

**Contra Costa County**

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***Measure X Community  
Fiscal Oversight  
Committee***

July 2024

**HdL<sup>®</sup> Companies**





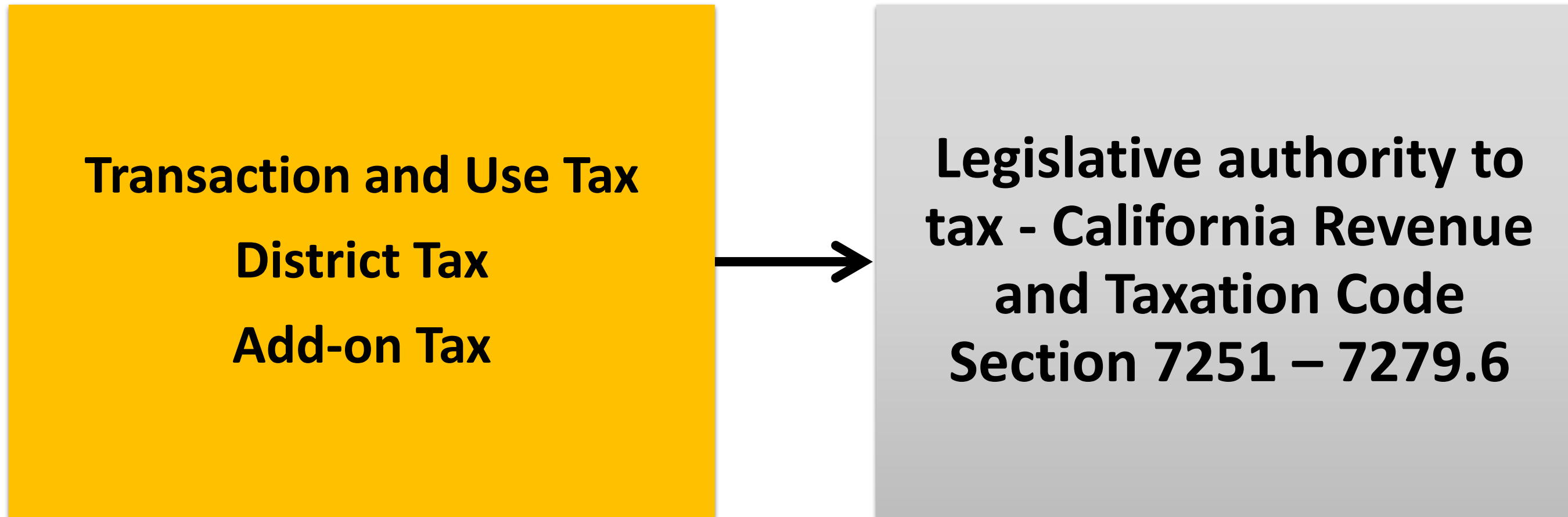
# Transaction & Use Tax Background





# Transaction and Use Tax History

- **1968** – Legislature preempts local governments from independent sales tax levies  
*(R&T 7203.5 footnote)*
- **1969** - Counties authorized to go to Voters for Transactions and Use Tax Overrides
- **2004** - Cities authorized to seek voter approval for Transactions and Use Tax Overrides





# Contra Costa County Sales Tax Rate Breakdown

Statewide base 7.25%

State General Fund	3.9375 %
City/County General Fund (Bradley-Burns)	1.0000 %
County Public Safety (Prop 172)	0.5000 %
County Realignment (Mental Health/Welfare/Public Safety)	1.5625 %
Countywide Transportation Fund	0.2500 %
Contra Costa Transportation Authority (CCTA) (CCTA)	0.5000 %
Fractional Code - BART in Contra Costa County (BART)	0.5000 %
Contra Costa County Measure X (CCTU)	0.5000 %
<b>Total Rate</b>	<b>8.7500 %</b>

Measure X started April 1, 2021, End date March 31, 2041



# What is taxed...



Sales tax is imposed on ALL sales of tangible personal property in CA

- Tax only levied once: when purchased or used by the ultimate consumer
- Retailer buys at wholesale and pays no tax
  - Files resale permit with supplier



# What is NOT taxed...

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- **Property – Land and Buildings**
- **Utilities – Gas, Electricity and Water sold in bulk or through pipes**
- **Merchandise Sold to the Federal Government**
- **Food Sold for Home Consumption**
- **Prescription Medicine**
- **Goods transmitted electronically**  
*(Music, Books, Movies, Computer Software, etc.)*



**And Lot's More: CDTFA [Publication 61](#)  
*is 26 pages long with small print***

# DISTRICT (TRANSACTIONS) TAX VS. SALES TAX

- **District tax follows the merchandise.**
- **Tax distributed to the district (in this case, BART boundary) where goods are delivered (and presumably used).**

SALES TAX  
Allocated to city  
where the dealership  
is located.



DISTRICT TAX  
Allocated to  
city where the  
vehicle is registered.



# Building Supplies, Equipment and Bulk Fuel

**DELIVERIES INTO CITY**  
*TUT tax collected*



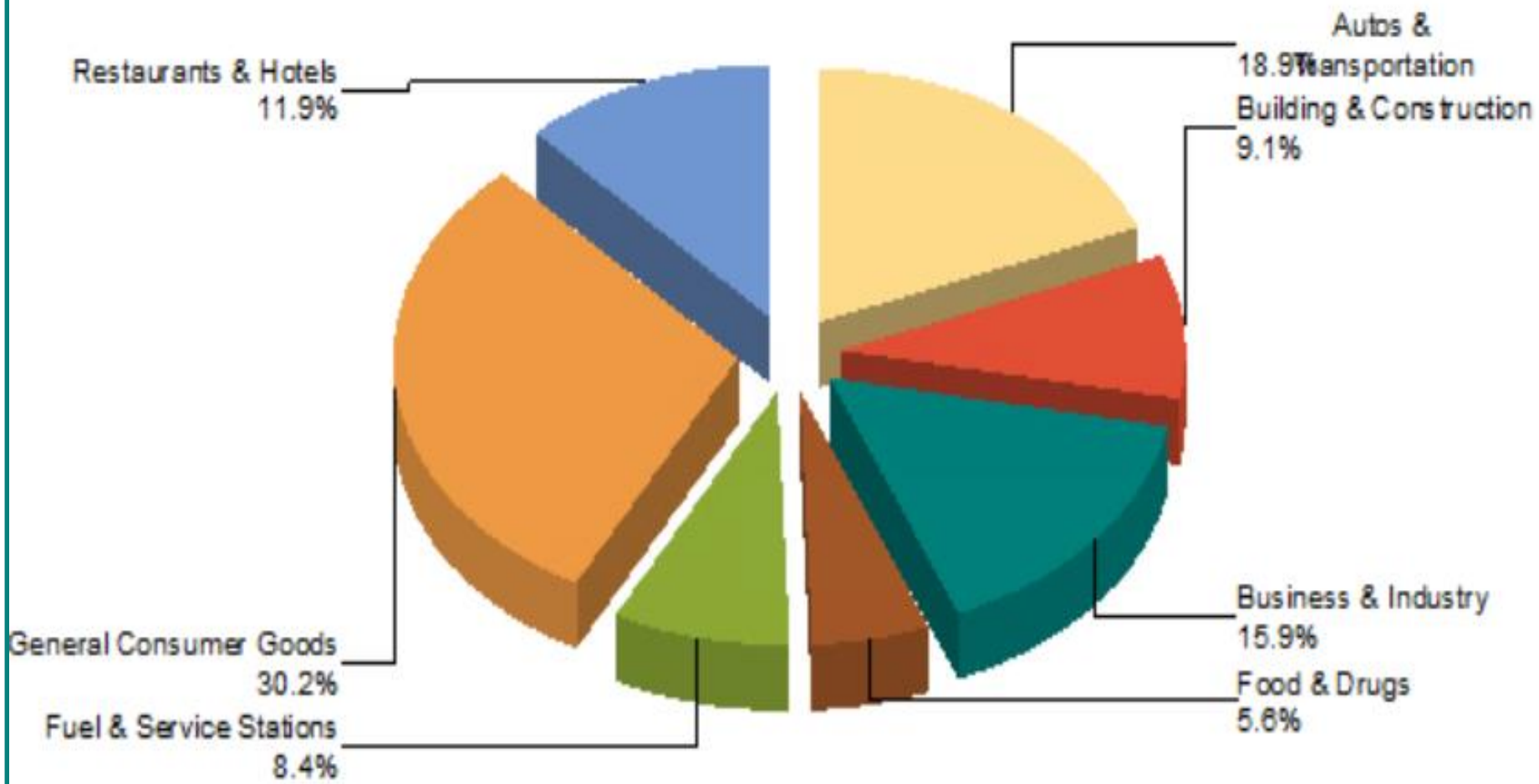
CITY WITH LOCAL TUT

**DELIVERIES OUT OF CITY**  
*TUT tax NOT collected*

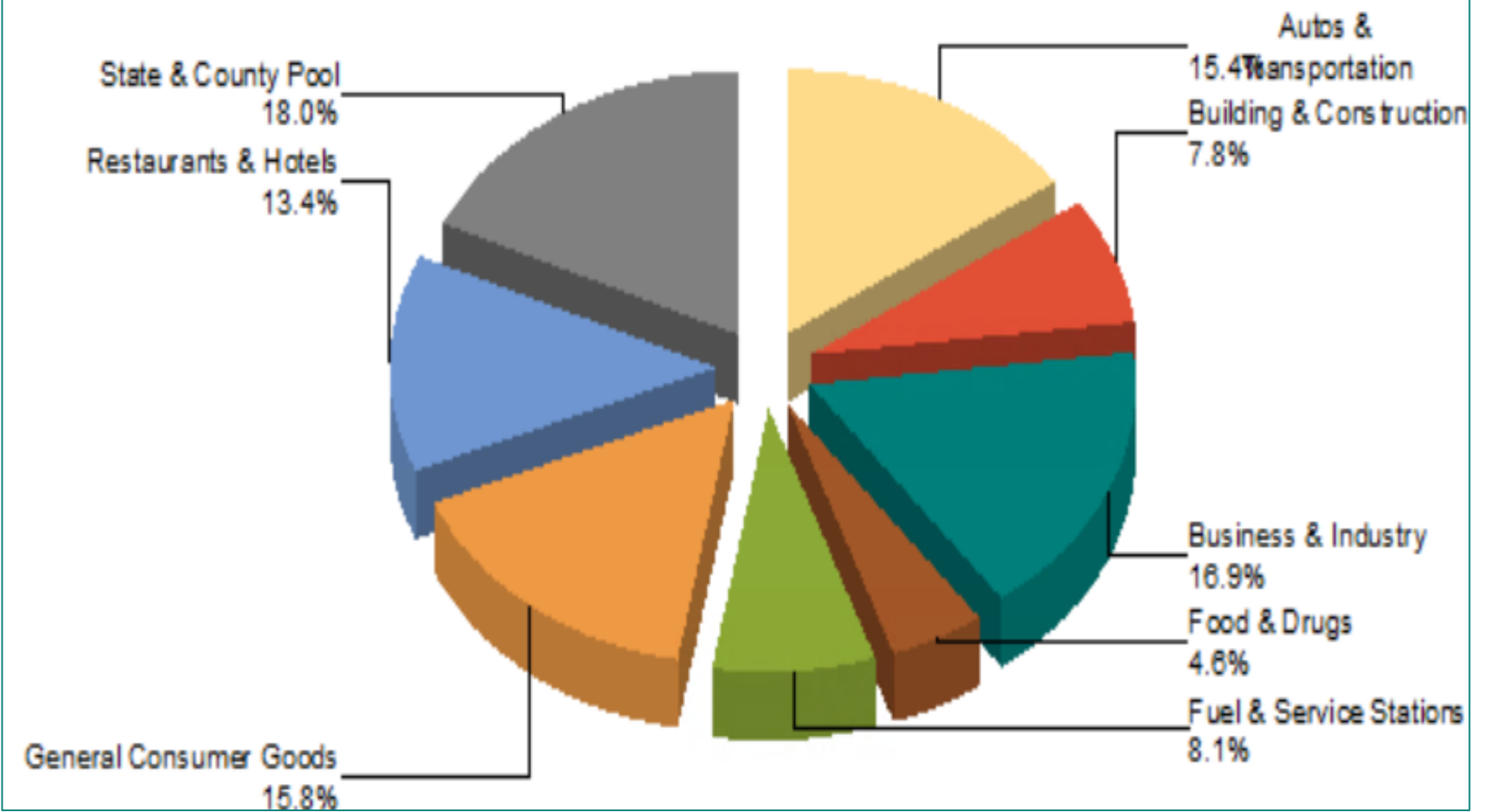




## Contra Costa County Measure X

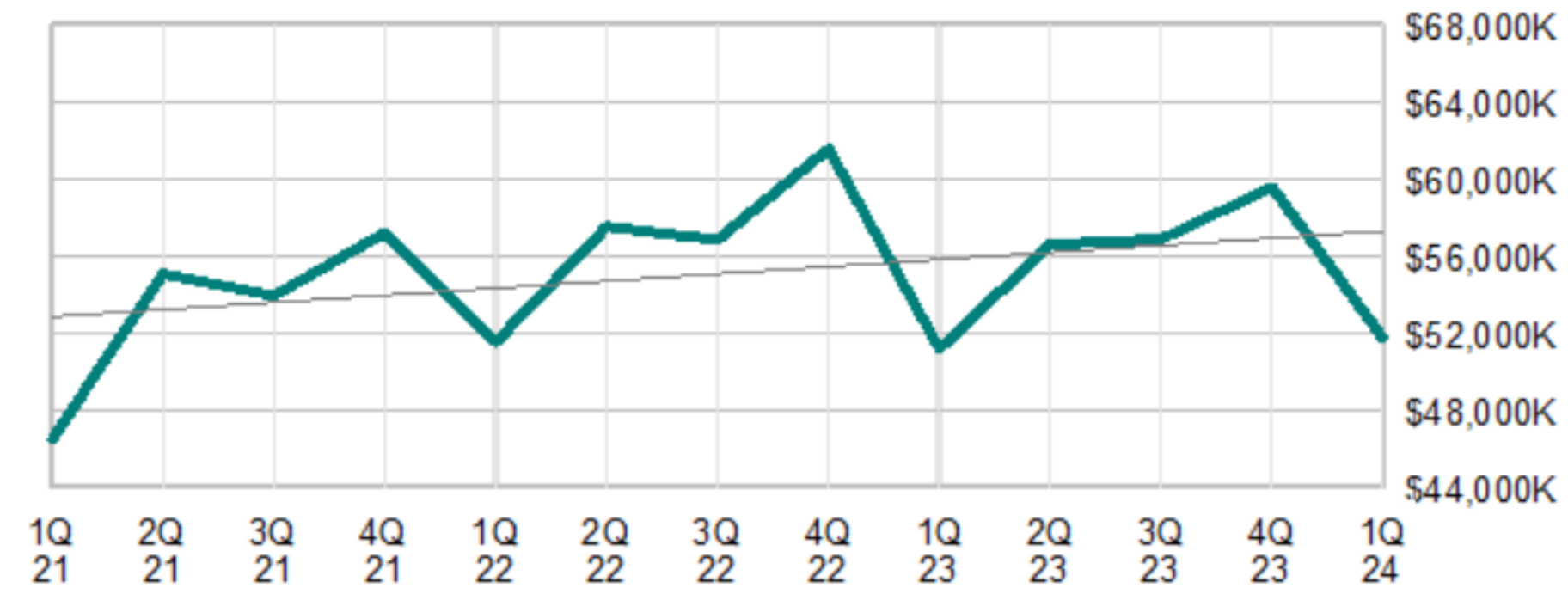


## HdL Client Database Statewide Totals

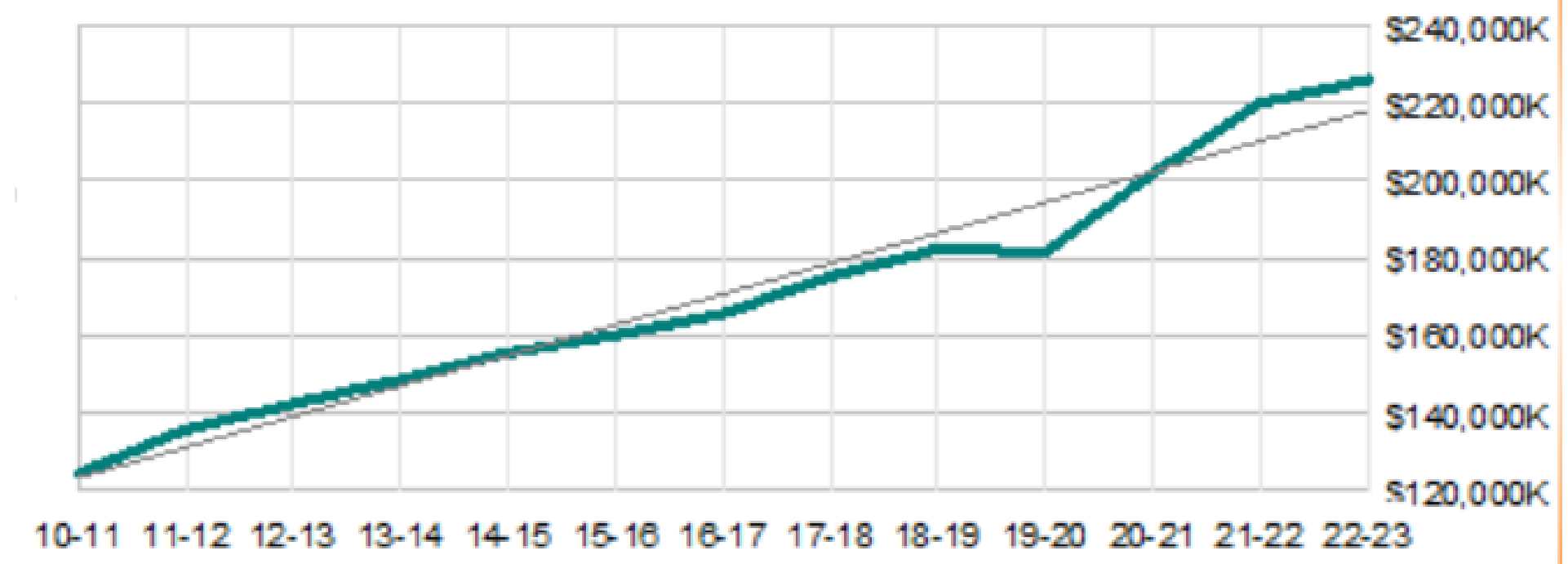




# Contra Costa County Recent Trends

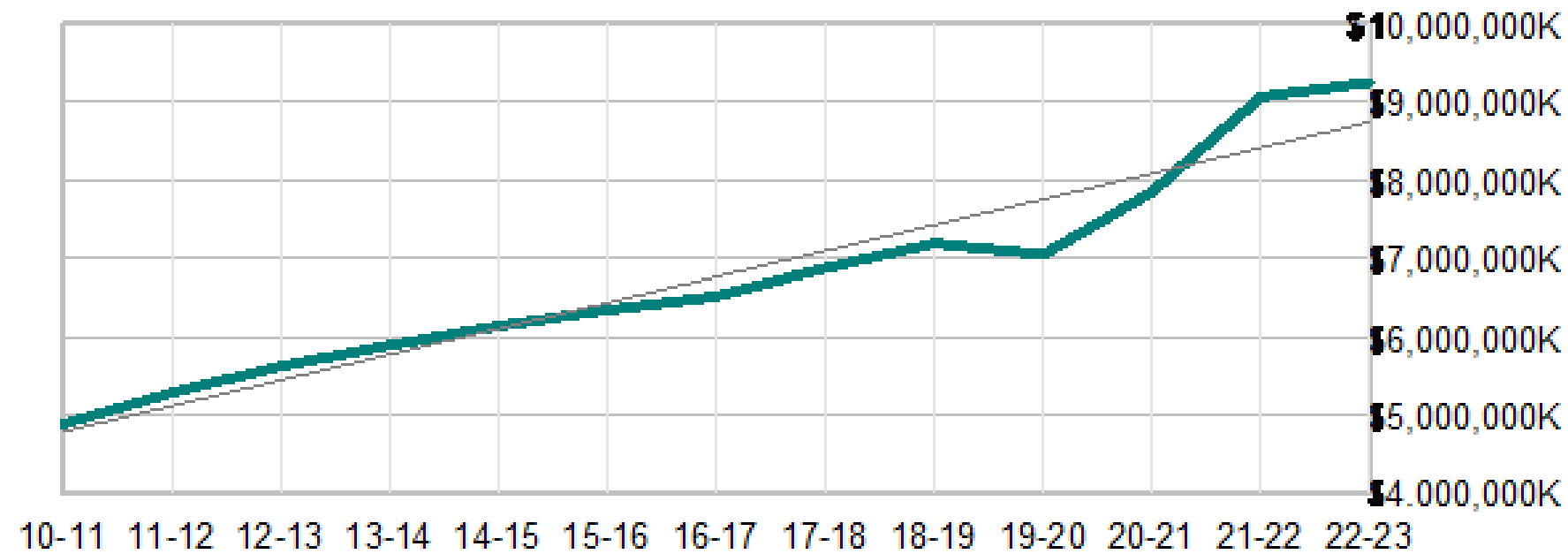


Recent Quarters



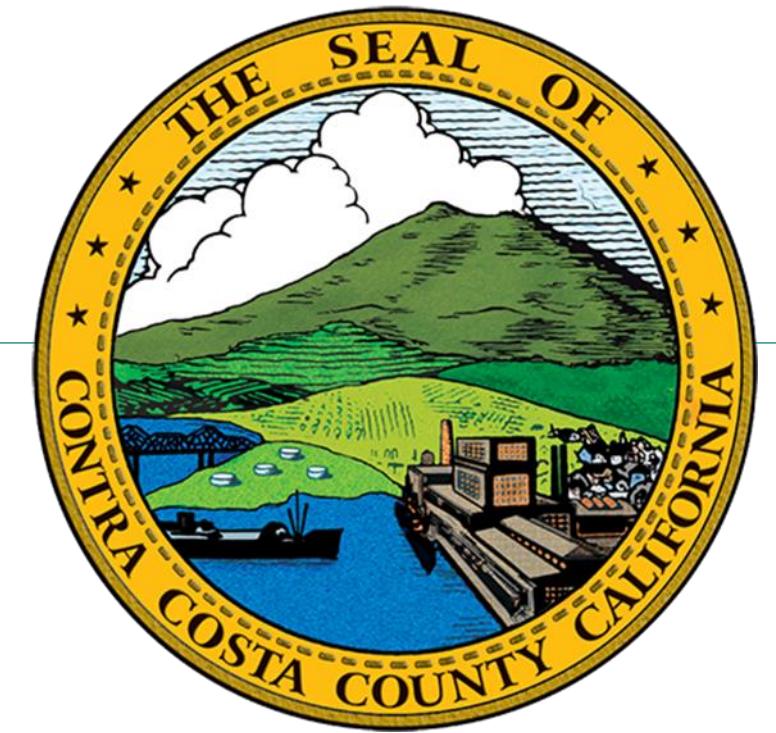
Fiscal Years

## Statewide





# Contra Costa County Recent Trends



Sales Tax by Major Industry Group

State & County Pools

General Consumer Goods

Count: 9,045

Autos And Transportation

Count: 1,720

Business And Industry

Count: 6,938

Restaurants And Hotels

Count: 3,223

Fuel And Service Stations

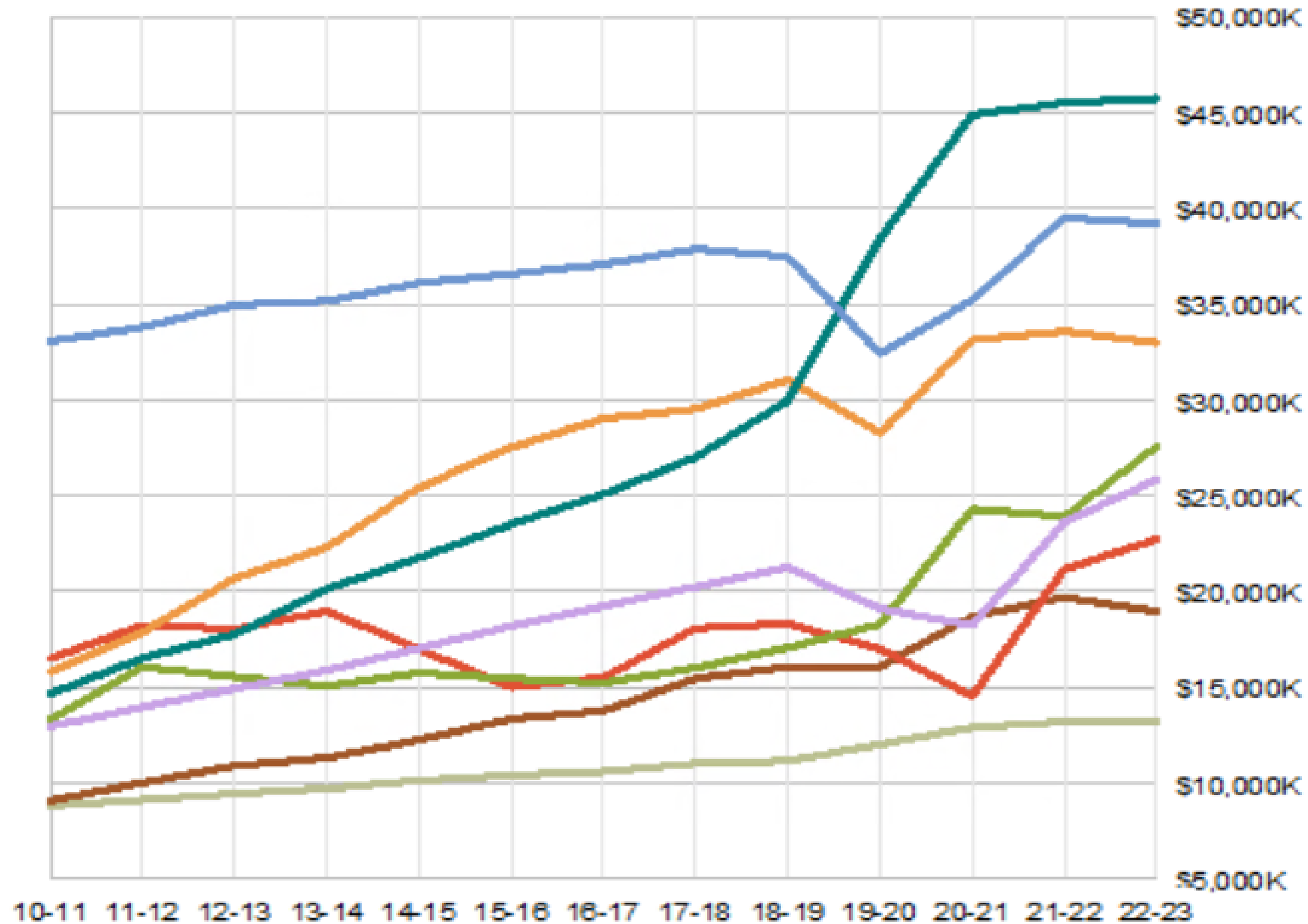
Count: 417

Building And Construction

Count: 883

Food And Drugs

Count: 843





# Contra Costa County Transaction Tax, Fiscal Year

## General Consumer Goods

Count: 9,059

## Autos And Transportation

Count: 3,294

## Business And Industry

Count: 15,239

## Restaurants And Hotels

Count: 2,160

## Building And Construction

Count: 2,350

## Fuel And Service Stations

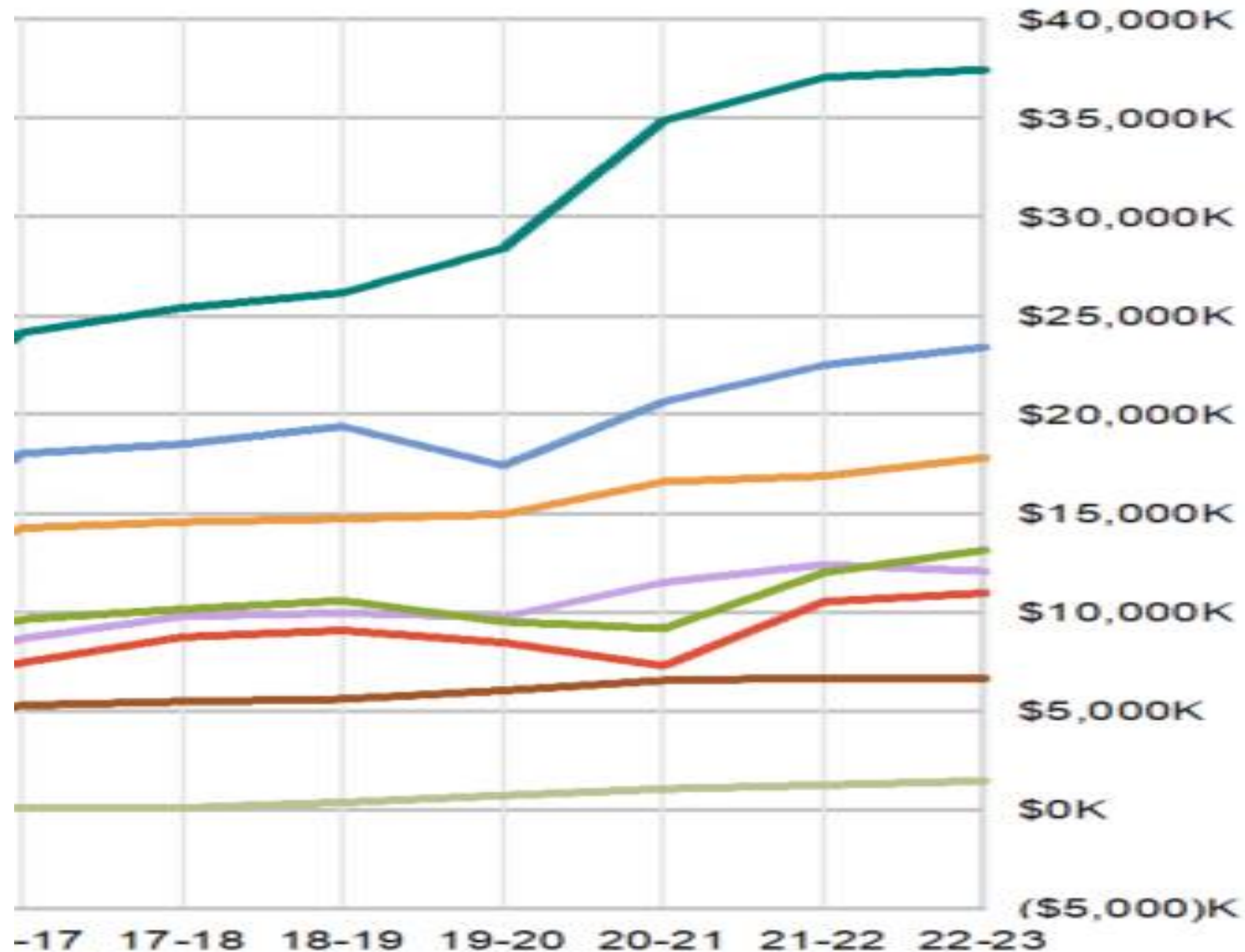
Count: 331

## Food And Drugs

Count: 694

## Transfers & Unidentified

Count: 7,013





# Contra Costa County Measure X, Quarterly

## General Consumer Goods

Count: 9,059

## Autos And Transportation

Count: 3,294

## Business And Industry

Count: 15,239

## Restaurants And Hotels

Count: 2,160

## Building And Construction

Count: 2,350

## Fuel And Service Stations

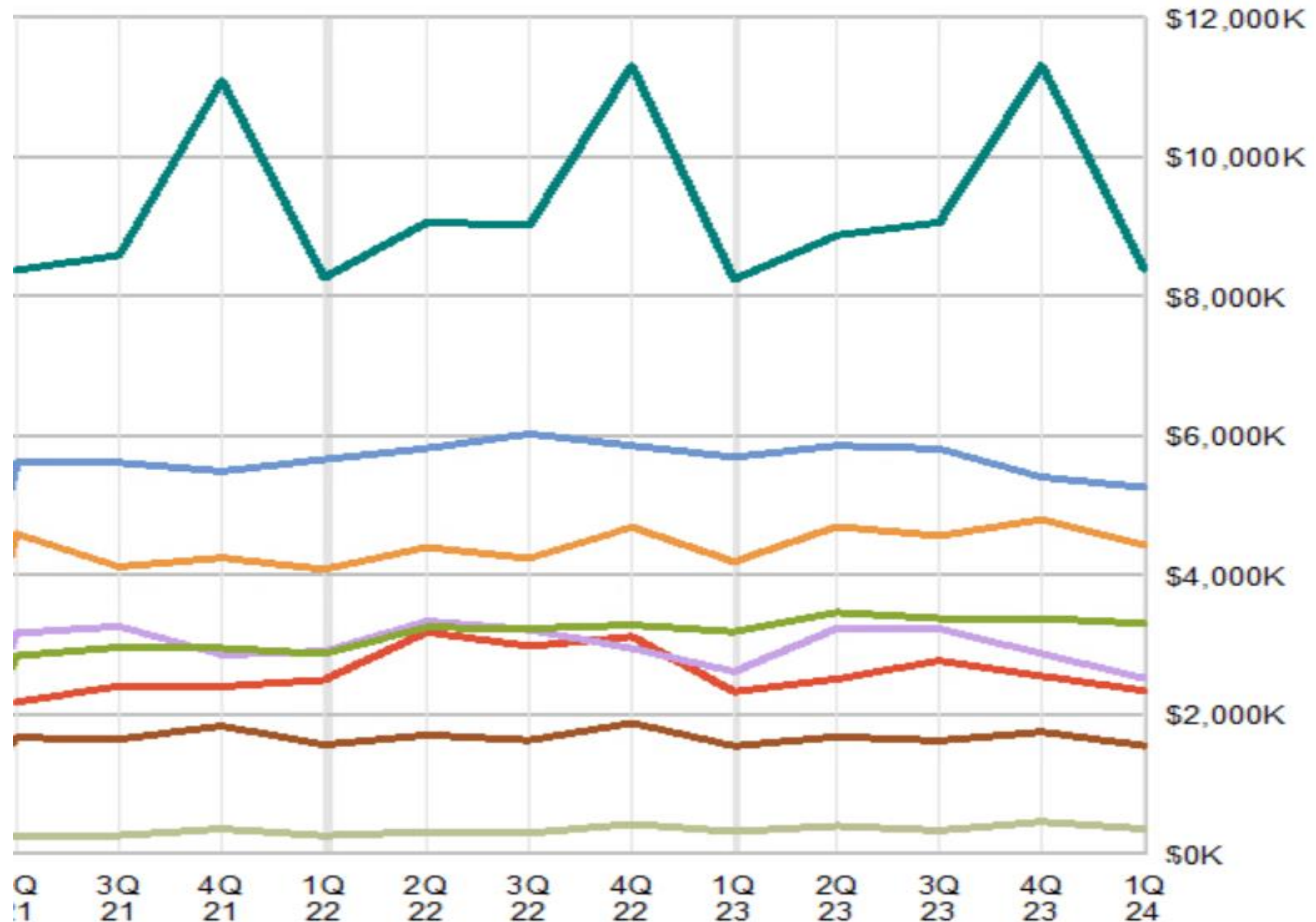
Count: 331

## Food And Drugs

Count: 694

## Transfers & Unidentified

Count: 7,013





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# TRANSACTION & USE TAX FORECASTING





# Considerations

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Interest Rates

Household  
Costs

Credit  
Availability

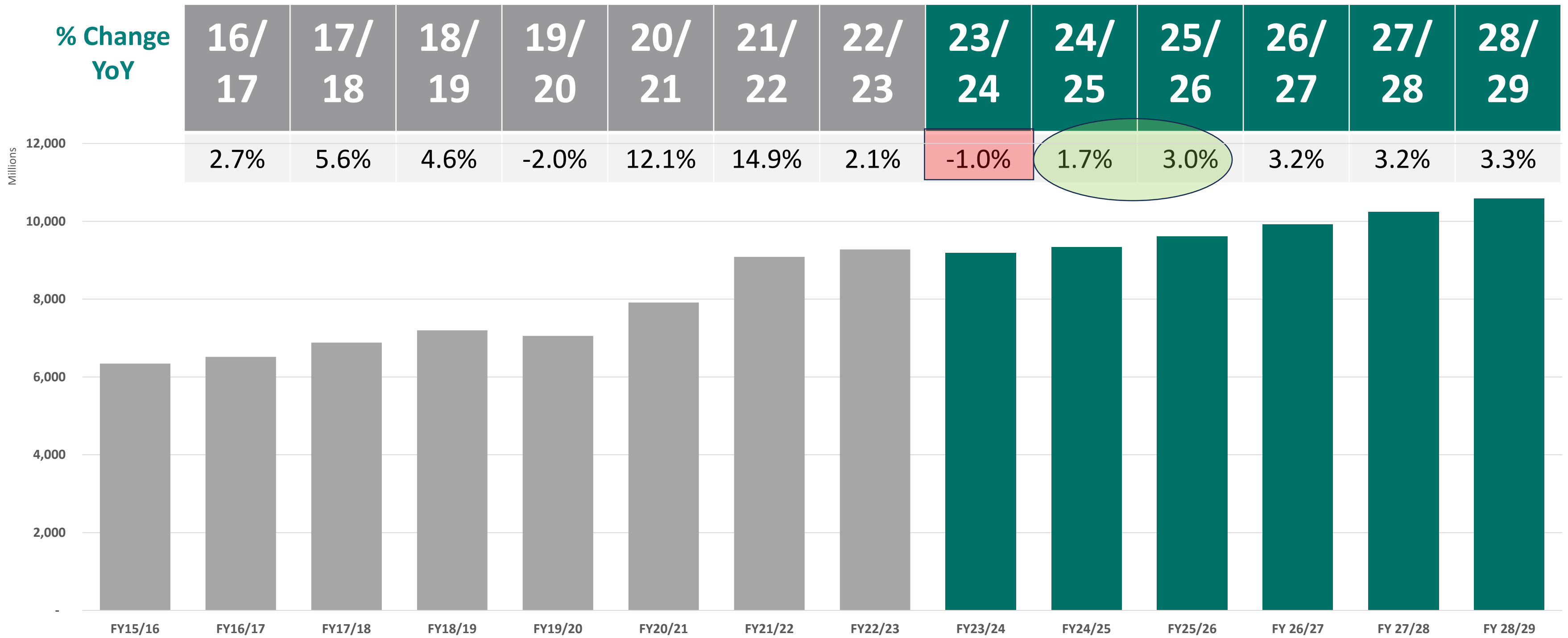
Consumer  
Spending

Tourism &  
Business  
Travel

Gas Prices



# HdL Statewide Trend – Annual Outlook







# Measure X

Industry Group	FY 2022-23	FY 2023-24		FY 2024-25		FY 2025-26	
	Actuals	Projection	%	Projection	%	Projection	%
Autos & Transportation	23,452,195	22,029,666	-6.1%	22,130,666	0.5%	22,794,666	3.0%
Building & Construction	12,044,927	11,865,587	-1.5%	12,096,587	1.9%	12,580,587	4.0%
Business & Industry	17,959,820	18,114,036	0.9%	17,979,036	-0.7%	18,464,036	2.7%
Food & Drugs	6,795,797	6,568,412	-3.3%	6,614,412	0.7%	6,746,412	2.0%
Fuel & Service Stations	10,834,936	10,424,049	-3.8%	10,412,049	-0.1%	10,620,049	2.0%
General Consumer Goods	37,715,511	37,945,665	0.6%	38,426,665	1.3%	39,195,665	2.0%
Restaurants & Hotels	13,227,872	13,679,876	3.4%	14,144,876	3.4%	14,568,876	3.0%
Transfers & Unidentified	1,450,864	1,640,814	13.1%	1,635,814	-0.3%	1,635,814	0.0%
<b>Total</b>	<b>123,481,923</b>	<b>122,268,106</b>	<b>-1.0%</b>	<b>123,440,106</b>	<b>1.0%</b>	<b>126,606,106</b>	<b>2.6%</b>
Administration Cost	(1,065,460)	(1,048,987)		(1,419,561)		(1,455,970)	
<b>Total</b>	<b>122,416,463</b>	<b>121,219,119</b>	<b>-1.0%</b>	<b>122,020,544</b>	<b>0.7%</b>	<b>125,150,135</b>	<b>2.6%</b>

Q&A

When? Why? How? WHAT? WHERE? WHEN? HOW? WHAT? Why? When?

When? WHO? WHERE? WHEN? WHERE? Why? When? WHAT?

When? WHERE? What? HOW? WHEN? WHERE? WHAT? Why? When? WHEN?

Why? HOW? Where? Where? WHERE? When? What? WHERE? When? WHEN? HOW? What? WHEN? HOW? WHAT? Why?



*Thank you!*

**Susie Woodstock, Principal**

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