FILE NO. 251179 ORDINANCE NO. 20-26

[Settlement of Lawsuits - Microsoft Corporation and Subsidiaries - $6,500,000]

Ordinance authorizing settlement of the lawsuits filed by Microsoft Corporation and Subsidiaries against the City and County of San Francisco for $6,500,000; the lawsuits were filed on February 26, 2021, April 23, 2021, and June 3, 2025, in San Francisco Superior Court, Case Nos. CGC-21-590032, CGC-21-591004, and CGC-25-625880; entitled Microsoft Corporation and Subsidiaries. v. City and County of San Francisco et al.; the lawsuits involve a refund of gross receipts and homelessness gross receipts taxes; other material terms of the settlement relate to Microsoft Corporation's filing position with respect to City taxes.

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

Section 1. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby authorizes the City Attorney to settle the actions entitled Microsoft Corporation and Subsidiaries. v. City and County of San Francisco et al., San Francisco Superior Court, Case Nos. CGC-21-590032, CGC-21-591004, and CGC-25-625880, by the payment of $6,500,000 and the parties' agreement on Microsoft Corporation's filing position with respect to City taxes. The lawsuits involve a refund of gross receipts and homelessness gross receipts taxes.

Section 2. The above-named actions were filed in San Francisco Superior Court on February 26, 2021, April 23, 2021, and June 3, 2025, and the following parties were named in the lawsuit: Plaintiff Microsoft Corporation and Subsidiaries and defendant City and County of San Francisco.

APPROVED AS TO FORM AND
RECOMMENDED:

DAVID CHIU
City Attorney

/s/ Scott M. Reiber
SCOTT M. REIBER
Chief Tax Attorney

RECOMMENDED:

Office of the Treasurer and Tax Collector

/s/
JOSE CISNEROS
Treasurer

FUNDS AVAILABLE:

/s/ Greg Wagner
GREG WAGNER
Controller

City and County of San Francisco
Tails
Ordinance

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 251179 **Date Passed:** February 03, 2026

Ordinance authorizing settlement of the lawsuits filed by Microsoft Corporation and Subsidiaries against the City and County of San Francisco for $6,500,000; the lawsuits were filed on February 26, 2021, April 23, 2021, and June 3, 2025, in San Francisco Superior Court, Case Nos. CGC-21-590032, CGC-21-591004, and CGC-25-625880; entitled Microsoft Corporation and Subsidiaries. v. City and County of San Francisco et al.; the lawsuits involve a refund of gross receipts and homelessness gross receipts taxes; other material terms of the settlement relate to Microsoft Corporation's filing position with respect to City taxes.

January 15, 2026 Government Audit and Oversight Committee - RECOMMENDED

January 27, 2026 Board of Supervisors - PASSED, ON FIRST READING

Ayes: 11 - Chan, Chen, Dorsey, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill, Walton and Wong

February 03, 2026 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Chan, Chen, Dorsey, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill, Walton and Wong

File No. 251179

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 2/3/2026 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Daniel Lurie
Mayor

2/13/26

Date Approved