

Appendix

History of the State Board of Equalization and Board-Administered Taxes

- 1870 Legislature created the State Board of Equalization, consisting of the State Controller and two gubernatorial appointees, to deal with property assessment abuses among counties.
- 1879 State Board of Equalization established under the state Constitution to regulate county assessment practices, equalize county assessment ratios, and assess properties of interconnected railroads. Board consisted of four members elected by district and the State Controller.*
- 1911 Constitutional amendment provided for Board assessment of corporation franchise taxes, bank share tax, gross receipts taxes on public service corporations (utilities), and insurance taxes.
- 1923 Motor Vehicle Fuel (gasoline) Tax enacted.
- 1929 Bank and Corporation Franchise Tax enacted. Board would no longer assess the taxes but was designated as the administrative appellate agency.
- 1933 Sales Tax (retail), Motor Vehicle Transportation License Tax, and Alcoholic Beverage Tax enacted. Riley-Stewart Plan enacted assessment of designated public utility properties for local tax purposes.
- 1935 Use Tax enacted to provide further revenue and protect California retailers from tax-free competition from out-of-state sellers.
Personal Income Tax enacted with the Board as the administrative appellate agency.
- 1937 Use Fuel Tax on diesel fuel enacted as a supplement to the gasoline tax. Private railroad car tax enacted.
- 1951 Administration of Itinerant Merchants Act transferred by legislation from the Public Utilities Commission to the Board. This law imposed an annual fee on those who hauled produce across county lines.
- 1955 Constitutional Amendment transferred licensing and control of alcoholic beverages from the Board to a new Alcoholic Beverage Control Department and the appellate function to the Alcoholic Beverage Control Appeals Board. The Board retained taxing functions.
- 1955 Board-administered local sales and use taxes program initiated. All state cities and counties included by 1962.
- 1959 Cigarette Tax enacted.
- 1963 Subscription Television Tax enacted.
- 1964 Subscription Television Tax repealed by initiative.
- 1966 Property Tax Assessment Reform Law enacted. Mandated certification and training of appraisers, surveys of county assessors' offices, and development of property tax rules and regulations. Added an appeal procedure at the staff level to the sample property appraisal process.
- 1967 Legislation increased the Cigarette Tax and provided that 30 percent of the receipts be distributed to cities and counties based on local sales tax allocations.
- 1969 Aircraft Jet Fuel Tax enacted.
- 1970 State-administered transit district sales tax program enacted—Bay Area Rapid Transit District and Southern California Rapid Transit District.

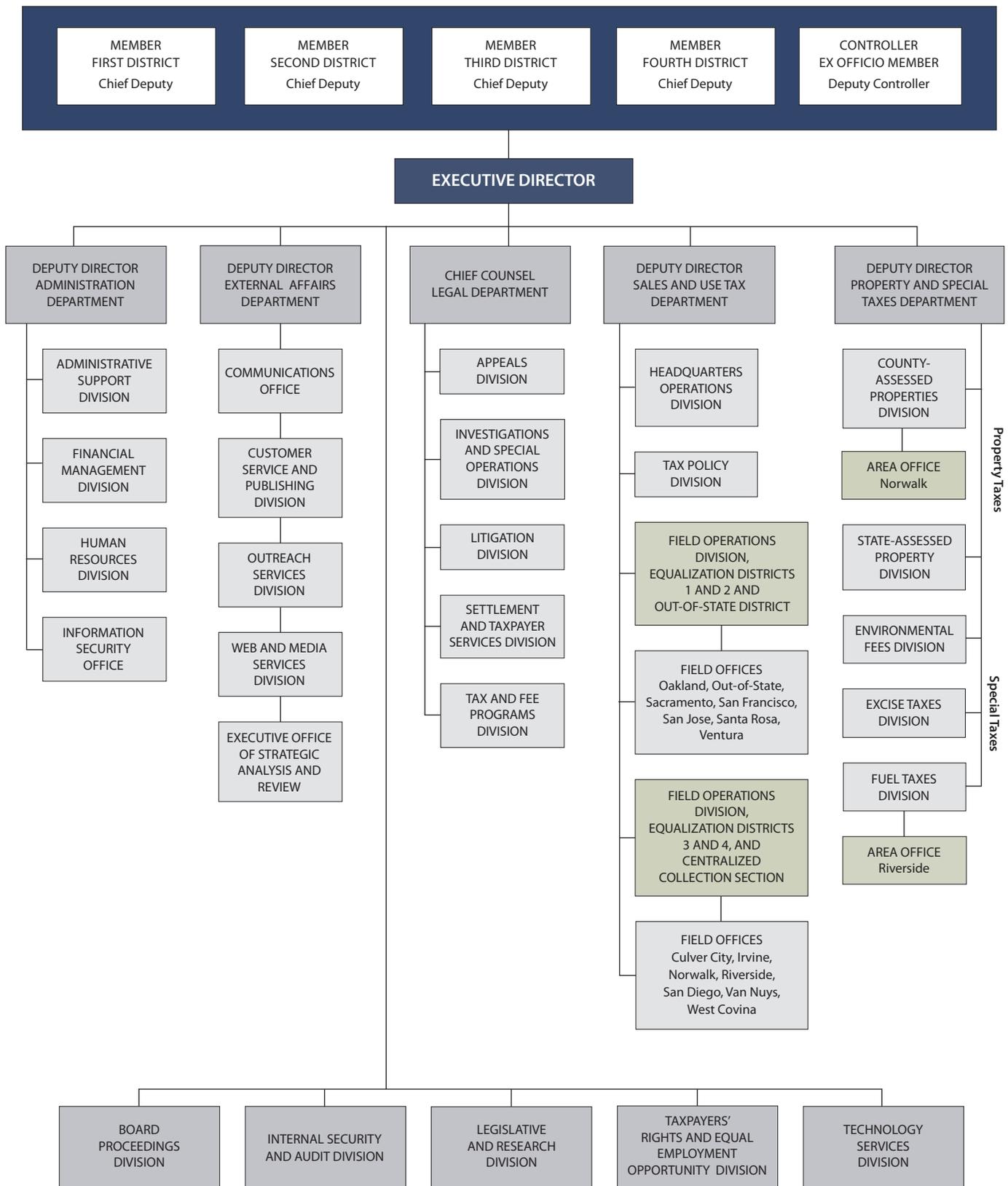
*The Board in its present form was established by article XIII, section 9 of the Constitution of 1879. "As originally ratified, (it) provided that the board should consist of one member from each congressional district in the State, to be elected by the qualified electors of their respective districts at the general election to be held in 1879, whose term of office, after those first elected, should be four years, and that the Controller should be ex officio a member of the board."

— California Blue Book or State Roster –1909

- 1973 Motor Vehicle Transportation License Tax repealed.
- 1974 Waxman-Dymally Campaign Disclosure Act enacted—provided for audit of campaign statements. Terminated late in 1975 with passage of Proposition 9, Political Reform Act, in November 1974.
- 1975 Electrical Energy Surcharge enacted.
- 1976 Timber Yield Tax and Emergency Telephone Users Surcharge Law enacted.
- 1977 Litter Control, Recycling, and Resource Recovery Assessment Act enacted.
- 1978 Proposition 13 enacted. Proposition 8 amended Article XIII A to allow reduction of the full cash value base of real property to reflect substantial damage, destruction, or other factors that cause the value to decline.
- 1979 Litter Control, Recycling, and Resources Recovery Act amended, ending the assessment and allocating funding from the state’s general fund.
- 1982 Administration of two hazardous substances taxes assigned to the Board by legislation. Both are imposed on persons who generate hazardous waste and dispose of it in California.
- 1984 The Moore Universal Telephone Service Act imposed a tax on certain intrastate telecommunications to subsidize basic telephone service for those who cannot afford it. The Public Utilities Commission determined tax rates, eligibility, and service systems while the Board collected the tax.
- 1987 The Moore Universal Telephone Service Act repealed and reenacted; administration transferred to the Public Utilities Commission.
- 1988 Proposition 99 increased the tax on cigarettes and created a Tobacco Products Tax.
- 1989 Underground Storage Tank Maintenance Fee created.
- 1990 Motor Vehicle Fuel License Tax increased five cents per gallon in August due to passage of Proposition 111 in June. Annual Hazardous Substance Tax expired December 31.
- 1991 New environmental fees created: Tire Recycling; Oil Spill Response, Prevention, and Maintenance; and Oil Spill Prevention and Administration. Sales tax exemption related to certain food products repealed in July 1991, resulting in so-called “Snack Foods” tax. Also repealed were exemptions applicable to bottled water and newspapers and periodicals.
- 1992 California Oil Recycling Enhancement Act enacted. “Snack Tax” and tax on certain periodical subscriptions overturned by voters. Collections ended in February for San Diego County Regional Justice Facility Tax. Monterey County Public Repair and Improvement Authority tax found unconstitutional in September; collections ended September 30.
- 1993 Childhood Lead Poisoning Prevention Fee and Hazardous Spill Prevention Fee took effect. Voters approved a constitutional amendment making permanent an additional sales and use tax to fund local public safety programs.
- 1994 San Diego County Regional Justice Facility Tax and Monterey Public Repair and Improvement Authority Tax refund programs began. San Diego County sales and use tax rollback/credit program began.
- 1995 Diesel Fuel Tax Law became operative July 1. Use Fuel Tax Law modified to delete diesel fuel. Propane Safety Inspection and Enforcement Surcharge took effect. Monterey County sales and use tax rollback/credit programs began. Santa Clara County Traffic Authority Tax expired March 31. New Santa Clara County Local Transportation Authority found unconstitutional prior to implementation. Hazardous Spill Prevention Fee expired at end of year.
- 1996 California implemented International Fuel Tax Agreement. Fresno Metropolitan Projects Authority Tax declared unconstitutional; direct refund program began. Sales and use tax rate rollbacks ended in San Diego and Monterey counties. Legislation modified method of allocating local tax on automobile leases.

- 1997 Fresno Metropolitan Projects Authority Tax refund program ended March 31; California Supreme Court upheld Childhood Lead Poisoning Prevention Fee; Santa Cruz County Library Tax and Santa Clara County Transactions and Use Tax went into effect April 1; Santa Cruz County Earthquake Recovery Bond Tax, Tulare County Transactions and Use Tax, and San Benito County General Fund Augmentation expired; propane safety inspection and enforcement surcharge transferred to Public Utilities Commission January 1; Oil Recycling Fee transferred to Integrated Waste Management Board July 1.
- 1998 Napa County Flood Protection Authority Tax went into effect on July 1; Solano County Public Library District Tax, Nevada County Public Library District Tax, and Town of Truckee Road Maintenance District went into effect on October 1. San Benito County Council of Governments tax expired December 31. Legislation authorized counties to levy transactions and use taxes for local library programs; extended the sunset date of the tire recycling fee; and changed local sales tax allocation methods for pooled revenues and sales of jet fuel. Proposition 10 enacted.
- 1999 Proposition 10, which imposed new cigarette and tobacco products taxes, went into effect January 1. City of Placerville Public Safety Tax and Fresno County Public Library Tax went into effect April 1.
- 2000 The Ballast Water Management Fee went into effect January 1. Four transactions and use taxes went into effect: the City of Clovis Public Safety Transaction and Use Tax, on April 1; the Mariposa County Healthcare Authority District Tax and the City of Woodland General Revenue Transactions and Use Tax on July 1; and the Avalon Municipal Hospital and Clinic Transactions and Use Tax on October 1.
- 2001 On January 1, the state sales and use tax rate dropped by $\frac{1}{4}$ percent and the Natural Gas Surcharge went into effect. The Motor Vehicle Fuel License Tax was repealed effective December 31. Legislation added a number of sales and use tax exemptions for the agricultural industry.
- 2002 On January 1, the state sales and use tax rate increased by $\frac{1}{4}$ percent and the Motor Vehicle Fuel Tax went into effect. The Alameda County Transportation Authority Tax expired on March 31 and was immediately replaced by the Alameda County Transportation Improvement Authority Tax.
- 2003 The Cigarette and Tobacco Products Licensing Act of 2003 established a statewide licensing program that imposed licensing requirements on all retailers, wholesalers, and distributors of cigarette and tobacco products as well as on all manufacturers and importers of cigarettes. The Act, intended to decrease tax evasion, included provisions for new recordkeeping requirements, inspection and seizure of any untaxed cigarettes or tobacco products, and imposed civil and criminal penalties for violations.
- 2004 On January 1, the Ballast Water Management Fee was renamed the Marine Invasive Species Fee and extended to January 1, 2010. The Water Rights Fee went into effect January 1, requiring the Board to assess and collect various fees from owners of water rights on behalf of the State Water Resources Control Board.
- 2005 The Electronic Waste Recycling Fee became effective January 1, requiring retailers to collect a fee upon the sale of certain video display devices. The fee helps pay for safe recycling of those devices.
- 2006 Signed into law on September 27, the Cigarette and Tobacco Products Law affected several provisions of both the Business and Professions Code and the Revenue and Taxation Code. In general, it required manufacturers and importers of tobacco products to comply with the invoicing and recordkeeping requirements applicable to cigarette and tobacco products under the Cigarette and Tobacco Products Licensing Act of 2003.
- 2007 Streamlined property taxes administration procedures were established for assessing fractionally-owned aircraft using a centralized approach in which counties coordinate their efforts allowing taxpayers to file a single statement with one county.
- 2009 On April 1, the General Fund portion of the state sales and use tax rate temporarily increased by one percent.

State Board of Equalization June 30, 2009



BOE Publications

Publications Available Free of Charge

Selected publications that may interest you are listed below. A complete listing of sales and use tax regulations, forms, and publications appears on the BOE website. Multilingual versions of our publications and other multilingual outreach materials are also available at www.boe.ca.gov/languages/menu.htm.

Number	Title	Number	Title
GENERAL		81	Franchise and Personal Income Tax Appeals
21	State Board of Equalization	117	Filing a Claim for Refund
28	Tax Information for City and County Officials–Sales and Use Tax	147	What to Expect in a Computer-Assisted Audit
41	Taxes and Fees Administered by the Board of Equalization	PROPERTY TAXES	
51	Board of Equalization Resource Guide to Free Tax Products and Services	8	California Private Railroad Car Tax Law
54	Tax Collection Procedures	29	California Property Tax: An Overview
56	Offer in Compromise	30	Residential Property Assessment Appeals
58A	How to Inspect and Correct Your Records	43	California Timber Yield Tax Law
70	Understanding Your Rights as a California Taxpayer	48	Property Tax Exemptions for Religious Organizations
72	Summary of Constitutional and Statutory Authorities	86	California Timber Yield Tax
142	California State Board of Equalization Hearings: An Introduction	87	Guide to the California Timber Yield Tax
142A	Your Appeals Conference	149	Property Tax Welfare Exemption
143	Your Appeal Hearing Before the Board Members	<i>Instructions for Reporting State-Assessed Property:</i>	
145	California Tax Advocates	67EG	Electric Generation Companies
148	Resources to Assist California Businesses	67GE	Gas and Electric Companies
151	Contribution Disclosure Statements	67LE	Telephone Companies–Local Exchange Carriers
156	Revenue-Generating Tax and Fee Programs	67PL	Intercounty Pipelines and Watercourses
158	Publications Available in Your Language	67RC	Telephone Companies–Radio Common Carriers
161	Criminal Citations Include a Civil Administrative Process	67RF	Railcar Maintenance Facilities
164	Statewide Compliance and Outreach Program	67RR	Railroad Companies
166	Operating Without a Valid CA Seller’s Permit-Criminal Citation	67TC	Telecommunications Carriers
170	Striking Gold in California	67TR	Telecommunications Resellers
185	The 2020 Plan, Roadmap to the Future	67WT	Telephone Companies–Wireless Carriers
310	Rules for Tax Appeals of the BOE	SALES AND USE TAXES	
329	Economic Perspective	<i>Laws, Regulations, and Tax Rates</i>	
347	BOE Publications CD	71	California City and County Sales and Use Tax Rates
399	Glossary of Words and Phrases	<i>Registration Requirements</i>	
AUDITS AND APPEALS		33	Making Sales in California
17	Appeals Procedures: Sales and Use Taxes and Special Taxes	73	Your California Seller’s Permit
30	Residential Property Assessment Appeals	74	Closing Out Your Seller’s Permit
53	Managed Audit Program	77	Out-of-State Sellers: Do You Need to Register in California?
76	Audits	107	Do You Need a California Seller’s Permit?
		111	Operators of Swap Meets, Flea Markets, and Special Events

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<i>Tax Payments</i>		123	California Businesses: How to Identify California Use Tax Due
75	Interest and Penalty	123TG	California Businesses: How to Identify California Use Tax Due
82	Prepaid Sales Tax and Sales of Fuel	<i>Specific Industries</i>	
116	Sales and Use Tax Records	9	Construction and Building Contractors
159	eFile Guide	18	Nonprofit Organizations
<i>Sales and Purchases</i>		22	Dining and Beverage Industry
26	Tax Information Bulletin Index	24	Liquor Stores
32	Sales to Purchasers from Mexico	25	Auto Repair Garages and Service Stations
42	Resale Certificate Tips	27	Drug Stores
44	District Taxes	31	Grocery Stores
46	Leasing Tangible Personal Property in California	34	Motor Vehicle Dealers
53A	10 Consumer Sales and Use Tax Questions	35	Interior Designers and Decorators
53B	10 Sales and Use Tax Questions for the Business Person	36	Veterinarians
57	Innocent Spouse Relief from Sales and Use Tax	40	Watercraft Industry
61	Sales and Use Taxes: Exemptions and Exclusions	45	Hospitals and Other Medical Facilities
100	Shipping and Delivery Charges	47	Mobilehomes and Factory-Built Housing
101	Sales Delivered Outside California	62	Locksmiths
102	Sales to the United States Government	64	Jewelry Stores
103	Sales for Resale	66	Agricultural Industry
104	Sales to Residents of Other Countries	68	Photographers, Photo Finishers, and Film Processing Laboratories
105	District Taxes and Delivered Sales	146	Sales to American Indians and Sales on Indian Reservations
106	Combination Package and Gift-Wrapping Charges	SPECIAL TAXES AND FEES	
108	Labor Charges	<i>Fuel Taxes</i>	
109	Internet Sales	12	California Use Fuel Tax: A Guide for Vendors and Users
112	Purchases from Out-of-State Vendors	19	California Diesel Fuel Tax Law
113	Coupons, Discounts, and Rebates	49	California Underground Storage Tank Maintenance Fee Law
114	Consignment Sales	50	Guide to the International Fuel Tax Agreement
115	Tips, Gratuities, and Service Charges	50A	Introduction to the International Fuel Tax Agreement
118	Vending Machine Food Sales	59	Local Motor Vehicle Fuel Taxation Law
119	Warranties and Maintenance Agreements	84	Do You Need a California Fuel Permit or License?
121	Drop Shipments	88	Underground Storage Tank Fee
122	Buying and Selling Dogs, Cats, and Other Non-food Animals	96	Biodiesel and California Tax
<i>Use Tax</i>		172	IFTA eFile Guide
52	Vehicles and Vessels: How to Request a Use Tax Clearance for DMV Registration	<i>Excise Taxes</i>	
79	Documented Vessels and California Tax	4	California Cigarette and Tobacco Products Tax Law
79A	Aircraft and California Tax	4A	Cigarette and Tobacco Products Licensing Act Law
79B	California Use Tax	5	California Alcoholic Beverage Tax Law
79C	Use Tax Introduction and Payment Options		
110	California Use Tax Basics		
112	Purchases from Out-of-State Vendors		

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7	California Tax on Insurers Law		INDIVIDUAL COPIES
11	California Energy Resources Surcharge Regulations		<i>Laws, Rules, and Regulations</i>
15	Cigarette and Tobacco Products Tax Regulations		Property Tax Rules
16	Alcoholic Beverage Tax Regulations and Instructions		Sales and Use Tax Regulations
20	California Emergency Telephone Users Surcharge Law		Uniform Local Sales and Use Tax Regulations
39	Emergency Telephone Users Surcharge Regulations		Transactions (Sales) and Use Tax Regulations
39A	Emergency Telephone Users (911) Surcharge		Motor Vehicle Fuel License Tax Regulations
63	Cigarette Distributor Licensing and Tax Stamp Guide		Use Fuel Tax Regulations
69	California Integrated Waste Management Fee Law		Alcoholic Beverage Tax Regulations
78	Sales of Cigarettes and Tobacco Products in California		Cigarette and Tobacco Products Tax Regulations
83	California Tire Fee Law		Energy Resources Surcharge Regulations
91	California Tire Fee		Emergency Telephone Users Surcharge Regulations
92	Alcoholic Beverage Tax		State of California Sales Tax Reimbursement Schedules
93	Cigarette and Tobacco Products Tax		Annual Calendar of Board Meetings
152	Cigarette and Tobacco Product Sales Inspections		<i>Periodicals</i>
366	Records Show You May Owe Taxes on Untaxed Purchases		
	<i>Environmental Fees</i>		
13	California Electronic Waste Recycling Act of 2003	306	Annual Report of the State Board of Equalization
60	California Hazardous Substances Tax Law	316	Taxpayers' Rights Advocate's Annual Report
90	Environmental Fee	334	Environmental Fees Newsletter (published annually)
94	Occupational Lead Poisoning Prevention Fee	337	Excise Taxes Newsletter (published annually)
95	Electronic Waste Recycling Fee	341	Fuel Taxes Newsletter (published semiannually)
120	Cell Phones and Other Wireless Telecommunication Devices	388	Tax Information Bulletin (published quarterly)
157	Attention Retailers—eWaste Portable DVD Players and Crystal Displays	389	Taxable Sales in California (published five times a year)
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