

2026 Retail Transactions (Sales) and Use Tax Ordinance Introduction & Considerations

County Administrator's Office

February 10, 2026





Agenda

1. Recap of Board Policy Direction & Discussion
2. Tax Rate Impact and Other Considerations
3. Timeline Going Forward
4. Recommended Actions
5. Questions/ Discussion



Recap of Board Policy Direction & Discussion

- **November 18, 2025:** County Administrator's Office presentation on the impacts of H.R. 1 and the State Budget
- **December 16, 2025:** Health and Employment and Human Services departments provide in-depth presentation on federal and state financial impacts
- **January 20, 2026:** Board direction to seeking legislation allowing for an additional 0.625% general sales tax and development of related taxing ordinance for a period of 5 years
- **February 3, 2026:** Board Retreat presentations from Beacon Economics, the County Finance Director, California Welfare Director's Association (CWDA) and the California Association of Public Hospitals & Health Systems (CAPH)



Tax Rate Impact and Other Considerations

- 15 of the 19 cities would be above the local sales tax cap (this includes the tax cap changes from SB 1349)
- New legislation required to levy the tax.
 - Last day to approve bills in Legislature is August 31, 2026
 - Unique issue for June election cycles
- Highest Tax Rate would be El Cerrito at 10.875%
- Does not include other sales taxes that may be passed in 2026
 - Regional BART tax slated for November 2026 ballot (additional 0.5% Countywide)

Contra Costa County, CA

Current & Projected Sales and Use Tax Levels, by City & Unincorporated Area

Location	Current Rate	Proposed Rate	Type
El Cerrito	10.25%	10.875%	City
Pinole	10.25%	10.875%	City
Antioch	9.75%	10.375%	City
Concord	9.75%	10.375%	City
Martinez	9.75%	10.375%	City
Moraga	9.75%	10.375%	City
Orinda	9.75%	10.375%	City
Richmond	9.75%	10.375%	City
San Ramon	9.75%	10.375%	City
San Pablo	9.50%	10.125%	City
Hercules	9.25%	9.875%	City
Lafayette	9.25%	9.875%	City
Pittsburg	9.25%	9.875%	City
Pleasant Hill	9.25%	9.875%	City
Walnut Creek	9.25%	9.875%	City
Brentwood	8.75%	9.375%	City
Clayton	8.75%	9.375%	City
Unincorporated	8.75%	9.375%	County
Danville	8.75%	9.375%	City
Oakley	8.75%	9.375%	City



Timeline Going Forward

- **February 10, 2026 (Today):** Introduce sales tax ordinance and fix March 3, 2026 for adoption (4/5 Vote required)
- **March 3, 2026:** Final date that the Board can adopt the sales tax ordinance and place on the June 2026 Primary Election ballot (4/5 Vote required)
- **March 6, 2026:** Date that measures to be listed on the June 2026 Primary Ballot are due to the Elections Department (88 days prior to the election)
- **June 2, 2026:** Election Day



Timeline Going Forward

- **August 31, 2026:** Last day for bills to be approved in each House of the Legislature
- **September 30, 2026:** Last Day for Governor to sign or veto bills passed by the Legislature before September 1st and in the Governor's possession on or after September 1st. (Art. IV, Sec. 10(b)(2))
- **October 1, 2026 or January 1, 2027:** First day that the tax may be levied following election. (depends on when legislation becomes law)
- **December 2026 or March 2027 (Est.):** Likely the months that the County could expect receipt of tax revenue (again, depending on when legislation becomes law)



Recommended Actions

INTRODUCE Ordinance No. 2026-05 authorizing the levy of a 0.625% General Retail Transactions (Sales) and Use Tax in Contra Costa County, WAIVE reading and FIX March 3, 2026 for adoption of the ordinance and a resolution calling an election for June 2, 2026, and submitting the general sales tax measure to the voters. (4/5 Vote).



Questions/Discussion
