



**OFFICE OF THE CONTROLLER**  
**CITY AND COUNTY OF SAN FRANCISCO**

Ben Rosenfield  
Controller  
Todd Rydstrom  
Deputy Controller

## MEMORANDUM

**TO:** Jose Cisneros, Treasurer

**FROM:** Ben Rosenfield, Controller *Ben Rosenfield*

**DATE:** October 3, 2022

**SUBJECT:** **Certification of the Gross Receipts Threshold for Tax Year 2023**

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Article 12-A-1, Section 953.10 of the Business and Tax Regulations Code requires the Controller to determine whether taxable gross receipts in 2021 are at least 90% of total taxable gross receipts in 2019. The code says:

For purposes of determining the applicable tax rates for tax year 2023, the Controller shall publish the total amount of taxable gross receipts for tax year 2021...and if that amount is equal to or greater than 90% of taxable gross receipts for tax year 2019...the Controller shall certify that the 90% gross receipts threshold has been met for tax year 2023.

Based on tax filings, I find that taxable gross receipts in 2021 are approximately \$132 billion, which is about 85% of taxable gross receipts in 2019. Thus, I do not certify that the 90% gross receipts threshold has been met for tax year 2023. For those business categories where the 2023 tax rate depends on whether the 90% threshold has been met, 2023 tax rates will remain at 2022 levels.