

1 [Initiative Ordinance - Business and Tax Regulations Code - Local Assessment on Vehicles
2 Registered to a San Francisco Address]

3 **Ordinance submitting to the voters an ordinance amending the Business and Tax**
4 **Regulations Code to impose a voter-approved local assessment for general revenue**
5 **purposes on San Francisco residents for the privilege of operating a vehicle or trailer**
6 **coach on public highways in the City and County of San Francisco, and directing**
7 **submission of the measure for voter approval at an election to be held on November 8,**
8 **2016.**

9 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
10 **Additions to Codes** are in *single-underline italics Times New Roman font*.

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

12 Section 1. The Business and Tax Regulations Code is hereby amended by adding
13 Article 24, Sections 2401-2407, to read as follows:

14 **ARTICLE 24: VOTER APPROVED LOCAL ASSESSMENT (VALA)**

15 **SEC.2401. DEFINITIONS.**

16 *Except as set forth in this Section, or where the context otherwise requires, the terms used in*
17 *this Article shall have the meaning given to them in the Voter Approved Local Assessment Statute.*

18 *“Vehicle License Fee” shall mean the charge imposed by Part 5 of Division 2 of the California*
19 *Revenue and Taxation Code.*

20 *“Voter Approved Local Assessment Statute” or “VALA Statute” shall mean Part 5.7 of Division*
21 *2 of the California Revenue and Taxation Code, as it may be amended.*

22 **SEC. 2402. IMPOSITION OF VOTER APPROVED LOCAL ASSESSMENT.**

23 *The City and County of San Francisco imposes an annual voter approved local assessment*
24 *(VALA) for general revenue purposes on a resident’s privilege of operating a vehicle or trailer coach*
25 *upon the public highways in the City and County so long as the registrant’s vehicle is subject to and not*

1 exempt from tax under Part 5 (commencing with Section 10701) of the California Revenue and
2 Taxation Code.

3 **SEC. 2403. RATE.**

4 The rate of the annual VALA shall be and may not exceed the difference between two percent of
5 the market value of the vehicle or trailer coach and the rate of the Vehicle License Fee charged by the
6 State of California.

7 **SEC. 2404. ASSESSMENT ADJUSTMENT.**

8 Any adjustment to the rate of the VALA that is required because of a change in the rate, or any
9 offset to the rate, of the Vehicle License Fee shall not take effect until the first day of the first fiscal year
10 following the fiscal year in which the change became operative.

11 **SEC. 2405. INCORPORATION OF STATE LAW.**

12 This ordinance incorporates the provisions contained in Part 5 (commencing with Section
13 10701) of the California Revenue and Taxation Code, as they may be amended, insofar as they relate to
14 Vehicle License Fees and are applicable, except that the City and County shall be substituted for that of
15 the state as the taxing agency. All amendments to Part 5 (commencing with Section 10701) of the
16 California Revenue and Taxation Code shall be automatically incorporated into this ordinance.

17 **SEC. 2406. CONTRACT WITH DEPARTMENT OF MOTOR VEHICLES.**

18 The City and County, acting through the Treasurer/Tax Collector, shall enter into a contract
19 with the California Department of Motor Vehicles, which shall contain all the provisions required by
20 subsection (f) of Section 1116 of the California Revenue and Taxation Code and such other provisions
21 as may be mutually agreed by the parties.

22 **SEC. 2407. SEVERABILITY.**

23 If any section, sentence, clause, phrase, or portion of Article 24 is for any reason held to be
24 invalid or unenforceable by a court of competent jurisdiction, the remaining sections, sentences,
25 clauses, phrases, or portions of this Article shall nonetheless remain in full force and effect. The

1 people of the City and County of San Francisco hereby declare that they would have adopted each
2 section, sentence, clause, phrase, or portion of this Article, irrespective of the fact that any one or more
3 sections, sentences, clauses, phrases, or portions of this Article be declared invalid or unenforceable
4 and, to that end, the provisions of this Article are severable.

5 Section 2. Pursuant to Article XIIC of the Constitution of the State of California and
6 Section 11162 of the California Revenue and Taxation Code, this ordinance shall be
7 submitted to the qualified electors of the City and County of San Francisco, at the November
8 8, 2016 consolidated general election and shall become operative only if approved by a
9 majority of the qualified electors at such election.

10 Section 3. Effective Date and Operative Date. The effective date of this ordinance
11 shall be ten days after the date the official vote count is declared by the Board of Supervisors.
12 This ordinance shall become operative on January 1, 2017 and the VALA shall be imposed
13 beginning on July 1, 2017, or as soon thereafter as feasible under a contract approved in
14 accordance with Section 2406 of the San Francisco Business and Tax Regulations Code.

15 APPROVED AS TO FORM:
16 DENNIS J. HERRERA, City Attorney

17 By: _____
18 Deputy City Attorney
19 Julia M. C. Friedlander

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