



STATE BOARD OF EQUALIZATION

1020 N STREET, SACRAMENTO, CALIFORNIA
(P.O. BOX 1799, SACRAMENTO, CALIFORNIA 95808)

(916) 445-4982

GEORGE R. REILLY
First District, San Francisco
ERNEST J. DRONENBURG, JR.
Second District, San Diego
WILLIAM M. BENNETT
Third District, San Rafael
RICHARD NEVINS
Fourth District, Pasadena
KENNETH CORY
Controller, Sacramento
DOUGLAS D. BELL
Executive Secretary
No. 80/135

September 5, 1980

TO COUNTY ASSESSORS:

FINANCIAL CORPORATIONS

Please refer to the enclosed Assessor's Letter, specifically the fifth paragraph wherein we request certain information. To date only four counties have complied: Alameda, Contra Costa, Ventura, and Yolo. Please forward any corrections you may have by September 15, 1980.

We will forward the 1981 list of financial corporations to you around January 15, 1981.

Sincerely,

A handwritten signature in cursive script that reads "Verne Walton".

Verne Walton, Chief
Assessment Standards Division

VW:lo
Enclosure



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Executive Secretary

March 4, 1980

ADDRESSED TO COUNTY ASSESSORS ONLY:

FINANCIAL CORPORATIONS

On January 2, 1980, we sent you assessors' letter 79/218 together with a list of financial corporations. The list contained the names and addresses of financial corporations, who, beginning in 1981 will begin paying bank and corporation taxes that will be in lieu of property taxes on their personal property.

We have since received inquires from several counties asking why federally chartered credit unions and some specific savings and loan companies were not on the list.

The names of federally chartered credit unions are not on the list simply because they are exempt from California's Bank and Corporation Franchise Tax, and the list was compiled from those reporting to the Franchise Tax Board. Further, since they are exempt from paying the bank and corporation in-lieu franchise tax their personal property will remain subject to property taxes.

The exclusion from the list of several savings and loan companies presents a more difficult problem. According to the Franchise Tax Board the names of savings and loan companies may be absent from the list for at least two reasons. First, they may be subsidiaries of other financial corporations who file bank and corporation tax returns on a consolidated basis. The list would only contain the parent corporation's name. In these instances the subsidiary would, in effect, be paying. Second, although a company may, in fact, be a savings and loan company, the Franchise Tax Board may have it classified as a general corporation, rather than as a financial corporation. This, of course, could mean the misclassified company was not paying the in-lieu tax and its personal property may not be exempt.

In hopes of clearing up the problems prior to 1981, we ask that you review the list previously sent to you and note any companies who you feel should be on the list but are not and vice versa. Please send the names and addresses of these companies to this division, attention Bud Florence. We will then work with the Franchise Tax Board to clear up the problems prior to the 1981 lien date.

March 4, 1980

The Franchise Tax Board informs us that the list of names of financial corporations is confidential information. Please treat it as such.

Sincerely,

Verne Walton

Verne Walton, Chief
Assessment Standards Division

VW:lo