

State of California
BOARD OF EQUALIZATION
PROPERTY TAX RULES

Division 1. State Board of Equalization-Property Tax
Chapter 12. Racehorse Tax

Rule 1047. Proper Classification of Racehorses.

Authority: Section 15606, Government Code.
Reference: Part 12, Division 1, Revenue and Taxation Code.

(a) If during the previous calendar year a racehorse subject to the tax imposed by section 5721 of the Revenue and Taxation Code falls into categories both as an animal used for breeding and as an active racehorse, the use producing the higher tax is controlling.

(b) If during the previous calendar year a stallion is used by the owner exclusively for purposes of servicing the owner's mares, the highest stud fee for such year shall be determined by reference to the highest stud fee charged by owners of comparable stallions on the open market.

History: Adopted October 26, 1972, effective December 1, 1972.
Chapter name amended March 28, 2017, effective May 15, 2017