

Memorandum

To : Honorable Jerome E. Horton, Chairman
 Senator George Runner (Ret.), Vice Chair
 Honorable Fiona Ma, CPA, Second District
 Honorable Diane L. Harkey, Fourth District
 Honorable Betty T. Yee, State Controller

Date : May 6, 2015

From : Mark Durham, Manager
 Research and Statistics Section

Subject : **4-R ACT EQUALIZATION RATIO
 MAY, 2015 – BOARD AGENDA**

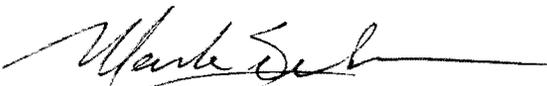
Rail transportation property is to be assessed at the same percentage of market value as all other commercial/industrial (C/I) property. We have completed an analysis of the effective assessment level of the 2013-14 roll. That analysis, which was based primarily on sales ratio studies using sales data 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 74.11 percent.

Therefore, it is recommended that the Board assess rail transportation property at 74.11 percent of market value for the 2015-16 roll.

MD:ram:jm

Attachments 2

cc: Mr. Randy Ferris
 Mr. Dean Kinnee
 Ms. Joann Richmond
 Ms. Michele Pielsticker
 Mr. Ken Thompson

Recommended by:


Mark Durham, Manager
 Research and Statistics Section

Approved:


Cynthia Bridges
 Executive Director

Approved:


Joann Richmond, Chief
 Board Proceedings Division

Board Approved

at the 5-27-15 Board Meeting

**ESTIMATED STATEWIDE RATIO OF ASSESSED VALUE TO MARKET VALUE OF
COMMERCIAL/INDUSTRIAL PROPERTY OTHER THAN RAIL TRANSPORTATION PROPERTY
2013-14**

	<u>Assessed Value (000's)</u>	<u>Ratio</u>	<u>Market Value (000's)</u>
Locally Assessed Real Property			
Urban Coastal Counties	1,014,783,844	67.86%	1,495,375,673
All Other Counties	<u>355,473,400</u>	<u>81.62%</u>	<u>435,542,316</u>
TOTAL ALL COUNTIES	1,370,257,244	70.96%	1,930,917,989
Locally Assessed Personal Property	153,711,582	98.44%	156,147,483
State Assessed Property Other Than Rail Transportation	88,227,447	100.00%	88,227,447
GRAND TOTAL	1,612,196,273	74.11%	2,175,292,919

Research and Statistics Section
State Board of Equalization
April 17, 2015

**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
2013-14**

<u>County</u>	<u>Ratio</u>	<u>County</u>	<u>Ratio</u>
ALAMEDA	71.58%	PLACER	80.67%
AMADOR	106.20%	RIVERSIDE	85.34%
BUTTE	79.53%	SACRAMENTO	81.20%
CALAVERAS	106.05%	SAN BERNARDINO	78.10%
CONTRA COSTA	82.12%	SAN DIEGO	79.99%
DEL NORTE	94.70%	SAN FRANCISCO	57.35%
EL DORADO	81.88%	SAN JOAQUIN	95.29%
FRESNO	76.15%	SAN LUIS OBISPO	53.26%
GLENN	88.54%	SAN MATEO	60.20%
HUMBOLDT	74.70%	SANTA BARBARA	74.71%
IMPERIAL	86.49%	SANTA CLARA	73.19%
KERN	88.14%	SHASTA	78.65%
KINGS	106.28%	SISKIYOU	87.16%
LAKE	113.04%	SOLANO	85.16%
LOS ANGELES	63.91%	SONOMA	74.42%
MADERA	87.45%	STANISLAUS	81.27%
MARIN	57.37%	SUTTER	87.65%
MERCED	75.38%	TEHAMA	77.78%
MODOC	94.64%	TULARE	80.53%
MONTEREY	75.10%	TUOLUMNE	90.03%
NAPA	79.75%	VENTURA	84.97%
NEVADA	78.64%	YOLO	81.48%
ORANGE	71.24%	YUBA	74.44%

These ratios were determined primarily by sales ratio studies comparing 2013-14 assessed values to sales prices of properties changing ownership from January 2013 through December 2013. 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
4/17/2015