



Written by [James Murphy](#) on October 16, 2018

San Francisco May Levy “Homeless Tax” on Businesses

San Francisco, that quirky leftist enclave so beloved by its residents for its street fairs, its architecture, its weather, and its tolerance of all things eccentric, has a big problem: [Homelessness and the accompanying filth](#) associated with it is tarnishing the city’s once-sparkling image. On November 6, the city will vote on yet another measure meant to solve the steadily growing homelessness problem. In true socialist fashion, the most liberal city in America will vote on whether to throw more money at the situation.



[Proposition C](#), if passed, would tax the city’s wealthiest companies from 0.175 percent to 0.69 percent on gross receipts for businesses with over \$50 million in gross annual receipts, or 1.5 percent of payroll expense for certain businesses with over \$1 billion in gross annual receipts and administrative offices in San Francisco. The city believes that the new tax would bring in close to \$300 million per year.

Last year, San Francisco spent approximately \$380 million of its \$10 billion annual budget on the homeless problem, and it’s just gotten worse.

The proposed tax has pitted tech giant against tech giant in a Twitter war and has created some strange political bedfellows.

Marc Benioff, the founder of [Salesforce](#), a giant in customer relationship management platforms, is very much in support of the new tax even though it will likely cost his company more than \$10 million annually. “This is the worst it’s ever been,” Benioff said, referring to the homelessness problem. “Nobody should have to live like this. They don’t need to live like this. We can get this under control.”

Twitter CEO Jack Dorsey is four-square against the new tax. “I want to fix the homeless problem in SF and California. I don’t believe this (Prop C) is the best way to do it,” Dorsey told the world on his own platform, adding, “Mayor Breed was elected to fix this. I trust her.”

San Francisco Mayor London Breed, elected this past June, believes the additional dollars being brought in by Prop C might attract homeless persons from other counties to congregate in San Francisco, exacerbating the problem instead of solving it.

“By dramatically increasing our homelessness spending without working with neighboring counties, Proposition C could put us in the untenable and expensive position of funding services for residents from other counties,” Breed said in a statement.

Breed, a Democrat, actually has some real experience in dealing with the homeless issue, having served with the city’s Office of Housing and Neighborhood Services under former Mayor Willie Brown.

“I have to make decisions with my head, not just my heart,” Breed said. “I do not believe doubling what we spend on homelessness without new accountability, when we don’t even spend what we have now efficiently, is good government.”



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How refreshing — a Democrat who doesn't wish to spend taxpayer money willy-nilly. Breed favors an audit of current spending on the homelessness problem before throwing more money at the problem.

Homelessness has become a huge problem in California, partly because of the inflated real estate market, which is driving people out of homes they can no longer afford. Indeed, the entire West Coast has a large homeless problem, but nowhere is it more evident than on the streets of San Francisco, which have become a haven for aggressive panhandlers, out-in-the-open drug use, and people who literally use the city's streets as a toilet. The city has even launched a "poop patrol," whose job is to clean human feces from the city's streets. One tech worker even created an app called [Snapcrap](#), where residents can report new deposits of filth.

The most recent one-night count shows that approximately 7,500 people live on the streets in San Francisco. The city currently spends \$380 million dollars per year on the homeless situation, or over \$50,000 per homeless person — with no improvement. With the new tax bringing in an additional \$300 million, the amount spent on each person will be more than \$90,000. Ironically, if the homeless population was just given this money outright, they would no longer be homeless. While the Bay Area is expensive, \$90,000 a year could certainly get you something!

But in a city ruled by leftists, it seems as if no one has the first idea of how to use that money effectively.

Mayor Breed, Democrat or not, is right. It makes a lot more sense to figure out how to use existing money more efficiently and attempt to control the current situation, rather than punish businesses to get more money, which will probably make the existing situation worse. Or, better yet, make the city less expensive to live in by lowering tax rates. While this will not lower living costs overnight, it would attract more businesses, and those businesses would be more willing to expand and hire more people. Lower unemployment would mean less homeless people. In the end, giving people "free money" is never a good long-term solution.

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