STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION
1020 N STREET, SACRAMENTO, CALIFORNIA
(P.O. BOX 1799, SACRAMENTO, CALIFORNIA 95808)
(916) 445-6479

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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

September 1, 1982

No. 82/107

TO COUNTY ASSESSORS, COUNTY COUNSELS,
ASSESSMENT APPEALS BOARDS,
AND OTHER INTERESTED PARTIES:

PROPERTY TAXES RULE 173

Enclosed is a notice of public hearing to be held Wednesday, October 13, 1982, at 1:00 p.m., in Room 102, 1020 N Street, Sacramento, California, on proposed property taxes rule 173, Board Prescribed Oil and Gas Property Statements.

This rule is promulgated to implement, interpret, and make specific the Constitution and statutes of the State of California empowering the Board of Equalization to instruct county assessors to use Board-prescribed forms. Instructions for the content and use of Board-prescribed oil and gas property statements are set forth herein.

Written comments for the Board's consideration, requests to present testimony at the public hearing, or questions regarding the regulation should be directed to me at the above address.

Sincerely,

Janice Masterton
Assistant to Executive Secretary

JM:ms
Enclosure

NOTICE OF PROPOSED REGULATORY ACTION

BY THE

STATE BOARD OF EQUALIZATION

NOTICE IS HEREBY GIVEN that the State Board of Equalization, pursuant to the authority vested by Section 15606 of the Government Code, and to implement, interpret, or make specific Sections 441 and 452 of the Revenue and Taxation Code, proposes to adopt Regulation 173 as a part of Title 18 of the California Administrative Code, relating to property tax.

PUBLIC NOTICE: Notice is further given that a public hearing relevant to this action will be held in Room 102, Consumer Affairs Building, 1020 N Street, Sacramento, California, at 1:00 p.m., on October 13, 1982. Any person interested may present statements or arguments orally at that time and place.

INFORMATIVE DIGEST: This rule is promulgated to implement, interpret, and make specific the Constitutuion and statutes of the State of California empowering the Board of Equalization to instruct county assessors to use Board-prescribed forms. Instructions for the content and use of Board-prescribed oil and gas property statements are set forth herein.

ESTIMATE OF COST OR SAVINGS: The State Board of Equalization has determined that the proposed addition will result in no direct or indirect cost or savings to any State, local, or Federal agency, school district, nor in Federal funding to the State.

INQUIRIES: Inquiries concerning this matter may be directed to Janice Masterton, at (916) 445-6479.

WRITTEN COMMENTS: Written statements or arguments will be considered by the Board if received by October 13, 1982; written statements or arguments are requested by September 23, 1982.

STATEMENT OF REASONS: EXPRESS TERMS: The Board has prepared a statement of the purpose of the proposed action and the information relied upon in making the change, and a version (express terms) of the proposed addition, both of which are available to the public upon request.

STAFF MEMORANDA AFTER PUBLIC HEARING OR REVISIONS TO PUBLISHED VERSION OF THE REGULATION: In the event there are any staff memoranda included in the rule making file after the close of the public hearing, these memoranda will be available to the public upon request from Mrs. Masterton for a period of 15 days after the public hearing.

In the event there are any revisions to the published version of the regulation, these revisions will be available to the public from Mrs. Masterton for a period of 15 days after the public hearing.

Following the hearing, the State Board of Equalization, upon its own motion, or at the instance of any interested person, may in accordance with law adopt the changes proposed without further notice.

Dated: August 18, 1982

STATE BOARD OF EQUALIZATION

D D Bell

Douglas D. Bell
Executive Secretary

Rule 173. Board Prescribed Oil and Gas Property Statements

Reference: Sections 441(d), 452, Revenue and Taxation Code
Section 15606, Government Code

Each year the county assessor shall direct all persons owning real property interests in mineral rights covering the production of gas, petroleum, and other hydrocarbon substances to file Board prescribed oil and gas property statement forms. The forms shall be used to obtain information concerning property acquisition transactions, construction and development costs, rental income, and other data relevant to the determination of an estimate of value. The use of the Board prescribed form shall not be considered a limitation on the assessor's right to obtain information by other means authorized by the Revenue and Taxation Code.

Data relevant to the determination of an estimate of value includes but is not limited to: the name of the person or corporation owning the property; the owner's fictitious business name, if any, and mailing address; a description of the property; the assessor's parcel number; production data as required by the United States Department of Energy regulations for each lease and reservoir by the month for the immediate past calendar year; depth to zone botton; royalty rate; oil gravity (American Petroleum Institute Standard); price of gas per one thousand cubic feet (Mcf); price of natural gas liquids (NGL) sold per gallon; crude oil

price per barrel; gas and gas liquids income; gas or oil self consumed; gas or oil sales; NGL sales (gallons per year); trucking charge per barrel; name and address of crude oil or gas buyer; severance tax; windfall profit tax details; proved reserves details; well equipment details; other production equipment details; and any remarks necessary to explain the reported information.

The report must be signed by the owner or partner of the business, a duly appointed fiduciary or an agent in compliance with Section 172 of this article.