption on October 2, 1990.

**RECOMMENDATION**

It is recommended that the attached ordinance relating to the Transient Occupancy Tax be passed for publication. This report was reviewed by the Budget and Finance, and Law and Legislation Committees earlier this afternoon.

Respectfully submitted,

BETTY MASUOKA  
Director of Finance

RECOMMENDATION APPROVED

WALTER J. SLIPE  
City Manager

September 25, 1990  
All Districts

2



DEPARTMENT OF  
FINANCE

BETTY MASUOKA  
DIRECTOR

CITY OF SACRAMENTO  
CALIFORNIA

September 18, 1990

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City Council  
Sacramento, California

DIVISIONS:  
ACCOUNTING  
BUDGET  
REVENUE  
RISK MANAGEMENT

Honorable Members in Session:

**SUBJECT: Report Recommending a Change in the Implementation Date for the Increase in the Transient Occupancy Tax from January 1, 1992, to November 1, 1990**

**SUMMARY**

This report recommends that the implementation date for the additional 0.5% tax be changed from January 1, 1992 to November 1, 1990.

**BACKGROUND**

In May, 1990, the City Council adopted an ordinance to increase the Transient Occupancy Tax from 10% to 11% effective July 1, 1990 and to 11.5% effective January 1, 1992. A speed up in the effective date for the 11.5% tax rate is recommended so that Council action to increase the tax will not be precluded in the event that Proposition 136, on the November 1990 ballot, is approved by statewide voters.

If Proposition 136 passes, the prior Council action to increase the tax would be prohibited. A vote of the people with a majority vote would then be required to implement the increase. If the measure fails, Council would have the option to amend the Transient Occupancy Tax ordinance to change the effective date back to January 1, 1992.

**POLICY CONSIDERATIONS**

The major policy issue is whether or not the outcome of the statewide vote should be allowed to overrule a prior Council decision.

FINANCIAL

A proposed 14 month speed up in the implementation of the additional 0.5% Transient Occupancy Tax would generate approximately \$ 432,000 (\$237,000 in 1990-91, and \$195,000 in 1991-92).

This additional funding would be available for expenditure from the General Fund for such programs as arts regranting, community programs, Convention Bureau support or any other legal purpose.

RECOMMENDATION

It is recommended that the attached ordinance changing the implementation date for the 0.5% increase in the Transient Occupancy Tax from January 1, 1992, to November 1, 1990 be approved by the City council.

Respectfully Submitted,



Betty Masuoka  
Director of Finance

RECOMMENDATION APPROVED:

WALTER J. SLIPE  
City Manager

Contact Person:  
Betty Masuoka, Finance, 449-5736

Attachment

October 2, 1990  
All Districts

**ORDINANCE NO.**

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

**AN ORDINANCE AMENDING SECTION 41.23-2 OF  
THE SACRAMENTO CITY CODE, RELATING TO  
ADDITIONAL TRANSIENT OCCUPANCY TAXES**

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

**SECTION 1.**

Section 41.23-2 of the Sacramento City Code is hereby amended to read as follows:

**§ 41.23-2 Additional tax of one percent after July 1, 1990 and one  
and one-half percent after November 1, 1990 established.**

On and after July 1, 1990, an additional tax to those taxes imposed by Section 41.23 and Section 41.23-1 of the City Code is hereby levied in the amount of an additional one percent (1%) of the rent charged by the operator. On and after November 1, 1990, an additional tax to those taxes imposed by Section 41.23 and 41.23-1 of the City Code is hereby levied in the amount of an additional one and one-half percent (1.5%) of the rent charged by the operator. Such additional taxes of one percent (1%) after July 1, 1990 and one and one-half percent (1.5%) after November 1, 1990, shall in all respects be subject to the provisions of this article to the extent and in the same manner as the tax levied by Section 41.23, except that any other provision of this article notwithstanding, the proceeds of the taxes imposed by this section shall be paid to the general fund for the usual and current expenses of the city, including but not limited to meeting operating expenses, including wage rates and fringe benefits, purchasing or leasing supplies, equipment or materials, and meeting financial reserve needs and requirements.

DATE PASSED FOR PUBLICATION:  
DATE ENACTED:  
DATE EFFECTIVE:

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

FOR CITY CLERK USE ONLY

ORDINANCE NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_

5

# ORDINANCE NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

## AN ORDINANCE AMENDING SECTION 41.23-2 OF THE SACRAMENTO CITY CODE, RELATING TO ADDITIONAL TRANSIENT OCCUPANCY TAXES

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

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On and after July 1, 1990, an additional tax to those taxes imposed by Section 41.23 and Section 41.23-1 of the City Code is hereby levied in the amount of an additional one percent (1%) of the rent charged by the operator. On and after ~~January 1, 1992~~ November 1, 1990, an additional tax to those taxes imposed by Section 41.23 and 41.23-1 of the City Code is hereby levied in the amount of an additional one and one-half percent (1.5%) of the rent charged by the operator. Such additional taxes of one percent (1%) after July 1, 1990 and one and one-half percent (1.5%) after ~~January 1, 1992~~ November 1, 1990, shall in all respects be subject to the provisions of this article to the extent and in the same manner as the tax levied by Section 41.23, except that any other provision of this article notwithstanding, the proceeds of the taxes imposed by this section shall be paid to the general fund for the usual and current expenses of the city, including but not limited to meeting operating expenses, including wage rates and fringe benefits, purchasing or leasing supplies, equipment or materials, and meeting financial reserve needs and requirements.

DATE PASSED FOR PUBLICATION:

DATE ENACTED:

DATE EFFECTIVE:

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

FOR CITY CLERK USE ONLY

ORDINANCE NO.: \_\_\_\_\_