



STATE BOARD OF EQUALIZATION
 PROPERTY AND SPECIAL TAXES DEPARTMENT
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No. 2014/064

TO COUNTY ASSESSORS:

VESSEL VALUATION FACTORS FOR LIEN DATE 2015

The enclosed vessel valuation factors are for lien date 2015. The enclosed valuation factors may be applied to historic costs of vessels purchased anytime during the 2014 calendar year; and to the 2014 lien date values for vessels that were previously determined by application of the BOE valuation factors.

In 2008, Board staff initiated a project to develop factors for use by county assessors in the mass appraisal of vessels when determining a value for property taxation purposes. Upon completion of the initial study, and with additional information provided by assessors' offices, we have issued factors annually.

Current data indicate that the market is rebounding for all vessel categories, however, the category of Powerboats – Inboard/Outboard/Stern Drive 30 Feet and Over has not yet returned to historical trends. Though demand for the larger powerboats is still weaker than other categories, the data indicates strengthening since the decline experienced in 2013.

The 2015 lien date valuation factor table includes categories for:

- Powerboats
 - Inboard/Outboard/Stern Drive under 30'
 - Inboard/Outboard/Stern Drive 30' and over
- Sailboats
- Personal Watercraft (Jet Ski)

Length for the Inboard/Outboard/Stern Drive category have been adjusted from 38 feet to 30 feet based on current data and previous years data.

Based on data provided by county assessors, the powerboat valuation factors were derived using the following types/makes of vessels:

Bass	Sports Fisher
Center Console	Ski
Cruiser	Sports Runabout
Day Cruiser	Trawler
Fish and Ski	Utility Cruiser
Racer	Utility Runabout
Runabout	Utility
Sports Cruiser	Yacht

The valuation factors are intended as a guide in the mass appraisal of vessels when determining value for property taxation purposes. However, relevant data pertinent to the assessment of specific property should always be reviewed and considered. We hope the information presented proves useful and that it promotes uniformity of assessments.

As this is an annual study, your input and assistance is welcomed so that we may provide you with the most representative and useful information possible. For questions or suggestions regarding the vessel study or factors, you may contact Mr. Michael Saunders at michael.saunders@boe.ca.gov or at 1-916-274-3365.

Sincerely,

/s/ Dean R. Kinnee

Dean R. Kinnee
Acting Deputy Director
Property Tax Department

BT:mds
Enclosure

VESSEL VALUATION FACTORS January 1, 2015 Lien Date

The valuation factors below may be applied to prior year's assessed values and to reported costs of vessels purchased anytime during the 2014 calendar year
(See examples on following page.)

POWERBOATS* - Inboard/Outboard/Stern Drive Under 30 Feet	
First year valuation factor for new models purchased in 2014	.93
Valuation factor for used models purchased in 2014	.97
Annual valuation factor for all vessels currently on the roll	.97
POWERBOATS – Inboard/Outboard/Stern Drive 30 Feet and Over	
First year valuation factor for new models purchased in 2014	.86
Valuation factor for used models purchased in 2014	.91
Annual valuation factor for all vessels currently on the roll	.91

*Bass	Sports Fisher
Center Console	Ski
Cruiser	Sports Runabout
Day Cruiser	Trawler
Fish and Ski	Utility Cruiser
Racer	Utility Runabout
Runabout	Utility
Sports Cruiser	Yacht

SAILBOATS	
First year valuation factor for new models purchased in 2014	.95
Valuation factor for used models purchased in 2014	.97
Annual valuation factor for all vessels currently on the roll	.97
PERSONAL WATERCRAFT (Jet Ski)	
First year valuation factor for new models purchased in 2014	.90
Valuation factor for used models purchased in 2014	.97
Annual valuation factor for all vessels currently on the roll	.97

Example 1

A 36-foot powerboat was purchased used in 2009 for \$200,000. Trending the original historical purchase price and subsequent enrolled values by the factors provided by the Board for each year results in the following 2015 lien date value:

$$\$200,000 \times .80^1 = \$160,000 \text{ (2010 lien date value)}$$

$$\$160,000 \times 1.05^2 = \$168,000 \text{ (2011 lien date value)}$$

$$\$168,000 \times 1.00^3 = \$168,000 \text{ (2012 lien date value)}$$

$$\$168,000 \times .97^4 = \$162,960 \text{ (2013 lien date value)}$$

$$\$162,960 \times .86^5 = \$140,146 \text{ (2014 lien date value)}$$

$$\$140,146 \times .91^6 = \$127,533 \text{ (2015 lien date value)}$$

Example 2

A 28-foot powerboat was purchased new for \$300,000 during the 2014 calendar year. Depreciating the purchase price of this vessel by the appropriate factor results in the following calculation to arrive at the lien date 2015 value:

$$\$300,000 \times .93^6 = \$279,000$$

¹ See Letter To Assessors 2010/004, *Vessel Depreciation Factors*.

² See Letter To Assessors 2010/076, *Vessel Valuation Factors*.

³ See Letter To Assessors 2012/004, *Vessel Valuation Factors*.

⁴ See Letter To Assessors 2013/009, *Vessel Valuation Factors*.

⁵ See Letter To Assessors 2013/061, *Vessel Valuation Factors*.

⁶ See factor contained in this Letter To Assessors.