

RESOLUTION NO. 070139

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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**RESOLUTION IN SUPPORT OF SENATE BILL 27 (HANCOCK),
LOCAL AGENCIES: SALES AND USE TAX: REALLOCATION**

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, existing law prohibits a redevelopment agency or local agency from providing any form of financial assistance to a vehicle dealer or big box retailer, or business entity that sells or leases land to a vehicle dealer or big box retailer that is relocating from the territorial jurisdiction of another community or local agency; and

WHEREAS, Bradley-Burns sales taxes must be allocated on a "situs" basis, this is the place where the transaction occurs; and

WHEREAS, if a seller has more than one place of business and the sales and delivery of a product occur at separate locations, State Board of Equalization regulations require that the sales be allocated to the site of the principal sales negotiations; and

WHEREAS, Senate Bill 27 (Hancock) would prohibit a local agency from entering into any form of agreement with a retailer, a consultant or agent representing a retailer, or any other person that would involve the payment, transfer, diversion, or rebate of any amount of Bradley-Burns local tax proceeds for any purpose if the

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agreement results in a reduction in the amount of revenue that is received by another local agency from a retailer that is located within the territorial jurisdiction of that other local agency, and the retailer continues to maintain a physical presence within the territorial jurisdiction of that other local agency; and

WHEREAS, Senate Bill 27 would prohibit a community from providing any form of financial assistance to a vehicle dealer of big-box retailer from a neighboring community within the same county; and

WHEREAS, no current statute prevents using sales tax revenues to pay incentives or rebates to relocation consultants by local agencies across county lines; and

WHEREAS, the losing cities are still left with the burden of providing vital police, fire, and other public services to the distribution facilities of the retailer remaining in the jurisdiction.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board of Supervisors by the adoption of this resolution hereby supports Senate Bill 27 (Hancock) regarding local agencies, sales and use tax, reallocation.

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Regularly passed and adopted this 9th day of June, 2009.

AYES and in favor of said resolution:

Supervisors: MARK CHURCH
CAROLE GROOM
RICHARD S. GORDON
ROSE JACOBS GIBSON
ADRIENNE J. TISSIER

NOES and against said resolution:

Supervisors: NONE

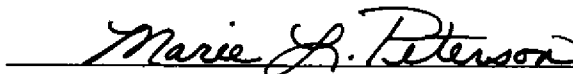
Absent Supervisors: NONE



President, Board of Supervisors
County of San Mateo
State of California

Certificate of Delivery

I certify that a copy of the original resolution filed in the Office of the Clerk of the Board of Supervisors of San Mateo County has been delivered to the President of the Board of Supervisors.



Marie L. Peterson, Deputy
Clerk of the Board of Supervisors

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