

BOARD of SUPERVISORS



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MEMORANDUM

TO: Katy Tang
Small Business Commission, City Hall, Room 448

FROM: Brent Jalipa, Assistant Clerk
Budget and Finance Committee

DATE: March 24, 2023

SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS
Budget and Finance Committee

The Board of Supervisors' Budget and Finance Committee has received the following proposed legislation, substituted by Mayor London Breed on March 21, 2023, which is being referred to the Small Business Commission for comment and recommendation.

File No. 230155-2

Ordinance amending the Business and Tax Regulations Code to extend through December 31, 2024, the Gross Receipts Tax rates in effect on January 1, 2022, for the business activities of retail trade, certain services, manufacturing, food services, accommodations, and arts, entertainment and recreation, and postpone to January 1, 2025, the imposition of the Gross Receipts Tax rates otherwise set to go into effect beginning January 1, 2023, for those business activities; and to provide for businesses that open a physical location in the City on or after January 1, 2023, through December 31, 2027, and that did not have a physical location in the City for at least three years prior to that opening, an annual Gross Receipts Tax credit equal to 0.45% of the business's San Francisco taxable gross receipts from one or more of the business activities of information, administrative and support services, financial services, insurance, and professional, scientific and technical services, for businesses not engaged in business in the City as an administrative office, or 0.7% of the taxable payroll expense of a business that engages in business in the City as an administrative office, for each of up to three tax years immediately following the tax year in which the business opened the physical location in the City, but no later than the 2028 tax year, and not to exceed \$1,000,000 per tax year.

Please return this cover sheet with the Commission's response to Brent Jalipa, Budget and Finance Clerk, by email to: brent.jalipa@sfgov.org.

RESPONSE FROM SMALL BUSINESS COMMISSION - Date: _____

_____ **No Comment**

_____ **Recommendation Attached**

Chairperson, Small Business Commission