



STATE BOARD OF EQUALIZATION  
PROPERTY TAX DEPARTMENT  
450 N STREET, SACRAMENTO, CALIFORNIA  
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0064  
1-916-274-3350 • FAX 1-916-285-0134  
www.boe.ca.gov

SEN. GEORGE RUNNER (RET.)  
First District, Lancaster

FIONA MA, CPA  
Second District, San Francisco

JEROME E. HORTON  
Third District, Los Angeles County

DIANE L. HARKEY  
Fourth District, Orange County

BETTY T. YEE  
State Controller

CYNTHIA BRIDGES  
Executive Director

No. 2015/042

September 10, 2015

TO COUNTY ASSESSORS:

**OPEN-SPACE LAND INTEREST COMPONENT – 2016 LIEN DATE**

In accordance with section 423, subdivision (b) of the Revenue and Taxation Code, the Board is required to determine and announce, no later than October 1, the interest component of the capitalization rate to be used in the valuation of lands assessed under sections 423, 423.5, and 426.

Section 423, subdivision (b)(1) provides that the interest component shall be:

...the arithmetic mean, rounded to the nearest 1/4 percent, of the yield rate for long-term United States government bonds, as most recently published by the Federal Reserve Board as of September 1, and the corresponding yield rates for those bonds, as most recently published by the Federal Reserve Board as of each September 1 immediately prior to each of the four immediately preceding assessment years.

Information received from the Federal Reserve Board indicated the yield rates for long-term United States government bonds were:

August 30, 2011 – 3.53 percent  
August 31, 2012 – 2.74 percent  
August 30, 2013 – 3.72 percent  
August 29, 2014 – 3.11 percent  
August 28, 2015 – 2.87 percent

The arithmetic mean of 3.53, 2.74, 3.72, 3.11, and 2.87 is 3.194. When rounded to the nearest one-quarter percent, the interest component for the 2016 assessment year is **3.25 percent**.

A table listing the interest components announced for prior lien dates is enclosed.

Sincerely,

/s/ Dean R. Kinnee

Dean R. Kinnee  
Deputy Director  
Property Tax Department

DRK:grs  
Enclosure

**OPEN-SPACE LAND ASSESSED UNDER SECTIONS 423, 423.5, AND 426  
OF THE REVENUE AND TAXATION CODE**

**INTEREST COMPONENTS FOR PRIOR YEARS**

<b>Lien Date</b>	<b>Interest Component</b>	<b>Lien Date</b>	<b>Interest Component</b>
2015	3.25	1977	6.75
2014	3.50	1976	7.25
2013	3.75	1975	7.25
2012	4.00		
2011	4.50		
2010	4.50		
2009	4.50		
2008	4.50		
2007	4.50		
2006	4.50		
2005	4.75		
2004	5.25		
2003	5.25		
2002	5.75		
2001	6.00		
2000	6.25		
1999	6.75		
1998	6.75		
1997	7.00		
1996	7.00		
1995	7.00		
1994	6.75		
1993	7.25		
1992	8.00		
1991	9.00		
1990	8.25		
1989	9.50		
1988	9.00		
1987	7.25		
1986	10.50		
1985	12.50		
1984	12.00		
1983	12.50		
1982	14.50		
1981	11.00		
1980	9.00		
1979	8.50		
1978	7.00		