



STATE BOARD OF EQUALIZATION
PROPERTY AND SPECIAL TAXES DEPARTMENT
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No. 2009/031

August 6, 2009

TO COUNTY ASSESSORS,
TIMBER ADVISORY COMMITTEE MEMBERS, AND
OTHER INTERESTED PARTIES:

PROPERTY TAX RULES 1020 AND 471

Board staff has initiated a project to revise Property Tax Rule 1020, *Timber Value Areas*, and to repeal Property Tax Rule 471, *Timberland*. Enclosed are copies of the proposed drafts.

Pursuant to the provisions of Revenue and Taxation Code section 38204, the Board is required to determine timber value areas throughout California. Section 38204 provides in part:

(a) On or before December 31, 1976, and periodically thereafter as determined by the board, the board after consultation with the Timber Advisory Committee and after public hearings held pursuant to the Administrative Procedure Act, shall designate areas containing timber having ***similar growing, harvesting, and marketing conditions*** to be used as timber value areas for the preparation and application of immediate harvest values.... [Emphasis added.]

Rule 1020 was adopted in 1976 and last amended in January 1977. While similar growing and harvesting conditions have not significantly changed since 1977, marketing conditions make it necessary to re-designate the nine value areas. The attached draft arraying the proposed new value areas reflects Board staff's analysis of the current timber growing, harvesting, and marketing conditions throughout California.

Rule 471 was adopted in 1978 and last amended in August 1979. The rule was implemented in conjunction with the adoption of Proposition 13 when there were concerns about how certain properties subject to special assessment provisions should be treated. The rule is duplicative of statutory provisions, and Board staff proposes to repeal it.

Interested parties are encouraged to participate in this rulemaking project. Comments or suggested changes to the draft rules should be provided by September 25, 2009 to Ms. Sherrie Kinkle at sherrie.kinkle@boe.ca.gov or sent to the above address. Upon reviewing the submitted suggestions, it is anticipated that the project will proceed as follows:

- Staff will meet with interested parties to discuss proposed changes to the rules.
- Staff will meet with the Timber Advisory Committee to discuss outstanding issues.
- The Board will hear presentations on issues regarding the language for the rules and vote to place the rules into the formal rulemaking process.

August 6, 2009

All documents regarding this project will be posted on the Board's website at www.boe.ca.gov/proptaxes/otherprojects09.htm. Questions regarding this project should be directed to Mr. George Felix at 916-322-2151 or Ms. Kinkle at 916-322-2921

Sincerely,

/s/ David J. Gau

David J. Gau
Deputy Director
Property and Special Taxes Department

DJG:sk
Enclosures

State of California
BOARD OF EQUALIZATION
PROPERTY TAX RULES

Chapter 1. State Board of Equalization – Property Tax
Subchapter 11. Timber Yield Tax
Article 1. Valuation of Timberland and Timber

Rule 1020. TIMBER VALUE AREAS.

Authority: Section 15606, Government Code.

Reference: ~~Chapters 1 and 3, Part 18.5, Division 2~~ Sections 38109 and 38204, Revenue and Taxation Code.

(a) The following nine designated areas contain timber having similar growing, harvesting, and marketing conditions and shall be used as timber value areas in the preparation and application of immediate harvest values:

Area 1

Del Norte County
Humboldt County

~~Trinity County south and west of that part of the exterior boundary of the Shasta-Trinity National Forest between Humboldt and Tehama Counties.~~

Area 2

~~Alameda County
Contra Costa County
Marin County
Mendocino County
Napa County
Monterey County
San Francisco County
San Mateo County
Santa Clara County
Santa Cruz County~~
Sonoma County

Area 3

Alameda County
Contra Costa County
Monterey County
San Francisco City and County
San Mateo County
Santa Clara County
Santa Cruz County
Siskiyou County west of Interstate Highway No. 5

Area 4

Colusa County
Glenn County
Lake County
Solano County
Shasta County west of Interstate Highway No. 5
Siskiyou County west of Interstate Highway No. 5
Tehama County west of Interstate Highway No. 5
~~Trinity County except that portion which is south and west of that part of the exterior boundary of the Shasta-Trinity National Forest between Humboldt and Tehama Counties~~
Yolo County

Area 5

~~Colusa County
Glenn County~~

Rule 1020. *(Continued)*

~~Lake County~~
~~Napa County~~
~~Sacramento County~~
~~Shasta County east of Interstate Highway No. 5~~
~~Siskiyou County east of Interstate Highway No. 5~~
~~Selma County~~
~~Tehama County west of Interstate Highway No. 5~~
~~Yolo County~~

Area 6

Lassen County
Modoc County
~~Shasta County east of State Highway No. 89~~
Siskiyou County east of Interstate Highway No. 5

Area 7

Butte County
Nevada County
Placer County
Plumas County
~~Shasta County between Interstate Highway No. 5 and State Highway No. 89~~
Sierra County
Sutter County
Tehama County east of Interstate Highway No. 5
Yuba County

Area 8

~~Alpine County~~
Amador County
Calaveras County
El Dorado County
~~Sacramento County~~
~~San Joaquin County~~
~~Stanislaus County~~
Tuolumne County

Area 9

~~Alpine County~~
Fresno County
Imperial County
Inyo County
Kern County
Kings County
Los Angeles County
Madera County
Mariposa County
Merced County
Mono County
Orange County
Riverside County
San Benito County
San Bernardino County
San Diego County
~~San Joaquin County~~
San Luis Obispo County
Santa Barbara County
~~Stanislaus County~~
Tulare County
Ventura County

History: Adopted November 4, 1976, effective January 1, 1977.
Amended January 31, 1977, effective February 1, 1977.

State of California
BOARD OF EQUALIZATION
PROPERTY TAX RULES

~~Chapter 1. State Board of Equalization—Property Tax
Subchapter 4. Equalization by State Board
Article 3. Taxable Property of a County, City or Municipal Corporation~~

Rule 471. TIMBERLAND.

Authority: ~~Section 15606(c), Government Code.~~
Reference: ~~Article XIII A, Sections 1 and 2, California Constitution~~

~~Consistent with the intent of the provisions of Section 3 (j) of Article XIII of the California Constitution and the legislative interpretation thereof, the value for land which has been zoned as timberland pursuant to Section 51110 or 51113 of the Government Code shall be ascertained for the 1979 lien date from the schedule contained in Section 434.5 of the Revenue and Taxation Code and thereafter from the most recent board-adopted timberland site class value schedule.~~

History: ~~Adopted June 29, 1978, effective July 3, 1978.
Amended September 26, 1978, effective October 2, 1978.
Repealed Old Rule and Adopted New Rule August 16, 1979, effective August 22, 1979.~~