

520.0000 IMPROVEMENTS VALUATION

See Personal Property

520.0010 Docks and Docking Rights. Docks on a private lake can be personalty or realty depending on the manner of their affixation. An assigned right to use a dock constitutes an easement to make use of the lake and is appurtenant to the particular land which is serviced by the particular dock. Unassigned docking rights constitute easements in gross. The docking rights should be assessed as real property whether the docks are assessed as personalty or realty. C 5/17/83.

520.0040 Service Station Fixtures. Property tax law classifies a fixture as a real property improvement. Although a structure is also a real property improvement, several reasons necessitate separately identifying fixtures from structures:

1. Differing definitions of "new construction."
2. Fixtures are their own "appraisal unit" when measuring declines in value.
3. Fixtures are handled differently for supplemental roll purposes.

Thus, real property improvements must be identified, segregated, and properly categorized as "fixtures" consistent with Revenue and Taxation Code section 105 and Property Tax Rule 122.5(a)(1), or as structures.

Since some service station improvements have been or will be replaced, the question is whether replacement constitutes new construction. Regarding new construction, Property Tax Rule 463(c) defines "fixture" as "an improvement whose use or purpose directly applies to or augments the process or function of a trade, industry, or profession." Service station improvements such as tanks, pumps, hoists, and air/water wells are examples of improvements that directly augment the function of the service station trade. As such, said improvements are properly categorized as fixtures, and replacement constitutes new construction in light of Revenue and Taxation Code section 70 and Property Tax Rule 463(b)(5). LTA 3/18/88 (No. 88/24); LTA 5/23/88 (No. 88/40).