



COUNCIL REPORT

DATE: May 12, 2026
CATEGORY: Consent
DEPT.: Finance
TITLE: **Real Property Conveyance Tax
Amendments (Second Reading)**

RECOMMENDATION

Adopt an Ordinance of the City of Mountain View Amending Article V of Chapter 29 of the Mountain View City Code to Align it with State Law, Clarify Real Property Conveyance Tax Exemptions, and to Make Other Clarifying Amendments, to be read in title only, further reading waived (Attachment 1 to the Council report). (First reading: 7-0)

SUMMARY

On April 28, 2026, City Council introduced an ordinance amending the Real Property Conveyance Tax Ordinance. Section 29.86 of the Mountain View City Code authorizes the City Council to amend Article V of Chapter 29, provided that such amendments do not increase tax rates or otherwise constitute a tax increase requiring voter approval, and specifically authorizes the Council to establish exemptions from the tax.

The proposed ordinance amendments will streamline tax administration and collection, and improve efficiency by aligning the exemptions in Chapter 29 with those set forth in the California Revenue and Taxation Code, which governs and supersedes local law in this area. Aligning Chapter 29 exemptions with the California Revenue and Taxation Code will not eliminate any existing exemptions but will instead ensure the City Code is consistent with controlling state law. The proposed ordinance amendments will also streamline the administration and collection of the tax by removing or revising outdated and unclear language. None of the proposed amendments will increase the tax rates or affect the amount of tax revenue collected.

If adopted, the ordinance will be effective thirty days thereafter, on June 11, 2026.

FISCAL IMPACT

There is no fiscal impact with this action.

LEVINE ACT

California Government Code Section 84308 (also known as the Levine Act) prohibits city officials from participating in any proceeding involving a “license, permit, or other entitlement for use” if the official has received a campaign contribution exceeding \$500 from a party, participant, or agent of a party or participant within the last 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more information see the Fair Political Practices Commission website: www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html

Please see below for information about whether the recommended action for this agenda item is subject to or exempt from the Levine Act.

EXEMPT FROM THE LEVINE ACT

General policy and legislative actions

ALTERNATIVES

1. Do not adopt the ordinance.
2. Provide other direction.

PUBLIC NOTICING

Agenda posting. The ordinance was published at least two days prior to adoption in accordance with City Charter Section 522.

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Attachment: 1. Ordinance