

Santa Clara Valley IPSSA Newsletter



Next General Membership Meeting
August 17, 2023

Roundtable Pizza, 1400 W. Campbell Ave, Campbell
Dinner 6:30 PM, Meeting 7PM

santaclaraipssa@gmail.com / scvipssa.org

Volume #29, Issue 9

Board of Directors

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Secretary: Nigel Roberts 408-298-3870

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Past President: Joe McVeigh .. 408-249-9731

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President's Message

I hope you are having an enjoyable summer while staying safe during our hot weather spells.

While we haven't had a chapter meeting in a few months, the Board continues to meet monthly. We would like each of you to again consider stepping forward and becoming a Board member, even if you have previously served.

Our past president, Joe McVeigh has sold 90% of his route and semi-retired and I am in the process of selling my route and moving out of the area. Maybe a newer member is ready to step up and help guide this chapter, or maybe one of our past presidents would come forward and give an hour a month once again. Please consider it.

The Pool Industry Expo (P.I.E.) is quickly approaching, it's September 14, 15 & 16 in Monterey, CA. They have changed the location this year, it will be at the Hyatt Regency Monterey (1 Old Golf Course Rd, Monterey). Three days of great educational classes, 130 exhibitors and even a golf tournament on Wednesday. It is a great "education vacation" that you can write off as a business expense. Go, have a great time, meet the local industry reps that you'll need to know down the road and experience some great camaraderie. See page 3 for links.

The Santa Clara IPSSA Chapter will reimburse all Owner Members \$100.00 if you register for the education classes and bring your registration tag to a chapter meeting. Our next chapter meeting is August 17th at 6 PM at Roundtable Pizza in Campbell.

Pentair reps Tim Towne and Nick Woodson will be there demonstrating their robotic cleaners and they have graciously agreed to buy the pizza for dinner. I have also asked John Kies from Elm Distribution to come by and do a quick demonstration on how to repair his companies solar panels. Might be a great way to add a money making service to the repair side of your business. Hope to see you there.

Fred

Taxing Pool Chemicals?

Senator Ben Allen, a Democrat from Santa Monica, introduced SB 676, a bill that aimed to authorize a local tax on specific swimming pool chemicals. However, the bill has been postponed until 2024. If passed, the bill would have allowed local public entities to impose a tax of up to \$0.30 per tablet on trichlor tablets purchased at retail stores. The revenue generated from the tax would have been used for public education on the proper use of trichlor tablets in commercial and residential pool settings, as well as local water conservation efforts.

Exact Specifics of SB 676: "This bill would authorize a county to levy a tax by ordinance, approved by a 1/2 vote of the electors, at a rate of no more than \$0.30 per tablet, on the sale within its jurisdiction of trichlor tablets, as defined. The bill would require a county imposing such a tax to contract with the department to administer the tax and would require the ordinance levying the tax to sunset no later than 5 years after its effective date unless the ordinance is extended by the electors, as specified. The bill would require a retailer engaged in business in a county that has an operative ordinance enacted pursuant to the bill to collect the tax from the consumer at the point of sale and would require the retailer to remit the tax to the department. The bill would require the department to allocate the tax revenues, as specified, and would require the county to expend those revenues for purposes of public education related to proper use of trichlor tablets in commercial and residential pool settings and local water conservation."

Controversial Bill Gets Pushback From California Pool Industry During the recent meeting at the Western Pool & Spa Show, the CPSA Board of Directors unanimously voted against the bill after a spirited discussion. Discussions with the bill's sponsor, HASA, revealed that amendments were being considered to expand the authority to dichlor tablets, as well as granular and stick forms of the products. *(Reprinted from Pool Magazine)*

California Avoids Service Tax

By Rebecca Robledo

The California pool industry's biggest legislative threat in the past couple of years — the imposition of a service tax — seems to have been fended off for now.

California is the latest in a string of states whose legislatures have tried to pass laws imposing sales taxes on services, including pool maintenance and repair.

Connecticut recently enacted a service tax, while Illinois and Michigan failed to garner enough support to get one on the books.

Often these proposals are in response to widening deficits, and while luxury products are the most common targets, other items sometimes get swept into the process.

Currently, California's deficit is expected to approach \$16 billion. Service taxes became a red-flag issue for the state's industry in 2009, when a study by California's Commission on the 21st Century Economy proposed such levies. To make up funds lost by the weakening manufacturing economy and collect more fairly, the commission concluded, the state should begin taxing services. SPEC, the California pool and spa industry's legislative advocate, warned the industry that it likely would be pursued at some point.

The issue took a step out of abstraction and into tangibility this year, when two bills were introduced proposing service taxes, one of which specifically named the pool industry.

Assembly Bill 2540 by Mike Gatto (D-Burbank) listed several services that would have been taxed at a rate of 4.75 percent. Pool maintenance was cited along with discretionary expenditures such as yacht repair, elective cosmetic surgery, palm reading and spa services for pets.

Assembly Bill 1963, introduced by Alyson Huber (D-El Dorado Hills), proposed a 4 percent tax on all services except medical, educational, auto repair, tax preparation, legal, and agricultural services.

For now, the California industry can breathe a sigh of relief. In one round of amendments to AB 2540, pool service was removed from the list of industries that would be taxed while AB 1963 has been amended to call for a study on the issue of service taxes.

Though the threat has been neutralized for this session, the door remains open for future legislation, especially with one bill calling for research on a potential service tax, said John Norwood, president/CEO of SPEC.

"It will keep coming up as California keeps changing from a manufacturing or other [economy] to a service economy," he said.

But it likely will be an uphill battle. While some states have instituted service taxes, most have shown great resistance to such levies since the 1980s, when Florida passed a service-tax law only to see it quickly overturned after severe backlash.

"Generally speaking, it's been very difficult to expand sales tax onto services," said Arturo Perez, fiscal analyst for the National Conference of State Legislators in Denver.

No doubt, officials proposing these taxes are met with severe dissatisfaction. Those states that have succeeded managed to do so by rolling the taxes out slowly, adding a few services at a time to the list, said Mandy Rafool, NCLS' program principal on the fiscal affairs program. As for which services get included, it often depends on how popular they are and how much lobbying power their corresponding industries have, she added.

In California, SPEC and its members fear that a service tax would result in lost business for some pool firms. Customers would be divided among those wealthy enough to remain relatively unaffected by a new fee vs. homeowners on tighter budgets, said SPEC Chairman Mike Geremia, also president of Geremia Pools in Sacramento, Calif. "You're going to get all the people who are on that edge to not be able to maintain their service. That would have a big impact on the [pool] service industry," he said.

Facing the loss of such business and having to choose between passing the tax on to resistant customers or absorbing it completely to avoid lost accounts could drive some companies to join the underground economy, Geremia and Norwood added.

Because of this, Norwood said, a service tax would actually prove counterproductive — an argument that helped dissuade legislators as he and SPEC members lobbied not only the bill's authors, but all members of the committees hearing the legislation.

"The argument was [that] the state isn't going to gain revenue because you're going to have companies losing income, and [it's] going to force a lot of us into the underground economy," Norwood said. "So they're not going to produce income off it and it's going to hurt small businesses."

More CA: Assembly member Alex Lee introduced on Jan. 19 AB 259/ACA 3, which requires a constitutional amendment by the Assembly. If enacted, the False Claims Act – better known as the Wealth Tax – would impose taxes on art, retirement funds, farms, stocks, real property, mutual and index funds and other assets. The tax would be imposed on California residents' and former residents' global net worth. AB 259 is expected to bring in \$22.3 billion in tax revenues.

One of the more eye-catching taxes was the increase of the annual vehicle tax corresponding to the vehicle's market value because it comes at a time when Newsom has made a policy to encourage the purchase of electric vehicles, which come with a hefty price tag.

Other bills include a driving school certificate fee expected to raise \$1 million in revenues; a levy on avocado oil producers; a levy on producers and handlers of commercial tomatoes; a levy on airport vehicle rental facilities; a fee to operate as an athletic trainer; a fee for the county seal on weights and measures; a tax on tickets to MMA events; a catering fee; a tax on pool chlorine; a permit fee for off-road vehicles; and various operating fees for interior designers.

California is already one of the highest tax states in the union. A Berkley IGS Poll taken last April expressed growing discontent with tax burdens felt by Californians, where pollsters found every two out of three voters thought federal and state taxes were too high.

(Reprinted from The Center Square - in part)

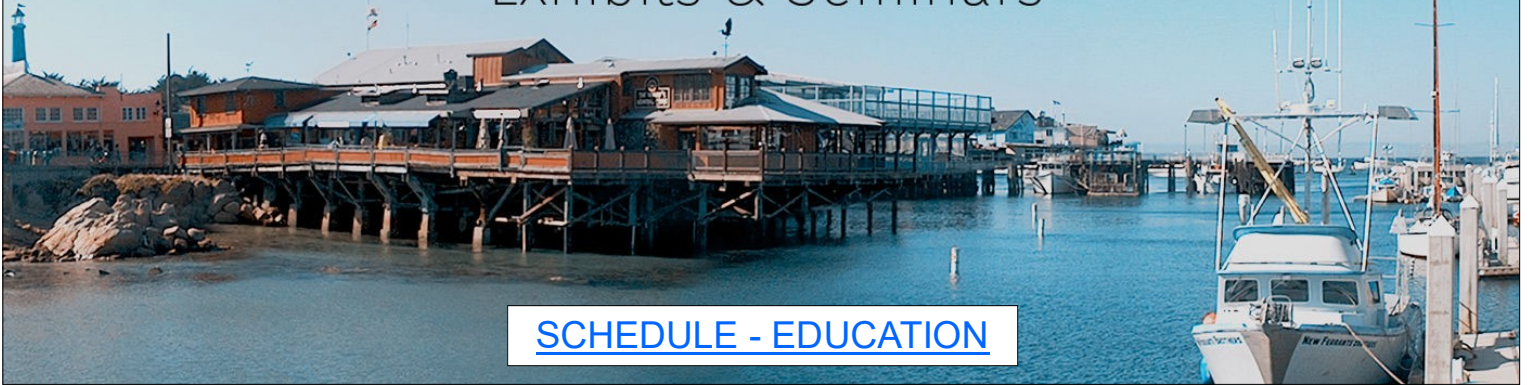


P · I · E

POOL INDUSTRY EXPO

September 14,15,16, 2023

Hyatt Regency Monterey Exhibits & Seminars

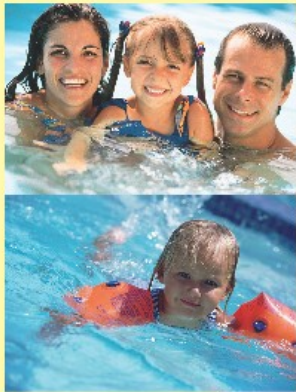


[SCHEDULE - EDUCATION](#)

ELM Solar Collectors

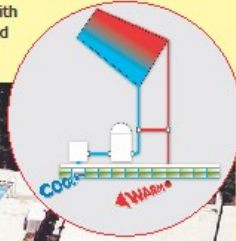
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Reminder:

John Kies from Elm Distribution to come by our meeting, Thursday, August 17th and do a quick demonstration on how to repair his companies solar panels.



Also Meet:

Tim Towne and Nick Woodson they will be there demonstrating their robotic cleaners. Make sure you thank them for our Pizza!



Meeting, August 17th

1400 W. Campbell Ave,
Campbell
Dinner 6:30 PM

Be A Leader - Join Our Board

Company	Contact	Phone	Email
Blake Sales	Brian Duyanovich	916-529-0806	bduyavich@blakesales.net
Blueray XL	Chris Galvan	714-497-8822	Chrisg@bluerayxl.com
Chemquip—SCP	Laura Minert	925-250-7206	Laura.minert@poolcorp.com
Elm Distribution	John Kies	916-853-2600	john@elmdistribution.com
HASA	Brian Rivera	925-997-3640	brivera@hasapool.com
Hayward	Alex Capous	415-515-9982	acapous@hayward.com
Leisure / Keller Supply	Johnny Vasquez	408-727-8100	jvasquez@kellersupply.com
Lifesaver Pool Fence	Mark Hinkle	408-779-7922	Mark@garlic.com
Pentair	TBA		
Pool Covers Inc	Cheryl Maclennan	707-386-9106	cmaclennan@poolcoversinc.com
Purity Pool	Rich Gross	530-472-3298	rich@puritypool.com
Raypak	Matt Anderson	916-767-8185	Matt.Anderson@raypak.com
SCP Distributers	Kevin Brown	408-327-4900	kevin.brown@poolcorp.com
Scuba Pool Repair	Patrick Bagg	408-866-1945	office@scubapoolrepair.com
United Chemical	Jeff Moscoe	707-533-5136	J.moscoe@unitedchemicalscorp.com
W.R. Meadows	Patrick Raney	916-806-8924	praney@wrmeadows.com
Zodiac	Kyle Beddo	707-344-3155	kbeddo@fluidra.com



Recycling and keeping the walls dry. Pool tech uses empty plastic bottle after releasing air to catch the water.

Sick Route Card - Click on the card to fill it out!

DATE _____

Your Name _____ Spouse's Name _____
Home Address _____ City _____ Zip _____ Phone _____
Company Name _____
Company Address _____ City _____ Zip _____ Phone _____
Contact Person _____ Phone _____
Location of Sick Route Cards _____

Cities where you provide service and the number of service accounts in each city.

City	Zip Code	Quantity	City	Zip Code	Quantity

This card must be updated every 6 months.
SR2-1295