

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.**

5  
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.

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25