

RESOLUTION NO. 26-5975

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA PUENTE (1) DECLARING A FISCAL EMERGENCY WITHIN THE MEANING OF ARTICLE XIII C, SECTION 2 OF THE CALIFORNIA CONSTITUTION; (2) CALLING AND GIVING NOTICE OF A JUNE 2, 2026 SPECIAL ELECTION FOR THE SUBMISSION OF A BALLOT MEASURE TO LA PUENTE VOTERS INCREASING THE CITY'S CURRENT HALF PERCENT (1/2%) TRANSACTIONS AND USE TAX TO A NEW RATE OF ONE PERCENT (1%); (3) REQUESTING CONSOLIDATION OF SAID SPECIAL ELECTION WITH THE COUNTY-ADMINISTERED ELECTION OF THE SAME DATE; (4) REQUESTING THAT THE REGISTRAR-RECORDER/COUNTY CLERK PROVIDE SPECIFIC ELECTION ADMINISTRATION SERVICES; AND (5) SETTING PRIORITIES FOR FILING WRITTEN ARGUMENTS AND REBUTTALS REGARDING THE BALLOT MEASURE AND DIRECTING PREPARATION OF AN IMPARTIAL ANALYSIS

WHEREAS, pursuant to Revenue and Taxation Code Section 7285.9 *et seq.*, the City has the authority to increase its existing local transactions and use tax; and

WHEREAS, pursuant to Elections Code Section 9222, the La Puente City Council ("City Council") has the authority to submit measures to be considered by La Puente voters at special municipal elections; and

WHEREAS, pursuant to Chapter 2.34 (Public Safety, Vital Services Neighborhood Protection Measure) of Title 2 (Administration) of the La Puente Municipal Code, the City currently levies a voter-approved half percent (or 1/2%) transactions and use tax, the proceeds of which are deposited into the general fund to be used for any governmental or public purpose; and

WHEREAS, the City's existing half percent (1/2%) transactions use tax generates approximately \$3.6 million in general fund revenues each year; and an increase of the transactions and use tax rate to one percent (1%) will generate an additional \$3.6 million annually;

WHEREAS, the City Council now calls a June 2, 2026 special municipal election, to submit to La Puente voters a ballot measure (hereinafter, the "Measure") to adopt an ordinance that increases the City's transactions and use tax rate, currently set at a half percent (1/2%), by an additional half percent (1/2% such that the new transactions and use tax rate will be one percent (1%); and

WHEREAS, pursuant to Government Code Sections 53723 and 53724(b), Revenue and Taxation Code Section 7285.9, any proposed increase or extension of the City's general purpose

transactions and use tax must be approved by ordinance approved by no less than two-thirds of all the members of the City Council (i.e., by at least 4 “yes” votes), subject also to approval by La Puente voters by a simple majority of votes cast (50% plus 1) at a City election; and

WHEREAS, Section 2(b) of Article XIIC of the California Constitution further provides that an election required to approve the establishment of, or increase to, a general tax must be consolidated with a regularly scheduled general election for members of the governing body of the local government, except in cases of emergency, as is the case here, declared by a unanimous vote of members present of the governing body (See *75 Ops Cal Atty Gen 47* (1992), citing *Tidewater S. Ry., Co. v Jordan* (1912) 163 C 105); and

WHEREAS, concurrent with the approval of this Resolution, the City Council has also approved for first reading an ordinance (hereinafter, “the Ordinance”) attached to this Resolution as **Exhibit “A”**, which, if the Measure is approved by La Puente voters, implements the increase of the City’s transactions and use tax to one percent (1%); and

WHEREAS, the City Council requests that the Los Angeles County Board of Supervisors (“Board”) authorize and direct the Los Angeles County Registrar- Recorder/County Clerk (hereinafter, “the County”) to consolidate the City’s June 2, 2026, special election with the County-administered Statewide Primary Election of the same date; and

WHEREAS, the City shall compensate the County for all necessary expenses incurred by the County in providing the special election administration services for the City, including any such additional costs arising out of the placement of the above-described ballot measure on the City’s June 2, 2026 ballot; and

WHEREAS, the City Council also wishes to (i) establish deadlines and rules for the submission of written arguments and rebuttals for and against the Measure in accordance with applicable Elections Code procedures; (ii) direct the timely preparation of the City Attorney’s impartial analysis; and (iii) provide such other direction as may be necessary to facilitate the placement of the Measure on the ballot.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LA PUENTE HEREBY FINDS, DETERMINES, AND RESOLVES AS FOLLOWS:

SECTION 1. Recitals. The City Council hereby finds and determines that the foregoing Recitals are true and correct, are incorporated herein and by this reference made an operative part thereof.

SECTION 2. Fiscal Emergency Findings. Based on the oral and written reporting of City staff in the staff report materials that accompany this resolution at the City Council’s meeting of March 4, 2026, the City Council hereby unanimously finds and declares a fiscal emergency, as the term “emergency” is used in Article XIIC, Section 2(b) of the California Constitution, now exists in the City justifying the call for a special municipal election on June 2, 2026, in order that the City may propose, and the City voters may consider, adoption of a general tax ballot measure as contemplated herein to address that emergency by ensuring that the City has the resources necessary to preserve the public health, safety and welfare. The findings in support of the finding

of fiscal emergency are as follows: During the prior year budget process, the City Council discussed the growing financial pressures facing the City due to rising costs associated with providing essential services. These cost increases, combined with limited projected revenue growth and ongoing service demands, create a need for additional locally controlled funding to maintain the City's high standard of public safety, animal control services, homelessness prevention programs, community services programs, and events, and address a growing need to fix and enhance aging infrastructure. Despite the City's strong record of fiscal stewardship, including responsible budgeting, service prioritization, and efficiency improvements, continued increases in the cost of emergency response, public safety staffing, equipment upgrades, and community programs have made it increasingly difficult to sustain core services at current levels, without additional revenue. For these reasons, circumstances justifying the declaration of a fiscal emergency exist.

SECTION 3. Submission of Ballot Measure. Having satisfied the approval requirements of Government Code Sections 53723 and 53724(b), Revenue and Taxation Code Section 7285.9 and Article XIIC, Section 2(b) of the California Constitution, the City Council, pursuant to Elections Code Section 9222 and 12001 hereby orders and calls a special municipal election to be held in the City of La Puente, California on Tuesday, June 2, 2026, so that La Puente voters may consider a ballot measure to increase the City's existing half percent (1/2%) transactions and use tax to an increased rate of *one percent (1%)* and to make certain administrative amendments and updates to Municipal Code provisions that codify the City's transactions and use tax as requested by the California Department of Tax and Fee Administration. If approved by the voters, the new tax rate shall be implemented by the proposed Ordinance which is attached hereto as **Exhibit "A"** to this Resolution. The transactions and use tax that is the subject of the Measure is and will remain a general tax within the meaning of Proposition 218 whose proceeds may be deposited in the City's general fund and used for any public or other governmental purpose. Accordingly, the vote requirement for passage of the proposed Measure is a majority of the votes cast (50% plus 1) at the June 2, 2026, special municipal election. Pursuant to paragraph (e) of Government Code section 54954.6, placement of the tax measure contemplated herein on the ballot is exempt from the noticing and hearing requirements of paragraphs (a)-(d) of the same Government Code section 54954.6.

SECTION 4. Ballot Measure Question. The City Council does hereby order that the Measure shall be presented and printed upon the ballot submitted to the qualified voters in the manner and form set forth herein. There shall be printed substantially the following ballot question in compliance with Election Code Sections 9051, 13119(b) and 13247:

<p>Keep La Puente Sales Tax Revenues Local Measure To protect La Puente’s funding for public safety; street/ sidewalk maintenance/ repair; park maintenance/ enhancements; youth/ senior programs and any other governmental purposes and prevent the County of Los Angeles and other taxing agencies from seizing additional sales tax revenues generated in La Puente for themselves, shall La Puente’s 1/2% transactions (sales) and use tax be increased to 1% raising an additional \$3.6 million annually, subject to the ability to suspend application of the increased rate?</p>	YES
	NO

The City Council further directs City staff to request the letter designation “LP”, if available, such that the Measure may be identified on the ballot as “**Measure LP**”. If the letter designation “LP” is unavailable, staff in its best judgement may consider alternative letter designations.

SECTION 5. Election Procedures.

- A. The ballots to be used at the election shall be in form and content as required by law.
- B. Pursuant to the requirements of Elections Code Sections 10002 and 10403, the City respectfully requests that the County’s governing Board of Supervisors consent and agree to the following:
 - 1. That the June 2, 2026 special municipal election, called by the City to present La Puente voters with a City-initiated ballot measure seeking approval of the Ordinance, be consolidated with the County-administered election(s) of the same date; and
 - 2. That the County’s governing Board of Supervisors consent to having the County render full election services to the City as may be requested by the La Puente City Clerk (hereinafter, the “City Clerk”) with the understanding and agreement that the County will be reimbursed by the City in full for all services so provided; and
 - 3. That the requested election services include: the preparation, printing and mailing of sample ballots and polling place cards; the establishment or appointment of precincts, polling places, and election officers, the preparation, printing, mailing and furnishing of vote-by-mail ballots, making such publications as are required by law in connection therewith; the furnishing of ballots, voting booths and other necessary supplies or materials for polling places; the canvassing of the returns of the election and the furnishing of the results of such canvassing to the City Clerk of the City of La Puente and the performance of such other election services as may be requested by the City Clerk.
- C. The City Clerk is authorized, instructed and directed to coordinate with the County of Los Angeles Registrar of Voters to procure and furnish any and all ballots, notices,

printed matter and supplies, services, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

- D. The polls for the election shall be open at 7:00 a.m., the day of the election and shall remain open continuously from that time until 8:00 p.m. of the same day when the polls shall be closed, pursuant to Elections Code Section 10242, except as provided in Elections Code Section 14401.
- E. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for the holding of municipal elections in the City.
- F. Notice of the time, place, and holding of the election is given and the City Clerk is authorized, instructed, and directed to give further or additional notice of the election, in time, form, and manner as required by law.
- G. All ballots shall be tallied at a central counting place and not at the precincts. Said central counting place shall be at a ballot counting center designated by the County.
- H. The County is authorized to canvass the returns of the City's special election.
- I. The City Clerk shall receive the canvass from the County as it pertains to the election on the measure, and shall certify the results to the City Council, as required by law.
- J. The City's special election will be held and conducted in accordance with the provisions of law regulating such elections, including, without limitation, Elections Code Section 10418.

SECTION 6. Arguments; Rebuttals and Impartial Analysis.

- A. Direct Arguments For and Against the Measure.
 - 1. The City Council acknowledge Elections Code Section 9282(b) and 9287 which provide as follows:
 - (a) When a measure is placed on the ballot by a legislative body, the legislative body, or a member or members of the legislative body authorized by that body, or an individual voter who is eligible to vote on the measure, or *bona fide* association of citizens, or a combination of voters and associations, may file a 300 word or less written argument in favor of the measure; and
 - (b) If more than one argument in favor of a measure is submitted, the City Clerk shall give preference and priority, in the order named, to the arguments submitted by the following person(s) and entities: (A) the legislative body, or member or members of the legislative body authorized by that body; (B) an individual voter, or *bona fide* association of citizens, or combination of a voter(s) and associations, who are the *bona fide* sponsors or proponents of the

measure; (C) a *bona fide* associations of citizens; and (D) individual voters who are eligible to vote on the measure.

Provided such argument is submitted by or before the deadline for submitting ballot arguments, the City Council, by motion, reserves the right to designate and delegate one or more of its members to author an argument in favor of the City's measure and recognition of Elections Code Section 9283 which limits the number of signatories to the argument to five, prescribe a process or criteria for determining who should be selected to sign.

2. Arguments against the proposed ballot measure, if any, shall also be subject to the provisions of Elections Code Sections 9282 and 9287.
3. The deadline date and time for submitting arguments for or against the measure to the City Clerk is **March 13, 2026, by 4:30 P.M.**, after which time no arguments for or against the measure will be accepted. Arguments for or against the measure **may not exceed 300 words** in length. Each argument shall be filed with the City Clerk, signed, and include the printed name(s) and signature(s) of the author(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers who is the author of the argument.
4. The City Clerk shall comply with all provisions of law establishing priority of arguments for printing and distribution to the voters and shall take all necessary actions to cause the selected arguments to be printed and distributed to the voters.

B. Rebuttal Arguments.

1. Pursuant to Elections Code Sections 9285 and 9287, when the City Clerk selects the arguments for and against the City-initiated measure to be printed and distributed to the voters, the City Clerk will send a copy of the argument in favor of the measure to the authors of the argument against the measure, and a copy of the argument against to the authors of the argument in favor of the measure.
2. The authors of the respective arguments for and against the measure or persons designated by them may then prepare and submit rebuttal arguments not exceeding 250 words in length. The deadline for submitting rebuttal arguments to the City Clerk is **March 23, 2026, by 5:30 P.M.** after which time no rebuttal arguments will be accepted. Rebuttal arguments shall be printed in the same manner as the direct arguments. Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut.

- C. City Attorney's Impartial Analysis. Pursuant to Elections Code Section 9280, the City Council directs the City Clerk to transmit a copy of the measure to the City Attorney so that the City Attorney may prepare an impartial analysis of the measure, not to exceed 500 words in length. The impartial analysis should explain what the measure

will do if approved and enacted and how that impacts/changes existing law. The City Attorney shall transmit its impartial analysis to the City Clerk, who shall cause the analysis to be published in the voter information guide along with the ballot measure as provided by law. The Impartial Analysis shall be filed no later than **March 13, 2026**. In the event the entire text of the measure is not printed on the ballot, nor in the voter information portion of the sample ballot, there shall be printed immediately below the impartial analysis, in no less than 10-font bold type, the following: “The above statement is an impartial analysis of Ordinance or Measure. If you desire a copy of the ordinance or measure, please call the election official's office at (626) 855-1500 and a copy will be mailed at no cost to you.”

- D. Delivery of Materials. Any materials that must be submitted to the City Clerk must be delivered in person to the Office of the City Clerk located at La Puente City Hall, 15900 E. Main St., La Puente, CA 91744. Except as otherwise provided in this paragraph, materials delivered to the City Clerk must be delivered during regular business hours which are **Monday through Thursday from 7:30 A.M. to 5:30 P.M. and Friday from 7:30 A.M. to 4:30 P.M.**

SECTION 7. Manner of Placement on the Ballot. The City Clerk is delegated discretion to direct the County to undertake one of the following placement options: (a) Print a 75 word abbreviated ballot measure text (prescribed by law) only; (b) Print a 75 word abbreviated ballot measure text and include Official Sample Ballot Notice advising voters to call the City Clerk’s Office and request a free copy of the ballot measure enclosure (OR) that the city will be sending voters a supplemental mailing; or (c) Print a 75 word abbreviated ballot measure text and include Full Ballot Measure Enclosure Text in the Official Sample Ballot Booklet.

SECTION 8. City Clerk Tasks.

- A. Delivery of Resolution to County: The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions. The City Council directs the City Clerk to deliver copies of this Resolution, including the Ordinance to the Clerk of the County’s governing Board of Supervisors and to the Registrar-Recorder/County Clerk for the County of Los Angeles.
- B. Publication of Ballot Measure Synopsis: As required by Elections Code Section 12111, the City Clerk shall publish a synopsis of the measure at least one time not later than one week before the date of the June 2, 2026, election in a newspaper of general circulation in the City or as may otherwise be permitted by law. The notice shall be headed “Measure to be Voted On” in conspicuous type and shall be substantially in the following form:

“MEASURE TO BE VOTED ON

Notice is hereby given that the following measure is to be voted on at a special municipal election to be held in the City of La Puente, on Tuesday, the 2nd day of June 2026.

[Text of synopsis of measure]

Dated _____

City Clerk"

SECTION 9. Public Examination. Pursuant to Elections Code Section 9295, this measure will be available for public examination for no fewer than ten (10) calendar days prior to being submitted for printing in the voter information guide. The Clerk shall post notice in the Clerk's office of the specific dates that the examination period will run.

SECTION 10. CEQA. The City Council hereby finds and determines that the ballot measure relates to organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment and therefore is not a project within the meaning of the California Environmental Quality Act ("CEQA") and the State CEQA Guidelines, section 15378(b)(5).

SECTION 11. Severability. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The City Council hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

SECTION 12. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption. The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption. The City Clerk is hereby directed to file a certified copy of this Resolution with the County's governing Board of Supervisors and the Registrar-Recorder/County Clerk for the County of Los Angeles.

PASSED, APPROVED AND ADOPTED this 4th day of March, 2026 by the following vote:

AYES: COUNCILMEMBERS: Klinakis, Munoz, Argudo, Mendoza, Quinones.
NOES: COUNCILMEMBERS: None.
ABSENT: COUNCILMEMBERS: None.
ABSTAIN: COUNCILMEMBERS: None.



Charlie Klinakis, Mayor

ATTEST:



Martha Torres, MPA, CMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF LA PUENTE)

I, Martha Torres, City Clerk of the City of La Puente, do hereby certify that the foregoing Resolution No. 26-5975 was passed, approved, and adopted by the City Council of the City of La Puente, signed by the Mayor and attested by the City Clerk at a meeting of said City Council of the City of La Puente held on this 4th day of March, 2026, and that said Resolution was adopted by the following votes to wit:

AYES: Klinakis, Munoz, Argudo, Mendoza, Quinones.
NOES: None.
ABSTAIN: None.
ABSENT: None.



Martha Torres, MPA, CMC
City Clerk, City of La Puente

EXHIBIT "A"

ORDINANCE NO. 26-995

AN ORDINANCE OF THE PEOPLE OF THE CITY OF LA PUENTE, CALIFORNIA INCREASING THE CITY'S EXISTING GENERAL PURPOSE HALF PERCENT (1/2%) TRANSACTIONS AND USE TAX RATE TO A NEW RATE OF ONE PERCENT (1%) AS CODIFIED UNDER CHAPTER 2.34 (PUBLIC SAFETY, VITAL SERVICES NEIGHBORHOOD PROTECTION MEASURE) OF TITLE 2 (ADMINISTRATION) OF THE LA PUENTE MUNICIPAL CODE

WHEREAS, pursuant to Revenue and Taxation Code Section 7285.9 *et seq.*, the City of La Puente ("City") has the authority to collect a local transactions and use tax and to increase that transactions and use tax; and

WHEREAS, pursuant to Elections Code Section 9222, the La Puente City Council ("City Council") has the authority to submit measures to be considered by La Puente voters at a special municipal election; and

WHEREAS, pursuant to Chapter 2.34 (Public Safety, Vital Services Neighborhood Protection Measure) of Title 2 (Administration) of the La Puente Municipal Code, the City currently levies a voter-approved half cent (or 1/2%) transactions and use tax, the proceeds of which are deposited into the general fund to be used for any general municipal purpose; and

WHEREAS, the City Council called a June 2, 2026 special election, to submit to La Puente voters an ordinance that increases the City's transactions and use tax rate, currently set at a half percent (1/2%), by an additional half percent (1/2%) such that the new transactions and use tax rate will be one percent (1%); and

WHEREAS, pursuant to Government Code Sections 53723 and 53724(b), Revenue and Taxation Code Section 7285.9, the placement on the ballot of any proposed ballot measure increasing or extending a general purpose transactions and use tax must be approved by no less than two-thirds of all the members of the City Council (i.e., by at least 4 "yes" votes), subject also to approval by La Puente voters by a simple majority of votes cast (50% plus 1) at a City election; and

WHEREAS, Section 2(b) of Article XIIC of the California Constitution further provides that an election required to approve the establishment of, or increase to, a general tax must be consolidated with a regularly scheduled general election for members of the governing body of the local government, except in cases of emergency, as was the situation here, declared by a unanimous vote of members present of the governing body (See 75 Ops Cal Atty Gen 47 (1992), citing *Tidewater S. Ry., Co. v Jordan* (1912) 163 C 105); and

WHEREAS, in compliance with Government Code Sections 53723 and 53724(b), Revenue and Taxation Code Section 7285.9, and Section 2(b) of Article XIIC of the California Constitution, the City Council at its meeting of March 4, 2026, approved City Council Resolution No. 26-5975 which (i) called and gave notice of the submission to La Puente voters

of a ballot measure to increase the City’s 1/2% transactions (sales) and use tax to 1%; (ii) made a unanimous finding of a fiscal “emergency” within the meaning of Section 2(b) of Article XIIC(ii) of the California Constitution; (iii) acknowledged the concurrent first-reading approval of this Ordinance by the City Council; (iv) ordered that the ballot measure be submitted as part of the City’s June 2, 2026 special municipal election, which is to be consolidated with the County-administered elections of the same date; (v) requested the County to provide administrative services and support for its special municipal election, inclusive of the ballot measure; and (vi) setting priorities for the submission of arguments and rebuttals and ordering the preparation of the City Attorney’s Impartial Analysis; and

WHEREAS, the ballot measure seeking approval of this Ordinance was given the letter designation Measure “**■**” which presented the following question to La Puente voters:

<p>Keep La Puente Sales Tax Revenues Local Measure To protect La Puente’s funding for public safety; street/ sidewalk maintenance/ repair; park maintenance/ enhancements; youth/ senior programs and any other governmental purposes and prevent the County of Los Angeles and other taxing agencies from seizing additional sales tax revenues generated in La Puente for themselves, shall La Puente’s 1/2% transactions (sales) and use tax be increased to 1% raising an additional \$3.6 million annually, subject to the ability to suspend application of the increased rate?</p>	YES
	NO

WHEREAS, this Ordinance was provisionally approved by the City Council for first reading on March 4, 2026, subject to the requirement that the ballot measure authorizing the implementation of this Ordinance is in fact approved by La Puente voters at a special municipal election held June 2, 2026; and

WHEREAS, as required by Government Code Sections 53723 and 53724(b), Revenue and Taxation Code Section 7285.9, and Section 2(b) of Article XIIC of the California Constitution, the ballot measure seeking approval of this Ordinance was approved by a simple majority of votes cast at the City’s special municipal election of June 2, 2026, by a final count of **■** “Yes” votes (or **■**% “Yes”) to **■** “No” votes (or **■**% “No”); and

WHEREAS, at its meeting of March 4, 2026, the City Council approved Resolution No. 26-5975 reciting the fact of the City’s June 2, 2026, Special Election, and declaring the results of the same.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LA PUENTE, ACTING WITH THE CONSENT OF THE VOTERS FOLLOWING A JUNE 2, 2026, SPECIAL MUNICIPAL ELECTION, HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The Recitals set forth above are true and correct and incorporated into this Ordinance.

SECTION 2. Chapter 2.34 (Public Safety, Vital Services and Neighborhood Protection Measure) of Title 2 (Administration) of the La Puente Municipal Code is hereby amended and retitled in its entirety to now state the following:

Chapter 2.34
LA PUENTE TRANSACTIONS AND USE TAX

- 2.34.010 **Title.**
- 2.34.020 **Operative date.**
- 2.34.030 **Purpose.**
- 2.34.040 **Contract with state.**
- 2.34.050 **Transactions tax rate.**
- 2.34.060 **Place of sale.**
- 2.34.070 **Use tax rate.**
- 2.34.080 **Adoption of provisions of state law.**
- 2.34.090 **Limitations on adoption of state law and collection of use taxes.**
- 2.34.100. **Permit not required.**
- 2.34.110 **Exemptions and exclusions.**
- 2.34.120 **Amendments to Revenue & Taxation Code.**
- 2.34.130 **Enjoining collection forbidden.**
- 2.34.140 **Annual Audit.**
- 2.34.150 **Automatic Suspension, Implementation.**
- 2.34.160 **Suspension or Reduction.**
- 2.34.170 **City Council Authority to Amend.**
- 2.34.180 **Severability.**

Section 2.34.010 Title.

This chapter shall be known as the La Puente Transactions and Use Tax Chapter (hereinafter "Chapter"). The City of La Puente hereinafter shall be called "City." This chapter shall be applicable in the incorporated territory of the City.

Section 2.34.020 Operative Date.

A. The transactions and use tax codified under this ordinance was first approved by La Puente voters at a municipal election held November 6, 2018, and pursuant to Revenue and Taxation Code Section 7265, became operative on the first day of the calendar quarter commencing 110 days after its adoption, April 1, 2019 at an original rate of half a percent (1/2%).

B. On June 2, 2026, La Puente voters approved a City-initiated ballot measure to increase the transactions and use tax rate to one percent (1%). For purposes of this ordinance the term "operative date" shall mean October 1, 2026, the date upon which the increased one percent (1%) transactions and use tax rate may take effect.

Section 2.34.030 Purpose.

This Chapter is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

(a) *To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.9 of Part 1.7 of Division 2, which authorizes the City to adopt this tax ordinance which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.*

(b) *To adopt a retail transaction and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.*

(c) *To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by the California Department of Tax and Fee Administration in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the California Department of Tax and Fee Administration in administering and collecting the California State Sales and Use Taxes.*

(d) *To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.*

Section 2.34.040 Contract with state.

Prior to the operative date, the City shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the City shall not have contracted with the California Department of Tax and Fee Administration prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

Section 2.34.050 Transactions tax rate.

For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the City at the rate of one percent (1%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this ordinance.

Section 2.34.060 Place of Sale.

For the purposes of this Chapter, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery

charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the California Department of Tax and Fee Administration.

Section 2.34.070 Use tax rate.

An excise tax is hereby imposed on the storage, use or other consumption in the City of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of one percent (1%) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

Section 2.34.080 Adoption of provisions of state law.

Except as otherwise provided in this Chapter and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

Section 2.34.090 Limitations on adoption of state law and collection of use taxes.

In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

(a) Wherever the State of California is named or referred to as the taxing agency, the name of this City shall be substituted therefor. However, the substitution shall not be made when:

- 1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Treasury, or the Constitution of the State of California;*
- 2. The result of that substitution would require action to be taken by or against this City or any agency, officer, or employee thereof rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this ordinance;*
- 3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:
 - a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or**

b. *Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.*

4. *In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.*

(b) *The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.*

1. *"A retailer engaged in business in the District" shall also include any retailer that, in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property in this state or for delivery in the State by the retailer and all persons related to the retailer that exceeds five hundred thousand dollars (\$500,000). For purposes of this ordinance, a person is related to another person if both persons are related to each other pursuant to Section 267(b) of Title 26 of the United States Code and the regulations thereunder.*

Section 2.34.100. Permit not required.

If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

Section 2.34.110 Exemptions and exclusions.

(a) *There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.*

(b) *There are exemptions from the computation of the amount of transactions tax the gross receipts from:*

1. *Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.*

2. *Sales of property to be used outside the City, which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City shall be satisfied:*

(A) *With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of*

Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

(B) With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

- 3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.*
- 4. A lease of tangible personal property, which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.*
- 5. For the purposes of subparagraphs (b)(3) and (b)(4) of this section, above, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.*

(c) There are exemptions from the use tax imposed by this Chapter, the storage, use or other consumption in this City of tangible personal property:

- 1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.*
- 2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.*
- 3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.*
- 4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to*

lease the property for an amount fixed by a lease prior to the operative date of this ordinance.

5. *For the purposes of subparagraphs (c)(3) and (c)(4) of this section, above, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.*
6. *Except as provided in subparagraph (c)(7), below, a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.*
7. *"A retailer engaged in business in the City" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.*

(d) Any person subject to use tax under this Chapter may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

Section 2.34.120 Amendments to revenue and taxation code.

All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

Section 2.34.130 Enjoining Collection Forbidden.

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this ordinance, or Part

1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

Section 2.34.140 *Annual Audit.*

By no later than December 31st of each year, the City shall cause an independent auditor to complete an audit of the tax revenues collected under this Chapter. Such report shall review whether the tax revenues collected pursuant to this Chapter are collected, managed and expended in accordance with the requirements of this Chapter.

Section 2.34.150 *Automatic Suspension, Implementation.*

The taxes authorized by this Chapter are subject to the following:

(a) For purposes of this section, the term “district” has the meaning set forth in section 7252 of the State Revenue and Taxation Code to the extent such a district may have taxing powers within the City’s jurisdiction under applicable law. For example, and without limitation, the County of Los Angeles is a district for purposes of this section.

(b) The voter-approved transactions use tax rate of one percent (1%) authorized under this Chapter was previously set at a voter-approved rate of half of a percent (1/2%). For purposes of this section, the following terms shall have the following meaning:

- 1. “Base Tax Rate” means the prior voter-approved half percent (1/2%) tax rate that preceded the Maximum Tax Rate.*
- 2. “Intermediate Tax Rate” means a transactions and use tax rate of three-quarters of a percent (3/4%).*
- 3. “Maximum Tax Rate” means the voter-approved maximum transactions and use tax rate of one percent (1%) approved by La Puente voters at a Special Election held June 2, 2026.*
- 4. “2026 County Sales Tax Measure” means that certain transactions and use tax measure placed on the June 2, 2026, ballot by Los Angeles County Board of Supervisors action taken on February 10, 2026, under Board of Supervisors Agenda Item No. 15 and commonly referred to as the “Essential Services Restoration Act for Los Angeles County General Sales Tax Measure”.*

(c) The City may suspend collection of the City’s transactions and use tax at the Maximum Tax Rate and continue to collect said tax at the Base Tax Rate if (i) the 2026 County Sales Tax Measure is not approved by the voters at an election held June 2, 2026; or (ii) California State Assembly Bill 1768 (Bryan) (“AB 1768”) introduced during the 2025-2026 legislative session is signed into law and so long as the exemption from the limitations of Revenue and Taxation Code section 7251.1 afforded therein to the County of Los Angeles remain in effect. If the exemption granted to the County of Los Angeles under AB 1768 is repealed or

allowed to expire, but the transactions and use tax established by the 2026 County Sales Tax Measure remains in effect, then the City shall commence collection of the City's voter-approved tax at the Maximum Tax Rate immediately or as soon thereafter as the California Department of Tax and Fee Administration is able to commence collection at the Maximum Tax Rate.

- (d) The City may also suspend or partially suspend collection of the City's transactions and use tax at the Maximum Tax Rate unless and until the County of Los Angeles or any other district with authority to levy transactions and use taxes within the City of La Puente places a transactions and use tax measure on the ballot (either on its own initiative or in response to a initiative petition) that, if approved by the voters, would completely exhaust, or otherwise reduce, the then-allowable amount by which said tax rate may increase the cumulative transactions and use tax rate allowable under Revenue and Taxation Code section 7251.1.*
- (e) Should the County of Los Angeles or any other district place a transaction and use tax on the ballot as contemplated by subsection (d) of this section, then the City will commence the process for collection of the tax at the Maximum Tax Rate or the Intermediate Tax Rate, if so desired, on the first day on the month that the election on the tax will take place or as soon thereafter as the California Department of Tax and Fee Administration is able to commence such collection on the City's behalf.*
- (f) Nothing in this section is intended to, nor will it, limit the number of times the City may suspend collection of the tax above the Base Tax Rate. Setting or otherwise maintaining the tax rate at the Base Tax Rate or at the Intermediate Tax Rate for any interim period of time shall not prevent the City Council from later increasing the tax rate to the Maximum Rate in the manner provided under Section 2.34.170.*

Section 2.34.160 *Suspension or Reduction.*

Nothing in this Chapter requires the City Council to collect the transactions and use tax above the Base Tax Rate. The City Council may suspend collection of the tax at the Maximum Tax Rate and consistent with such authority may also set the tax rate at the Intermediate Tax Rate on an interim basis. Any increase or decrease in the tax rate shall be accomplished by approval of a resolution after a public meeting at which public testimony may be taken. No such increase or decrease in the tax rate shall require a further vote of the people, provided that no such increase or decrease exceeds the Maximum Tax Rate.

Section 2.34.170 *Council Authority to Amend.*

Except for amendments that would increase the rate of the City's transactions and use tax beyond the Maximum Tax Rate as defined under Section 2.34.160, above, the City Council may exercise all applicable powers set forth in the state Government Code including, without limitation, amending this Chapter by ordinance by no less than simple majority vote of the full membership of the City Council. The City Council may also adopt by ordinance or resolution such additional regulations that may be necessary to implement the purposes of this Chapter.

Section 2.34.180 Severability.

If any provision of this Chapter or the application thereof to any person or circumstance is held invalid, the remainder of the Chapter and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION 3. Effective Date.

A. This Ordinance relates to an increase to the City’s transactions (sales) and use tax rate from rate of half of a percent (1/2%) to one percent (1%), subject to interim adjustments in the manner contemplated under Sections 2.34.160 and 2.34.170 of the La Puente Municipal Code as established by this Ordinance. The foregoing notwithstanding, this Ordinance may only become operative if approved by a simple majority of votes cast by La Puente voters at a June 2, 2026, special election. If approved by the voters, the transaction and use tax rate set forth under Chapter 2.34 of the La Puente Municipal Code may be increased to a maximum tax rate of one percent (1%). If the measure fails, this Ordinance shall be rendered inoperative and void, however, the defeat of the measure shall not operate to extinguish or amend the existing transaction and use tax as presently constituted and last approved by La Puente voters on November 6, 2018.

B. The increased tax rate established under this Ordinance may not go into effect until October 1, 2026. Upon October 1, 2026, the current text of Chapter 2.34 of the La Puente Municipal Code shall be amended and updated in its entirety as referenced in Section 2 of this Ordinance. By passage of the measure and approval of this Ordinance, the City may make, without additional voter approval, clerical, formatting or numbering corrections to the aforementioned text to ensure conformity with the requirements of the California Department of Tax and Fee Administration and to ensure internal consistency within the La Puente Municipal Code, provided that no such corrections may result in an increase to the transactions and use tax rate above the voter-authorized and voter-approved maximum tax rate of one percent (1%).

SECTION 4. CEQA. This Ordinance is exempt from review under the California Environmental Quality Act (Cal. Pub. Resources Code, § 2100 *et seq.*) (“CEQA”) and the CEQA Guidelines (14 Cal. Code of Regs., § 15000 *et seq.*) because it establishes rules and procedures to implement government funding mechanisms; does not involve any commitment to a specific project that could result in a potentially significant physical impact on the environment; and constitutes an organizational or administrative activity that will not result in direct or indirect physical changes in the environment. Accordingly, this Ordinance does not constitute a “project” that requires environmental review (14 Cal. Code of Regs., § 15378(b)(4)-(5)).

SECTION 5. Duration Unchanged. The transactions and use tax increased under this Ordinance shall continue to be of an indefinite term unless and until repealed by La Puente voters.

SECTION 6. Certification Of Adoption. The City Clerk shall certify the adoption of this Ordinance and shall cause the same to be published pursuant to California Government Code Section 36933, following approval by La Puente voters at the City’s special election held on June 2, 2026.

PASSED, APPROVED AND ADOPTED this _____ day of _____, 2026 by the

following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:

Charlie Klinakis, Mayor

ATTEST:

Martha Torres, MPA, CMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF LA PUENTE)

I, Martha Torres, City Clerk of the City of La Puente, do hereby certify that the above and foregoing Ordinance No. 26-995 was passed, approved, and adopted by the City Council of the City of La Puente, signed by the Mayor and attested by the City Clerk at a meeting of said City Council of the City of La Puente held on this _____ day of _____ 2026, and that said Ordinance was adopted by the following votes to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

Martha Torres, MPA, CMC
City Clerk, City of La Puente