

[Business and Tax Regulations Code - Disclosure of Vacancy Tax Information: Penalties For Failure to Timely File Vacancy Tax Returns]

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Ordinance amending the Business and Tax Regulations Code to permit the Tax Collector to make public certain information regarding the Vacancy Tax, and to waive the penalty for failure to timely file Vacancy Tax returns for tax years 2022 and 2023.

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in *strikethrough italics Times New Roman font*.
Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~strikethrough Arial font~~.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

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

Section 1. The Business and Tax Regulations Code is hereby amended by revising Article 6, Sections 6.9-1 and 6.17-3.1, to read as follows:

SEC. 6.9-1. RETURNS AND PAYMENTS.

* * * *

(j) Vacancy Tax.

(1) Annual Due Date. Except as otherwise provided in this Business and Tax Regulations Code, returns and payments of the Vacancy Tax (Article 29) shall be filed annually and are due and payable, and shall be delinquent if not submitted and paid to the Tax Collector, on or before the last day of February of the succeeding year.

(2) Additional Filing Requirements. In addition to the filing requirements in Section 6.9-1(j)(1), anyone that is an owner, lessee, or sublessee of Taxable Commercial Space, as that term is defined in Article 29 of the Business and Tax Regulations Code, at any

1 time during a calendar year shall file a Vacancy Tax return, in the form and manner prescribed
2 by the Tax Collector, on or before the last day of February of the succeeding year.

3 (3) Notwithstanding Section 6.22-1 of this Article 6, the Tax Collector may make public
4 the following information regarding each Taxable Commercial Space, as that term is defined in
5 Section 2903 of Article 29, whether obtained from the returns filed under Sections 6.9-1(j)(1) or (2) or
6 otherwise:

7 (A) The name of the person or persons required to file a return for any tax year
8 with respect to the Taxable Commercial Space, and whether each such person filed a return;

9 (B) The name of the person or persons required to pay the Vacancy Tax for any
10 tax year with respect to the Taxable Commercial Space;

11 (C) The address and block and lot number of the Taxable Commercial Space;

12 (D) Whether the Taxable Commercial Space was kept Vacant during a tax year
13 for purposes of Article 29 of the Business and Tax Regulations Code; and

14 (E) The rate of the Vacancy Tax applicable to the Taxable Commercial Space
15 for a tax year.

16
17 **SEC. 6.17-3.1. PENALTIES FOR MISSTATEMENTS IN REGISTRATION, FAILURE TO**
18 **TIMELY UPDATE REGISTRATION, FAILURE TO ALLOW INSPECTION OF RECORDS**
19 **UPON REQUEST, AND FAILURE TO FILE A RETURN; SANCTION FOR FAILURE TO**
20 **PRODUCE REQUESTED RECORDS.**

21 * * * *

22 (b) The Tax Collector may impose a penalty upon any person who fails to file a return
23 or returns required under this Article 6 on or before the date prescribed for filing, up to \$500
24 for each such failure. The penalty under this provision shall be in addition to any other liability
25 that may be imposed under the provisions of this Article. Filing a return that the Tax Collector

1 determines to be incomplete in any material aspect may be deemed failure to file a return in
2 violation of this Section 6.17-3.1. Any return required to be filed on a combined basis, and
3 which is not filed on that basis, is an incomplete return. In addition, any return required to
4 report worldwide gross receipts and payroll of a person or combined group under
5 Section 956.2, which does not report gross receipts and payroll on a worldwide basis, is an
6 incomplete return. For the 2022 and 2023 tax years, the penalty in this Section 6.17-3.1(b)
7 shall not apply to the failure to file the Vacancy Tax returns required by Sections 6.9-1(j)(1)
8 and (2) on or before the dates prescribed by those Sections.

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11 Section 2. Effective Date. This ordinance shall become effective 30 days after
12 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
13 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
14 of Supervisors overrides the Mayor’s veto of the ordinance.

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16 Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
17 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
18 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
19 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
20 additions, and Board amendment deletions in accordance with the “Note” that appears under
21 the official title of the ordinance.

22
23 Section 4. Undertaking for the General Welfare. In enacting and implementing this
24 ordinance, the City is assuming an undertaking only to promote the general welfare. It is not
25 assuming, nor is it imposing on its officers and employees, an obligation for breach of which it

1 is liable in money damages to any person who claims that such breach proximately caused
2 injury.

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4 APPROVED AS TO FORM:
5 DAVID CHIU, City Attorney

6 By: /s/ Scott M. Reiber
7 SCOTT M. REIBER
8 Chief Tax Attorney

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