

AN ORDINANCE TO AMEND ORDINANCE NO. 551
ENTITLED THE UNIFORM LOCAL SALES AND USE TAX ORDINANCE

The City Council of the City of Lodi does ordain as follows:

Section 1. Subparagraph (3) of paragraph (b) of Section 4 of Ordinance No. 551
entitled Uniform Local Sales and Use Tax Ordinance adopted March 21, 1956,
as amended, is amended to read:

(3) If a seller's permit has been issued to a retailer under Section 6067 of the said Revenue and Taxation Code, an additional seller's permit shall not be required by reason of this section.

Section 2. Subparagraph (4.5) is added to paragraph (b) of Section 4 of said ordinance to read:

(4.5) There shall be excluded from the gross receipts by which the tax is measured:

(I) The amount of any sales or use tax imposed by the State of California upon a retailer or consumer.

(II) The gross receipts from the sale of tangible personal property to operators of waterborne vessels to be used or consumed principally outside the city in which the sale is made and directly and exclusively in the carriage of persons or property in such vessels for commercial purposes.

(III) The gross receipts from the sale of tangible personal property to operators of aircraft to be used or consumed principally outside the city in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this state, the United States, or any foreign government.

Section 3. Subparagraph (3.5) is added to paragraph (b) of Section 5 of said ordinance to read:

(3.5) There shall be exempt from the tax due under this section:

(I) The amount of any sales or use tax imposed by the State of California upon a retailer or consumer.

(II) The storage, use or other consumption of tangible personal property, the gross receipts from the sale of which has been subject to sales tax under a sales and use tax ordinance enacted in accordance with Part 1.5 of Division 2 of the Revenue and Taxation Code by any city and county, county, or city in this state.

(III) The storage, use, or other consumption of tangible personal property purchased by operators of waterborne vessels and used or consumed by such operators directly and exclusively in the carriage of persons or property in such vessels for commercial purposes.

(IV) In addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code, the storage, use, or other consumption of tangible personal property purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this state, the United States, or any foreign government.

City Council
Sept 19, 1973
Ord 1018
Intro of

MEMORANDUM

SEPTEMBER 19, 1973

TO: CITY MANAGER

FROM: FINANCE DIRECTOR

SUBJECT: AMENDMENTS TO OUR SALES AND USE TAX ORDINANCE (NECESSARY TO PERMIT THE STATE TO COLLECT THIS REVENUE FOR THE CITY OF LODI. THE AMENDMENTS MUST BE ADOPTED AT THIS 9/19/73 COUNCIL MEETING TO MAKE THE 11/1/73 DEADLINE)

The State of California is presently collecting our one per cent (.95 to the City and .05 to the County) Sales Tax for us and will continue to do so if our ordinance is essentially worded to parallel the language and sales tax laws of the State.

The passage of AB 309 and SB 90 required certain changes to state laws, both as to the Bradley-Burns Uniform Local Sales and Use Tax law and to the state Revenue and Taxation code.

Those changes do not materially affect the cities, but were essentially changes affecting the State where some modifications to the exemption status of transactions as they related to aircraft and surface vessels were involved.

Other changes to the Revenue and Taxation code repealed certain other exemptions, i.e., Public Utilities exemptions, and made certain changes to the exemption status of common carriers.

So what these amendments accomplish is uniformity in the language of our ordinance and state laws.

Unless we have that uniformity and new agreements executed by the City on or before November 1, 1973, we stand to lose at least three months' revenue as pointed out by Mr. Hocking's letter of August 31, 1973, attached as Exhibit I.