



State Board of Equalization

News Release

Michelle Steel, Member

3rd District – Rolling Hills Estates

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Property Values Decline Statewide

Second Statewide Decline in California's History

The total value of state-assessed and county-assessed property declined to \$4.371 trillion for 2010-11, a drop of \$78.2 billion (1.8 percent) from the previous year, Board of Equalization Member Michelle Steel announced today. This is the second consecutive year-to-year decline in the statewide total, and the second decline since the BOE began keeping records in 1933.

The value of county-assessed property fell by \$81.1 billion (1.9 percent) to \$4.292 trillion. The value of state-assessed property, mainly privately owned public utilities and railroads, totaled \$79.0 billion, an increase of \$2.9 billion (3.8 percent).

Year-to-year percentage changes ranged from a high of a 4.6 percent gain in Kern County to a low of an 11.9 percent decline in Calaveras County. The increase in Kern County is largely related to oil and gas assessments (which comprise about one-third of the county's assessment roll) and was driven by higher oil prices, the addition of new reserves, and new construction. Forty-eight counties posted year-to-year declines, with nine of them declining by five percent or more. Only two counties (Kern and San Francisco) grew by more than two percent.

The assessed valuation in California's 15 coastal counties (which account for nearly 60 percent of total assessed valuation) fell 1.1 percent. In contrast, the assessed valuation in the 43 inland counties fell 2.8 percent, about 50 percent greater than the statewide average.

The decline in assessed valuation was especially concentrated in the Central Valley. Assessed values dropped by 4.2 percent in the Northern San Joaquin Valley, and 3.3 percent in both the Greater Sacramento Area, and the remainder of the Sacramento Valley. Influenced by the 4.6 percent growth experienced by Kern County, assessed value actually grew by 1.4 percent in the Southern San Joaquin Valley. Southern California declined 1.9 percent, roughly in line with the statewide figure. The drop was milder in the San Francisco Bay Area (1.3 percent).

Of the twelve counties with rolls exceeding \$100 billion, only San Francisco (4.3 percent) posted an increase in assessed valuation. The assessed valuation in the other eleven counties declined: Riverside County (-4.4 percent), followed by San Bernardino (-4.3 percent), Contra Costa (-3.0 percent), Santa Clara (-2.4 percent), Sacramento (-1.8 percent), Alameda (-1.6 percent), San Mateo (-1.6 percent), San Diego (-1.5 percent), Orange (-0.5 percent), and Ventura (-0.3 percent). Los Angeles County, with the largest assessment roll at \$1.063 trillion, declined by 1.8 percent, down \$19.8 billion over 2009-10.

Elected to the Board of Equalization in 2006, Michelle Steel serves as Southern California's elected taxpayer advocate. In 2008, Steel uncovered a \$42 million mistake in the agency's sales tax refund procedures. Following her investigation, the tax agency refunded tax security deposits to over 5,500 small businesses.

The five-member California State Board of Equalization (BOE) is a publicly elected tax board. The BOE collects more than \$48 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

2009/10 and 2010/11 Statewide Assessed Values: http://www.boe.ca.gov/news/pdf/2010_statewide_av.xls

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