

1 [Urging the California State Legislature to Close the Commercial Property Tax Loophole
2 Implemented through Proposition 13]

3 **Resolution urging the State legislature of California to close the commercial property**
4 **tax loophole implemented through Proposition 13.**

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6 WHEREAS, Proposition 13, passed in 1978, is unfair in that it allows commercial
7 property owners to avoid paying their fair share and has shifted the tax burden to residential
8 property and away from business, including everyday homeowners and working families; and

9 WHEREAS, The state of California continues to face chronic budget crises in
10 large part because Proposition 13 has forced the state to rely on more volatile revenue
11 sources than the property tax, like income taxes and sales taxes paid by working families that
12 move in tandem with economic cycles, causing deficits and requiring cuts to vital services that
13 grow our economy and thereby worsening economic downturns; and

14 WHEREAS, Regularly reassessing non-residential property would, according to an
15 analysis of data provided by the California Board of Equalization, generate between six and
16 twelve billion dollars in additional revenue for California, and shift the tax burden from
17 homeowners, renters, and working families to corporations and commercial landholders; and

18 WHEREAS, In San Francisco the tax burden on residential property owners has
19 increased from 56% to 71% since the passage of proposition 13, while the burden on
20 commercial property owners in San Francisco has decreased by 12% in the same amount of
21 time; and

22 WHEAREAS, San Francisco is the home to 28% or forty six billion dollars of assessed
23 real commercial property value and regularly reassessing these properties could result in
24 hundreds of thousands of dollars in annual revenue for the San Francisco Unified School
25 District; now, therefore, be it

1 RESOLVED That the San Francisco Board of Supervisors supports commercial
2 property tax reform that will require non-residential commercial properties to be reassessed
3 regularly while maintaining Proposition 13 protections for residential property and small
4 business owners; and, be it

5 FURTHER RESOLVED That the San Francisco Board of Supervisors will
6 communicate this position to the California State legislature.

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City and County of San Francisco

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

**Tails
Resolution**

File Number: 140573

Date Passed: June 03, 2014

Resolution urging the State legislature of California to close the commercial property tax loophole implemented through Proposition 13.

June 03, 2014 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

File No. 140573

I hereby certify that the foregoing Resolution was ADOPTED on 6/3/2014 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Unsigned

Mayor

6/13/14

Date Approved

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

Angela Calvillo
Clerk of the Board