

Ballot Simplification Committee
FINAL Approved Digest – August 4, 2008
Approved by: Packard, Chisnell, Fasick, Fraps, Jorgensen

Any Requests for Reconsideration must be received by 11:40 a.m. on August 5, 2008

Real Property Transfer Tax

THE WAY IT IS NOW:

Under authority granted by state law, the City imposes a transfer tax on the sale of real estate in San Francisco. The tax rate ranges from 0.50% to 0.75%, depending on the value of the real estate. The 0.75% rate applies to the sale of real estate worth \$1 million or more. The transfer tax also applies to real estate leases with a term of more than 50 years.

The proceeds from the transfer tax go into the City's General Fund.

THE PROPOSAL:

Proposition ___ would increase the transfer tax rate to 1.5% for the sale of real estate worth \$5 million or more. The Board of Supervisors could exempt the sale of affordable housing projects from this increase. Proposition ___ would not increase the tax rate for the sale of real estate worth less than \$5 million. Proposition ___ would extend the transfer tax to real estate leases of 35 years or more.

In addition, Proposition ___ would reduce the transfer tax for the sale of residential property by up to 1/3 if, after January 1, 2009, the person selling the real estate had:

- installed a solar energy system or
- made improvements to increase earthquake safety.

A "YES" VOTE MEANS: If you vote "yes," you want to increase the transfer tax rate to 1.5% for sales of real estate worth more than \$5 million and reduce the tax by up to 1/3 for sales of residential property with solar energy systems or earthquake safety improvements.

A "NO" VOTE MEANS: If you vote "no," you do not want to make these changes.

word count: 254 [suggested word limit: 300]