



MEASURE A

FREQUENTLY ASKED QUESTIONS

What is Measure A?

Measure A establishes a one-cent Transaction and Use Tax with revenues going directly to the City of Corcoran. Measure A will be on the June 6, 2017 ballot and would pay for critical unfunded City programs and services such as police and fire services, parks and recreation, road maintenance, sidewalk improvements, and more.

How is this different from existing sales taxes?

The current sales and use tax rate in Corcoran is 7.25%. The City receives only 1% of the 7.25%; the rest goes to the State and to Kings County. If Measure A passes, the entire additional 1% Transaction and Use Tax would go to the City.

What purchases would be taxable under Measure A?

The tax would not apply to prescriptions, grocery items, or utility bills (electricity, gas, phone). The one cent tax is added to retail sales such as furniture, giftware, toys, antiques, clothing, prepared food, liquor, automobiles, etc.

How much money would Measure A raise?

Between \$1 million and \$1.2 million annually specifically for the City of Corcoran's General Fund, which pays for most City services.

Why does the City need the additional money?

The City never fully recovered from the economic recession that started in 2008 and has experienced further financial burdens as a result of the recent drought.

Over the last several fiscal years the City's General Fund has suffered from a lack of revenues to meet rising expenses, especially related to critical programs and services such as public safety, parks and recreation, road maintenance, and code enforcement.

To avoid interruptions in services, the City reduced staffing levels, implemented major cuts in all departments, established a hiring freeze, and deferred maintenance on parks, roads, and other public amenities. Additionally, the City used one-time revenues and General Fund reserves. These short-term and one-time fixes have not been exhausted.

Based on the City's financial projections, the ongoing deficit in the General Fund will deplete General Fund reserves by FY 2020-2021.

If approved by voters, the monies generated by Measure A would help restore service cuts and improve City services and start addressing the unfunded critical needs of the City.

What would a new sales tax rate be if Measure A passes?

The current sales and use tax rate in Corcoran is 7.25%. If Measure A passes, Corcoran's sales tax rate would be 8.25%.

What is the average sales and use tax for counties and cities in California?

The California State Legislative Analyst's Office states that the average sales tax rate in California in 2015 was 8.5%.

In Fresno the sales tax rate is 7.975%; in Visalia the sales tax rate is 8.25%; in Tulare the sales tax rate is 8.25%; and in Selma the sales tax rate is 8.475%.

How will these funds be accounted for?

Measure A funds would be tracked and presented to the City Council publicly on a quarterly basis, and audited annually. Staff reports of those presentations to the City Council are available to the public before the Council hears the report.

What specifically would Measure A revenue pay for?

Measure A is a general purpose tax and therefore monies may be used towards police services firefighting services, parks and recreation programs, road maintenance, sidewalk construction and repairs, and other general expenses of the City. If Measure A is approved, the City Council with input from the community, will determine how Measure A funds are spent.

How long would Measure A be in effect?

Measure A would impose an ongoing local one-cent tax. The City Council has the ability to suspend the one-cent tax by resolution if so approved.

What are the impacts on major purchases, like cars?

Measure A would be charged on all tangible personal property that is delivered or placed into use within the Corcoran city limits, including vehicles and boats that are purchased elsewhere, but registered to a Corcoran resident. Someone who buys a car in Corcoran but registers it elsewhere would not pay the Measure A tax.

Can the State take Measure A funds to balance its budget?

No. Measure A funds must stay in Corcoran according to the State Constitution.

Questions about Measure A?

If you have additional questions about Measure A, please forward those to the following email address: corcorancitizens@gmail.com