

CHAPTER 3.24SALES AND USE TAX3.24.010 Taxable Event: Retail Sale.

A. For the privilege of selling tangible personal property at retail, every retailer in the City shall pay a sales tax at the rate of one percent (1%) of the gross receipts of the retailer from the sale of all tangible personal property sold by that person at retail within the City. (Ord. 86-10)

B. 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, 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 State Board of Equalization.

3.24.015 Taxable Event: Use.

A. A tax at the rate of one percent (1%) of the purchase price is hereby imposed on the storage, use or other consumption of tangible personal property purchased from a retailer for storage, use or consumption in the City.

B. 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.

3.24.020 Adoption of State Law.

A. The provisions of Part 1 of Division 2 of the Revenue and Taxation Code commencing with Section 6001, insofar as they relate to sales and use taxes, are hereby adopted by this reference and made a part hereof as though fully set forth herein; except insofar as those provisions are inconsistent with the provisions of Part 1.5 of Division 2 of the Revenue and Taxation Code.

B. In adopting the provisions of the Revenue and Taxation Code, the City of Encinitas, as the taxing agency, shall be substituted for that of the State except in the phrase "retailer engaged in business in this state" in Section 6203 and in the definition of that phrase in Section 6203; and further, except in those circumstances in which the result would be obtained contrary to the intent of the Revenue and Taxation Code and this ordinance.

C. An additional sellers permit shall not be required if a permit has been or is issued to the seller under Section 6067 of the Revenue and Taxation Code.

D. All subsequent amendments to the Revenue and Taxation Code adopted by reference in this Chapter shall automatically become part of this Chapter so long as those amendments relate to sales and use tax and are not inconsistent with Part 1.5 of Division 2 of the Revenue and Taxation Code.

3.24.030 Contract with Board of Equalization. This Chapter is operative as of November 1, 1987. Prior thereto, the City shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this Chapter which shall continue in effect so long as the County of San Diego has an operative sales and use tax ordinance enacted pursuant to Part 1.5 of Division 2 of the Revenue and Taxation Code.

3.24.040 Exclusions and Exemptions.

A. The storage use or other consumption of tangible personal property, the gross receipts from the sale of which has been subject to sales tax under a sales and use tax ordinance enacted in accordance with Part 1.5 of Division 2 of the Revenue and Taxation Code by any city and county, county or city in California, shall be exempt from the tax due under this Chapter.

B. The amount subject to tax under this Chapter shall not include the amount of any sales tax or use tax imposed by the State of California upon a retailer or consumer.

C. There is exempt from the computation of the amount of the sales tax the gross receipts from the sale of tangible personal property to operators of waterborne vessels to be used or consumed principally outside the City in which the sale is made and directly and exclusively in the carriage of persons or property in such vessels for commercial purposes.

D. The storage, use or other consumption of tangible personal property purchased by operators of waterborne vessels and used or consumed by such operators directly and exclusively in the carriage of persons or property in such vessels for commercial purposes is exempted from the use tax.

E. There is exempt from the computation of the amount of the sales tax the gross receipts from the sale of tangible personal property to operators of aircraft to be used or consumed principally outside the City 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 California, the United States or any foreign government.

F. In addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code, the storage, use or other consumption of tangible personal property 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 or property for hire or compensation under a Certificate of Public Convenience and Necessity issued pursuant to the laws of California, the United States or any foreign government is exempt from the use tax.