

The City imposes a 1% tax on all sales originating within the city limits of Redwood City. This tax is collected by the businesses along with the county and state sales tax. The total amount collected is remitted by the retailers to the State Board of Equalization. The total sales tax rate in the county (including state, county and city) is 8.25%. Under an agreement with San Mateo County, Redwood City contributes 5% of its collection to the county. Thus, Redwood City's portion of the total sales tax collected within the city limits is 0.95%.

Funds are received from the state on a monthly basis. Each month an advance is made based on estimates. An adjustment is made each quarter to reflect the actual taxable sales activity. The funds may be used for any governmental purpose.

Redwood City's share of the sales tax during the last six years and the two budgeted years is as follows:

Year	\$ Amount	% Increase/ Decrease	Per Capita
1996-97	12,872,182	9.22	174.86
1997-98	13,531,145	4.87	179.58
1998-99	15,333,112	11.80	200.29
1999-00	18,851,291	18.66	247.07
2000-01	20,842,720	9.56	271.74
2001-02	16,409,784	(27.01)	213.95
2002-03	17,588,864	6.70	229.32
2003-04	18,516,251	5.01	241.41

