



State Board of Equalization

# News Release

**Chairman Jerome E. Horton**

**4<sup>th</sup> District – Los Angeles**

Kristine Cazadd  
Interim Executive Director  
[www.boe.ca.gov](http://www.boe.ca.gov)

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**Contact:** NR 64-11-H  
**Anita Gore**  
**916-327-8988**

## **Board of Equalization Sets Values for Utility Properties for 2011**

Jerome E. Horton, Chairman of the Board of Equalization (BOE), today announced that the Board established unitary values of privately owned public utilities and railroads in California at \$85.5 billion. Local governments will collect an estimated \$947.3 million in revenue (including penalties) over the next fiscal year based on these values. The values were set at today's Board Meeting in Sacramento.

Total values were up \$5.1 billion over those adopted by the Board last year, and will generate approximately \$63.5 million more in taxes for local governments than in the current fiscal year.

Values were set for 413 companies with property in California. They include telephone (long distance, local, and wireless), gas and electric companies, railroads and inter-county pipelines.

While most properties are assessed by county officials, privately-held public utilities are assessed by the BOE statewide. These properties are not subject to Proposition 13 and are reappraised annually at their market value.

A "unitary value" includes improvements, personal property, and land. A unitary valuation applies to properties owned or used by public utilities and railroads and considered necessary to their operation.

The BOE determines the fair market value as of January 1st of each year by considering market conditions, use of the property, income generated by the property, replacement costs, and investments in the property, regulatory climate, depreciation, and other factors.

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. Penalties are assessed for late or incomplete filings or failure to file with the BOE.

For more information on the BOE's State Assessed Properties Program, visit:  
[www.boe.ca.gov/proptaxes/sappcont.htm](http://www.boe.ca.gov/proptaxes/sappcont.htm).

Elected in 2010, Chairman Jerome E. Horton is the Fourth District Member of the California State Board of Equalization, representing more than 8.5 million residents in Los Angeles County. He is also the Board of Equalization Legislative Committee chairman. He is the first to serve on the Board of Equalization with over 21 years of experience with the Board of Equalization. Horton previously served as an Assembly Member of the California State Assembly from 2000-2006.

The five-member California State Board of Equalization is a publicly elected tax board. The Board of Equalization 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](http://www.taxes.ca.gov).

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