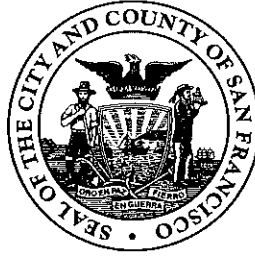


BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 544-5227

August 5, 2016

John Arntz, Director of Elections  
Department of Elections  
1 Dr. Carlton B. Goodlett Place, Room 48  
San Francisco, CA 94102

**HAND DELIVERED**

Dear Mr. Arntz:

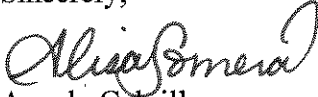
Please find attached four (4) certified copies of the following Initiative Ordinance for the November 8, 2016, Ballot as follows:

**Initiative Ordinance - Business and Tax Regulations Code - Three-Quarter Cent Sales Tax Increase (File No. 160639)**

Ordinance amending the Business and Tax Regulations Code to impose a transactions (sales) and use tax at the rate of three-quarters of one percent (0.75%) for a period of 25 years, to be administered by the State Board of Equalization in accordance with Parts 1.6 and 1.7 of Division 2 of the California Revenue and Taxation Code; and increasing the City's appropriations limit by the amount of the tax increase for four years from November 8, 2016; and directing submission of the tax for voter approval at the November 8, 2016, general municipal election.

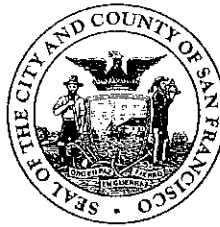
The Board of Supervisors acted on the above listed Initiative Ordinance on the date listed on the attached "tail." The electronic version of this Initiative Ordinance was e-mailed to your office at [publications@sfgov.org](mailto:publications@sfgov.org) on August 5, 2016.

Sincerely,

*for*   
Angela Calvillo  
Clerk of the Board

Attachments

SAN FRANCISCO  
FILED  
2016 AUG -5 PM 1:04  
DEPARTMENT OF ELECTIONS



## ACKNOWLEDGEMENT OF RECEIPT

Submission of Measures: Initiative Ordinance / Bonds (CIRCLE ONE)

Initiative Ordinance - Business and Tax Regulations Code - Three-Quarter Cent Sales Tax Increase  
(Unofficial Title of Measure)

- 1)  Board of Supervisors
- 2)  Tails
- 3)  Legislative Digest

4) ELECTRONIC COPY OF TEXT

EMAIL- [publications@sfgov.org](mailto:publications@sfgov.org)

5) Contact Person: Alisa Somera

Address: 1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102

Phone: 415-554-4447

Date: August 5, 2016

Submitted By: DEPSEL EVANU (print) [Signature] (sign)

6) COPIES

- John Arntz- Director of Elections, in consultation with the City Attorney, shall forward the measure (within two working days after receipt of the petition) to departments that are effected by the measure.
- Publications
- Public- copy
- Office- original

SAN FRANCISCO  
FILED  
2016 AUG -5 PM 1:04  
DEPARTMENT OF ELECTIONS



City and County of San Francisco

Certified Copy

Ordinance

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

2016 AUG -5 PM 1:04

DEPARTMENT OF ELECTORAL

160639 [ Initiative Ordinance - Business and Tax Regulations Code - Three-Quarter Cent Sales Tax Increase ]

Sponsors: Mayor; Farrell and Wiener

Ordinance amending the Business and Tax Regulations Code to impose a transactions (sales) and use tax at the rate of three-quarters of one percent (0.75%) for a period of 25 years, to be administered by the State Board of Equalization in accordance with Parts 1.6 and 1.7 of Division 2 of the California Revenue and Taxation Code; and increasing the City's appropriations limit by the amount of the tax increase for four years from November 8, 2016; and directing submission of the tax for voter approval at the November 8, 2016, general municipal election.

7/19/2016 Board of Supervisors - PASSED ON FIRST READING

Ayes: 8 - Avalos, Breed, Campos, Cohen, Farrell, Mar, Tang and Wiener  
Noes: 3 - Kim, Peskin and Yee

7/26/2016 Board of Supervisors - FINALLY PASSED

Ayes: 8 - Avalos, Breed, Campos, Cohen, Farrell, Mar, Tang and Wiener  
Noes: 3 - Kim, Peskin and Yee

8/1/2016 Mayor - APPROVED

STATE OF CALIFORNIA  
CITY AND COUNTY OF SAN FRANCISCO

CLERK'S CERTIFICATE

I do hereby certify that the foregoing Ordinance is a full, true, and correct copy of the original thereof on file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City and County of San Francisco.

August 05, 2016

Date

for Angela Calvillo

Clerk of the Board

SAN FRANCISCO  
FILED

**LEGISLATIVE DIGEST**

2016 AUG -5 PM 1:04

[Initiative Ordinance - Business and Tax Regulations Code - Three-Quarter Cent Sales Tax Increase]

**Ordinance amending the Business and Tax Regulations Code to impose a transactions (sales) and use tax at the rate of three-quarters of one percent (0.75%) for a period of 25 years, to be administered by the State Board of Equalization in accordance with Parts 1.6 and 1.7 of Division 2 of the California Revenue and Taxation Code; and increasing the City's appropriations limit by the amount of the tax increase for four years from November 8, 2016; and directing submission of the tax for voter approval at the November 8, 2016 general municipal election.**

Existing Law

Existing Article 12-D of the Business and Tax Regulations Code, known as the "Uniform Local Sales and Use Tax Ordinance of the City and County of San Francisco," establishes and implements a sales tax on retailers for the privilege of selling tangible personal property at retail in the City. Article 12-D incorporates provisions identical to those of the Sales and Use Tax Law of the State of California. Existing law, Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285 of Part 1.7 of Division 2, authorize the City to adopt an additional local retail transactions (sales) and use tax.

Amendments to Current Law

This ordinance would add Article 12-E, the San Francisco Transactions and Use Tax Ordinance, to the Business and Tax Regulations Code, to impose a transactions (sales) and use tax at a rate of 0.75% for 25 years. The City's combined sales and use tax rate would be 9.25%. The tax is a general tax and the proceeds of the tax would be deposited in the General Fund.

This ordinance would increase the City's annual appropriations limit under Article XIII B of the California Constitution by the aggregate sum collected by the levy of the San Francisco Transactions and Use Tax imposed by the ordinance, for four years. This ordinance would also require the Director of Elections to assign successive letter designations to the Charter Amendment bearing Board of Supervisors' File No. 160581 and this ordinance.

Background Information

This tax may only be imposed upon a majority vote of the people. Currently, the combined state and local sales and use tax rate in the City is 8.75%. The 0.25% of the state component of the tax imposed under Article XIII, section 36 of the California Constitution will expire December 31, 2016, reducing the combined rate to 8.5%.

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