

# MEASURES ULA & GS

## Homelessness & Housing Solutions Tax

The City of Los Angeles (Measure ULA) and the City of Santa Monica (Measure GS) will be updating the property transfer tax rate in 2023.

### The City of Los Angeles: ULA (United to House LA)

In the City of Los Angeles, **ULA (United to House LA)** enacted a 0.45% tax on the sale or transfer of any properties valued between \$100 but not exceeding \$5,000,000. If the property is valued at \$5 million but below \$10 million, the sale will be subject to a 4.45% tax. If the property is valued at \$10 million and above, the sale will be subject to a 5.95% tax. The value of the property for the purposes of the measure will include the value of any lien or encumbrance remaining on the property when it is sold. The ballot measure established the House LA Fund to collect tax revenue and allocate funds to projects designed to prevent homelessness and to address housing availability at certain income thresholds. The ballot measure also created a citizen's oversight committee tasked with developing funding guidelines, assessing project needs, and auditing expenditures.

### LOS ANGELES CITY TAX (CALLED THE ULA TAX") WILL BE EFFECTIVE ON APRIL 1, 2023

Current tax rate, including the County tax, is \$5.60 per \$1,000 of purchase price. So the transfer tax on a \$6,000,000 property is \$33,600.

The new additional LA City tax rate with sales over \$5,000,000 to \$10,000,000 will add an additional 4% of the purchase price. The new transfer tax for that same \$6,000,000 sale will be \$273,600.

For sales over \$10,000,000, the new tax rate will be an additional 5.5% of the purchase price. So, the transfer tax for a \$12,000,000 property will go from \$67,200 to \$727,200.

### The City of Santa Monica: Measure GS Tax

### SANTA MONICA CITY TAX (CALLED THE "MEASURE GS TAX") WILL BE EFFECTIVE ON MARCH 1, 2023\*\*

Current tax rate, including the County tax, is Tier 1 at \$4.10 per \$1,000 and Tier 2 at \$7.10 per \$1,000 of the purchase price. Currently, the transfer tax on a \$8,000,000 property is \$56,800.

The new additional 3rd Tier Santa Monica City tax rate with a sales price over \$8,000,000 will be \$56.00 per \$1,000. The new transfer tax on the same \$8,000,000 sale will go up to \$456,800.

**MEASURE GS** added Chapter 4.90 to the Santa Monica Municipal Code to establish designated funds for homelessness prevention, and affordable housing. It also added an eleven-member resident oversight committee. It amended Chapter 6.96 to provide a third-tier transfer tax rate of \$56.00 per \$1,000 of value for property transfers of \$8,000,000 or more, providing an estimated \$50,000,000 annually for homelessness prevention, affordable housing, and schools, until repealed.

SALE/TRANSFER PROPERTY VALUE	CITY OF LOS ANGELES CURRENT TRANSFER TAX RATE	CITY OF LOS ANGELES MEASURE ULA TAX RATE*	CITY OF SANTA MONICA CURRENT TRANSFER TAX RATE	CITY OF SANTA MONICA MEASURE GS TAX RATE**
\$6,000,000	\$33,600	\$273,600	\$42,600	\$42,600
\$8,000,000	\$44,800	\$364,000	\$56,800	\$456,800
\$10,000,000	\$56,000	\$606,000	\$71,000	\$571,000

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