



CITY OF SUNNYVALE

DEPARTMENT OF FINANCE

July 12, 2016

TO: City Council

FROM: Brice McQueen, Senior Management Analyst *Brice*

SUBJECT: RTC 16-0600: Adopt a Resolution Calling a General Municipal Election to be Held in the City of Sunnyvale on Tuesday, November 8, 2016, for the Purpose of Submitting to City Voters a Measure to Modernize the Utility Users Tax; Requesting Consolidation with the Statewide General Election and Election Services from Santa Clara County; Directing the City Attorney to Prepare an Impartial Analysis; and Setting Priorities for Ballot Arguments

Pertaining to the agenda packet for tonight's meeting regarding a measure to modernize the Utility Users Tax (UUT), the purpose of this memorandum is to clarify what it means to "modernize" the telecommunications portion of the UUT ordinance and how that relates to "broadening" or maintaining the UUT base. To clarify, the updated draft UUT ordinance was not "broadened" to include any new categories of taxation such as video (including CATV), water, garbage or sewer as exist in some UUT ordinances. However, the telecommunications section was modernized to reflect updated uses of telecommunications technology by specifically treating wired and wireless, and intrastate, interstate and international calls all the same, regardless of technology used to provide those services. Approximately 90% of the UUT revenue in California use these same voter-approved definitions of telecommunication services.