The South Bay Review

August 2026 Issue

A Message from our CEO

Nikki Vasquez
Chief Executive Officer
South Bay Association of REALTORS®

Attention SBAOR Members,

Stop Business License Taxes on REALTORS® in Manhattan Beach!

The Manhattan Beach City Council on August 4 will consider updating its tax code for business licenses. While not a new tax, it may newly include real estate agents as liable for business license taxes. Any tax needs approval of the voters, and the City Council will vote whether to create a ballot measure that puts this tax increase on November ballot.

Unlike other taxes, business license taxes, if approved by voters, could impact your business. It increases based on the level of revenue that you earn on transactions in Manhattan Beach.

Brokers are already paying business license taxes. Real estate agents should not be liable. Why? The argument from some officials is that "agents are independent contractors" and therefore subject to taxes. As of 2019, state law makes that argument invalid. AB 5 (Gonzalez), among other things, turned real estate agents as not subject to traditional independent contractor determination.

The Council Resolution could have major impacts on real estate professionals. While the staff presentation calls for "no proposed changes to code" – in other words, that they will continue "treating" agents from the law – the Resolution itself calls for equally taxing agents and brokers.

Ultimately, it is the Resolution that matters. If this Resolution passes as is, then a future city council and future administration staff may apply tax to agents, despite its inconsistency with state law.

We are asking the City Council to:

- Remove the Resolution language that identifies real estate agents as subject to business tax, or
- Do not bring this item to the voters and send it back for review.

What can you do to help?

As an SBAOR member, you will receive this weekend an Action Alert in your email. Click on the link in the email and send a message to the Manhattan Beach City Council. Be sure that other brokers in your office do the same.

Thanks.

Show up at Manhattan Beach City Council on Tuesday, August 4 starting at 6:00 p.m., located at 1400 Highland Avenue. Speak out on item 10 on the agenda. Ask the council to exempt real estate agents – in writing – in the Resolution.

Thank you,

Nikki

Upcoming Events

8/20/26
New Laws in Real Estate & General Membership Meeting
10AM - 12PM
(Via Zoom)
REGISTER NOW

8/11/26
Write the Best Offer and Get Paid: The RPA & BBRC
10AM - 12:30PM
(In Person)
REGISTER NOW

8/20/26
MLS Virtual Training: Realist Tax
9AM - 10AM
(Via Zoom)
REGISTER NOW

8/13/26
How to Take Listing in Probate & Trust
10AM - 11AM
(Via Zoom)
REGISTER NOW

8/13/26
MLS Training: New Agent Essentials
9AM - 12PM
(In-Person)
REGISTER NOW

8/13/26
2026 Pickleball Tournament
5:30PM-9PM
(In Person On Site)
REGISTER NOW

8/19/26
The Lazy Agent's Guide to Looking like a Genius
10AM-11AM
(In-Person)
REGISTER NOW

8/26/26
MLS Virtual Training: Cloud CMA
10AM-12PM
(Via Zoom)
REGISTER NOW

8/26/26
Lending in 30 Days
10AM-11AM
(In Person)
REGISTER NOW

8/26/26
MLS Training: New Agent Essentials
9AM-12PM
(In Person)
REGISTER NOW

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REALTOR®
STORE
Exclusive Member Benefits
Discounts on Business Services
Free Shipping
Free Gift
Free Trial
Free Consultation
Free Shipping
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Free Consultation
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Free Trial
Free Consultation