

# Capitola City Council

## Agenda Report



**Meeting:** December 12, 2024

**From:** City Manager Department

**Subject:** Implementation of Transactions and Use Tax

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**Recommended Action:** 1) Adopt a resolution authorizing the execution of a preparatory agreement and administration agreement with the California Department of Tax and Fee Administration (CDTFA) relating to the passage of Measure Y; 2) adopt a resolution authorizing the examination of sales or transactions and use tax records; and 3) authorize staff to prepare and submit all required documentation to the CDTFA to implement the changes resulting from the recently approved tax measure.

**Background:** With the passage of Measure Y in the November 2024 General Election, staff must submit required paperwork to the California Department of Tax and Fee Administration in order to implement the half-cent sales tax.

**Discussion:** In order to implement the changes resulting from the recently approved Measure Y, staff must submit the following to the CDTFA by December 27<sup>th</sup>:

1. Preparatory Agreement
2. Administrative Agreement
3. Resolution Authorizing Execution of Agreements
4. Transactions and Use Tax Ordinance
5. Certification of Final Election Results
6. Contact Form for Warrants
7. Resolution for Examination of Confidential Records
8. Consultant Agreement
9. Designation Letter
10. Contact Form for Notifications/Appeals
11. Authorization Agreement
12. Media and Registration Request Form

**Fiscal Impact:** None

**Attachments:**

1. Resolution Authorizing the Execution of Agreements
2. Preparatory Agreement
3. Administrative Agreement
4. Resolution Authorizing Examination of Confidential Records

**Report Prepared By:** Julia Gautho, City Clerk

**Reviewed By:** Jim Malberg, Finance Director; Samantha Zutler; City Attorney

**Approved By:** Jamie Goldstein, City Manager