



September 9, 2019

The Honorable Joe Simitian, President  
Santa Clara County Board of Supervisors  
70 West Hedding Street, 10th Floor  
San Jose, CA 95110

**Re: 2020 County of Santa Clara Retail Transactions and Use Tax Ordinance – OPPOSE**

Dear Supervisor Simitian,

On behalf of The Silicon Valley Organization (The SVO), I am writing in opposition to the 2020 County of Santa Clara Retail Transactions and Use Tax Ordinance, which implements a 5/8<sup>th</sup> cent countywide sales tax increase. By way of background, The SVO is the Silicon Valley’s premier business advocacy organization representing nearly 1,200 companies that employ over 300,000 workers and we represent our membership as the region’s largest Chamber of Commerce.

We are opposed to the sales tax increase because the additional revenue would go into the general fund of the Santa Clara County budget, meaning that these dollars could be spent at the discretion of future members of the Santa Clara County Board of Supervisors. The measure has no transparency and accountability of public dollars, especially if these funds are not clearly outlined with a spending plan through a dedicated use tax. Thus, there is no guarantee the revenue generated from the tax would go to the stated purpose of funding health care and social services.

Furthermore, a 5/8-cent sales tax would place Santa Clara County’s businesses at a competitive disadvantage as our countywide sales tax would be the highest in the greater Bay Area region at an estimated total of 9.625 percent as compared to Alameda and San Mateo Counties at 9.25 percent. The sales tax could be even higher, especially in cities like San Jose that levy additional city sales taxes.

For the reasons stated above, we urge you to oppose the proposed ordinance to raise the countywide sales tax. If you have any questions or would like clarification on The SVO’s position, please contact Eddie Truong, Director of Government & Community Relations, at (408) 291-5267.

Sincerely,

Matthew R. Mahood  
President & CEO

CC: Honorable Members of the Santa Clara County Board of Supervisors

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