



21-POINT BUSINESS PLAN FOR PROGRESS

USE TAX INCENTIVE PROGRAM



The City of Santa Clarita is committed to creating a pro-business environment where local businesses can be successful. In April of this year, the City Council approved the 21-Point Business Plan for Progress, a broad-reaching economic development stimulus program to strengthen our local economy for both the short- and long-term.

One of the programs in the plan is the *Use Tax Incentive Program*. This voluntary program was designed to incentivize business expansion and increase investment in the community. As you may know, Use Tax is required to be submitted when you purchase items from out-of-state retailers that are not required or authorized to collect California Tax. Those funds then go to the state to be allocated to Los Angeles County, other municipalities within Los Angeles County, and a small portion gets returned to the City. By participating in this program, the use tax your business already pays will be allocated locally to our community, creating funds for parks, roads, fire and sheriffs, instead of being distributed to other communities.

The incentive to participate in this program can mean significant return to your business. A portion of each dollar of use tax designated by your business and received by the City of Santa Clarita is eligible to be rebated back to you through one of the following – a cash rebate or a business expansion credit.

Participation in this program **does not increase or create any new taxes**. Rather, the Use Tax Incentive program allows an alternate method of reporting use tax so that the local share is returned to the City of Santa Clarita.

If you are interested in taking advantage of this exciting new program, please contact Denise Lellan, Administrative Analyst, at (661) 284-1411 or dlellan@santa-clarita.com.