

## How much will the increased sales tax really cost residents?

Measure WC's supporters want you to believe that if you spend \$10,000 per year on taxable sales, Measure WC will cost you \$75 per year and will be a "cheap insurance policy for your safety." The fact is people spend a lot more than \$10,000 per year on taxable items. The tax that people pay will be a lot higher than \$75. This is another example of the supporters creative math, wishful thinking and, quite candidly, political spin.

**Realistic Cost to West Covina Residents:** The increased tax will actually cost West Covina residents closer to \$315.87 than the \$75. The basic math is New Sales Tax Revenue divided by Number of Households.

- Use the supporters' estimate that Measure WC will bring in **\$10,000,000**.
- West Covina has **31,659** households.<sup>1</sup>

$$\$10,000,000 \div 31,659 = \text{\$315.87}$$

The more realistic estimate of how much more Measure WC's increase sales tax will cost you.

### IF MEASURE WC PASSES, YOUR NEXT CAR WILL COST A LOT MORE MONEY!



The sales tax on vehicles is based on the city where the purchaser lives, not where the purchase is made.<sup>2</sup> If Measure WC passes, a West Covina resident who purchases a car or vehicle, will pay a higher sales tax. On \$30,000 car or truck for example, the additional sales tax is about \$225. *That "little" \$.075 sale tax increase adds up to dollars.*

SALES TAX RATE <sup>3</sup> OF THE TOP FIVE CITIES WHERE WEST COVINA EMPLOYEES LIVE AS OF JANUARY 1, 2020	
City	Sales Tax Rate
Covina	10.25%
Chino	7.75%
Ontario	7.75%
Rancho Cucamonga	7.75%
Upland	7.75%
West Covina	9.50%

The supporters also want you to think our city will get \$10,000,000 in new sales tax revenue and non-residents will pay for most of it. Residents tend to spend more in the city where they live than in the city where they work. Most [West Covina employees](#) do not live within West Covina but live in cities with a lower sales tax as the chart at the left shows.

**A high local sales tax rate hurts struggling families, seniors and the poor.**

If Measure WC passes, the new sales tax rate will be **10.25%**.

### Notes

<sup>1</sup> Southern California Association of Governments. Local Profiles for the City of West Covina 2018. ([www.scag.ca.gov/Documents/WestCovina.pdf](http://www.scag.ca.gov/Documents/WestCovina.pdf))

<sup>2</sup> California Sales Tax Handbook. ([www.salestaxhandbook.com/california/sales-tax-vehicles](http://www.salestaxhandbook.com/california/sales-tax-vehicles))

<sup>3</sup> California Department of Tax and Fee Administration. California City & County Sales & Use Tax Rates (Effective January 1, 2020). ([www.cdtfa.ca.gov/taxes-and-fees/rates.aspx](http://www.cdtfa.ca.gov/taxes-and-fees/rates.aspx)).