[Settlement of Lawsuit - Twilio Inc. - \$18,000,000]

Ordinance authorizing settlement of the lawsuit filed by Twilio Inc. against the City and County of San Francisco for \$18,000,000; the lawsuit was filed on May 27, 2021, in San Francisco Superior Court, Case No. CGC-21-592267; entitled Twilio Inc. v. City and County of San Francisco; the lawsuit involves a claim for refund of telephone users taxes and access line taxes, and related penalties and interest, for tax periods

June 1, 2009, through and including December 31, 2018; other material terms of the settlement are that the City will not impose additional telephone users taxes and access line taxes, and any related penalties and interest, for any periods through two months after the settlement is paid, and Twilio Inc. will collect and remit telephone users taxes and access line taxes in a certain manner for all subsequent periods.

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

Section 1. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby authorizes the City Attorney to settle the action entitled <u>Twilio Inc. v. City and County of San Francisco</u>, San Francisco Superior Court, Case No. CGC-21-592267 by the payment of \$18,000,000, the City's agreement not to impose additional telephone users taxes and access line taxes, and any related penalties and interest, on Twilio Inc. for any periods through two months after the settlement is paid, and Twilio Inc.'s agreement to collect and remit telephone users taxes and access line taxes in a certain manner for all subsequent periods. The lawsuit involves a claim for refund of telephone users taxes and access line taxes, and related penalties and interest, for tax periods June 1, 2009 through and including December 31, 2018.

1	Section 2. The above-named action was filed in San Francisco Superior Court on	
2	May 27, 2021, and the following parties were named in the lawsuit: Plaintiff Twilio Inc. and	
3	defendant City and County of San Francisco.	
4		
5	APPROVED AS TO FORM AND RECOMMENDED:	RECOMMENDED:
6		Office of the Treasurer and Tax Collector
7	DAVID CHIU City Attorney	Office of the Treasurer and Tax Collector
8	/a/ Caatt M. Daibay	lol
9	/s/ Scott M. Reiber SCOTT M. REIBER	/s/ JOSÉ CISNEROS Treasurer
10	Chief Tax Attorney	rreasurer
11	FUNDS AVAILABLE:	
12	(a (Ban Banasfield	
13	/s/ Ben Rosenfield BEN ROSENFIELD	
14	Controller	
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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: 230960 Date Passed: November 07, 2023

Ordinance authorizing settlement of the lawsuit filed by Twilio Inc. against the City and County of San Francisco for \$18,000,000; the lawsuit was filed on May 27, 2021, in San Francisco Superior Court, Case No. CGC-21-592267; entitled Twilio Inc. v. City and County of San Francisco; the lawsuit involves a claim for refund of telephone users taxes and access line taxes, and related penalties and interest, for tax periods June 1, 2009, through and including December 31, 2018; other material terms of the settlement are that the City will not impose additional telephone users taxes and access line taxes, and any related penalties and interest, for any periods through two months after the settlement is paid, and Twilio Inc. will collect and remit telephone users taxes and access line taxes in a certain manner for all subsequent periods.

October 19, 2023 Government Audit and Oversight Committee - RECOMMENDED

October 31, 2023 Board of Supervisors - PASSED ON FIRST READING

Ayes: 10 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Ronen, Safai,

Stefani and Walton Excused: 1 - Preston

November 07, 2023 Board of Supervisors - FINALLY PASSED

Ayes: 9 - Chan, Dorsey, Engardio, Mandelman, Peskin, Preston, Safai, Stefani and

Walton

Excused: 2 - Melgar and Ronen

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 11/7/2023 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

London N. Breed Mayor

Date Approved