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2020 JUN 12 AM 11:57

BY _____



**Submittal Form
For Proposed Initiative Measure(s)
Prior to Submittal to the Department of Elections**

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2020 JUN 12 AM 11:50
DEPARTMENT OF ELECTIONS

by 4 or more Supervisors or the Mayor

I, hereby submit the following proposed initiative measure(s) for hearing before the Board of Supervisors' Rules Committee prior to the submittal of the proposed initiative measure to the Department of Elections (per Proposition C, November 2007).

This matter is for the **November 3, 2020** Election.

Sponsor(s): Supervisor Dean Preston

Subject: Real Property Transfer Tax Rate Increase on Transfers of Properties for at Least \$10 Million

The text is listed below or attached:

(See attached.)

Supervisor Dean Preston: _____



Supervisor Hillary Ronen: _____



Supervisor Matt Haney: _____



Supervisor Gordon Mar: _____



Supervisor Shamann Walton: _____



(Clerk of the Board's Time Stamp)

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PROPOSED INITIATIVE ORDINANCE TO BE SUBMITTED BY FOUR OR MORE SUPERVISORS TO THE VOTERS AT THE NOVEMBER 3, 2020 ELECTION.

[Under Charter Section 2.113(b), this measure must be submitted to the Board of Supervisors and filed with the Department of Elections no less than 45 days prior to the deadline for submission of such initiatives to the Department of Elections set in Municipal Elections Code Section 300(b).]

[Initiative Ordinance - Business and Tax Regulations Code - Real Property Transfer Tax Rate Increase on Transfers of Properties for at Least \$10 Million]

Ordinance amending the Business and Tax Regulations Code to increase the Real Property Transfer Tax rate from 2.75% to 5.5% on transfers of properties with a consideration or value of at least \$10,000,000 and less than \$25,000,000, and from 3% to 6% on transfers of properties with a consideration or value of at least \$25,000,000; and to increase the City's appropriations limit by the amount of the tax increase for four years from November 3, 2020.

NOTE: **Unchanged Code text and uncodified text** are in plain font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in *strikethrough italics Times New Roman font*.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Pursuant to Article XIII C of the Constitution of the State of California, this ordinance shall be submitted to the qualified electors of the City and County of San Francisco at the November 3, 2020, consolidated general election.

Section 2. The Business and Tax Regulations Code is hereby amended by revising Section 1102 of Article 12-C, to read as follows:

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A handwritten signature in black ink, appearing to be the initials 'RZ', is written over a horizontal line.

SEC. 1102. TAX IMPOSED.

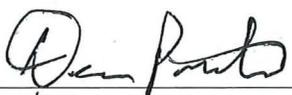
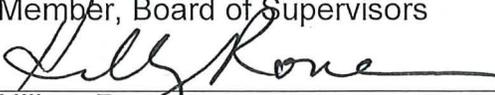
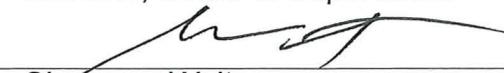
There is hereby imposed on each deed, instrument or writing by which any lands, tenements, or other realty sold within the City and County of San Francisco shall be granted, assigned, transferred or otherwise conveyed to, or vested in, the purchaser or purchasers, or any other person or persons, by his or her or their direction, when the consideration or value of the interest or property conveyed (not excluding the value of any lien or encumbrances remaining thereon at the time of sale) (a) exceeds \$100 but is less than or equal to \$250,000, a tax at the rate of \$2.50 for each \$500 or fractional part thereof; or (b) more than \$250,000 and less than \$1,000,000, a tax at the rate of \$3.40 for each \$500 or fractional part thereof for the entire value or consideration, including, but not limited to, any portion of such value or consideration that is less than \$250,000; or (c) at least \$1,000,000 and less than \$5,000,000, a tax at the rate of \$3.75 for each \$500 or fractional part thereof for the entire value or consideration, including, but not limited to, any portion of such value or consideration that is less than \$1,000,000; or (d) at least \$5,000,000 and less than \$10,000,000, a tax at the rate of \$11.25 for each \$500 or fractional part thereof for the entire value or consideration, including, but not limited to, any portion of such value or consideration that is less than \$5,000,000; or (e) at least \$10,000,000 and less than \$25,000,000, a tax at the rate of ~~\$27.50~~^{13.75} for each \$500 or fractional part thereof for the entire value or consideration, including but not limited to, any portion of such value or consideration that is less than \$10,000,000; or (f) at least \$25,000,000, a tax at the rate of ~~\$30~~¹⁵ for each \$500 or fractional part thereof for the entire value or consideration, including but not limited to, any portion of such value or consideration that is less than \$25,000,000. The People of the City and County of San Francisco authorize the Board of Supervisors to enact ordinances, without further voter approval, that will exempt rent-restricted affordable housing, as the Board may define that term, from the increased tax rate in subsections (d), (e), and (f).

Section 3. Appropriations Limit Increase. Pursuant to California Constitution Article XIII B and applicable laws, for four years from November 3, 2020, the appropriations limit for the City shall be increased by the aggregate sum collected by the levy of the tax imposed under this ordinance.

Section 4. Scope of Ordinance. In enacting this ordinance, the People of the City and County of San Francisco intend to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions or deletions, in accordance with the "Note" that appears under the official title of the ordinance.

Section 5. Effective and Operative Date. The effective date of this ordinance shall be ten days after the date the official vote count is declared by the Board of Supervisors. This ordinance shall become operative on January 1, 2021.

SUBMITTED.

| | |
|---|------------------------|
|  | Date: <u>6/10/20</u> |
| _____ Dean Preston Member, Board of Supervisors | |
|  | Date: <u>6-12-20</u> |
| _____ Hillary Roper Member, Board of Supervisors | |
|  | Date: <u>6/11/20</u> |
| _____ Matt Haney Member, Board of Supervisors | |
|  | Date: <u>6/11/20</u> |
| _____ Gordon Mar Member, Board of Supervisors | |
|  | Date: <u>6/11/2020</u> |
| _____ Shamann Walton Member, Board of Supervisors | |

