

1 [Initiative Ordinance - Business and Tax Regulations Code - Increase Real Property Transfer
2 Tax on Properties of At Least \$5,000,000]

3 **Motion ordering submitted to the voters, at an election to be held on November 8, 2016,**
4 **an ordinance amending the Business and Tax Regulations Code to increase the Real**
5 **Property Transfer Tax rate from 2% to 2.25% on properties with a consideration or**
6 **value of at least \$5,000,000 and less than \$10,000,000; from 2.5% to 2.75% on**
7 **properties with a consideration or value of at least \$10,000,000 and less than**
8 **\$25,000,000; and from 2.5% to 3% on properties with a consideration or value of at least**
9 **\$25,000,000; and increasing the City’s appropriations limit by the amount of the tax**
10 **increase for four years from November 8, 2016.**

11
12 MOVED, That the Board of Supervisors hereby submits the following ordinance to the
13 voters of the City and County of San Francisco, at an election to be held on November 8,
14 2016.

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16 **Ordinance amending the Business and Tax Regulations Code to increase the Real**
17 **Property Transfer Tax rate from 2% to 2.25% on properties with a consideration or**
18 **value of at least \$5,000,000 and less than \$10,000,000; from 2.5% to 2.75% on**
19 **properties with a consideration or value of at least \$10,000,000 and less than**
20 **\$25,000,000; and from 2.5% to 3% on properties with a consideration or value of at least**
21 **\$25,000,000; and increasing the City’s appropriations limit by the amount of the tax**
22 **increase for four years from November 8, 2016.**

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

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

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3 Section 1. The Business and Tax Regulations Code is hereby amended by revising
4 Article 12-C, Section 1102, to read as follows:

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6 **SEC. 1102. TAX IMPOSED.**

7 There is hereby imposed on each deed, instrument or writing by which any lands,
8 tenements, or other realty sold within the City and County of San Francisco shall be granted,
9 assigned, transferred or otherwise conveyed to, or vested in, the purchaser or purchasers, or
10 any other person or persons, by his or her or their direction, when the consideration or value
11 of the interest or property conveyed (not excluding the value of any lien or encumbrances
12 remaining thereon at the time of sale) (at) exceeds \$100.00 but is less than or equal to
13 \$250,000.00, a tax at the rate of \$2.50 for each \$500.00 or fractional part thereof; or (bii) more
14 than \$250,000.00 and less than \$1,000,000.00, a tax at the rate of \$3.40 for each \$500.00 or
15 fractional part thereof for the entire value or consideration, including, but not limited to, any
16 portion of such value or consideration that is less than \$250,000.00; or (ciii) at least
17 \$1,000,000.00 and less than \$5,000,000.00, a tax at the rate of \$3.75 for each \$500.00 or
18 fractional part thereof for the entire value or consideration, including, but not limited to, any
19 portion of such value or consideration that is less than \$1,000,000.00; or (div) at least
20 \$5,000,000.00 and less than \$10,000,000.00, a tax at the rate of ~~\$10.00~~ \$11.25 for each
21 \$500.00 or fractional part thereof for the entire value or consideration, including, but not limited
22 to, any portion of such value or consideration that is less than \$5,000,000.00; or (ev) at least
23 \$10,000,000.00 and ~~above~~ less than \$25,000,000, a tax at the rate of ~~\$12.50~~ \$13.75 for each
24 \$500.00 or fractional part thereof for the entire value or consideration, including but not limited
25 to, any portion of such value or consideration that is less than \$10,000,000.00; or (f) at least

1 \$25,000,000, a tax at the rate of \$15 for each \$500 or fractional part thereof for the entire value or
2 consideration, including but not limited to, any portion of such value or consideration that is less than
3 \$25,000,000. The People of the City and County of San Francisco authorize the Board of
4 Supervisors to enact ordinances, without further voter approval, that will exempt rent-
5 restricted affordable housing, as the Board may define that term, from the increased tax rate
6 in subsections ~~(d)(v)~~, ~~and (e)~~, and (f).

7

8 Section 2. Scope of Ordinance. In enacting this ordinance, the People of the City and
9 County of San Francisco intend to amend only those words, phrases, paragraphs,
10 subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other
11 constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions
12 or deletions, in accordance with the “Note” that appears under the official title of the
13 ordinance.

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15 Section 3. Severability. If any section, subsection, sentence, clause, phrase, or word
16 of this ordinance, or any application thereof to any person or circumstance, is held to be
17 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
18 shall not affect the validity of the remaining portions or applications of the ordinance. The
19 people of the City and County of San Francisco hereby declare that they would have passed
20 this ordinance and each and every section, subsection, sentence, clause, phrase, and word
21 not declared invalid or unconstitutional without regard to whether any other portion of this
22 ordinance or application thereof would be subsequently declared invalid or unconstitutional.

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1 Section 4. Appropriations Limit Increase. Pursuant to California Constitution Article
2 XIII B and applicable laws, for four years from November 8, 2016, the appropriations limit for
3 the City shall be increased by the aggregate sum collected by the levy of the Real Property
4 Transfer Tax increase imposed by this ordinance.

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6 APPROVED AS TO FORM:
7 DENNIS J. HERRERA, City Attorney

8 By: _____
9 CAROLE F. RUWART
 Deputy City Attorney

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