

LEGISLATIVE DIGEST

[Business and Tax Regulations Code - Transfer Tax Exemption for Certain Port Leases]

Ordinance amending the Business and Tax Regulations Code to exempt from real property transfer taxes certain leases with the Port Commission with an effective date on or after November 1, 2024, and on or before December 31, 2034.

Existing Law

Existing law imposes a real property transfer tax on the creation, termination, or transfer of a leasehold interest having a remaining term (including renewal options) of more than 35 years.

Amendments to Current Law

This ordinance would exempt from real property transfer taxes leases with an effective date on or after November 1, 2024, but on or before December 31, 2034, where both:

- The Port Commission leases real property under its jurisdiction to a tenant who was also the tenant under a prior lease of that same property immediately preceding the new lease; and
- The prior lease had an effective date on or before December 31, 1979, without regard to subsequent amendments.

The ordinance would also establish the administrative requirements for obtaining the exemption, and would permit refunds for persons that paid taxes on exempt transactions.

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