



Delta Air Lines, Inc.  
Corporate Taxes  
Department 852  
Post Office Box 45857  
Atlanta, GA 30320-5857

November 21, 2017

California State Board of Equalization  
P.O. Box 942879  
Sacramento, CA 94279  
Attn: Mr. John Louden

Re: Interested Parties Process – Representative Period for Certificated Air Carriers and Scheduled Air Tax Operators

Dear Mr. Louden:

This letter is on behalf of Delta Air Lines, Inc. (“Delta” or the “Company”) and in response to a request by the California State Board of Equalization (the “BOE”) for comments regarding the designation of the 2018 representative period for certificated air carriers and scheduled air taxi operators. Delta opposes the proposal put forth by BOE staff to designate one week in October 2017 as the representative period, and the Company respectfully requests that the BOE maintain the current representative period designation – the second full week in January.

Operational data generated during the representative period is used to apportion the value of aircraft that are owned and operated by the taxpayer airlines on the January 1 lien date each year. Because the representative period is used to determine the fleet type and activity level in California for the tax year, the representative period should be as close as possible to the lien date. The further the representative period is from January 1, the more likely the apportionment statistics will reflect aircraft that were acquired or disposed of since the lien date. When the lien date was changed from March 1 to January 1 in 2007, the representative period was changed accordingly to remain as close to the lien date as possible. The *Assessors Handbook 570* provides, in fact, that “the desirable representative period is one that is . . . **current enough to be reasonably representative of the near future.**” (emphasis added)

Delta objects to the BOE making a change to the representative period. The representative period has always been near in time to the lien date. Without further analysis, Delta has no basis on which it can agree that a week in October is representative of the Company’s fleet and activity level in California.

For the reasons set forth above, Delta urges the BOE to maintain the current representative period.

Sincerely,

A handwritten signature in black ink that reads "Paige Brown". The signature is written in a cursive style and is positioned above a horizontal line.

Paige Brown, General Manager – Property & Sales Taxes  
Delta Air Lines, Inc.