



## V

### City of La Habra, Emergency Services/Neighborhood Safety/Community Protection Measure

To help prevent additional cuts to firefighter/paramedic 911 response services; police staffing/ ambulance services; maintain street repairs; protect groundwater supplies, parks/open space; address homelessness; remove hazardous waste; gang prevention; and general City services, shall an ordinance reauthorizing La Habra’s existing local sales tax at an updated 1¢ rate be adopted, providing approximately \$15,600,000 annually until ended by voters, requiring audits, public spending disclosure, all funds local?

#### What your vote means

YES	NO
A YES vote supports the ordinance reauthorizing the existing local sales tax at an updated rate.	A NO vote opposes the ordinance reauthorizing of the existing local sales tax at an updated rate.

#### For and against

FOR	AGAINST
Noah Daniels President, La Habra Police Association  Juan M. Garcia former La Habra Mayor  Danny Hanson small business owner  Xavier Campos retired fire captain  Dawn Stille former Ad Hoc Fiscal Review Committee member	Tim Shaw

 Ballot Measures-VFull Text of Measure V  
City of La Habra

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF LA HABRA AMENDING CHAPTER  
4.10 OF THE MUNICIPAL CODE TO IMPOSE A TRANSACTIONS AND  
USE TAX TO BE ADMINISTERED BY THE CALIFORNIA  
DEPARTMENT OF TAX AND FEE ADMINISTRATION

THE PEOPLE AND THE CITY COUNCIL OF THE CITY OF LA HABRA DO HEREBY ORDAIN AS FOLLOWS:

**SECTION I: Amendment.** Chapter 4.10 (Transactions and Use Tax) of Title 4 (Revenue and Finance) of the Municipal Code is amended to read as follows:**Section 4.10.010 Title**

This chapter shall be known as the La Habra Emergency Services/Neighborhood Safety/Community Protection Ordinance of 2024. The City of La Habra hereinafter shall be called "City." This chapter shall be applicable in the incorporated territory of the City.

**Section 4.10.020 Operative Date**

"Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this chapter, the date of such adoption being as set forth at the bottom of the voter-approved ordinance adding this chapter to this code.

**Section 4.10.030 Purpose**

This chapter is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.9 of Part 1.7 of Division 2 which authorizes the City to adopt this ordinance which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by the California Department of Tax and Fee Administration in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the California Department of Tax and Fee Administration in administering and collecting the California State Sales and Use Taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

**Section 4.10.040 Contract with State**

Prior to the operative date, the City shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of the transactions and use tax imposed by this chapter; provided, that if the City shall not have contracted with the California Department of Tax and Fee Administration prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

**Section 4.10.050 Imposition of a 1.0% Transactions Tax**

For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the City at the rate of 1.0% of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this Chapter.

**Section 4.10.060 Place of Sale**

For the purposes of this chapter, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the California Department of Tax and Fee Administration.

**Section 4.10.070 Imposition of a 1.0% Use Tax**

An excise tax is hereby imposed on the storage, use or other consumption in the City of tangible personal property purchased from any retailer on and after the operative date of this chapter for storage, use or other consumption in said territory at the rate of 1.0% of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.



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## Section 4.10.080 Adoption of Provisions of State Law

Except as otherwise provided in this chapter and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this chapter as though fully set forth herein.

## Section 4.10.090 Limitations on Adoption of State Law and Collection of Use Taxes

In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of this City shall be substituted therefor. However, the substitution shall not be made when:

1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Treasury, or the Constitution of the State of California.

2. The result of that substitution would require action to be taken by or against this City or any agency, officer, or employee thereof rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this Chapter.

3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.

4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

1. "A retailer engaged in business in the District" shall also include any retailer that, in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property in this state or for delivery in the State by the retailer and all persons related to the retailer that exceeds five hundred thousand dollars (\$500,000). For purposes of this section, a person is related to another person if both persons are related to each other pursuant to Section 267(b) of Title 26 of the United States Code and the regulations thereunder.

## Section 4.10.100 Permit Not Required

If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this chapter.

## Section 4.10.110 Exemptions and Exclusions

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county 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.

2. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City shall be satisfied:

a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

b. With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this chapter.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this chapter.

5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate

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the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this chapter, the storage, use or other consumption in this City of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

2. Other than fuel or petroleum products 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. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this chapter.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this chapter.

5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subparagraph (7), a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.

7. "A retailer engaged in business in the City" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.

D. Any person subject to use tax under this chapter may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

## Section 4.10.120 Amendments

All amendments subsequent to the effective date of this chapter to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this chapter, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this chapter.

## Section 4.10.130 Enjoining Collection Forbidden

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this chapter, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

## Section 4.10.140 Use of Tax Proceeds

Proceeds of the tax imposed by this chapter shall be deposited in the general fund of the City and shall be available for any lawful purpose. Once deposited, such proceeds shall be audited as part of City's annual independent audit of the general fund and shall be accounted for in the City's Consolidated Annual Financial Report.

**SECTION II: Relation to Prior Tax.** The intent of this Ordinance is to reauthorize the City's existing transactions and use tax at a new rate and without a sunset date. Chapter 4.10 of the Municipal Code currently imposes a 0.5% transactions and use tax that terminates on December 31, 2028. The intent of this ordinance is that, upon the operative date of the 1.0% transactions and use tax imposed by this Ordinance, the existing 0.5% transactions and use tax will terminate. Nothing in this Ordinance shall be interpreted to (i) cause there to be any calendar quarter in 2025 during which the existing 0.5% tax and the reauthorized 1.0% tax both apply or (ii) cause there to be any calendar quarter in 2025 during which neither the existing tax nor the reauthorized tax apply.

**SECTION III: Severability.** If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the Ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

**SECTION IV: Election Required.** This Ordinance shall not become operative unless and until it is approved by the voters by a majority vote at the November 5, 2024 General Municipal Election. Nothing in this Ordinance shall be interpreted to repeal or amend the existing Chapter 4.10 of the Municipal Code unless this ordinance has been approved by the voters.

**SECTION V: Amendment.** This Ordinance may be amended by the City Council. However, no such amendment can increase the rate of the tax imposed by this ordinance or make a change that is inconsistent with the laws of the State that govern transactions and use taxes.



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**SECTION VI: Effective Date.** This Ordinance relates to the levying and collecting of a transactions and use tax and shall take effect immediately. However, the operative date for the tax imposed by this Ordinance and the termination date for the City's existing transactions and use tax shall be as set forth elsewhere in this Ordinance.

**Impartial Analysis  
City of La Habra  
Measure V**

Measure V, seeks voter approval of an ordinance reauthorizing the City of La Habra's existing half-cent (0.5%) voter-approved "Measure T" transactions and use tax at a new one cent (1.0%) rate.

Transactions and use taxes are commonly called "local sales taxes" because they are generally collected along with California "sales taxes" (which are technically "sales and use taxes").

The combined rate of all state and local taxes applicable to taxable transactions (sales) in La Habra is currently 8.25%. Of this 8.25%, only 1.5% is levied by the City of La Habra. The remainder is controlled by the state and the county.

Of the portion that is controlled by City of La Habra, one cent (1.0%) is the uniform "Bradley-Burns" tax levied by all cities in the state. The remaining half-cent (0.5%) is the "Measure T" tax, which was approved by the voters in 2008. The "Measure T" tax will terminate on December 31, 2028 unless the voters re-authorize the tax.

Measure V reauthorizes the "Measure T" tax and changes its rate to one cent (1.0%). If voters approve Measure V, the resulting tax will continue until the tax is repealed by the voters.

The existing "Measure T" tax generates approximately \$7.8 million each year. If Measure V is adopted by the voters, then, beginning on April 1, 2025, the one cent rate would replace the existing half-cent rate. At the new rate, the tax is estimated to generate approximately \$15.6 million each year.

The proposed tax would apply and be collected as provided by the state law governing transactions and use taxes. The tax would be administered for the La Habra by the California Department of Tax and Fee Administration. Purchases in La Habra that are exempt from the statewide sales tax would also be exempt from the proposed tax. For example, most groceries, prescription drugs and purchases of services would be exempt from the tax.

Proceeds of the reauthorized tax would, like proceeds of the existing tax, (i) be deposited in the City's general fund, (ii) be annually audited and public reported, and (iii) be available for any lawful municipal purpose. The City Council has noted that the general fund is used to fund firefighter, paramedic and 911 response services; police services and staffing; ambulance services; maintenance and repair of the City's streets; protection of groundwater supplies; maintenance and operation of parks and open space; programs that address homelessness; programs that remove hazardous waste; gang prevention; and other general programs and services.

This measure was placed on the ballot by the City Council of the City of La Habra.

A YES vote supports the ordinance reauthorizing the existing local sales tax at an updated rate

A NO vote opposes the ordinance reauthorizing of the existing local sales tax at an updated rate.

The above statement is an impartial analysis of Measure V. If you desire a copy of the measure, please call the City Clerk's office at (562) 383-4030 and a copy will be mailed at no cost to you.

s/ Richard D. Jones, City Attorney



# Ballot Measures-V

## Argument in Favor of Measure V

Prevent devastating cuts to police, fire and core City services, vote YES on V, all money for La Habra.

In 2023, **Los Angeles County Fire Department costs went up 100%**, one of La Habra's Fire Stations CLOSED and we lost nearly 1/3 of firefighters and paramedics all while paying MILLIONS more!

At the same time, the local measure La Habra voters enacted to keep our local tax dollars IN LA HABRA and away from Sacramento politicians is set to expire putting us at risk of MORE state takeaways of local funds. ENOUGH!

Unless **we** act, vital local City services, including police, fire and 911 services, street repairs, and park maintenance WILL be cut, reshaping the City and reducing our safety and quality of life.

Yes on V keeps La Habra SAFE.

Over 70% of La Habra's budget is dedicated to public safety.

Your Yes on V vote will:

- Prevent further cuts to 911 emergency response, paramedic and firefighting services.
- Ensure La Habra can respond quickly and effectively to natural disasters like earthquakes.
- Maintain our current police officer levels, and retain and attract more police officers.
- Maintain critical anti-gang and anti-drug programs.

With local funds that cannot be taken away by Sacramento.

Here's what Measure V won't do.

- Measure V is **not** a tax on your home or property.
- Measure V will **not** be applied to prescription medications or food purchased as groceries.

**Measure V is accountable to you**, the La Habra taxpayer:

It continues the strict accountability requirements already approved by voters including:

- Public disclosure of all spending.
- Annual independent financial audits.

Measure V was placed on the ballot after a year of feedback from residents, **so that YOU, the La Habra voter, could decide our future.**

Join police safety, business, and community advocates in voting YES on V!  
Get the facts: [www.lahabraca.gov](http://www.lahabraca.gov)

s/ Noah Daniels  
President, La Habra Police Association

s/ Juan M. Garcia  
former La Habra Mayor

s/ Danny Hanson  
small business owner

s/ Xavier Campos  
retired fire captain

s/ Dawn Stille  
former Ad Hoc Fiscal Review Committee member

## Rebuttal to Argument in Favor of Measure V

The tax and spenders would have you believe we are the innocent victims of the LA County Fire contract extension. They forgot to mention that the City Council **unanimously approved** this extension they **could not afford** after they refused to get a bid from the Orange County Fire Authority. The **City Council's failure** to shop around is not a reason for you to pay higher taxes!

The City Council has spent years arguing multiple lawsuits they could have settled. They prefer **supplying lawyers with paychecks** to saving money for things we care about.

Do not be fooled by their message about public safety: there is **no guarantee a tax increase will fund public safety**. Measure V is a general fund tax increase, so the money can be used for anything the City Council wants. This council proved a long time ago they will **say one thing and do another**.

The tax increasers pretend the City Council is being remarkably transparent by disclosing their spending and having financial audits. That is **false**. These are requirements for every city.

The La Habra City Council knew of their financial problems long ago. They publicly downplayed it while it was politically inconvenient to admit the truth and attacked anyone who (correctly) suggested the city was facing financial trouble. That is the **opposite of transparency**.

You should not pay more taxes because of the **City Council's bad decisions**. Vote no on higher sales taxes. **Vote no on V!**

s/ Tim Shaw  
Former Mayor, City of La Habra



# Ballot Measures-V

## Argument Against Measure V

The La Habra City Council wants to raise our sales tax. The 8.25% sales tax currently in place is scheduled to drop to 7.75% in 4 years. The City Council wants to increase it to 8.75% and leave it there **forever**. You should not trust them with more of your money. They lied to us.

Prior to the 2022 election, the City Council viciously denounced their critics for raising questions about La Habra's finances. They said voicing such concerns was "reckless, unfounded, false, and a political stunt" and insisted "La Habra has never been in better shape". In an online post Councilman Steve Simonian wrote "La Habra is not in financial trouble". A short time later, and conveniently **after** the incumbents had been safely re-elected in the 2022 election, they announced the budget was "not sustainable" and openly called for tax increases.

Throughout 2022, as the City Council was assuring us the city was in great financial shape, the 3 incumbents seeking re-election **each promised they would not be raising taxes**. Councilman Jose Medrano sent campaign mail promising he would **cut** taxes if re-elected!

Councilman Daren Nigsarian's campaign literature promised "**No New Taxes**".

Councilman James Gomez sent mail promising he would "**fight against taxes**".

All 3 of these councilmembers, along with Councilmembers Rose Espinoza and Carrie Surich, voted in favor of this sales tax increase.

The politicians on the La Habra City Council are not the first to vote the exact opposite of what they promised during their campaigns for office, but you can send a message that you do not appreciate being lied to by voting "No" on Measure V. Vote no and save yourself money every time you go shopping. You will use the money better than the government!

s/ Tim Shaw

## Rebuttal to Argument Against Measure V

**Don't be misled by a disgruntled politician!** Vote **YES on V - KEEP LA HABRA SAFE!**

**FACT:** Local funding approved by La Habrans in 2008 for police, fire and city services is expiring. Measure V simply reauthorizes what you previously approved, and costs ONE PENNY.

**FACT:** For 20 years, Sacramento politicians pickpocketed money from La Habra to solve their own budget problems, and in 2023 **LA County Fire doubled the cost of providing fire protection and emergency medical response services to La Habra**, resulting in the closure of one of our four neighborhood fire stations. **STOP THE MONEY GRAB and protect our fire services – vote YES on V.**

**FACT:** By law, Sacramento politicians can't grab Measure V funds! Every dime of **YES on V** is required to stay in La Habra to prevent additional cuts to paramedics, firefighters, police and 911 services, street repairs, park maintenance, and the services that keep our city safe and clean for everyone.

**FACT:** **YES on V** is fiscally accountable, continuing existing voter-approved independent annual audits and public disclosure of spending to ensure funds are spent as promised.

**Don't believe outlandish political grandstanding!**

Join a broad coalition of La Habra police officers, firefighters and paramedics, small business owners, and La Habrans from all walks of life. **Vote YES on V** for the safety and security of every La Habra family.

To learn more, view official Measure V documents at [www.lahabracalifornia.gov](http://www.lahabracalifornia.gov).

Thank you for voting in this important election for us all.

s/ Noah Daniels  
president, La Habra Police Association

s/ Mike Egan  
former Ad Hoc Fiscal Review Committee member

s/ Rosa Sanchez Villapudua  
small business owner

s/ Xavier Campos  
retired fire captain