

City and County Use Tax Changes

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New Information

Effective April 1, 2018, vehicle transfer application fees with applicable sales/use tax rates will **increase** for the following cities and counties. The **new** total sales/use tax rates include state, county, and city (special district) rates:

<i>City</i>	<i>County</i>	<i>County Code (CC)</i>	<i>Affected Zip Codes *</i>	<i>Current Sales/Use Tax Rate (%)</i>	<i>New Total Sales/Use Tax Rate (%)</i>
Hawthorne	Los Angeles	19	90250	9.50	10.25
Palm Springs	Riverside	33	92262–92264	8.75	9.25
Burlingame	San Mateo	41	94010	8.75	9.00
Santa Barbara	Santa Barbara	42	93101, 93103, 93105, and 93109–93110	7.75	8.75
Farmersville	Tulare	54	93223	8.25	8.75
Woodlake	Tulare	54	93286	7.75	8.75

<i>County</i>	<i>CC</i>	<i>Affected Zip Codes *</i>	<i>Current Sales/Use Tax Rate (%)</i>	<i>New Total Sales/Use Tax Rate (%)</i>
Mendocino	23	Countywide	7.375	7.875

*Certain zip codes may represent areas that have different tax rates based on city and county boundaries. To identify the correct tax rate, visit the California Department of Tax and Fee Administration (CDTFA) website at www.cdtfa.ca.gov, look under *Current Tax Rates*, and click *Find a Sales and Use Tax Rate by Address*.

Effective March 31, 2018, existing sales/use tax rates will sunset and will be replaced with the new sales/use tax rates.

<i>City</i>	<i>County</i>	<i>CC</i>	<i>Affected Zip Codes</i>	<i>Current Sales/Use Tax Rate (%)</i>	<i>New Total Sales/Use Tax Rate (%)</i>
La Mirada	Los Angeles	19	90637–90639	9.25	9.50
Larkspur	Marin	21	94904, 94939, and 94977	8.25	9.00
Vacaville	Solano	48	95687–95688, and 95696	7.375	8.125

New Information, *continued*

Existing sales/use tax rates in the following county and city were scheduled to sunset in 2018 and 2019 respectively; however, they have been extended until further notice:

<i>City</i>	<i>County</i>	<i>CC</i>	<i>Existing Tax Rate Extended (%)</i>	<i>Total Rate Remains (%)</i>
Countywide	Stanislaus	50	0.125	7.875
El Monte	Los Angeles	19	0.50	10.00

Effective March 31, 2018, the existing sales/use tax rate will sunset:

<i>City</i>	<i>County</i>	<i>CC</i>	<i>Existing Tax Rate (%)</i>	<i>Total Rate Remains (%)</i>
Nevada City	Nevada	29	0.375	8.375

Application Affected Dates

The new city or county sales/use tax rate will apply to:

- Original applications with a “fee due date” or “date of first operation” of April 1, 2018, or later.
- Transfer applications with a purchase date of April 1, 2018, or later.

Other Sales/Use Tax Rates

Only the cities listed in the previous tables have tax rate changes on April 1, 2018. All other existing state, county, and city sales/use tax will continue at their current rate.

Procedures

Process registration applications as normal; programming will generate the correct use tax and county fees.

For complete state, county, and city sales/use tax rate information, visit the California Department of Tax and Fee Administration (CDTFA) website at www.cdtfa.ca.gov, look under *Current Tax Rates*, and click *Tax Rates by County and City*.

Background

Registered voters approved or extended measures to charge sales/use tax rates for certain jurisdictions beginning April 1, 2018. 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 7.25 percent (effective January 1, 2017) 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 (DMV) acts as an agent for CDTFA 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. DMV assesses tax due based on the state, county, city and zip code of the registered owner’s residence.

Distribution

Notification that this memo is available online at www.dmv.ca.gov under Publications was made via California DMV's Automated Email Alert System in March 2018.

References

California Vehicle Code §§4000, 9250.7, 9250.19, and 9840

California Revenue and Taxation Code §§6067, 6366, 6366.1, 7251, and 7285.9