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**BOE to Adopt Property Tax Roll for Utilities and Railroads That is Expected to Generate Additional \$56 Million in Tax Revenue for Local Governments
Board to Also Adopt Rates and Rolls for Private Rail Cars at Upcoming Culver City Meeting**

Sacramento – The California State Board of Equalization (BOE) will consider adopting the Fiscal Year 2013-14 assessment rolls for privately-owned public utilities and railroads at its July 17, 2013 meeting in Culver City. The property taxes paid by these utilities and railroads are expected to generate an estimated \$1.035 billion in revenues for local governments.

The adoption of this tax roll completes the Board’s constitutional responsibility with regard to these types of properties begun when it [adopted the combined \\$91.4 billion values for these properties](#) at its May 22, 2013 meeting in Sacramento. When the roll is adopted, it will provide clarity to county governments on how to bill the 420 utility and railroad companies for property taxes. These companies include telephone (local, long distance, and wireless), gas and electric, railroad, and inter-county pipeline. Total values for this fiscal year are up \$3.9 billion from 2012-13’s \$87.5 billion adopted by the Board and will generate about \$56 million more in taxes for local governments.

The Board will also consider adoption of the tax rate for private railroad cars and the 2013-14 assessment rolls for these cars. The BOE’s private railroad car program values and assesses railroad cars that operate on California railway lines, but are not owned by railroad companies. Some of these are railcars owned by companies that move goods in and out of California on rail lines. Unlike any other type of property assessed by county assessors or the BOE, the revenue generated from the taxes on these rail cars is allocated to the state’s general fund, rather than local governments.

State law requires the Board to adopt the private rail car tax rate before August 1 of each year, under [Revenue and Taxation \(R&T\) Code section 11336](#). BOE staff uses the previous year’s average property tax rate throughout the state to calculate the rate for the Board to adopt described in [R&T Code section 11403](#). Based on its calculation and a state law requirement, staff is recommending the Board adopt a tax rate of 1.108 percent of assessed value for 2013-14.

After approving the rate, the Board will consider adoption of the assessment roll for these properties. This enables the BOE to send the rail car companies their notices of assessed value and their tax bill at the same time, increasing efficiency and providing greater clarity to those who are being assessed. This is the only state-assessed property tax that the BOE collects. All other state-assessed property taxes are collected by county governments.

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The five-member California State Board of Equalization (BOE) is a publicly elected tax board. The BOE collects more than \$53.7 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.

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