

[Administrative Code - Low-Value Real Property and Possessory Interest Tax Exemptions]

**Ordinance amending the Administrative Code to exempt from property taxation real property valued at \$5001,000 or less and possessory interests valued at \$4,000 or less, beginning in the 2023-2024 assessment year.**

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
**Additions to Codes** are in *single-underline italics Times New Roman font*.  
**Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
**Board amendment additions** are in double-underlined Arial font.  
**Board amendment deletions** are in ~~strikethrough Arial 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. Chapter 10, Article I, of the Administrative Code is hereby amended by revising Section 10.2-8 to read as follows:

**SEC. 10.2-8. EXEMPTION FROM PROPERTY TAXATION OF LOW-VALUE ~~PERSONAL~~ PROPERTY.**

**(a) Findings and Intent.**

(1) ~~Section 155.20 of the~~ California Revenue and Taxation Code Section 155.20 permits County Boards of Supervisors to exempt from property tax property with a total full value so low that, if not exempt, the total taxes, special assessments, and applicable subventions on the property would amount to less than the cost of assessing and collecting them, within the limitations provided by Section 155.20. ~~The exemption is limited to property with a total full value of \$5,000 or less.~~ In enacting this ~~ordinance~~ Section 10.2-8, the Board of

1 Supervisors intends to exercise the authority granted to it pursuant to *Revenue and Taxation*  
2 *Code-the aforementioned* Section 155.20, as amended from time to time, *with respect to the extent*  
3 *of exempting* personal property on the unsecured roll with a total full value of \$4,000 or less,  
4 *exempting real property on the secured or unsecured roll with a total full value of \$5001,000 or less,*  
5 *and exempting possessory interests on the secured or unsecured roll with a total full value of \$4,000 or*  
6 *less.*

7 (2) The Board of Supervisors *of the City and County of San Francisco* has  
8 determined that the costs of assessing and collecting the taxes, assessments, and  
9 subventions on personal property on the unsecured roll with a total full value of \$4,000 or less,  
10 *on real property on the secured or unsecured roll with a total full value of \$5001,000 or less, and on*  
11 *possessory interests on the secured or unsecured roll with a total full value of \$4,000 or less, exceeds*  
12 the proceeds to be collected.

13 (b) **Exemption.**

14 (1) Beginning with the 1998-99 assessment year, all personal property, as  
15 defined in *Section 106 of the California* Revenue and Taxation Code *Section 106*, as amended  
16 from time to time, with a total full cash value of \$4,000 or less, shall be exempt from property  
17 taxation and shall not be entered on the unsecured property tax roll, as provided in *California*  
18 Revenue and Taxation Code Section 155.20, as amended from time to time. This exemption  
19 shall apply only when the aggregate value of all personal property owned, possessed, or  
20 controlled by any one owner or taxpayer does not exceed \$4,000 on any given lien date.

21 (2) *Beginning with the 2023-2024 assessment year, all real property, as defined in*  
22 *California Revenue and Taxation Code Section 104, as amended from time to time, with a total full*  
23 *cash value of \$5001,000 or less, shall be exempt from property taxation and shall not be entered on*  
24 *the secured or unsecured property tax roll, as provided in California Revenue and Taxation Code*  
25 *Section 155.20, as amended from time to time.*

1                   (3) Beginning with the 2023-2024 assessment year, all possessory interests, as defined  
2 in California Revenue and Taxation Code Section 107, as amended from time to time, with a total full  
3 cash value of \$4,000 or less, shall be exempt from property taxation and shall not be entered on the  
4 secured or unsecured property tax roll, as provided in California Revenue and Taxation Code  
5 Section 155.20, as amended from time to time.

6                   (c) Severability. If any subsection, sentence, clause, phrase, or word of this Section 10.2-8, or  
7 any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a  
8 decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining  
9 portions or applications of this Section. The Board of Supervisors hereby declares that it would have  
10 passed this Section and each and every subsection, sentence, clause, phrase, and word not declared  
11 invalid or unconstitutional without regard to whether any other portion of this Section or application  
12 thereof would be subsequently declared invalid or unconstitutional.

13  
14                   Section 2. Effective Date. This ordinance shall become effective 30 days after  
15 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
16 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
17 of Supervisors overrides the Mayor's veto of the ordinance.

18  
19                   Section 3. Undertaking for the General Welfare. In enacting and implementing this  
20 ordinance, the City is assuming an undertaking only to promote the general welfare. It is not  
21 assuming, nor is it imposing on its officers and employees, an obligation for breach of which it  
22 is liable in money damages to any person who claims that such breach proximately caused  
23 injury.

1 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
2 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
3 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
4 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
5 additions, and Board amendment deletions in accordance with the "Note" that appears under  
6 the official title of the ordinance.

7  
8 APPROVED AS TO FORM:  
9 DAVID CHIU, City Attorney

10 By: /s/ Moe Jamil  
11 MOE JAMIL  
12 Deputy City Attorney

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City and County of San Francisco

Tails Ordinance

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 221003

Date Passed: November 08, 2022

Ordinance amending the Administrative Code to exempt from property taxation real property valued at \$500 or less and possessory interests valued at \$4,000 or less, beginning in the 2023-2024 assessment year.

October 26, 2022 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

October 26, 2022 Budget and Finance Committee - RECOMMENDED AS AMENDED

November 01, 2022 Board of Supervisors - PASSED ON FIRST READING

Ayes: 11 - Chan, Dorsey, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

November 08, 2022 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Chan, Dorsey, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 221003

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 11/8/2022 by the Board of Supervisors of the City and County of San Francisco.

Handwritten signature of Angela Calvillo
Angela Calvillo
Clerk of the Board

Handwritten signature of London N. Breed
London N. Breed
Mayor

11/17/22
Date Approved