

# Memorandum

To : Mr. Ramon J. Hirsig  
Executive Director

Date : November 24, 2004

From : David E. Hayes, Manager  
Research and Statistics Section

Subject: **2005 TIMBER YIELD TAX RATE  
DECEMBER 14, 2004 - HEARING**

Section 38202 of the Revenue and Taxation Code requires an annual adjustment of the timber yield tax rate based upon the change in the average rate of general property taxation in the 17 rate adjustment counties between the current tax year and the preceding tax year.

We estimate the rate of general property taxation in the 17 counties decreased from 1.040 percent in 2003-04 to 1.039 percent in 2004-05.

Applying the proportional change between 1.040 percent and 1.039 percent to the 2004 timber yield tax rate of 2.9 percent does not call for any adjustment, when the rate is rounded to the nearest one-tenth of one percent as required by statute.

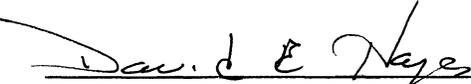
The staff recommends the adoption of a 2.9 percent timber yield tax rate for 2005.

DEH:ems

Attachment

cc: Mr. David Gau  
Ms. Kristine Cazadd  
Ms. Margaret S. Shedd  
Ms. Mickie Stuckey  
Ms. Deborah Pellegrini

**Recommendation by:**

  
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**David E. Hayes, Manager**  
**Research and Statistics Section**

**Approved:**

  
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**Mr. Ramon J. Hirsig**  
**Executive Director**

**BOARD APPROVED**  
at the \_\_\_\_\_ **Board Meeting**

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**Deborah Pellegrini, Chief**  
**Board Proceedings Division**

## CALCULATION OF 2005 TIMBER YIELD TAX RATE

2003-04 Average Tax Rate in Timber Adjustment Counties:

\$	1,123,311,000	Levies
	<u>108,044,318,000</u>	Assessed Value
	1.040%	Tax Rate

2004-05 Average Tax Rate in Timber Adjustment Counties:

\$	1,229,704,000	Levies
	<u>118,382,348,000</u>	Assessed Value
	1.039%	Tax Rate

2005 Timber Yield Tax Rate:

$$2.9\% \times (1.039/1.040) = 2.9\%$$

November 2004  
Research and Statistics Section  
State Board of Equalization