

**CITY ATTORNEY'S IMPARTIAL ANALYSIS
OF MEASURE D
CITY OF WILLIAMS**

Measure D proposes to raise revenue for general City of Williams purposes by authorizing a 0.5 percent (i.e., ½ cent) sales tax within the City of Williams. 100% of the proceeds would remain in the City of Williams. The tax would be paid in addition to current state and local sales taxes and would be collected at the same time and in the same manner as the existing sales taxes.

California Revenue and Taxation Code Section 7285.9 authorizes the Williams City Council to levy transactions and use (i.e., a "sales") tax at certain rates, including a 0.5 percent (i.e., ½ cent) rate provided the tax is approved by a majority of the voters voting in an election on that issue. If approved the Measure D sales tax would become effective April 1, 2007, and would remain in effect until March 31, 2013, a period of six years. The tax would expire at the end of the six-year period unless it is reauthorized by a majority of the voters in another election.

Measure D states that the ½ cent sales tax is to be used for funding "essential services such as road maintenance, fire/police services, and other general governmental purposes." Because this sales tax would be a "general tax," the City of Williams would be able to use tax proceeds for any legal governmental purpose without restriction. The City of Williams would not be legally bound in any way to use the tax monies for any special purpose or for any particular program or service.

The measure requires that the City of Williams publish an annual report on General Fund expenditures, and requires a public hearing by the Williams City Council every three years to determine whether the tax is still necessary.

/s/ CAROLYN A. ALEXANDER
Interim City Attorney, City of Williams