



**STATE BOARD OF EQUALIZATION**

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No. 79/80

May 1, 1979

TO COUNTY ASSESSORS:

VESSELS ELIGIBLE FOR 1 PERCENT ASSESSMENT

The Board's legal staff recently issued an opinion regarding the eligibility for 1 percent assessment of vessels used in harvesting artificially seeded oyster beds. Since similar operations may be located in other counties, we felt it advisable to inform you of their opinion. The opinion was in response to the following questions:

- (1) Do artificially planted oysters qualify as living resources of the sea for purposes of Revenue and Taxation Code, Section 227?
- (2) Do the vessels exclusively used in seeding the oyster beds and in the harvest of the mature oysters qualify for 1 percent assessment under Section 227?
- (3) Do the tow vessels that are used exclusively in hauling the vessels used in seeding and harvesting qualify for the 1 percent assessment?
- (4) Would a power driven barge that was used exclusively in lifting oyster cages for cleaning and harvesting qualify for the 1 percent assessment?

In reply to the first question, the opinion stated that oysters grown in an artificial bed were a living resource of the sea for purposes of Section 227. The opinion also stated that the activities of all the vessels qualified as being engaged or employed exclusively in the taking and possession of living resource of the sea for commercial purposes and, as such, qualified for 1 percent assessment under Section 227.

Please contact Bud Florence of this division if you have questions regarding the above.

Sincerely,

Verne Walton, Chief  
Assessment Standards Division

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