



STATE BOARD OF EQUALIZATION

1020 N STREET, SACRAMENTO, CALIFORNIA
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Controller, SacramentoDOUGLAS D. BELL
Executive Secretary

No. 80/54

March 25, 1980

TO COUNTY ASSESSORS:

ANIMALS NOT SUBJECT TO THE BUSINESS INVENTORY EXEMPTION

We have recently received numerous inquiries concerning animals not subject to the business inventory exemption, the erroneous assumption being that all animals are now business inventories. Examples of animals remaining taxable are:

- (1) Rodeo stock and show horses used for commercial purpose.
- (2) Animals used in riding stable operations where the animals do not leave the stable operator's facility and remain under the control of the operator.
- (3) Animals used in pack station operations where control over the pack animals remains with the pack station operator.
- (4) Stallions or brood mares held for breeding purposes.
- (5) Any other animals not held for sale of lease; or not used in the production of food or fiber for human consumption; or not used in the feeding, breeding, or management of livestock.
- (6) Racehorses, which continue to be taxed on the in-lieu basis of Section 5721 of the Revenue and Taxation Code.

Please contact Bud Florence or Mike Shannon of this division if you have any questions; their telephone number is (916) 445-4982.

Sincerely,

Verne Walton, Chief
Assessment Standards Division

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