



Information About City of Tracy's Measure B

Q: What is the issue?

A: On July 12, 2022, Tracy's City Council unanimously voted to place Measure B, a proposal to update and modernize Tracy's business ordinance, on the November 8th ballot.

Under Tracy's current 39-year-old business tax structure, small, locally owned businesses in Tracy are paying a higher rate compared to larger business categories, such as warehouses and big corporations. Measure B seeks to correct this inequity.

Q: How would Measure B correct existing tax inequities?

A: If enacted, Measure B reduces business taxes for 80% of local businesses. Measure B was placed on the ballot following consultation with Tracy's Chamber of Commerce and multiple meetings with local business owners. Measure B was designed with business stakeholder input in mind. If adopted, it would change Tracy's business tax from a flat tax and tax on workers to a gross receipts tax that only begins for businesses who earn over \$500,000 a year.

Q: I am not a business owner. Why should I learn about this issue?

A: Measure B is a proposal specifically designed to address business tax inequities for small businesses but if adopted could also provide additional local revenue that could be used on community priorities such as: maintaining and improving city streets and roads, keeping public areas healthy/safe/clean, maintaining and improving after-school programs, anti-gang activities, and recreation programs that keep young people off the streets, out of trouble and away from drugs and gangs, maintaining and improving rapid emergency and medical response times for police and fire by ensuring adequately staffed and trained police officers and firefighters, and additional support for local businesses. These priorities were identified in a community survey conducted earlier this year.

Q: Is Measure B fiscally accountable?

A: Yes, Measure B requires annual independent audits and oversight.

Q: When is the election?

A: November 8, 2022. You can learn more by visiting CityofTracy.org/opengov/measure-b