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April 14, 2014

Jerome E. Horton
Chairman, State Board of Equalization
State Board of Equalization
P.O. Box 942879
Sacramento, CA 94279-0064

Re: April 22-23 Board Meeting, Rule 21(d) Proposed LTA Comments

Dear Board Chairman Horton,

I am writing on behalf of the California Cable and Telecommunications Association ("CCTA") to express our members' support for the clarification of the law governing appraisal of possessory interests ("PIs") in the proposed Letter to Assessors ("proposed LTA") based on the Court of Appeals decision in *California State Teachers' Retirement System v. County of Los Angeles* (2013) 216 Cal.App.4th 41 ("*CalSTRS*").

CCTA is a trade association representing California cable operators, including Comcast Corporation, Time Warner Cable, Cox Communications, Charter Communications, Bright House Networks, Suddenlink Communications, Wave Cable, among others, who have deployed cable and broadband infrastructure that is available to 98% of households in this state. To achieve this, CCTA's members have invested \$30 billion in fiber-optic cable upgrades since 1996 in California. Much of this investment is made on public lands.

As a result of this investment, CCTA's members serve over 5.5 million cable television subscribers, 3.4 million VoIP and telephone customers and 6.4 million high-speed data customers. These activities employ over 65,000 people directly or indirectly in California and result in the remittance of over \$800 million dollars in tax and fee revenues, including property taxes on PIs.

Over the years, appraisal of PIs related to property held by CCTA's members have been controversial and the subject of several court of appeal cases. However, in the *CalSTRS* case, the court's decision helped to clarify the law governing appraisal of TPI by affirming that it must be based on the property right held by the taxpayer in the public land and be valued so that fair market value will be consistent with the plain language in Rule 21 and the Board's intention in adopting the Rule.

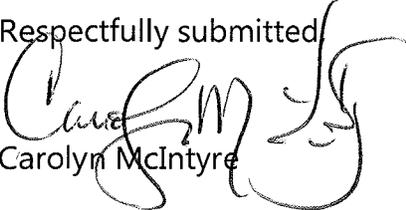
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The issuance of the proposed LTA will help clarify for assessors, assessment appeals boards, the courts and taxpayers constitutionally-based law including: (1) the right in real property to be appraised in a PI as set forth in Rule 21(b), (2) the term to be used in the appraisal of the right in real property consistent with Rule 21(d), and (3) the obligation of each assessor to decline the term of possession throughout the "reasonably anticipated term of possession" on each lien date to determine if adjusted base year value is lower than fair market value.

CCTA's members strongly support issuance of the proposed LTA.

Respectfully submitted

Carolyn McIntyre

cc: Ms. Marcie Jo Mandel
Cynthia Bridges
Randy Ferris
David Gau