



Measure MC

Information

What is Measure MC?

Measure MC is a ballot measure on the November 8, 2022 General Municipal Election ballot for City of Malibu voters only. Measure MC seeks voter approval to authorize a one-half cent (½ ¢) Transactions and Use (sales) Tax. A “YES vote” approves the City’s proposal; a “NO vote” rejects the proposal.

How could Measure MC funds be used?

If passed, funds would go to the City’s general fund and could be used to:

- Maintain public safety and emergency services
- Address homelessness
- Clean and maintain parks and other public areas
- Traffic regulation
- Maintain coastal waters
- Maintain and improve natural areas
- Provide support to local businesses

*Measure MC is a general purpose sales tax

Background: The City of Malibu provides a variety of general municipal services, such as providing public safety and emergency services, addressing homelessness, cleaning and maintaining public areas, traffic regulation, maintaining coastal waters, maintaining and improving natural areas, and providing support to local businesses. In recent years, costs to provide City services have increased. The City is also planning for a local Sheriff Substation currently being constructed as part of the Santa Monica College Satellite Campus in the Malibu Civic Center area. The proposed measure, which would apply to transactions by both visitors and residents (it is estimated that 73% would be paid for by tourists and visitors to Malibu, according to the report prepared by the City’s sales tax consultant, HdL Companies) would provide funds that could be used to support city services, including maintaining emergency and disaster preparedness services.

Will Measure MC money remain in the City of Malibu?

Yes. All funds generated by Measure MC would be locally controlled by the City of Malibu.

What is the actual question that voters will be asked to decide in November?

Measure MC Ballot Question:

“To support such city services as public safety, crime and fire prevention, addressing homelessness, keeping public areas safe and clean, preventing speeding and reckless driving, protecting coastal waters and beaches from pollution, preserving natural areas, supporting local businesses, and other general city services; shall a measure be adopted establishing a 1/2¢ transactions and use (sales) tax providing approximately \$3,000,000 annually until ended by voters, requiring public spending disclosures and local control of funds?”

Will visitors pay?

It is estimated that 73% would be paid for by tourists and visitors to Malibu, according to a report prepared by the City’s sales tax consultant, HdL Companies.

How much will it cost me?

This would apply to the same goods and services as a normal sales tax, and to both visitors and residents. The cost to an individual depends on the amount of qualified goods or services purchased. If passed, a taxable purchase of \$10 in the City of Malibu would cost an additional 5¢.



What would a sales tax apply to? What's taxed and what isn't?

A local Transactions and Use (sales) Tax would apply to goods, some services, and tangible personal property in accordance with state law. For example: furniture, cars, giftware, toys, antiques and clothing would be subject to the tax. Generally, under state law, the following are exempt from sales tax: certain food products for human consumption (most groceries), sales to the U.S. government, sales of prescription medicine and certain medical devices, and sales of items paid for with food stamps.

How will Measure MC funds be monitored?

If Measure MC is approved by voters, the City will be required to publicly report on the expenditure of revenues generated by the tax imposed. All Measure MC funds would stay locally controlled in Malibu.

Who decides how Measure MC funds will be spent?

The City of Malibu would annually allocate the Measure MC funding.

How much revenue could Measure MC generate for the City?

Measure MC could generate approximately \$3,000,000 annually per year. This revenue is dependent on the amount of goods purchased that are subject to the tax.

When will we vote on Measure MC?

Measure MC is on the November 8, 2022 ballot. Absentee ballots for this election mail out the week of October 10. If you are not registered to vote by October 24, you can still vote conditionally at vote centers starting October 29 up until Election Day, November, by 8pm. Visit [lavote.net](https://www.lavote.net) for more voting information.

How does the City of Malibu's current sales tax rate compare by nearby cities?

The City of Malibu's current sales tax rate is 9.5%. If Measure MC is approved by voters, Malibu's new tax rate would be 10%. According to the California Department of Tax and Fee Administration, 52 of 88 cities in Los Angeles County have rates of 10% or greater.

What is a Transactions and Use (Sales) Tax?

A Transactions and Use (Sales) tax applies to goods, some services, and tangible personal property. It is applied with the purchase as an additional cost.

Some purchases made outside of Malibu would also be subject to this including online purchases and vehicles.

Does the Measure MC 1/2 cent sales tax apply to purchases made outside of Malibu?

There are some cases where the sales tax would be applied to purchases made outside of the City of Malibu.

For example, if you live in Malibu and purchase a vehicle outside of the City, this tax will apply for the zip code of your residence, if that is the address to where your car will be registered.

<https://www.cdtfa.ca.gov/indust/rv/vehicles-vessels-aircraft-guide.htm#Vehicles>

Who makes the final decision on a local sales tax measure?

The City of Malibu registered voters will have the final say when they vote for or against the measure.

Where can I get more information?

For more information: Visit our website at:

www.MalibuCity.org/Elections

OR contact: the City Clerk email: CityClerk@MalibuCity.org or by phone: (310) 456-2489 extension 228.

