From:	Dale Carlson
To:	Carr, Barbara (REG)
Cc:	White, Joshua (CAT); Michelle Sexton
Subject:	Appeal of Ballot Digest for Short-term Residenial Rentals Initiative
Date:	Thursday, July 30, 2015 11:00:57 AM

Dear Ms. Carr:

ShareBetter SF appeals the Ballot Simplification Committee's digest for the Short-term Residential Rentals initiative.

Specifically, we ask that the Committee remove the bullet point "Short-term rentals are subject to the City's hotel tax," under The Way It Is Now.

City Treasurer Jose Cisneros ruled in April 2012 that short-term residential rentals were and are subject to the Transient Occupancy Tax ("the hotel tax"). (His ruling is attached.) That determination has never been challenged.

When the Board of Supervisors included language in the short-term rental ordinance regarding the tax, it was simply stating that such rentals must comply with City law including its tax laws; it was not creating a new law. There was no debate at the Board on that provision. None. Further, nothing in our initiative addresses the collection and remittance of the hotel tax for short-term rentals. As far as we (and everyone else) are concerned, the issue was settled by the Treasurer's ruling and is now moot.

A bullet stating that STRs are subject to the TOT is the same as adding a bullet stating that all businesses must comply with business license requirements; it adds nothing and distracts from the relevant provisions of the current and proposed laws.

In addition, despite the Treasurer's ruling, very few people offering short-term rentals are actually collecting and remitting hotel taxes. The Committee's language leaves voters with the impression that there is widespread compliance with the applicable tax laws. This is simply not the case and is grossly misleading.

The hotel tax applied to short-term rentals before the Board's vote and after it's vote. It will apply if our initiative is adopted in November.

The appropriate place for the hotel tax application to appear is in an Airbnb ballot argument, not the ballot digest.

Thank you for your consideration.

Dale A. Carlson
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Official Proponent, Short-term Residential Rentals Initiative

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