

CITY OF LODI  
INFORMAL INFORMATIONAL MEETING  
"SHIRTSLEEVE" SESSION  
CARNEGIE FORUM  
305 WEST PINE STREET  
TUESDAY, NOVEMBER 16, 1999

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, November 16, 1999 commencing at 7:20 a.m.

ROLL CALL

Present: Council Members – Hitchcock, Mann (left at 7:55 a.m.), Nakanishi, Pennino and Land (Mayor)

Absent: Council Members – None

Also Present: City Manager Flynn, Deputy City Manager Keeter, Economic Development Director Goehring, Community Development Director Bartlam, Finance Director McAthie, City Attorney Hays and City Clerk Reimche

Also in attendance was a representative from the Lodi News Sentinel and The Record.

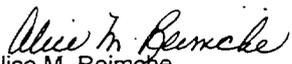
TOPIC(S)

1. Sales Tax Presentation

ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at approximately 8:10 a.m.

ATTEST:

  
Alice M. Reimche  
City Clerk



## City of Lodi

November 16, 1999

### Sales Tax - Since 1933

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- Imposed only on tangible personal property
- Levied only when sold to the ultimate consumer
- One cent to jurisdiction where sale is negotiated or where order taken (1955)

## Use Tax - Since 1935

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- Out of state purchases
- Long term equipment leases
- Materials consumed by contractors
- Private party sale of vehicles, vessels, aircraft
- One cent allocated by ratio of sales to other jurisdictions in pool (1955)

## Common Errors

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- Multiple outlets reported as one location
- Miscoded to corporate or accounting offices
- Reported as “use tax” rather than “sales tax”
- Misallocated to previous addresses
- Transposition and miscoding errors
- Zip code, boundary, or other jurisdictional confusion

## Lodi/HdL Contract

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Misallocated Revenue recovered

Since 4th quarter, 1987                      \$ 1,028,760

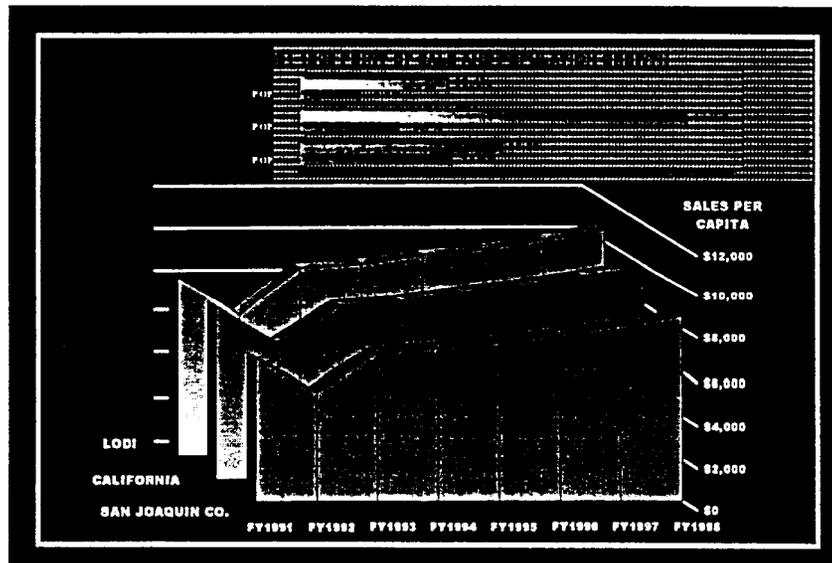
Total audit fees                                      \$ 92,845

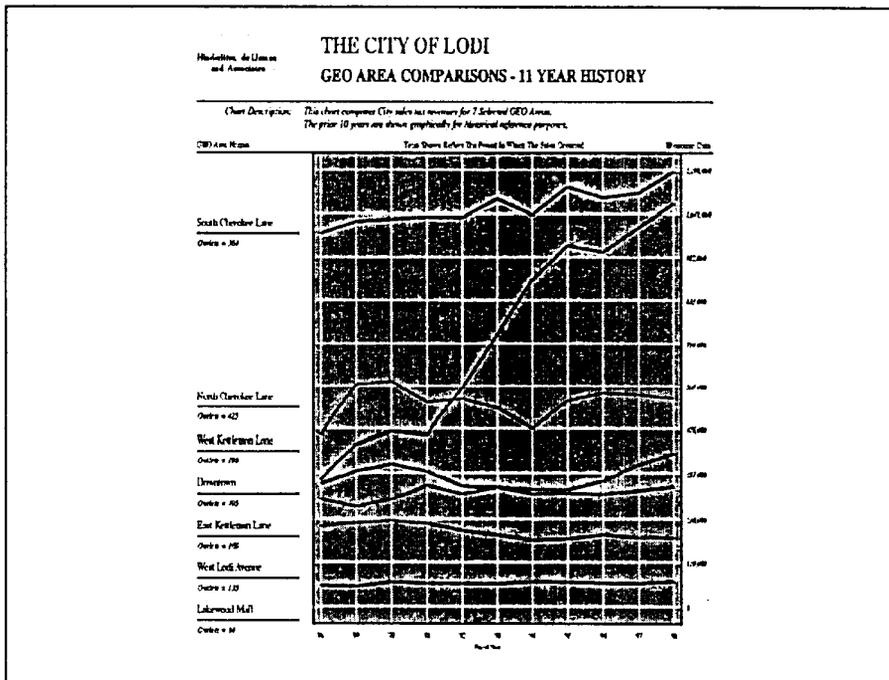
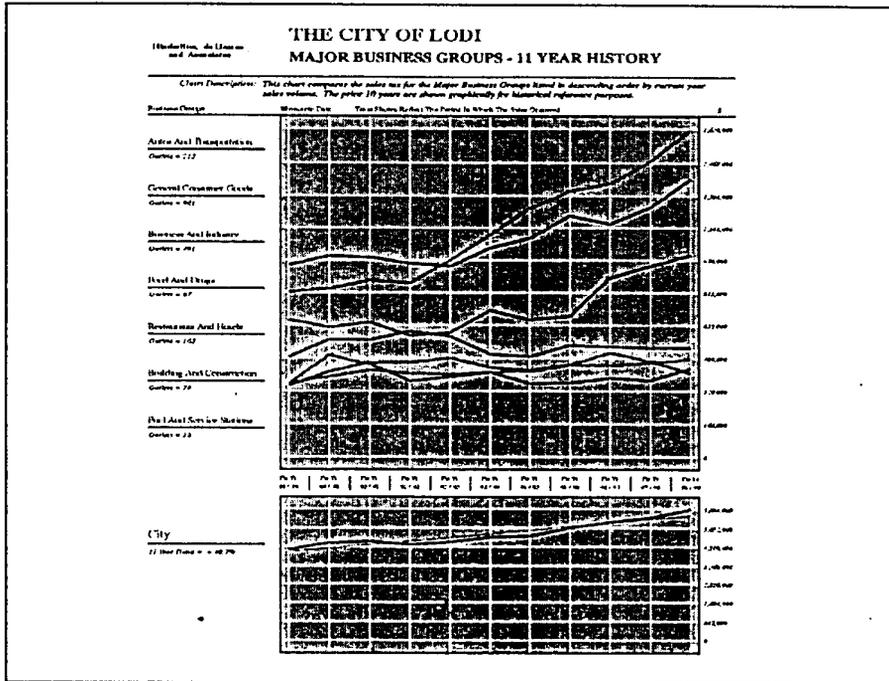
Total service fees                                    \$ 51,000

\$ 143,845

**\*Return on investment to Lodi 715.2%**

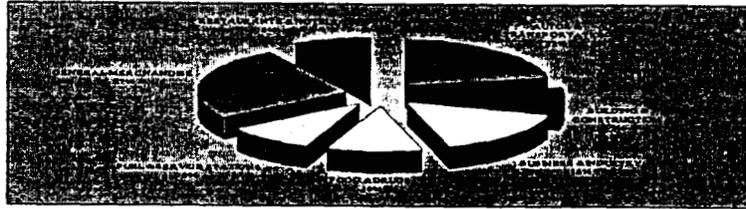
## City/County/State Comparison



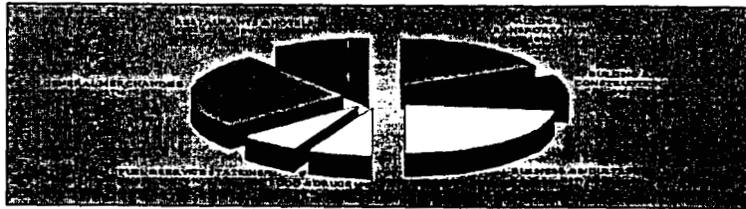


**CITY TO STATE COMPARISON**  
CALENDAR YEAR 1998

**THE CITY OF LODI**



**H&L CLIENT DATABASE  
STATEWIDE TOTALS**



## Future Sales Tax Issues

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- Narrowly imposed tax- too many exemptions
- Cash box zoning
- E-commerce