

# Memorandum

To : Honorable Jerome E. Horton, Chairman  
Honorable Michelle Steel, Vice Chair  
Honorable Betty T. Yee, First District  
Senator George Runner (Ret.), Second District  
Honorable John Chiang, State Controller

Date: April 24, 2014

From : Joe Fitz, Chief  
Research & Statistics Section

Subject: 4-R ACT EQUALIZATION RATIO  
MAY, 2014 – BOARD AGENDA

Rail transportation property is to be assessed at the same percentage of market value as all other commercial/industrial (C/I) property. We have completed an analysis of the effective assessment level of the 2012-13 roll. That analysis, which was based primarily on sales ratio studies using sales data submitted by counties, is summarized on the attached two pages. It yielded an estimated statewide ratio of assessed value to market value of commercial/industrial property other than rail transportation property of 76.38 percent.

Therefore, it is recommended that the Board assess rail transportation property at 76.38 percent of market value for the 2014-15 roll.

JF:ram:jm

Attachments 2

cc: Mr. Randy Ferris  
Mr. David Gau  
Ms. Joann Richmond  
Ms. Michele Pielsticker  
Mr. Ken Thompson

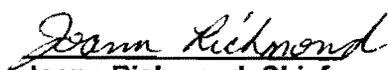
Recommendation by:

  
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Joe Fitz, Chief  
Research and Statistics Section

Approved:

  
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Ms. Cynthia Bridges  
Executive Director

Board Approved  
at the 5/22/14 Board Meeting

  
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Joann Richmond, Chief  
Board Proceedings Division

**RATIO OF ASSESSED VALUE TO MARKET VALUE OF LOCALLY ASSESSED  
COMMERCIAL/INDUSTRIAL REAL PROPERTY DETERMINED FROM SALES RATIO  
STUDIES FOR THOSE COUNTIES THAT REPORTED SALES DATA TO THE BOARD  
2012-13**

<u>County</u>	<u>Ratio</u>	<u>County</u>	<u>Ratio</u>
ALAMEDA	77.22%	PLUMAS	104.94%
AMADOR	100.43%	RIVERSIDE	91.10%
BUTTE	100.09%	SACRAMENTO	83.18%
CALAVERAS	119.31%	SAN BERNARDINO	80.44%
CONTRA COSTA	83.21%	SAN DIEGO	76.72%
DEL NORTE	101.81%	SAN FRANCISCO	54.89%
EL DORADO	98.31%	SAN JOAQUIN	95.66%
FRESNO	82.97%	SAN LUIS OBISPO	70.91%
HUMBOLDT	73.04%	SAN MATEO	57.64%
IMPERIAL	79.70%	SANTA BARBARA	71.46%
KERN	87.05%	SANTA CLARA	74.55%
KINGS	90.90%	SHASTA	88.91%
LAKE	103.05%	SISKIYOU	106.98%
LOS ANGELES	68.06%	SOLANO	79.06%
MADERA	85.02%	SONOMA	82.98%
MARIN	76.33%	STANISLAUS	92.48%
MERCED	93.74%	SUTTER	80.86%
MONTEREY	80.18%	TULARE	89.99%
NAPA	77.94%	TUOLUMNE	69.70%
NEVADA	99.27%	VENTURA	82.10%
ORANGE	72.58%	YOLO	93.44%
PLACER	90.07%	YUBA	75.37%

These ratios were determined primarily by sales ratio studies comparing 2012-13 assessed values to sales prices of properties changing ownership from January 2012 through December 2012. Although these studies when used in aggregate produce a reliable estimate of the statewide ratio of locally assessed C/I real property, the estimate for a single county may vary from year-to-year due to the nature of the particular changes in ownership occurring in a given year.

Research and Statistics Section  
State Board of Equalization  
April 24, 2014

**ESTIMATED STATEWIDE RATIO OF ASSESSED VALUE TO MARKET VALUE OF  
COMMERCIAL/INDUSTRIAL PROPERTY OTHER THAN RAIL TRANSPORTATION PROPERTY  
2012-13**

	<u>Assessed Value (000's)</u>	<u>Ratio</u>	<u>Market Value (000's)</u>
Locally Assessed Real Property			
Urban Coastal Counties	960,320,699	69.65%	1,378,829,043
All Other Counties	<u>350,354,251</u>	<u>85.76%</u>	<u>408,549,591</u>
<b>Total All Counties</b>	<b>1,310,674,950</b>	<b>73.33%</b>	<b>1,787,378,634</b>
Locally Assessed Personal Property	156,455,676	98.05%	159,567,237
State Assessed Property Other Than Rail Transportation	84,798,786	100.00%	84,798,786
<b>Grand Total</b>	<b>1,551,929,412</b>	<b>76.38%</b>	<b>2,031,744,657</b>

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