STATE OF CALIFORNIA

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Executive Director

September 28, 2012

No. 2012/044

TO COUNTY ASSESSORS AND INTERESTED PARTIES:

CANCELLATION OF PROJECT TO DEVELOP GUIDELINES ON THE EFFECT OF SALES OR USE TAXES IN THE VALUATION OF AIRCRAFT

In Letter To Assessors 2010/068, Board staff distributed a second draft of proposed *Guidelines on the Effect of Sales or Use Taxes in the Valuation of Aircraft* (*Guidelines*). The letter outlined a schedule that included a possible meeting with interested parties and the proposed *Guidelines* going to a future Property Tax Committee meeting for discussion.

Upon further consideration, the project has been cancelled as a stand-alone undertaking. Instead, the issues regarding the effect of sales or use taxes in the valuation process for aircraft will be addressed in a revision to Assessors' Handbook Section 504, *Assessment of Personal Property and Fixtures.* Therefore, the draft *Guidelines* should not be considered as reflecting Board position on the issues addressed in the draft.

It is anticipated that proposed revisions to AH 504 will be distributed early next year and will be disseminated in a Letter To Assessors.

If you have questions regarding the AH 504 project, you may contact Ms. Sherrie Kinkle at 916-274-3363 or at slkinke@boe.ca.gov.

Sincerely,

/s/ David J. Gau

David J. Gau
Deputy Director
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