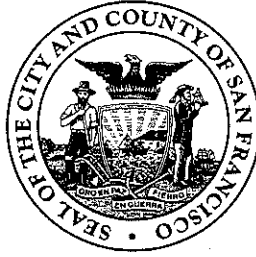


BOARD of SUPERVISORS



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1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
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## MEMORANDUM

TO: Jose Cisneros, Treasurer, Office of the Treasurer & Tax Collector  
Carmen Chu, Assessor-Recorder, Office of the Assessor-Recorder

FROM: Linda Wong, Assistant Clerk, Budget and Finance Committee, Board of Supervisors

DATE: June 3, 2015

SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS

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The Board of Supervisors' Budget and Finance Sub-Committee has received the following proposed legislation, introduced by Supervisor Farrell:

**File No. 150495**

**Ordinance amending the Business and Tax Regulations Code to require the amount of real property transfer tax paid to be shown on the face of a recorded document, and to conform the declaration of tax owed to existing law, by requiring a declaration that the tax was computed without excluding the value of existing liens and encumbrances remaining on the property.**

If you have any additional comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Amanda Kahn Fried, Office of the Treasurer & Tax Collector  
Edward McCaffrey, Office of the Assessor-Recorder

[Business and Tax Regulations Code - Transfer Tax Recording Requirements]

**Ordinance amending the Business and Tax Regulations Code to require the amount of real property transfer tax paid to be shown on the face of a recorded document, and to conform the declaration of tax owed to existing law, by requiring a declaration that the tax was computed without excluding the value of existing liens and encumbrances remaining on the property.**

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 Sections 1111 and 1113, to read as follows:

**SEC. 1111. RECORDING PAYMENT OF TAX.**

The Recorder shall collect the tax hereby imposed and deposit the same to the General Fund. The Recorder shall not record any deed, instrument or writing subject to the tax imposed by this ordinance unless the tax is paid.

A declaration of the amount of the tax due, signed by the party determining the tax or his agent shall appear on the face of every document subject to tax hereunder which is submitted for recordation, ~~or if the party submitting the document for recordation so requests, the declaration may be placed on a separate paper.~~ The declaration shall include a statement that the

1 consideration or value on which the tax due was computed was, ~~or that it was~~ not, exclusive of  
2 the value of liens or encumbrances remaining on the interest or property conveyed at the time  
3 of sale. ~~If the party submitting the document for recordation has requested that the declaration be~~  
4 ~~placed upon a separate paper, the separate paper shall be affixed to the document by the Recorder~~  
5 ~~after the permanent record is made and before the original is returned as specified in Section 27321 of~~  
6 ~~the Government Code.~~

7 With every document subject to tax hereunder which is submitted for recordation, there  
8 shall also be submitted a separate affidavit stating all relevant information that is necessary  
9 for the determination of the proper transfer tax. A form for such affidavit shall be prepared by  
10 the County Recorder. The affidavit form shall include the following notice: "NOTICE: Any  
11 material misrepresentation of fact in this affidavit is a misdemeanor under Section 1116 of the  
12 Real Property Transfer Tax Ordinance. Any person who makes such a misrepresentation is  
13 subject to prosecution for such offense."

14 In accepting a document for recordation, the County Recorder shall rely upon the  
15 declaration of the amount of ~~Tax~~tax due and upon the affidavit of relevant information  
16 accompanying the document.

17 Every document subject to tax hereunder which is submitted for recordation shall show  
18 on the face of the document, or in a separate document the location of the lands, tenements  
19 or other realty described in the document.

## 21 **SEC. 1113. CLAIMS FOR REFUNDS.**

22 Claims for refunds of taxes imposed pursuant to this ordinance shall be governed by  
23 ~~the provisions of~~ Sections 6.15-1, 6.15-3, and 6.15-4 of the ~~San Francisco~~ Business and Tax  
24 Regulations Code, as those sections currently read and as they may be amended, or  
25 interpreted by regulations, in the future. The references in those sections to a "return" shall

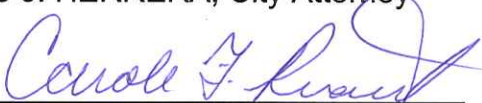
1 mean the transfer tax affidavit, the references to "tax period" shall mean date of transfer, and  
2 the references to the "Tax Collector" shall mean the Recorder. If a refund claim is allowed  
3 under this section or Section 1113.1, the Controller will not pay the refund unless the taxpayer  
4 first records a document that reflects payment of tax in an amount reduced by the amount of  
5 the refund. ~~This requirement does not apply if the taxpayer elected to record the deed in accordance~~  
6 ~~with Section 1111 without any statement of transfer tax paid.~~

7  
8 Section 2. Effective Date. This ordinance shall become effective 30 days after  
9 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
10 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
11 of Supervisors overrides the Mayor's veto of the ordinance.

12  
13 Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
14 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
15 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
16 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
17 additions, and Board amendment deletions in accordance with the "Note" that appears under  
18 the official title of the ordinance.

19  
20 APPROVED AS TO FORM:  
21 DENNIS J. HERRERA, City Attorney

22 By:



23 Carole F. Ruwart  
24 Deputy City Attorney

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