

# Vehicle Industry News VIN 2017-07 Sales and Use Tax Rate Changes

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### New Information

Effective April 1, 2017, the sales/use tax rates will **increase** for the following special districts. The **new** total sales/use tax rates include the state, county, and city (special district) rates and will apply to:

- Original applications with a “fee due date” or “date of first operation” of April 1, 2017, or later.
- Transfer applications with a purchase date of April 1, 2017, or later.

<i>City</i>	<i>County Code (CC)</i>	<i>Affected Zip Code(s)</i>	<i>Current Total Sales/Use Tax Rate (%)</i>	<i>New Total Sales/Use Tax Rate (%)</i>
Belmont and East Palo Alto	41	94002 and 94303	8.75	9.25
Chula Vista	37	91902, 91910–11, 91913–15	7.75	8.25
Clearlake and Lakeport	17	95422 and 95453	7.75	8.75
Del Mar	37	92014	7.75	8.75
Downey	19	90239–42	8.75	9.25
El Centro	13	92243–44	7.75	8.25
Fairfax	21	94930 and 94978	8.75	9.00
Fortuna	12	95540	7.75	8.50
Fountain Valley and La Palma	30	92708 and 90623	7.75	8.75
Hemet, Indio, La Quinta, and Menifee	33	92543, 92545, 92201, 92203, 99241, 92253, 92274, and 92584	7.75	8.75
Isleton	34	95641	8.25	8.75
Loomis	31	95650	7.25	7.50
Lynwood and Santa Monica	19	90262 and 90401–11	8.75	9.75
Madera	20	93637–38	7.75	8.25
Martinez	07	94553	8.25	8.75
Nevada City	29	95959	8.375	8.75
Newark	01	94560	9.25	9.75
Orland	11	95963	7.25	7.75
Pleasant Hill	07	94523	8.25	8.75
Placerville	09	95667	7.75	8.25
Ridgecrest	15	93555–56	8.00	8.25

**VIN 2017–DRAFT**

**Page 2 of 4**

<i>City</i>	<i>County Code (CC)</i>	<i>Affected Zip Code(s)</i>	<i>Current Total Sales/Use Tax Rate (%)</i>	<i>New Total Sales/Use Tax Rate (%)</i>
Riverside and Temecula	33	92501, 92503–05, and 92591–92	7.75	8.75
Saint Helena	28	94574	7.75	8.25
San Buenaventura	56	93001 and 93003–04	7.25	7.75
Santa Paula	56	93060	7.25	8.25
Stockton	39	95201–13, 95215, 95219, 95267, 95269, and 95296–97	8.75	9.00
Suisun City	48	94585	7.375	8.375
Tracy	39	95304, 95376–78, 95385, and 95391	7.75	8.25
Visalia	54	93277–79 and 93290–92	8.00	8.50
Wasco	15	93280	7.25	8.25
Westminster	30	92683	7.75	8.75
West Sacramento	57	95605 and 95691	7.75	8.00
Yreka	47	96097	7.25	7.75
Yucca Valley	36	92284	7.75	8.75

**NOTE:** Yucca Valley (CC 36) residents approved two separate 0.50% use tax rate increases.

Effective April 1, 2017, the sales/use tax rates will increase for the following counties. The new total sales/use tax rates do not include city (special district) rates.

<i>County</i>	<i>CC</i>	<i>Current Sales/Use Tax Rate (%)</i>	<i>Increase (%)</i>	<i>New Total Sales/Use Tax Rate (%)</i>
Merced	24	7.25	0.50	7.75
Monterey	27	7.375	0.375	7.75
Nevada	29	7.25	0.25	7.50
Santa Clara	43	8.50	0.50	9.00
Santa Cruz	44	8.00	0.50	8.50
Sonoma	49	8.00	0.125	8.125
Stanislaus	50	7.375	0.50	7.875

Effective April 1, 2017, existing sales/use tax rates will extend for the following special districts.

<i>City</i>	<i>CC</i>	<i>Existing Tax Rate Increase Extended (%)</i>	<i>Total Rate Remains (%)</i>
Capitola	44	0.25	8.50
Delano	15	1.00	8.25
Del Rey Oaks	27	1.00	9.25
Fairfield	48	1.00	8.375
Hollister	35	1.00	8.25
Rio Vista	48	0.75	8.125
Sanger	10	0.75	8.725
Santa Rosa	49	0.25	8.50
Sonoma	49	0.50	8.50
Trinidad	12	0.75	8.50

<i>City</i>	<i>CC</i>	<i>Existing Tax Rate Increase Extended (%)</i>	<i>Total Rate Remains (%)</i>
Vallejo	48	1.00	8.375
Woodland	57	0.50	8.00
San Mateo	41	0.50	8.75

**Other Sales/Use Tax Rates**

Only the cities listed in the previous tables have tax rate changes on April 1, 2017. All other existing state, county, and city sales/use tax will continue at their current rate.

The state, county, and/or city taxes are combined to determine the total sales/use tax rate due. Sales/use tax rates vary throughout the state of California; for complete state, county, and city sales/use tax rate information, visit the Board of Equalization (BOE) website at [www.boe.ca.gov/sutax/pam71.htm](http://www.boe.ca.gov/sutax/pam71.htm).

**Procedures**

City tax waivers are available for customers residing in unincorporated areas of a city/county that have special sales/use tax rate(s). For waiver of a city use tax, a resident or business must provide one of the following:

- A Statement of Facts (REG 256) form from the customer stating that “at the time the vehicle/vessel was purchased, they or the business resident at (resident/business address), which is in an unincorporated area of the city/county, and they or the business is exempt from the special tax imposed on (name of the city).
- A Certificate of Vehicle Mobilehome or Commercial Coach Use Tax Clearance (BOE 111) form for the vehicle/vessel from BOE.
- A letter on city/county letterhead, stating that the city use tax is not due for the customer.

**Background**

Registered voters approved or extended measures to charge a special district sales/use tax rate for certain jurisdictions beginning April 1, 2017.

The sales and use tax rate varies throughout the state of California. The sales/use tax rate is higher than the current state rate of 7.50 percent in areas where there are voter-approved special district (county, city, or both) taxes. The state, county, and/or city taxes are combined to determine the total sales/use tax rate due.

Under an Interagency Agreement Contract, the Department of Motor Vehicles acts as an agent for BOE to collect sales or use tax when a vehicle or undocumented vessel is sold or transferred from someone other than a licensed California dealer, manufacturer, or dismantler, unless the transaction is specifically exempted from payment of the sales or use tax.

**Distribution**

Notification that this memo is available online, at [www.dmv.ca.gov](http://www.dmv.ca.gov) under Publications was made via California DMV’s Automated Email Alert System in March 2017.

**References**

- California Revenue and Taxation Code* §§6067, 6366, 6366.1, 7251, and 7285.9
- California Vehicle Code* §§4000 and 9840
- Vehicle Industry Registration Procedures Manual*, Appendix 1A

# **VIN 2017-DRAFT**

**Page 4 of 4**

## **Contact**

Call the DMV Customer Communications Section at (916) 657-6560 for further clarification of this memo.