

Subject: Important Notice From CDTFA: Financial Impact of COVID-19 on April 2020 Local & District Tax Payments



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This is an important message from the California Department of Tax and Fee Administration (CDTFA), Local Revenue Branch (LRB).

RE: April 2020 Local & District Tax Advance Payment

Due to the financial impact of COVID-19, the April 2020 Local and District tax payment is down by approximately 5%, compared to March 2020's payment. This is based on prepayments and other payments received in the month of March, and will impact payments for all Sales and Use Tax programs: 1) Bradley-Burns 1% Local Tax, 2) ¼% County Local Transportation Fund (LTF), and 3) Transactions and Use Taxes (District). We expect to disburse the April 2020 funds as planned on April 24, 2020.

Please note:

The monthly payment has two components - current distributions *plus* estimated advances. Current distributions consist of return payments, fund adjustments, and audit payments processed during the month. The estimated advances are based on historical quarterly allocation data.

The overall payment decrease (~5%) for April 2020 is not reflective of every local jurisdiction, but an average across the state.

The financial impact of COVID-19 is limited this month, but the full impact will be more apparent in May 2020 after the First Quarter 2020 Sales and Use Tax Returns are due.

News Release

<https://cdtfa.ca.gov/news/20-06.htm>

Executive Order N-40-20

<https://www.gov.ca.gov/wp-content/uploads/2020/03/3.30.20-EO-N-40-20-text.pdf>

CDTFA COVID-19 Information Page

<https://www.cdtfa.ca.gov/services/covid19.htm>

If you have any questions or concerns, please feel free to reach out to the Jurisdiction Services at the Local Revenue Branch: (916) 309-5800 or JServices@cdtfa.ca.gov. In the meantime, please stay safe and healthy!

Jurisdiction Services Team
Local Revenue Branch
CA Department of Tax and Fee Administration