RESOLUTION NO. 2026-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO MIRAGE, CALIFORNIA, CALLING FOR THE PLACEMENT OF A GENERAL TAX MEASURE ON THE BALLOT FOR THE NOVEMBER 3, 2026, GENERAL MUNICIPAL ELECTION FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF AN ORDINANCE TO ENACT A TRANSACTION AND USE TAX AT THE RATE OF ONE CENT (1¢)

WHEREAS, the City of Rancho Mirage ("City") is authorized to levy a Transactions and Use Tax ("TUT") for general revenue purposes pursuant to California Revenue and Taxation Code section 7285.9, subject to approval of the electorate pursuant to Article XIIIC, section 2 of the California Constitution ("Proposition 218"); and

WHEREAS, pursuant to California Elections Code section 9222, the City Council has authority to place local measures on the ballot to be considered at a Municipal Election; and

WHEREAS, the City Council would like to submit to the voters at the November 3, 2026, General Municipal Election a measure establishing the rate of the TUT of one cent (1¢) on the sale and/or use of all tangible personal property sold at retail in the City until it is repealed by voters, as more specifically set forth in the attached proposed ordinance adding Chapter 3.22 (Transactions and Use Tax) to the City's Municipal Code; and

WHEREAS, the one cent (1¢) TUT is a general tax, the revenue of which will be placed in the City's general fund and will be used to pay for general City services; and

WHEREAS, this Ordinance creates a locally-controlled funding source that can only be used for local Rancho Mirage services and address local priorities, which cannot be taken by the State; and

WHEREAS, the City provides municipal services, including police, fire, and emergency medical response, roadway and infrastructure maintenance, parks and recreation services, library services, and other general governmental services; and

WHEREAS, the City has historically maintained balanced budgets and fiscal stewardship while continuing to invest in public safety, infrastructure, and quality-of-life services for residents, businesses, and visitors; and

WHEREAS, public safety represents the City's largest operating expenditure, accounting for approximately half of General Fund expenditures, and since 2020 the City has experienced increases in emergency service demands and a 56% increase in public safety costs; and

WHEREAS, the City maintains approximately ninety-one (91) miles of streets and roadways, together with public facilities, parks, fire stations, drainage infrastructure, and other capital assets requiring ongoing maintenance, repair, replacement, and modernization; and

WHEREAS, roadway replacement costs now exceed approximately $1.5 million per mile and the City continues to face increasing costs associated with infrastructure maintenance, construction materials, labor, insurance, equipment, and contracted services; and

WHEREAS, the City does not have a locally controlled, dedicated revenue source to fund its ongoing capital infrastructure needs and must therefore rely substantially upon available General Fund revenues, reserves, and one-time or limited funding sources to address capital infrastructure needs; and

WHEREAS, despite implementing cost-control measures, operational efficiencies, staffing reductions, grant funding efforts, and long-range financial planning strategies, the City continues to experience expenditure growth that is projected to outpace revenue growth over time; and

WHEREAS, the City relies upon economically sensitive revenues, including sales tax and transient occupancy tax revenues, and an estimated seventy-five percent (75%) of sales tax revenue generated within Rancho Mirage is paid by tourists and visitors rather than City residents; and

WHEREAS, as part of its Fiscal Year 2025-26 and Fiscal Year 2026-27 budget discussions, the City undertook a comprehensive public information and community outreach effort regarding City finances, municipal services, infrastructure needs, and long-term fiscal sustainability; and

WHEREAS, City staff conducted extensive public outreach, including a dedicated Financing City Services webpage, an informational newsletter series, community surveys, direct mail notifications, public town hall meetings, virtual meetings, commissioner town halls, and presentations to community organizations and stakeholder groups; and

WHEREAS, to fund general City services, including those items discussed herein, the City Council is proposing this measure as a long-term source of locally controlled funding; and

WHEREAS, therefore, this measure could maintain funding for City services and help implement plans of the City by establishing a general tax in which the proceeds will be deposited in the City's General Fund for general government use; and

WHEREAS, this measure incorporates accountability requirements such as public disclosure of all spending, local control, and annual independent financial audits; and

WHEREAS, on November 6, 1996, the voters of the State of California approved Proposition 218, an amendment to the State Constitution which requires that all general taxes which are imposed, extended or increased must be submitted to the electorate and approved by a majority vote of the qualified electors voting in the election; and

WHEREAS, pursuant to Proposition 218 (California Constitution, Article XIIIC, section 2(b)), the general rule is that any local election for the approval of an increase to a general tax must be consolidated with a regularly scheduled general election for members of the governing body of the local government; and

WHEREAS, pursuant to Revenue and Taxation Code section 7285.9, a two-thirds (2/3) vote of all members of the City Council is required to place the measure on the November 3, 2026, ballot; and

WHEREAS, the next regularly scheduled general election at which City Council members will be elected is November 3, 2026; and

WHEREAS, the ordinance to be considered by the qualified voters and the terms of approval, collection and use of the general TUT are described and provided for in the ordinance/measure attached hereto as Exhibit "A" (the "Measure") and by this reference made an operative part hereof, in accordance with all applicable laws.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RANCHO MIRAGE DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. **Recitals.**

That the Recital set forth above is true and correct and incorporated herein by this reference.

Section 2. **Submission of Ballot Measure.**

That pursuant to California Elections Code section 9222, Government Code section 53724, Revenue and Taxation Code section 7285.9 and any other applicable requirements of the laws of the State of California relating to the City, the City Council, by a two-thirds (2/3) vote of all members, hereby orders the Measure to be submitted to the voters of the City at the General Municipal Election to be held on Tuesday, November 3, 2026.

Section 3. **Ballot Question.**

That the City Council, pursuant to California Elections Code section 9222, hereby orders that the ballot question for the Measure shall be presented and printed upon the ballot submitted to the qualified voters in the manner and form set forth in this Section 3. On the ballot to be submitted to the qualified voters at the General Municipal Election to be held on Tuesday, November 3, 2026, in addition to any other matters required by law, there shall be printed substantially the following ballot question:

"RANCHO MIRAGE PUBLIC SAFETY, ROADS, CITY SERVICES MEASURE. Shall the measure maintaining Rancho Mirage's long-term financial stability, City services such as 9-1-1 emergency medical/fire response, fire protection, Sheriff's patrols, crime prevention/response programs; keeping public areas safe/clean; maintaining streets, roads, parks, libraries, fire stations; retaining/attracting local businesses, other services, by establishing a 1¢ sales tax generating approximately $7,500,000 **(seven point five million dollars)** annually until ended by voters, requiring public spending disclosure, funds for Rancho Mirage only, be adopted?	YES NO

<u>Section 4</u>. Conduct of Election.

That the City Clerk is authorized, instructed, and directed to procure and furnish any and all official ballots, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections.

<u>Section 5.</u> Impartial Analysis.

That pursuant to Elections Code section 9280, the City Council hereby directs the City Clerk to transmit a copy of the Measure to the City Attorney. The City Attorney shall prepare an impartial analysis of the Measure, not to exceed 500 words in length, showing the effect of the Measure on the existing law and the operation of the Measure, and transmit such impartial analysis to the City Clerk not later than the deadline for submittal of primary arguments for or against the Measure.

That the impartial analysis shall include a statement indicating whether the Measure was placed on the ballot by a petition signed by the requisite number of voters or by the City Council. In the event the entire text of the Measure is not printed on the ballot, nor in the voter information guide, there shall be printed immediately below the impartial analysis, in no less than 10-font bold type, the following: **"The above statement is an impartial analysis of Measure. If you desire a copy of the ordinance or measure, please call the Office of the City Clerk at (760) 324-4511 and a copy will be mailed at no cost to you."**

<u>Section 6</u>. Notice and Call of Election.

That notice of the election is hereby given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

Section 7. **Placement on the Ballot.**

That the full text of the Measure shall not be printed in the voter information guide, and a statement shall be printed on the ballot pursuant to Elections Code section 9223 advising voters that they may obtain a copy of this Resolution and the Measure, at no cost, upon request made to the City Clerk.

Section 8. Filing with County.

That the City Clerk shall, not later than the 88th day prior to the General Municipal Election to be held on Tuesday, November 3, 2026, file with the Board of Supervisors and the Registrar of Voters of the County of Riverside, State of California, a certified copy of this Resolution.

Section 9. Public Examination.

That pursuant to Elections Code section 9295, this Measure will be available for public examination for no fewer than ten (10) calendar days prior to being submitted for printing in the voter information guide. The City Clerk shall post notice in the Clerk's office of the specific dates that the examination period will run.

Section 10. Environmental Review.

That the City Council hereby finds and determines that the adoption of this Resolution and attached Ordinance is exempt from the California Environmental Quality Act, Public Resources Code §§ 21000 et seq. ("CEQA") and 14 Cal. Code Reg. §§ 15000 et seq. ("CEQA Guidelines"). The transactions and use tax submitted to the voters is a general tax that can be used for any governmental purpose; it is not a commitment to any particular action or actions. As such, under CEQA Guidelines Section 15378(b)(4), the tax is not a project within the meaning of CEQA because it creates a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment Moreover, the Measure relates to organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment, and therefore is not a project within the meaning of the California Environmental Quality Act ("CEQA") and the State CEQA Guidelines, section 15378(b)(5).

Section 11. Severability.

That the City Council declares that, should any provision, section, paragraph, sentence or word of this Resolution be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this Resolution as hereby adopted shall remain in full force and effect.

Section 12. **Repeal of Conflicting Provisions.**

That all the provisions heretofore adopted by the City Council that are in conflict with the provisions of this Resolution are hereby repealed.

Section 13. **Effective Date.**

That this Resolution shall take effect immediately upon its adoption.

Section 14. **Certification.**

That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

Section 15. **Party Responsible for Managing Election.**

That the Board of Supervisors of the County of Riverside is hereby requested to issue instructions to the County of Riverside Registrar of Voters to take any and all steps necessary for the holding of the election.

Section 16. **Further Actions.**

That if the ballot measure is duly approved by the qualified voters, the City approves and authorizes the Mayor, City Manager, or either of their designees to take all steps necessary to effectuate the measure, including without limitation executing any agreements with California Department of Tax and Fee Administration implementing the purpose and intent of the measure, upon consultation with the City Attorney.

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PASSED, APPROVED AND ADOPTED this 16th day of July 2026.

CITY OF RANCHO MIRAGE:

____
Lynn Mallotto, Mayor

ATTEST:

____
Kristie Ramos, City Clerk

APPROVED AS TO FORM:

____
Colin Kirkpatrick, City Attorney

EXHIBIT "A"

TRANSACTIONS AND USE TAX ORDINANCE

(SEE ATTACHED)

ORDINANCE NO. _____

AN ORDINANCE OF THE PEOPLE OF THE CITY OF RANCHO MIRAGE, CALIFORNIA APPROVING AND IMPOSING A TRANSACTIONS AND USE TAX OF ONE PERCENT (1%) BY ADDING CHAPTER 3.22 (TRANSACTIONS AND USE TAX) TO TITLE 3 OF THE RANCHO MIRAGE MUNICIPAL CODE, TO BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

WHEREAS, the City of Rancho Mirage ("City") is authorized to levy a Transactions and Use Tax ("TUT") for general revenue purposes pursuant to California Revenue and Taxation Code section 7285.9; and

WHEREAS, the People of the City desire to add Chapter 3.22 to Title 3 of Rancho Mirage Municipal Code establishing a general Transactions and Use Tax ("TUT") until ended by voters, on the sale and/or use of all tangible personal property sold at retain the City, at a rate of one percent (1%).

NOW, THEREFORE, THE PEOPLE OF THE CITY OF RANCHO MIRAGE, CALIFORNIA, HEREBY ORDAINS AS FOLLOWS:

<u>Section 1</u>. **Recitals.**

The above recitals set forth above are all true and correct and are incorporated herein by this reference.

<u>Section 2</u>. **Approval of Voters.**

Subject to the approval by a majority of the voters of the City of Rancho Mirage at the General Municipal Election to be held on November 3, 2026, called by the City Council in a separate resolution, Chapter 3.22 is added to Title 3 of the Rancho Mirage Municipal Code to read in its entirety as follows:

"Chapter 3.22" - TRANSACTIONS AND USE TAX

Section 3.22.010 — Short title

This Chapter shall be known as the "City of Rancho Mirage Transactions and Use Tax Ordinance." The City of Rancho Mirage hereinafter shall be called "City." This Chapter shall be applicable in the incorporated territory of the City.

Section 3.22.020 — Operative Date

"Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance. For purposes of Revenue and Taxation Code section 7265, this ordinance shall be considered adopted on the date of the election in which it is approved by the qualified voters of the City.

Section 3.22.030 — Purpose

This Chapter is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.9 of Part 1.7 of Division 2 which authorizes the City to adopt this tax ordinance which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by the California Department of Tax and Fee Administration in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the California Department of Tax and Fee Administration in administering and collecting the California State Sales and Use Taxes.
D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

Section 3.22.040 — Contract with State

Prior to the operative date, the City shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the City shall not have contracted with the California Department of Tax and Fee Administration prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

Section 3.22.050 — Transactions Tax Rate

For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the City at a rate of one percent (1%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this Chapter.

Section 3.22.060 — Place of Sale

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 in the State or has more than one 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 California Department of Tax and Fee Administration.

Section 3.22.070 — Use Tax Rate

An excise tax is hereby imposed on the storage, use, or other consumption in the City of tangible personal property purchased from any retailer on and after the operative date of this Chapter for storage, use, or other consumption in the incorporated territory of the City at the rate of one percent (1%) of the sales price of the property. 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.

Section 3.22.080 — Adoption of Provisions of State Law

Except as otherwise provided in this Chapter and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this Chapter as though fully set forth herein.

Section 3.22.090 — Limitations on Adoption of State Law and Collection of Use Taxes

In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of the City shall be substituted therefor. However, the substitution shall not be made when:

1. The word “State” is used as a part of the title of the State Controller, State Treasurer, State Treasury, or the Constitution of the State of California;

2. The result of that substitution would require action to be taken by or against this City or any agency, officer, or employee thereof rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this Ordinance.

3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provisions of that code.

4. In Sections 6701, 6702 (except in the last sentence thereof) 6711, 6715, 6737, 6797, or 6828 of the Revenue and Taxation Code.

B. The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

1. "A retailer engaged in business in the City" shall also include any retailer that, in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property in this state or for the delivery in the State by the retailer and all persons related to the retailer that exceeds five hundred thousand dollars ($500,000). For purposes of this section, a person is related to another person if both persons are related to each other pursuant to Section 267(b) of Title 26 of the United States Code and the regulations thereunder.

Section 3.22.100 — Permit Not Required

If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this Chapter.

Section 3.22.110 — Exemptions and Exclusions

A. There shall be excluded from the measure of the transaction tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transaction tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the country 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 this State, the United States, or any foreign government.

2. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the

retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City shall be satisfied.

a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an opt-out-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principle place of residence; and

b. With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this City of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.
2. Other than fuel or petroleum products 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 persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.
3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this

ordinance.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.
5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
6. Except as provided in subparagraph (7), a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.
7. "A retailer engaged in business in the City" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.

D. Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

Section 3.22.120 — Audit and Review

The proceeds of the tax imposed by this ordinance, as well as the expenditure thereof, shall be audited annually by an independent accounting firm as part of the City's regular audit. The City Council shall review the results of such audit at a meeting of the City Council that is open to the public. The report of such audit shall be posted on the City's website.

Section 3.22.130 — Amendments

All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided, however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance. Pursuant to Elections Code Section 9217, the City Council may amend this ordinance as deemed necessary for collection and enforcement, provided however, that no such amendment shall operate so as to affect the rate or extend the rate of tax imposed by this ordinance without the approval of the voters.

Section 3.22.140 — Enjoining Collection Forbidden

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

Section 3.22.150 — Increase of Appropriations Limit

Pursuant to Article XIIIB of the Constitution of the State of California and applicable laws, the appropriations limit for the City is hereby increased by the aggregate sum authorized to be levied by this tax for fiscal year 2026-27 and each year thereafter.

Section 3.22.160 — Severability

If any provision of this Chapter or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

Section 3. **CEQA.** The adoption of this Ordinance is exempt from the California Environmental Quality Act, Public Resources Code §§ 21000 et seq. ("CEQA") and 14 Cal. Code Reg. §§ 15000 et seq. ("CEQA Guidelines"). The transactions and use tax submitted to the voters is a general tax that can be used for any governmental purpose; it is not a commitment to any particular action or actions. As such, under CEQA Guidelines Section 15378(b)(4), the tax is not a project within the meaning of CEQA because it creates a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment.

Section 4. **Effective Date.**

This ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately as provided by law.

Section 5. **Severability.**

The City Council declares that should any provision, section, paragraph, sentence or word of this Ordinance be rendered or declared invalid by any court of competent jurisdiction, or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences and words of this Ordinance shall remain in full force and effect.

Section 6. **Execution.**

The Mayor shall sign this Ordinance and the City Clerk shall certify to the passage and adoption of this Ordinance.

Section 7. **Termination Date.**

The authority to levy the tax imposed by this ordinance shall continue unless and until ended by the voters.

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PASSED and **ADOPTED** by the voters of the City of Rancho Mirage, State of California, at the General Municipal Election held on the 3rd day of November, 2026.

____
Lynn Mallotto, Mayor
City of Rancho Mirage

ATTEST:

____
Kristie Ramos, City Clerk
City of Rancho Mirage