



BRENDA OLMOS
Mayor

VILMA CUELLAR STALLINGS
Vice Mayor

ISABEL AGUAYO
Councilmember

ANNETTE C. DELGADILLO
Councilmember

PEGGY LEMONS
Councilmember

May 11, 2026

Assemblymember Mike A. Gipson
Chair, Revenue and Taxation Committee
020 N. Street, Room 167A
Sacramento, CA 95814

RE: Opposition to AB 1768 – Transactions and Use Taxes: County of Los Angeles

Dear Chair Gibson and Members of the Committee:

On behalf of the City of Paramount, I write to respectfully oppose AB 1768, which would authorize Los Angeles County to levy an additional transactions and use tax of up to 0.5% for general or special purposes and would allow the County to exceed the existing 2% statutory cap. This represents a significant expansion of current law and would have substantial consequences for smaller, lower-revenue cities like Paramount.

While we recognize the serious fiscal challenges facing Los Angeles County, this measure would increase the sales-tax burden on residents and local businesses without providing cities any guaranteed benefit, revenue sharing, or proportional return. Cities would be required to absorb the economic impacts of a higher countywide sales tax while receiving no assurance that the revenue generated within their boundaries would be reinvested locally.

Paramount has seen firsthand how countywide tax structures can result in little to no measurable benefit for smaller communities. Revenue generated from Paramount residents and businesses could be redirected countywide with no guarantee of equitable distribution. We witnessed this inequitable distribution of tax revenue when the County proposed and successfully passed Measure H in March of 2017 with little to no benefit to taxpayers in the City of Paramount.

Residents across Los Angeles County are experiencing historic affordability pressures. A countywide sales-tax increase of this magnitude would push combined rates in some communities above 11%, further straining households and reducing consumer spending. Small and independently owned businesses—already operating on thin margins—would face additional competitive disadvantages.

Dedicated to providing fiscally responsible services that maintain a vibrant community.

16400 Colorado Avenue • Paramount, CA 90723-5012 • Ph: 562-220-2000 • paramountcity.gov

[facebook.com/CityofParamount](https://www.facebook.com/CityofParamount) | [instagram.com/paramount_posts](https://www.instagram.com/paramount_posts) | [youtube.com/CityofParamount](https://www.youtube.com/CityofParamount)

Oppose AB 1768

May 11, 2026

Page 2

AB 1768 also authorizes a substantial new tax without ensuring that funds will be spent efficiently, transparently, or equitably. The measure provides no structural guardrails, no dedicated uses, and no accountability mechanisms to ensure that revenue is directed toward the purposes used to justify the tax.

Finally, the statutory cap on local transactions and use taxes exists to maintain balance among jurisdictions and protect taxpayers from overlapping tax increases. Granting exemptions for individual counties risks setting a precedent that weakens this safeguard statewide and undermines the fiscal balance intended under state law.

For these reasons, the City of Paramount respectfully urges the Committee to oppose AB 1768. Please feel free to contact City Manager John Moreno at (562) 220-2225, if you have any questions. We thank you for your time and consideration.

CITY OF PARAMOUNT

A handwritten signature in black ink, appearing to read "Brenda Olmos". The signature is fluid and cursive, with a large initial "B" and "O".

Brenda Olmos
Mayor

Cc: Honorable Congresswoman Nanette Barragan, 44th District
Honorable Assemblymember Jose Luis Solache, 62nd District
Honorable State Senator Lena Gonzalez, 33rd District
Nicholas Cabeza, Public Affairs Manager, League of California Cities
Jorge Morales, Legislative and Governmental Affairs Consultant, California Contract Cities Association