

From: [Liz Acord](#)
To: [Gerry Beaudin](#); [CityCouncil-List](#)
Cc: [Erin Smith](#); [Lara Weisiger](#); [Margaret O'Brien](#); [Lisa Maxwell](#); [Lois Butler](#); [Eric Fonstein](#)
Subject: RE: Revenue Measure Item
Date: Tuesday, May 3, 2022 10:03:59 AM
Attachments: [Cannabis TOT Business License COMP + Project Spending.xlsx](#)
[image001.png](#)

Hi all:
Please see the attached comparison.
Thank you,
Liz

Liz Acord

Public Works Coordinator
City of Alameda Public Works
510-747-7957 (Direct) | 510-906-7680 (Cell)
www.alamedaca.gov/public-works

From: Gerry Beaudin
Sent: Monday, May 2, 2022 3:54 PM
To: CityCouncil-List <CITYCOUNCIL-List@alamedaca.gov>
Cc: Erin Smith <ESmith@alamedaca.gov>; Lara Weisiger <lweisiger@alamedaca.gov>; Liz Acord <LAcord@alamedaca.gov>; Margaret O'Brien <mobrien@alamedaca.gov>; Lisa Maxwell <LMaxwell@alamedaca.gov>; Lois Butler <lbutler@alamedaca.gov>; Eric Fonstein <efonstein@alamedaca.gov>
Subject: Revenue Measure Item

Good afternoon, Mayor and Councilmembers –

I have received questions about sales tax, TOT, and business license tax rates in surrounding/nearby jurisdictions. We are pulling together as much of that information as we can find and plan to share it by around noon tomorrow (at the latest).

Please let me know if you have any questions when you receive the information.

Gerry

Gerry Beaudin, AICP | Assistant City Manager
Pronouns: he/him
Direct: 510.872.2128 | Office: 510.747.4700
2263 Santa Clara Avenue, Suite 320, Alameda, CA 94501



Cannabis Comparison

Cities	Retail	Retail	Cultivation	Cultivation	Distribution	Distribution	Manufacturing	Manufacturing	Testing	Testing
	A	M	A	M	A	M	A	M	A	M
Alameda	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Albany	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Berkeley	5%	3%	5%	3%	5%	3%	5%	3%	5%	3%
Dublin	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Emeryville	3%	3%	NA	NA	1%	1%	2%	2%	1%	1%
Fremont	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Hayward	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%
Livermore	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Newark	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Oakland	Tiered rates based on size of business									
Pleasanton	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
San Leandro	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%
Union City	4%	4%	\$8/sqft	\$8/sqft	2%	2%	4%	4%	1%	1%

Prepared by SCI Consulting Group in 2020

A=Adult Use
M= Medicinal Use

Transient Occupancy Tax Comparison

Cities	Rate
Alameda	10%
Albany	10%
Berkeley	12%
Dublin	8%
Emeryville	12%
Fremont	10%
Hayward [1]	8.5%
Livermore	8%
Newark [2]	10%
Oakland	14%
Pleasanton	8%
San Leandro	14%
Union City	9%

[1] For persons eligible for the Transient Occupancy Tax, the Emergency Services Facilities tax shall be an additional 2% of the total rents charged.

[2] Established by City Council Resolution, 10% as of FY2018-19

Prepared by staff in 2022

Business License Comparison

City	Business Tax Type	Exemptions *	Rates
Alameda	Primarily GRT, gross payroll for those that do not produce GR	Non-profits, veterans exempt from fee but not processing fees.	\$0.40 for each one thousand dollars of gross receipts or gross payroll. Minimum fee: \$195 if total GR \$175,500 but not more than \$487,499. \$153 if total GR \$88,000 but not more than \$175,499, \$103 if GR less than \$88,000. Hotel/Rooming House: \$5.00/room. Dwelling unit rental: \$20/unit. Commercial Rental: \$20.00 per 1,000 sq. ft. Manufacturing: \$0.40 per \$1,000 GR les raw materials.
Oakland	Primarily GRT, some exceptions, (e.g., employees, payroll, etc.)	Threshold limits (vary by category);Non-profits; some affordable housing; licensed family daycare up to 14 children	Range from \$0.60 (grocers) to \$13.95 (commercial and residential rental property) per \$1,000Cannabis rates are progressive, \$1.20 to \$13.95 per \$1,000 (Cannabis higher)
Emeryville	GRT	Charitable organizations	For most businesses is \$1.00 per \$1,000; Commercial rent = \$3.50; Cannabis = \$60
Berkeley	Primarily GRT, (similar to Oakland)	Wholly charitable organizations; Small businesses w/gov't R&D grants	Rates range from \$0.60 (grocers) to \$4.50 per \$1,000 for most categories, with some much higher rates: Professional sporting events = \$100; Firearms and ammunition = \$150; Cannabis = \$25 to \$50
Richmond	Currently flat fee + tax per employee; Measure U (2020), implements GRT to take effect July 2021 and is described here	Non-profits; small businesses < \$250K; affordable housing, some owner-occupiers room and ADU rentals if < 150% AMI; family daycare providers; hardship exemptions (1 yr, must apply)	Progressive system, rates are marginal and by category, most range between \$0.60 and \$2.00 (grocers) to \$3.60 to \$6.80 (professional svcs); Cannabis = \$50.00; Firearms = \$60 first \$2,500 then \$24; seems to pull from Oakland and Berkeley
San Francisco	Primarily GRT	Primarily non-profits	Progressive system, varies by category. (Note: Prop F (2020) modified categories and set rates for Jan 2021 w/annual increases through 2024). Most currently range from \$0.53 to \$9.10 per \$1,000 (Cannabis higher)
Los Angeles	Primarily GRT, some exceptions (e.g., Movie production = cost)	Non-profits; Small biz (< \$100K/yr); Mutual funds; New auto dealers, Contractors < \$60K (\$153 flat fee)	Rates per \$1,000 range from \$1.01 (childcare provider & others) to \$4.25 (Professions & Occupations, others); Medical marijuana = \$60 per \$1,000
San Jose	Primarily num employees, some exceptions	Non-profits; Farmers within Santa Clara County selling own products in City	Base tax of \$203.85, most categories then taxed per employee starting at 3rd employee, progressive marginal tax (e.g., \$32.70 per employee for 3-35 employees, up to \$65.45 for 500+). All capped at \$163,745.
San Leandro	Flat fees, some categories add'l taxes (GR, headcount, sq ft)	Non-profits and most businesses with 3 or fewer employees within City	\$146.20 base for most businesses; GRT applied only to limited categories: Coin operated devices & towing (\$1.30); Firearms (concealed weapons & ammo)= \$44.00; parking lot (\$100)
Hayward	Limited GRT, most categories pay flat fees, per emp, per sq ft, etc.	Charities/non-profits; Peddlers or solicitors who are veterans, disabled, or indigent.	Most Retail/wholesale = up to \$373.35 fee if <\$3M, add'IGRT of \$0.11 for \$3M+ (some \$0.27 for \$400K+); Other rates at \$1.07 to \$1.33, Cannabis = \$70.
Walnut Creek	Most businesses may choose GRT or a flat rate + headcount	Charitable organizations; Minors (< 18 yrs) with up to \$1,000 revenues	GRT of \$2.30 first \$10K then decreasing rate up to \$0.02 for revenues > \$10M; OR flat \$416.00 for 1 owner/partner + Add'l partners \$139.00 then \$28 per employee up to 300 then \$14 for above 300
Concord	GRT (wholesale/retail, comm rents, contractors > \$204K); rest per employee or flat fee	Non-profits may qualify for no-fee business license	GRT: minimum \$25 up to \$25K revenues, then marginal GRT rates that decrease from \$0.90 to \$0.30 per \$1,000 at \$7.5M annual revenues; Varying rates per employee for most other categories
Antioch	GRT except per-unit for residential rentals	Non-profits	\$1.25 per \$1,000 up to \$1M, then add'l \$0.20 per \$1,000 of revenues > \$1M, Min of \$100 (\$25 home-based)Residential rental units = \$250/unit for Single-family, \$150/unit for multi-family
Pleasanton	GRT	Non-profits	Fees up to \$75 up to \$250K annual revenue, above that = \$0.30 per \$1,000.00
Fremont	GRT	Non-profits; Agricultural (non-retail); Part-time jobs (youths & seniors); Veterans	Most pay \$30 fee plus GRT per \$1,000 that varies from \$0.25 (retail) to \$1.50 (rec & entertainment). Charge extra \$0.30 for retail/

GRT = Gross Receipts Tax

* California prohibits taxation by any local jurisdiction for certain entities including the following: (1) banks and financial corporations; (2) insurance companies; (3) persons engaging in business as a for-hire motor carrier of property; (4) persons engaging in intercity transportation as a household goods carrier; (5) charter-party carriers operating limousines that are neither domiciled nor maintain a business office within the taxing jurisdiction.

Comparison prepared by City of Oakland in 2021

[Contracts approved by City Council 12/7/2021](#)

Terris Barnes Walters Boigon Heath Lester, Inc. (TBWBH)

1 year agreement expiring 11/16/2022

Feasibility assessment, ballot measure development, informational outreach and communication, and general strateg

Not to exceed: \$132,000

Invoiced to date: \$24,532

Fairbank, Maslin, Metz & Associates (FM3)

1 year agreement expiring 11/16/2022

Survey development, implementation, analysis, and presentation support to a potential ballot measure effort

Not to exceed: \$37,000

Invoiced to date: \$37,000

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