2000–01 Annual Report

History
Organization Chart
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Statistical Tables
1870 Legislature created State Board of Equalization, consisting of the state controller and two gubernatorial appointees, to deal with property assessment abuses among counties.

1879 State Board of Equalization established under the state Constitution to regulate county assessment practices, equalize county assessment ratios, and assess properties of interconnected railroads. Board consisted of four members elected by district and the state controller.*

1911 Constitutional amendment provided for Board assessment of corporation franchise taxes, bank share tax, gross receipts taxes on public service corporations (utilities), and insurance taxes.

1923 Motor vehicle fuel (gasoline) tax enacted.

1929 Bank and corporation franchise tax enacted. Board would no longer assess the taxes but was designated as the administrative appellate agency.

1933 Retail sales tax, motor vehicle transportation license tax, and alcoholic beverage tax enacted. Riley-Stewart Plan enacted assessment of designated public utility properties for local tax purposes.

1935 Use tax enacted to provide further revenue and protect California retailers from tax-free competition from out-of-state sellers. Personal income tax enacted with the Board as the administrative appellate agency.

1937 Use fuel tax on diesel fuel enacted as a supplement to the gasoline tax. Private railroad car tax enacted.

1951 Administration of Itinerant Merchants Act transferred by legislation from the Public Utilities Commission to the Board. This law imposed an annual fee on those who hauled produce across county lines.

1955 Constitutional Amendment transferred licensing and control of alcoholic beverages from the Board to a new Alcoholic Beverage Control Department and the appellate function to the Alcoholic Beverage Control Appeals Board. The Board retained taxing functions.

1955 Board-administered local sales and use taxes program initiated. All state cities and counties included by 1962.

1959 Cigarette tax enacted.

1961 Itinerant Merchants law repealed.

1963 Subscription television tax enacted.

1964 Subscription television tax repealed by initiative.

1966 Property Tax Assessment Reform Law enacted. Mandated certification and training of appraisers, surveys of county assessors' offices, and development of property tax rules and regulations. Added an appeal procedure at the staff level to the sample property appraisal process.

1967 Legislation increased the cigarette tax and provided that thirty percent of the receipts be distributed to cities and counties based on local sales tax allocations.

1969 Aircraft jet fuel tax enacted.

1970 State-administered transit district sales tax program enacted — Bay Area Rapid Transit District and Southern California Rapid Transit District.

1973 Motor vehicle transportation license tax repealed.


1975 Electrical energy surcharge enacted.

1976 Timber yield tax and Emergency Telephone Users Surcharge Law enacted.


1978 Proposition 13 enacted. Proposition 8 amended Article XIIIA to allow reduction of the full cash value base of real property to reflect substantial damage, destruction, or other factors that cause the value to decline.

1979 Litter Control, Recycling, and Resources Recovery Act amended, ending the assessment and allocating funding from the state's general fund.

1982 Administration of two hazardous substances taxes assigned to the Board by legislation. Both are imposed on persons who generate hazardous waste and dispose of it in California.

1984 The Moore Universal Telephone Service Act imposed a tax on certain intrastate telecommunications to subsidize basic telephone service for those who cannot afford it. The Public Utilities Commission determined tax rates, eligibility, and service systems while the Board collected the tax.

*The Board in its present form was established by article XIII, section 9 of the Constitution of 1879. "As originally ratified, (it) provided that the board should consist of one member from each congressional district in the State, to be elected by the qualified electors of their respective districts at the general election to be held in 1879, whose term of office, after those first elected, should be four years, and that the Controller should be ex officio a member of the board." — California Blue Book or State Roster - 1909
1987 The Moore Universal Telephone Service Act repealed and reenacted; administration transferred to the Public Utilities Commission.

1988 Passage of Proposition 99 in November increased the tax on cigarettes and created a tobacco products tax.

1989 Underground storage tank maintenance fee created.

1990 Motor vehicle fuel license tax increased five cents per gallon in August due to passage of Proposition 111 in June. Annual hazardous substance tax expired December 31.

1991 New environmental fees created: tire recycling; oil spill response, prevention, and maintenance; and oil spill prevention and administration. Sales tax exemption related to certain food products repealed in July 1991, resulting in so-called “Snack Foods” tax. Also repealed were exemptions applicable to bottled water and newspapers and periodicals.


1993 Childhood lead poisoning prevention fee and hazardous spill prevention fee took effect. Voters approved a constitutional amendment making permanent an additional sales and use tax to fund local public safety programs.

1994 San Diego County Regional Justice Facility Tax and Monterey Public Repair and Improvement Authority Tax refund programs began. San Diego County sales and use tax rollback/credit program began.


1997 Fresno Metropolitan Projects Authority Tax refund program ended March 31; California Supreme Court upheld childhood lead poisoning prevention fee; Santa Cruz County Library Tax and Santa Clara County Transactions and Use Tax went into effect April 1; Santa Cruz County Earthquake Recovery Bond Tax, Tulare County Transactions and Use Tax, and San Benito County General Fund Augmentation expired; propane safety inspection and enforcement surcharge transferred to Public Utilities Commission January 1; oil recycling fee transferred to Integrated Waste Management Board July 1.

1998 Napa County Flood Protection Authority Tax went into effect on July 1; Solano County Public Library District Tax, Nevada County Public Library District Tax, and Town of Truckee Road Maintenance District went into effect on October 1. San Benito County Council of Governments Tax expired December 31. Legislation authorized counties to levy transactions and use taxes for local library programs; extended the sunset date of the tire recycling fee; and changed local sales tax allocation methods for pooled revenues and sales of jet fuel. Proposition 10 enacted.

1999 Proposition 10, which imposed new cigarette and tobacco products taxes, went into effect January 1. City of Placerville Public Safety Tax and Fresno County Public Library Tax went into effect April 1.

2000 The ballast water management fee went into effect January 1. Four transactions and use taxes went into effect: the City of Clovis Public Safety Transaction and Use Tax, on April 1; the Mariposa County Healthcare Authority district tax and the City of Woodland General Revenue Transactions and Use Tax on July 1; and the Avalon Municipal Hospital and Clinic Transactions and Use Tax on October 1.

2001 On January 1, the state sales and use tax rate dropped by ½ percent and the natural gas surcharge went into effect.
## Publications of the Board of Equalization

### General
- no. 21 State Board of Equalization
- no. 28 Business Tax Information for City and County Officials
- no. 41 Taxes and Fees Administered by the Board of Equalization
- no. 51 Guide to Board of Equalization Services
- no. 54 Tax Collection Procedures
- no. 56 Offers in Compromise
- no. 58 A How to Inspect and Correct Your Records
- no. 70 The California Taxpayers’ Bill of Rights
- no. 72 Summary of Constitutional and Statutory Authorities

### Audits and Appeals
- no. 17 Appeals Procedures: Sales and Use Taxes and Special Taxes
- no. 30 Residential Property Assessment Appeals
- no. 53 Guide to the Managed Audit Program
- no. 55 Homeowner and Renter Assistance Appeals
- no. 76 Audits
- no. 81 Franchise and Personal Income Tax Appeals

### Property Taxes
- no. 8 Private Railroad Car Tax Law
- no. 29 California Property Tax: An Overview
- no. 43 Timber Yield Tax Law
- no. 86 California Timber Yield Tax
- no. 87 Guide to the California Timber Yield Tax
- no. 48 Property Tax Exemptions for Religious Organizations
- no. 78 Certification Program for Property Tax Appraisers
- Instructions for Reporting State-Assessed Property:
- no. 67 GE Gas & Electric Companies
- no. 67 PL Intercounty Pipelines and Watercourses
- no. 67 LE Telephone Companies—Local Exchange Carriers
- no. 67 RC Telephone Companies—Radio Common Carriers
- no. 67 RF Railcar Maintenance Facilities
- no. 67 RR Railroad Companies
- no. 67 TC Telecommunications Carriers
- no. 67 TR Telecommunications Resellers
- no. 67 WT Wireless Carriers

### Sales and Use Taxes
- no. 1 Sales and Use Tax Law
- no. 2 Uniform Local Sales & Use Tax Law and Transactions & Use Tax Law
- no. 26 Tax Information Bulletin Index
- no. 71 California City and County Sales & Use Tax Rates
- no. 33 Making Sales in California
- no. 73 Your California Seller’s Permit
- no. 74 Closing Out Your Seller’s Permit
- no. 77 Do You Need to Register in California? For Out-of-State Sellers
- no. 107 Do You Need a California Seller’s Permit
- no. 75 Interest and Penalty Payments
- no. 80 Electronic Funds Transfer: Information Guide
- no. 44 Tax Tips for District Taxes
- no. 105 District Taxes and Delivered Sales
- no. 46 Tax Tips for Leasing of Tangible Personal Property in California
- no. 61 Sales and Use Taxes: Exemptions and Exclusions
- no. 52 Vehicles and Vessels: How to Request an Exemption from California Use Tax
- no. 79 Documented Vessels and California Tax
- no. 79A Aircraft and California Tax
- no. 79 B California Individual Use Tax
- no. 110 California Use Tax Basics
- no. 109 Are Your Internet Sales Taxable?
- no. 112 Purchases from Out-of-State Vendors
- no. 82 Prepaid Sales Tax on Sales of Fuel
- no. 100 Shipping and Delivery Charges
- no. 101 Sales Delivered Outside California
- no. 102 Sales to the US Government
- no. 42 Resale Certificate Tips
- no. 103 Sales for Resale
- no. 104 Sales to Residents of Other Countries
- no. 106 Gift Wrapping Charges
- no. 108 When is Labor Taxable?
- no. 111 Operators of Swap Meets, Flea Markets, and Special Events
- no. 113 Coupons and Sales Tax
- no. 114 Consignment Sales
- no. 115 Applying Sales Tax to Tips
- no. 116 Sales and Use Tax Records

### Tax Tip Publications for Specific Industries
- no. 9 Tax Tips for Construction and Building Contractors
- no. 18 Tax Tips for Nonprofit Organizations
- no. 22 Tax Tips for the Dining and Beverage Industry
- no. 24 Tax Tips for Liquor Stores
- no. 25 Tax Tips for Auto Repair Garages and Service Stations
- no. 27 Tax Tips for Drug Stores
- no. 31 Tax Tips for Grocery Stores

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1 Available in Spanish (#–S), Chinese (#–C), Korean (#–K), and Vietnamese (#–V)
2 Available only in Arabic (#–AC), Armenian (#–AN), German (#–GN), Hindi (#–HI), Japanese (#–JE), Portuguese (#–PE), Pilipino (#–PO), and Punjabi (#–PI)
3 Available in Spanish (#–S) and Korean (#–K)
4 Available in Spanish (#–S) and Korean (#–K)
5 Available in Korean (#–K)
### Publications Available Free of Charge

#### Tax Tip Publications for Specific Industries (Continued)

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#### Special Taxes

#### Fuel Taxes

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<td>Occupational Lead Poisoning Prevention Fee</td>
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### Individual Copies Available Free of Charge

- Property Tax Rules
- Sales and Use Tax Regulations
- Uniform Local Sales and Use Tax Regulations
- Transactions (Sales) and Use Tax Regulations
- Motor Vehicle Fuel License Tax Regulations
- Use Fuel Tax Regulations
- Alcoholic Beverage Tax Regulations
- Cigarette and Tobacco Products Tax Regulations
- Energy Resources Surcharge Regulations
- Emergency Telephone Users Surcharge Regulations
- Hearing Procedures of the State Board of Equalization
- State of California Sales Tax Reimbursement Schedules
- Annual Calendar of Board Meetings
- Annual Report of the State Board of Equalization
- Taxpayers’ Rights Advocate Annual Reports
- State Assessee Newsletter (published annually)
- Taxable Sales in California (published five times a year)
- Tax Information Bulletin (published quarterly)
- Environmental Fee Newsletter (published semiannually)
- Excise Taxes Newsletter (published semiannually)
- Fuel Taxes Newsletter (published semiannually)

### Publications Available at Cost

- Business Taxes Law Guide (print or CD-ROM)
- Property Taxes Law Guide (print or CD-ROM)
- Business Taxes Audit Manual
- Compliance Policy and Procedures Manual
- Assessors Handbook

### To Obtain Publications

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### Faxback

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### Internet: www.boe.ca.gov

Certain publications are available on the Board’s Internet website. You may also download order forms for publications and regulations.

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1 Available in Spanish (32-S, 50-S, 50A-S).