

Patrice Lattimore
City Clerk
Room 360, City Hall
200 North Spring Street
Los Angeles, CA 90012

The Ballot Simplification Committee hereby submits its summary of three measures appearing on the City's June 2, 2026 Primary Election ballot. The Committee met on Thursday, March 12, 2026. The Committee has prepared and submits a ballot digest for the following measures:

- Applying Cannabis Business Taxes to Unlicensed Cannabis Businesses – Proposition
- Applying Transient Occupancy Tax to Online Travel Companies – Proposition
- Funding for City Services through Modifications to the Transient Occupancy Tax - Proposition



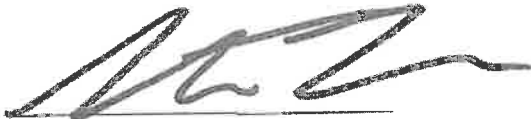
Adrienne Shropshire
Appointed by the Council President



Belem Lamas
Appointed by the Council President



Alejandra Velazquez
Appointed by the Mayor



Steve Luu
Office of the Chief Legislative Analyst



Charles Hong
Office of the City Attorney

TITLE:

APPLYING CANNABIS BUSINESS TAXES TO UNLICENSED CANNABIS BUSINESSES.

THE ISSUE:

Should an ordinance be adopted to apply the existing City of Los Angeles cannabis business tax to unlicensed cannabis businesses?

THE SITUATION:

The City of Los Angeles does not require unlicensed cannabis businesses to pay business taxes which are determined by the gross receipts of a business. Currently, only licensed cannabis businesses are required to pay the business tax to the City of Los Angeles.

THE PROPOSAL:

This measure would approve an ordinance that applies the same gross receipts tax to unlicensed cannabis businesses that currently apply to licensed cannabis businesses in the City of Los Angeles.

A YES VOTE MEANS:

You want an ordinance to be adopted to apply the City of Los Angeles cannabis business gross receipts tax to unlicensed cannabis businesses that are currently applied to licensed cannabis businesses.

A NO VOTE MEANS:

You do not want an ordinance to be adopted to apply the City of Los Angeles cannabis business gross receipts tax to unlicensed cannabis businesses that are currently applied to licensed cannabis businesses.

TITLE:

APPLYING TRANSIENT OCCUPANCY TAX TO ONLINE TRAVEL COMPANIES.

THE ISSUE:

Should the City of Los Angeles update the Transient Occupancy Tax (TOT) collection and reporting requirements for online and other travel companies?

THE SITUATION:

Currently, a hotel charges and collects TOT on the total rent, including all fees and service charges, for any guest who occupies a hotel room or space for 30 days or less. Online and other travel companies negotiate with hotels for a discounted or wholesale room rate. Online and other travel companies then collect TOT based on the negotiated rental rate rather than the total amount charged to the guest, including all fees and service charges.

THE PROPOSAL:

The measure would require online and other travel companies to collect TOT based on the total amount charged to hotel guests, including all fees and service charges, to occupy a hotel room. Additionally, the measure updates the collection and reporting requirements for all hotel operators, and online and other travel companies.

A YES VOTE MEANS:

You want the City to update the TOT collection and reporting requirements for online and other travel companies to go towards general City services.

A NO VOTE MEANS:

You do not want the City to update the TOT collection and reporting requirements for online and other travel companies to go towards general City services.

TITLE:

FUNDING FOR CITY SERVICES THROUGH MODIFICATIONS TO THE TRANSIENT OCCUPANCY TAX.

THE ISSUE:

Should the City of Los Angeles increase the Transient Occupancy Tax (TOT) paid by hotel guests from 14% to 16% through December 31, 2028 and then 15% thereafter, and to update the TOT collection and reporting requirements for online and other travel companies to go towards general City services?

THE SITUATION:

Currently, the TOT rate is 14% on the total rent, including all fees and service charges, for any guest who occupies a hotel room or space for 30 days or less. Online and other travel companies negotiate with hotels for a discounted or wholesale room rate. Online and other travel companies then collect TOT based on the negotiated rental rate rather than the total amount charged to the guest, including all fees and service charges.

THE PROPOSAL:

To fund general City services, this measure would temporarily increase TOT from 14% to 16% through December 31, 2028 and then 15% thereafter. Additionally, this measure requires online and other travel companies to collect TOT based on the total amount charged to guests, including all fees and service charges to occupy a hotel room. The measure also updates the collection and reporting requirements for all hotel operators, and online and other travel companies.

A YES VOTE MEANS:

You want the City to increase the TOT for hotel guests from 14% to 16% through December 31, 2028 and then 15% thereafter, and to update the TOT collection and reporting requirements for online and other travel companies to go towards general City services.

A NO VOTE MEANS:

You do not want the City to increase the TOT for hotel guests from 14% to 16% through December 31, 2028 and then 15% thereafter, and to update the TOT collection and reporting requirements for online and other travel companies to go towards general City services.