



STATE BOARD OF EQUALIZATION
POLICY, PLANNING, AND STANDARDS DIVISION
450 N STREET, MIC: 64, SACRAMENTO, CALIFORNIA
(PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0064)
TELEPHONE (916) 445-4982
FAX (916) 323-8765

JOHAN KLEHS
First District, Hayward

DEAN F ANDAL
Second District, Stockton

ERNEST J DRONENBURG, JR.
Third District, San Diego

KATHLEEN CONNELL
Controller, Sacramento

JOHN CHIANG
Acting Member
Fourth District, Los Angeles

E. L. SORENSEN, JR.
Executive Director

No. 97/18

April 2, 1997

TO COUNTY ASSESSORS:

COMPUTER VALUATION TABLES FOR THE 1997 LIEN DATE

In Letter to Assessors No. 96/27, the Board provided valuation factors to use when valuing computer equipment for the 1996 lien date. Those factors were effective for the March 1 lien date pertinent to the 1996-1997 fiscal year.

On March 19, 1997 the Board approved valuation factors for use when valuing computers for the 1997 and 1998 lien dates. Enclosed are the new tables for valuing personal computers (computers costing \$25,000 or less), mid-range computers (computers costing over \$25,000 and up to \$499,999), and mainframe computer systems (computers costing \$500,000 or more). The tables for small computers and mainframe computers represent a recalculation of the depreciation curves that were used to calculate those categories for the 1996 lien date. The table for mid-range computers represents a new curve based on all data accumulated to date. The Board reviewed all data accumulated by the Property Taxes Department staff, the Assessors' Association, and representatives of the computer industry. The Board then authorized the publication of the enclosed three tables.

All three of the tables include percent good factors that decline to a 2 percent number. When the Board studied the data, a number of transactions occurred in the low dollar ranges. These transactions represented sales of used equipment at prices that were 3, 2, or 1 percent of the original selling price new. There is sufficient evidence to recommend uniformly using percent good factors as low as 2 percent for valuing computers.

If you have any questions or comments regarding these tables, please contact the Policy, Planning, and Standards Division at (916) 445-4982.

Sincerely,

J. E. Speed
Deputy Director
Property Taxes Department

JES:mls

Enclosure

CALIFORNIA STATE BOARD OF EQUALIZATION
COMPUTER VALUATION TABLES FOR THE 1997 LIEN DATE

Mainframe Computers (Computer Equipment Costing \$500,000 or More)

Year Acquired	Valuation Factor
1996	79%
1995	54%
1994	35%
1993	22%
1992	14%
1991	9%
1990	6%
1989	4%
1988	2%

Mid-Range Computers (Computer Equipment Costing Over \$25,000 and Up to \$499,999)

Year Acquired	Valuation Factor
1996	73%
1995	47%
1994	30%
1993	19%
1992	12%
1991	8%
1990	5%
1989	3%
1988	2%

Personal Computers (Computer Equipment Costing \$25,000 or Less)

Year Acquired	Valuation Factor
1996	66%
1995	39%
1994	24%
1993	15%
1992	10%
1991	6%
1990	4%
1989	2%
1988	2%