

**Ballot Simplification Committee**  
**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]