

For Immediate Release
May 22, 2014

Contact: NR 74-14-G
Jaime Garza
1-916-327-8988

Board of Equalization Sets Utility Property Values for Fiscal Year 2014-15

Sacramento – Local governments will receive \$1.075 billion in tax revenue in the upcoming fiscal year because of the California State Board of Equalization’s (BOE) assessment of privately owned public utilities and railroads. The values for these properties for Fiscal Year 2014 were set at \$94.8 billion by the BOE at its May 22, 2014, meeting in Sacramento by unanimous vote.

Total values are \$3.4 billion more than the \$91.4 billion adopted by the Board last year, and will generate approximately \$40 million more in taxes for local governments than in the current fiscal year. Values were set for 409 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 which are considered necessary to their operation.

The BOE determines the fair market value on January 1st of each year by considering market conditions, use of the property, income generated by the property, replacement costs, 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.

More information on the BOE’s State-Assessed Properties Program is available at www.boe.ca.gov/proptaxes/sappcont.htm.

* * * * *

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.

###

Connect with Us:

