



NEWS RELEASE

**STATE BOARD
OF EQUALIZATION**

450 N Street
Sacramento
California 95814

JOHN CHIANG
Chairman, BOE

RAMON J. HIRSIG
Executive Director

FOR IMMEDIATE RELEASE

NR# 41-C
Date: May 27, 2005
Contact: Anita Gore
Communications Office
(916) 327-8988
Website: <http://www.boe.ca.gov>

CHIANG ANNOUNCES VALUES SET FOR PRIVATELY-HELD PUBLIC UTILITIES IN CALIFORNIA

John Chiang, Chairman of the California State Board of Equalization (BOE), today announced the BOE has established the unitary values of privately owned public utility companies in California at \$66.78 billion (excluding applicable penalties). In fiscal year 2005-2006, local governments will collect an estimated \$729 million in revenue based on these values.

Utility companies assessed by the BOE include railroad, telephone (long distance, local, and wireless), telegraph, gas and electric companies, and intercounty pipelines.

A unitary value includes any improvements, personal property, and land. A unitary valuation applies to properties owned or used by utility companies and considered necessary to their operation.

The BOE determines fair market value by taking into consideration current market conditions, use of property, income generated by property, replacement cost, investments in property, the regulatory climate, depreciation and other factors as of January 1 each year. State-assessed properties, unlike those that are locally assessed, are not subject to the limitations of Proposition 13 and are reappraised by the BOE annually at their market value.

The values set by the BOE are used by county governments to levy local property taxes, which help support county governments, cities, special districts and schools.

Chairman John Chiang, of Los Angeles, was elected to his first term as Fourth District Member on the State Board of Equalization in 1998, and re-elected in 2002. He was named Chair of the Board in December 2004. He also presided as Chair in 2002.

The five-member Board of Equalization is a publicly elected tax board. The Board collects more than \$44 billion annually in taxes and fees supporting state and local government services. It also acts as the appellate body for business tax appeals, franchise and personal income tax appeals, and plays a significant role in the assessment and administration of property tax.

Other Board Members include Betty T. Yee of San Francisco, Acting Member, First District; Bill Leonard of Sacramento/Ontario, Second District; Claude Parrish of Long Beach, Third District; and State Controller Steve Westly.

[\[A list of Unitary Values is attached.\]](#)

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