

4. Specify the City's legislative policy guideline(s) applicable to this measure (if any).

5. If this measure could be amended to either improve its favorable aspects or to minimize its adverse aspects, which amendments would you propose?

6. List known support or opposition to this measure by groups with which you are familiar and include addresses and phone numbers, if known. League of California Cities position:

7. Does this bill involve a State-mandated local program? If so, does the bill contain an S.B. 90 waiver, or an appropriation for allocation and disbursement to local agencies pursuant to Revenue and Taxation Code Section 2231?

No

8. Using a rating scale of 1 to 10 (with 10 as the most important), how important do you think this bill is to the City of Sacramento?

10

~~Prop 62~~ This extends Prop 62 to Charter cities. "secto"

CALIFORNIA LEGISLATURE—1989-90 REGULAR SESSION

Assembly Constitutional Amendment No. 23

Introduced by Assembly Member Johnson

February 17, 1989

Assembly Constitutional Amendment No. 23—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by adding Article XIII C thereto, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

ACA 23, as introduced, Johnson. Taxation: local government or district taxes.

Existing statutory law, which is contained in a statutory initiative which was adopted by the voters on November 4, 1986, imposes various limitations on the imposition of general and special taxes by local governments and districts, as defined.

This measure would include the substance of these statutory initiative provisions, with certain revisions, in the California Constitution. These revisions would include the following: (1) a definition of the term "impose" or "imposition"; (2) an exclusion from the definition of "special taxes" of sales or transactions and use taxes imposed by local governments or districts for transportation purposes; (3) a requirement that all general or special taxes be imposed uniformly on all classes of property or taxpayers subject to those taxes; and (4) a provision making the various provisions of the measure severable.

Vote: 2/3. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

1 *Resolved by the Assembly, the Senate concurring,* That
2 the Legislature of the State of California at its 1989-90
3 Regular Session commencing on the fifth day of
4 December 1988, two-thirds of the members elected to
5 each of the two houses of the Legislature voting therefor,
6 hereby proposes to the people of the State of California
7 that the Constitution of the State be amended by adding
8 Article XIII C, to read:

9
10 Article XIII C. Voter Approval of Taxes

11
12 SEC. 1. As used in this article:

13 (a) "Local government" means any county, city, city
14 and county, including a chartered city or chartered
15 county, or any public or municipal corporation.

16 (b) "District" means an agency of the state, formed
17 pursuant to general law or special act, for the local
18 performance of governmental or proprietary functions
19 within limited boundaries.

20 (c) "Impose" or "imposition" means the levy by a
21 local government or district of any new tax, or any
22 increase in the rate of, or any broadening of the base of,
23 any existing tax. "Impose" or "imposition" does not
24 include any change in the base of local sales or
25 transactions and use taxes necessary to conform those
26 taxes to changes in the base of state sales and use taxes.

27 SEC. 2. (a) All taxes are either general taxes or
28 special taxes.

29 (b) General taxes are taxes which are imposed for
30 general governmental purposes.

31 (c) Except as provided in subdivision (d), special taxes
32 are taxes which are imposed for specific purposes.

33 (d) Sales or transactions and use taxes imposed by any
34 local government or district for transportation purposes
35 only are general taxes.

36 SEC. 3. No local government or district may impose
37 any special tax unless and until that special tax is
38 submitted to the electorate of the local government or
39 district and is approved by a two-thirds vote of its voters
40 voting in an election on the imposition.

1 SEC. 4. No local government or district, whether or
 2 not authorized to levy a property tax, may impose any
 3 general tax unless and until that general tax is submitted
 4 to the electorate of the local government or district and
 5 is approved by a majority vote of its voters voting in an
 6 election on the imposition.

7 SEC. 5. No local government or district may impose
 8 any general tax or special tax unless the tax is imposed on
 9 a uniform basis on all classes of property or persons
 10 subject to the tax.

11 SEC. 6. (a) A tax subject to the vote requirements
 12 prescribed by Section 3 or 4 shall be proposed by an
 13 ordinance or resolution of the legislative body of the local
 14 government or district. The ordinance or resolution
 15 proposing the imposition of the tax shall include the type
 16 of tax and rate of tax to be levied, the method of
 17 collection, the date upon which an election shall be held
 18 on the proposed imposition, and, if a special tax, the
 19 purpose or service for which its imposition is sought.

20 (b) No tax subject to the vote requirement prescribed
 21 by Section 4 shall be presented at an election unless the
 22 ordinance or resolution proposing the tax is approved by
 23 a two-thirds vote of all members of the legislative body of
 24 the local government or district.

25 (c) Except as provided in subdivision (d), the election
 26 on the proposed imposition of any tax pursuant to this
 27 article shall be consolidated with a statewide primary
 28 election, a statewide general election, or a regularly
 29 scheduled local election at which all of the electors of the
 30 local government or district are entitled to vote.

31 (d) Notwithstanding subdivision (c), the legislative
 32 body of the local government or district may provide that
 33 the election on the proposed imposition of any tax
 34 pursuant to this article shall be held at any date otherwise
 35 permitted by law. The local government or district shall
 36 bear the cost of any election held pursuant to this
 37 subdivision. An election held pursuant to this subdivision
 38 shall be deemed at the request of the local government
 39 or district calling the election, and shall not be deemed
 40 a state mandate.

1 (e) The revenues derived from the imposition of any
2 special tax shall be expended only for the purpose or
3 service for which it was imposed, and for no other
4 purpose whatsoever.

5 SEC. 7. (a) Except as provided in Section 1 of
6 Article XIII A, no local government or district may
7 impose any ad valorem taxes on real property. No local
8 government or district may impose any transactions tax
9 or sales tax on the sale of real property within the local
10 government or district.

11 (b) Taxes imposed pursuant to subdivision (b) of
12 Section 1 of Article XIII A shall not be subject to the vote
13 requirements prescribed by this article.

14 SEC. 8. Except as set forth in Section 9, this article
15 shall not be construed to repeal or affect any statute
16 enacted prior to August 1, 1985, which authorizes the
17 imposition of a special tax.

18 SEC. 9. (a) This article, Article XIII A and Article 3.5
19 (commencing with Section 50075) of Chapter 1 of Part 1
20 of Division 1 of Title 5 of the Government Code, as it read
21 on the date this article became operative, shall not be
22 construed to authorize any local government or district
23 to impose any general or special tax which it is not
24 otherwise authorized by law to impose. However, any
25 special tax initially imposed pursuant to Article 3.5
26 (commencing with Section 50075) of Chapter 1 of Part 1
27 of Division 1 of Title 5 of the Government Code prior to
28 August 1, 1985, shall not be affected by this section.

29 (b) Any tax imposed by any local government or
30 district on or after August 1, 1985, and prior to the
31 effective date of this article, shall continue to be imposed
32 only if the continued imposition is approved by a majority
33 vote of the voters voting in an election on the issue of
34 imposition. This election shall be held within two years of
35 the effective date of this article. Any local government or
36 district which fails to obtain the required majority
37 approval shall cease to impose that tax on and after

38
39 SEC. 10. (a) If any local government or district
40 imposes any tax without complying with the

1 requirements of this article, or in excess of its authority
 2 as clarified by Section 9, the amount of property tax
 3 revenue allocated to the jurisdiction pursuant to Chapter
 4 6 (commencing with Section 95) of Part 0.5 of Division 1
 5 of the Revenue and Taxation Code, or its successor, shall
 6 be reduced by one dollar (\$1) for each one dollar (\$1) of
 7 revenue attributable to that tax for each year that the tax
 8 is collected.

9 (b) Nothing in this section shall be construed to impair
 10 the right of any citizen or taxpayer to maintain any action
 11 to invalidate any tax imposed in violation of this article.

12 SEC. 11. This article may be amended only by a vote
 13 of the statewide electorate.

14 SEC. 12. If any provision of this article or the
 15 application thereof to any person or circumstances is held
 16 invalid, that invalidity shall not affect other provisions or
 17 applications of the article which can be given effect
 18 without the invalid provision or application, and to this
 19 end the provisions of this article are severable.