

Measure K was placed on the ballot by the City Council of the City of Campbell. The measure will increase the City's transactions and use tax by 0.5%, equating to ½ cent on each dollar transaction. The current transaction and use tax in Campbell is 0.25%. With the proposed increase, the total transactions and use tax would be 0.75%, equating to ¾ cent on each dollar transaction. A transactions and use tax is similar to a sales tax, and applies to the gross receipts of any retailers for the sale of all tangible personal property sold at retail in Campbell, and the storage, use, or other consumption in the City of tangible personal property purchased from any retailer in Campbell. Because this increase would cause the combined tax rate for all sales and transactions and use taxes collected by Santa Clara County to exceed 2%, the State legislature will also need to approve the increase in order for it to take effect. The Campbell Finance Department estimates that the tax increase would raise approximately \$7,000,000 annually. The City can use the proceeds of the tax for any lawful purpose, including police and fire protection, 911 emergency medical response, road and storm drain repairs, disaster preparation, homeless services, recreation programs; and keeping public spaces and parks safe and clean. The Campbell Finance Department has projected that without the tax increase, the City can be expected to run a deficit of between \$1,900,000 to \$3,900,000 in Fiscal Years 2026 through 2031 in order to maintain the City's current level of services. If approved by State legislation, this tax rate increase would become operative on the first day of the first calendar quarter commencing at least 110 days after approval by a vote of the electorate. The measure requires an affirmative vote of majority of voters voting on the measure for the tax increase to become effective.

The above statement is an impartial analysis of Ordinance or Measure . If you desire a copy of the ordinance or measure, please call the elections official's office at (408) 866-2117 and a copy will be mailed at no cost to you.

