



***Hidden “Tax” Hikes on Consumers and Products:
2005-2006 Majority Vote Tax Bills Masquerading as Fees***
(Compiled by the California Taxpayers’ Association)

Description of Bill	Annual Cost
<p>Increasing Taxes on <u>CONSUMERS OF SATELLITE SERVICES:</u></p> <p><u>AB 1016</u> (Ridley-Thomas) – States legislative intent to impose a majority vote tax on direct broadcast satellite providers in an amount equal to 8% of the amount the provider charges its customers for monthly service to fund state and local government in general.</p>	\$182 Million
<p>Increasing Taxes on <u>CONSUMERS OF PHARMACEUTICALS:</u></p> <p><u>SB 421</u> (Simitian) – Imposes a tax (labeled a fee in the bill) on pseudoephedrine. The size of the fee will be set by bureaucrats in the Department of Toxic Substances Control. Revenue from the fee will be put in the Illegal Drug Lab Clean-Up Account.</p>	\$50 million
<p>Increasing Taxes on <u>OWNERS OF CARS AND TRUCKS:</u></p> <p><u>AB 1208</u> (Yee) – Amended on April 7 to authorize the City and County of San Francisco Board of Supervisors by ordinance or resolution to impose an unspecified vehicle registration tax or vehicle renewal registration tax (both labeled fees in the bill). The tax revenues would fund programs for the construction, improvement, and maintenance of streets and highways in San Francisco.</p>	\$1.8 million

<p><u>AB 1407</u> (Oropeza) – Requires payment of five cents per gallon on diesel fuel sold to farmers for off-road use. This bill is keyed a majority vote bill.</p>	<p>\$13 million</p>
<p><u>AB 1623</u> (Klehs) – Allows the county transportation agencies of Alameda, Marin, Napa and Contra Costa to impose a \$5 car tax (labeled a fee in the bill) to fund congestion management and environmental mitigation, without a vote of the people.</p>	<p>\$11 million</p>
<p><u>SB 459</u> (Romero) – Among other things, authorizes the South Coast Air Quality District to impose a tax (labeled a fee in the bill) on specified railroad companies that operate within the counties of Los Angeles, Orange, Riverside, San Bernardino. The tax revenues would fund emissions mitigation projects.</p>	
<p><u>SB 637</u> (Speier) – Requires the DMV to charge a 50-cent tax (labeled a fee in the bill) for each vehicle sold by a dealer or lessor-retailer and reported on a report-of-sale form. All fees collected would be deposited in a newly created Car Buyer's Restitution Fund.</p>	
<p><u>SB 658</u> (Kuehl) – Among other things, allows counties to impose a vehicle registration tax (labeled a fee in the bill) of up to \$6 to provide a dedicated long-term funding source to mitigate the adverse effects of motor vehicles and their related infrastructure on the coastal environment.</p>	<p>\$112 million</p>
<p><u>SB 680</u> (Simitian) – Among other things, authorizes the Santa Clara Valley Transportation Authority to impose an annual tax (labeled a fee in the bill) of up to \$5 on each motor vehicle registered within Santa Clara County to fund various specified transportation-related programs.</p>	<p>\$7 million</p>
<p>Increasing Taxes on <u>PURCHASERS OF SHIPPED PRODUCTS :</u></p> <p><u>AB 1406</u> (Karnette) – Among other things, imposes a \$10 per intermodal freight container tax (labeled a fee in the bill) on every freight container processed through a port or harbor in the state. The tax revenues would be used to support a Port Security and Safety Fund.</p>	
<p><u>SB 760</u> (Lowenthal) – Imposes on each shipping container processed in the ports of Los Angeles and Long Beach a tax (labeled a fee in the bill) of \$30 per 20-foot equivalent unit. The</p>	<p>\$450 million</p>

ports would retain a third of the funds and transmit the remaining two-thirds in the amount of one-half to the California Transportation Commission (to alleviate congestion on the highways serving the ports by improving the rail system that transports shipments from and to those ports and the on-dock rail facilities at those ports) and one-half to the South Coast Air Quality Management District (to mitigate environmental pollution caused by the movement of cargo to and from the ports via commercial motor vehicles, ocean-going vessels, and rail).

**Increasing Taxes on
PURCHASERS OF TOBACCO PRODUCTS:**

AB 1612 (Pavley) – Enacts the Cigarette Pollution and Litter Prevention Act that would be funded by tobacco manufacturers who, beginning on July 1, 2006, would pay a tax (labeled a fee in the bill) to the BOE for each package of cigarettes sold in California during the previous six months. The tax revenues would fund projects that mitigate cigarette pollution, and promote litter prevention and cleanup.

\$120 million

SB 942 (Chesbro) – Enacts the Cigarette Pollution and Litter Prevention Act that would be funded by tobacco manufacturers who, beginning on July 1, 2006, would pay a tax (labeled a fee in the bill) to the Board of Equalization for each package of cigarettes sold in California during the previous six months. . The tax revenues would fund projects that mitigate cigarette pollution, and promote litter prevention and cleanup.

\$110 million

**Increasing Taxes on
HOMEOWNERS:**

AB 770 (Mullin) – Imposes a \$10 biennial association tax (labeled a fee in the bill) on common interest development associations. The tax revenues would be placed in a newly created Common Interest Development Ombudsperson Fund which would pay for the ombudsperson, among other things, to offer training materials and courses to common interest development directors, officers, and owners, in subjects relevant to the operation of a common interest development and the rights and duties of an association or owner.

\$15 Million

SB 308 (Simitian) – Authorizes counties to impose a new tax (labeled a fee in the bill) on real estate instruments to fund a program related to elderly financial abuse.

<p>SB 551 (Lowenthal) – Imposes a \$10 biennial association tax (labeled a fee in the bill) on common interest development associations. The tax revenues would be placed in a newly created Common Interest Development Ombudsperson Fund which would pay for the ombudsperson, among other things, to offer training materials and courses to common interest development directors, officers, and owners, in subjects relevant to the operation of a common interest development and the rights and duties of an association or owner.</p>	<p>\$15 Million</p>
<p>Increasing Taxes on <u>PURCHASERS OF BICYCLES:</u></p> <p>AB 1103 (Karnette) – Imposes a \$7 tax (labeled a charge in the bill) on each person who sells a new bicycle in the state to fund a newly created Bicycle Recycling and Disposal Program. The tax revenues would be used to pay a \$3 refund to each person who recycles a bicycle, to make block grants for the implementation of certified recycling centers, and to cover the cost of insurance.</p>	
<p>Increasing Taxes on <u>SECOND-HAND GOODS:</u></p> <p>AB 1178 (Yee) – Imposes specified taxes (labeled fees in the bill) on secondhand dealers and pawnbrokers, including: (a) a fee of \$295 for processing a license application, (b) a fee of \$50 for the purpose of licensing enforcement; (c) a fee of \$32 for a criminal offender record information background check, and (d) a fee of \$175 for the biennial renewal of a license. The fee revenues would be used to fund an Electronic Data Reporting System.</p>	<p>\$650,000</p>
<p>Increasing Taxes on <u>EDUCATIONAL TEXTBOOKS:</u></p> <p>AB 564 (Karnette) – Authorizes the State Board of Education to impose a tax (labeled a fee in the bill) on instructional materials submitted for adoption. The tax revenues would fund the expenses incurred as a result of the review process.</p>	<p>\$500,000</p>
<p>Increasing Taxes on <u>DEATH CERTIFICATES:</u></p> <p>AB 940 (Chu) – Deletes the January 1, 2006 expiration date for the \$2 tax (labeled a fee in the bill) increase on death certificates to provide permanent funding for the Department of</p>	<p>\$3 million</p>

Justice's DNA database.	
<p>Increasing Taxes on <u>ECOLOGICAL LABELING:</u></p> <p><u>SB 369</u> (Simitian) – Requires a proposed new Commission on Ecological Labeling to set a tax (labeled a fee in the bill), plus a 3 percent surcharge, on taxpayers applying for a label for a product or service. The tax revenues would be used to cover the vendor's costs to implement this program.</p>	
<p>Increasing Taxes on <u>GAMING:</u></p> <p><u>AB 1620</u> (Klehs) – Was amended on April 7 to impose a 1.36 percent gross receipts tax (labeled a fee in the bill) for the renewal of a gambling license, at a projected cost of \$8.2 million. (The bill was amended on April 28, 2005 to impose a tax of an unspecified percentage of the annual gross revenue of the gambling establishment.)</p>	\$8 million
<p>Increasing Taxes on <u>WATER:</u></p> <p><u>AB 342</u> (Baca) – States legislative intent to impose a tax (labeled a fee in the bill) on perchlorate products to fund the treatment of drinking water wells contaminated with perchlorate.</p>	
Total:	OVER \$1 BILLION <u>\$1,098,950,000</u>