



Office of the Treasurer & Tax Collector

Budget Presentation

June 14, 2021



Mission

The Office of the San Francisco Treasurer & Tax Collector serves as the banker, tax collector, collection agent, and investment officer for the City and County of San Francisco. Our mission is to collect and safeguard the City's money and use our expertise to assist low-income San Francisco families build economic security and mobility.

Vision

We are committed to providing excellent services for taxpayers, customers, and our community. By promoting diversity, equity, and inclusion, we are a stronger, smarter, and more informed government agency.



By the Numbers



101,240 Registered
Businesses



33% Growth in Online
Payments



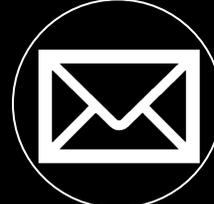
181 Tax Types Collected
(including licenses)



1.7 million Transactions



\$5.8 Billion Revenue
Collected



1.2 million Taxpayer
Contacts



\$14 Billion in Funds
Invested



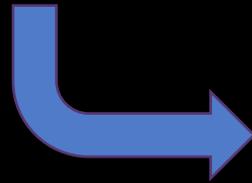
99% Online Filings



COVID Response

Business Relief

- Implemented 10 deadline deferrals which impacted 100k businesses
- Waived taxes and fees for small businesses that provides up to \$18 million in relief
- Launched solutions that made it easy for businesses to receive relief and stay updated on new programs and changes



COVID-19 Business Communications

The City & County will be providing the following communication to businesses:

- Health Orders and Directives
- Resources

Designated Worksite Safety Monitor

Person responsible for compliance with health orders and contact if there is a positive case linked to your business.

Name *

Additional Actions

- Property tax penalty waivers and extensive communications – 99% on-time payments
- Changed delinquent collections practices
- Modified Give2SF Platform
- Facilitated 7,000 cash benefits payments to San Franciscans via prepaid cards

Proposition F Implementation



Prop F (2020): Business Tax Overhaul

[Home](#) > Prop F (2020): Business Tax Overhaul

Proposition F was approved by San Francisco voters on November 3, 2021. Proposition F eliminates the City's Payroll Expense Tax and gradually across most industries while temporarily lowering those rates for some s Proposition F will complete the City's transition away from payroll taxes.

Overview:

- Eliminates the Payroll Expense Tax (filed in 2022 for tax year 2021)
- Increases the Small Business Exemption ceiling to \$2 million
- Decreases the Business Registration Fee for most businesses with San Francisco gross receipts up to \$1 million
- Increases the Business Registration Fee for most businesses with San Francisco gross receipts of \$1-\$2 million. [See more.](#)
- Modifies Gross Receipts Tax Rates. [See 2021 rates.](#)

[Tax Estimation Tool](#)

Small

Propositio ceiling

Propositio from \$1.2 r other than Francisco i

- Must re
- Do NOT pay Gro

[View illust](#) business e

Estimate Impact of Prop F on Taxes

This estimation tool is for small business estimation purposes only and is not a replacement for filing a return. Use the tool by selecting a business activity, gross receipts amount, and payroll expense amount and the tool will show sample estimated tax obligations for before and after the implementation of Proposition F.

Select a Business Activity

Administrative and Support Services

Select Gross Receipts Amount

\$2,600,000

Select Payroll Expense Amount

\$600,000

Tax Type

Tax Year 2020

Tax Year 2021
(Post Prop F)

Registration Fee

\$575

\$575

Gross Receipts Tax

\$14,100

\$19,740

Payroll Expense Tax

\$2,280

\$0



Advancing Racial Equity & Addressing Disparities

Guaranteed Income:

- Facilitated 7,000 cash benefits payments to San Franciscans via prepaid cards
- Assisted Guaranteed income pilots on tax and benefits considerations
- Staffing San Francisco Guaranteed Income Advisory Group

Office of Financial Empowerment:

- Helped low-income families and families of color save for college via Kindergarten to College.
- Provided financial coaching to almost 600 clients, including at-risk transitional age youth
- Released report on banking relief for communities of color during COVID-19

Financial Justice Project:

- Made all City jail phone calls free and eliminated commissary markups
- Made permanent SF Museums For All in partnership with Mayor and Human Services Agency



Priorities for the Future

- Implement new taxes - Cannabis Tax, Vacancy Tax, and Overpaid Executive Tax
- Facilitate citywide small business relief efforts, including installment plans and fee waiver programs
- Extend contactless payments Citywide while reducing costs
- Develop, advise, and execute a robust playbook for Guaranteed Income work
- Continue to identify and eliminate fines and fees that disproportionality impact low-income people of color
- Grow and Interconnect Kindergarten to College

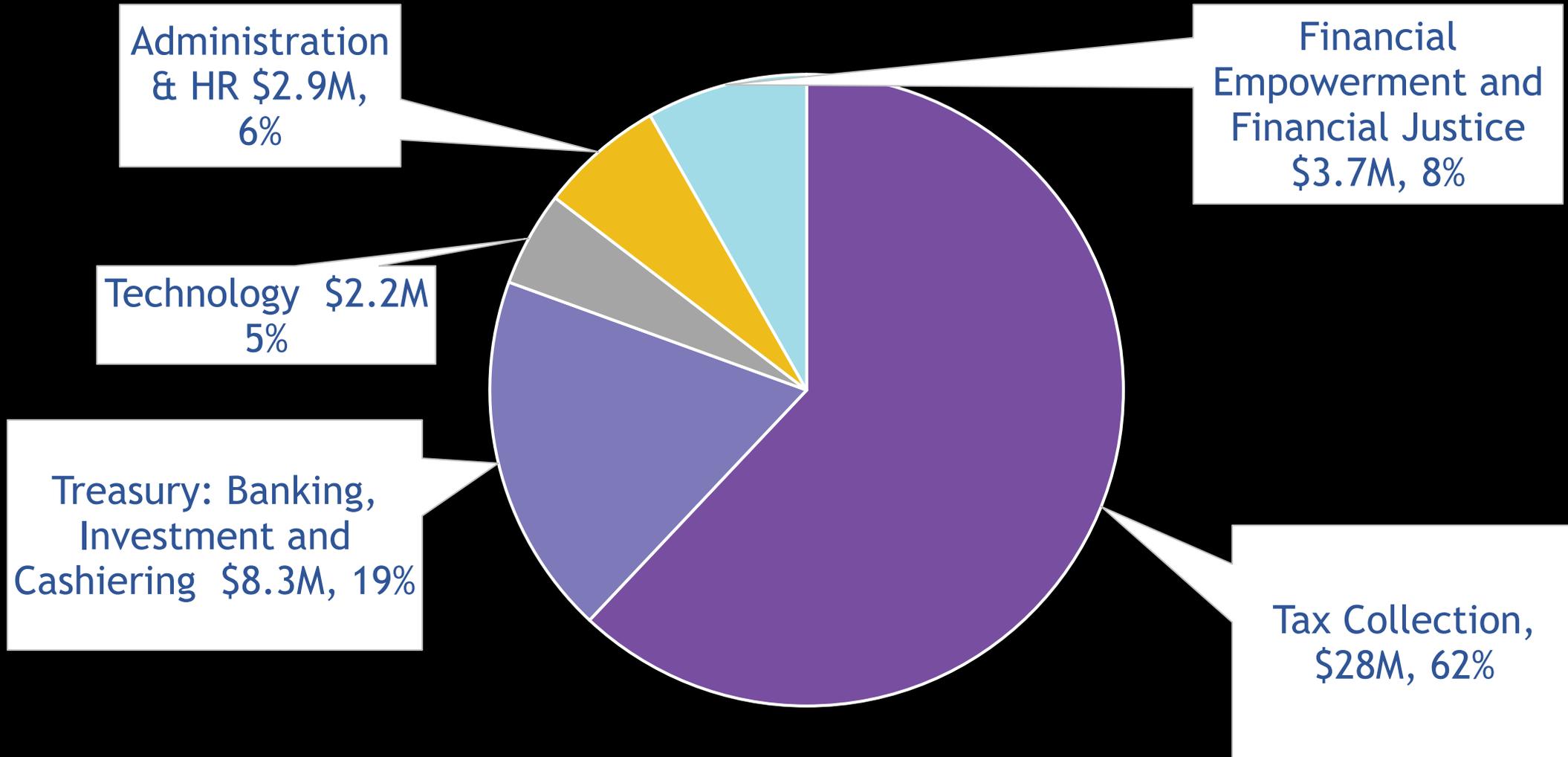
Budget Comparison



Proposed

	FY20-21	FY21-22	FY22-23
Budgeted FTE	205	199	199
General Fund Support	\$23.3M	\$26.1M	\$26.6M
TTX Budget	\$42.7M	\$45.1M	\$45.7M

Proposed FY21-22 Budget- \$45.1M





Highlights from Budget Memo

Integrity: Eliminating Waste & Corruption

- Fiduciary role in all matters related to collection and management of City funds with no findings in those core areas by Controller's Office or outside auditor
- Citywide role related to implementing policy, procedures and contracting for banking operations, investments and cash collections

Better SF: Pre & Post COVID response

- Supporting small businesses with deferral and waivers of taxes and fees
- Quick deployment of cash benefits and expanding those benefits beyond COVID as a meaningful tool to address systemic racism and injustices

Innovation: Strong foundation being extending to other departments

- Only department with all major services online pre-pandemic
- Developing standards for sharing business data citywide
- Expanding role of Financial Justice within more departments and statewide

Questions?

Respectfully Submitted by the
Office of the Treasurer & Tax Collector

