

**M e m o r a n d u m**

To : Honorable Fiona Ma, CPA, Chairwoman  
 Honorable Diane L. Harkey, Vice Chair  
 Honorable George Runner, First District  
 Honorable Jerome E. Horton, Third District  
 Honorable Betty T. Yee, State Controller

Date : April 27, 2016

From : Mark Durham, Manager  
 Research & Statistics Section

Subject : **4-R ACT EQUALIZATION RATIO  
 MAY 2016 BOARD MEETING**

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 2014-15 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 66.90 percent.

Therefore, it is recommended that the Board assess rail transportation property at 66.90 percent of market value for the 2016-17 roll.

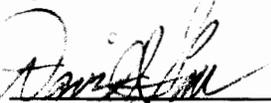
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Attachments 2

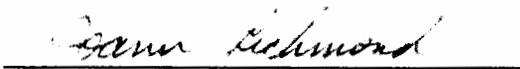
cc: Mr. Randy Ferris  
 Mr. Dean Kinnee  
 Ms. Joann Richmond  
 Ms. Michele Pielsticker  
 Mr. Ken Thompson

**Recommended by:**


Mark Durham, Manager  
 Research and Statistics Section

**Approved:**


David J. Gau  
 Executive Director

**Approved:**


Joann Richmond, Chief  
 Board Proceedings Division

**Board Approved**

at the 5/25/16 Board Meeting

**ESTIMATED STATEWIDE RATIO OF ASSESSED VALUE TO MARKET VALUE OF  
COMMERCIAL/INDUSTRIAL PROPERTY OTHER THAN RAIL TRANSPORTATION PROPERTY  
2014-15**

	<u>Assessed Value (000's)</u>	<u>Ratio</u>	<u>Market Value (000's)</u>
Locally Assessed Real Property			
Urban Coastal Counties	1,054,415,525	59.83%	1,762,227,160
All Other Counties	<u>363,718,467</u>	<u>76.17%</u>	<u>477,505,442</u>
<b>TOTAL ALL COUNTIES</b>	<b>1,418,133,992</b>	<b>63.32%</b>	<b>2,239,732,602</b>
Locally Assessed Personal Property	156,394,533	98.57%	158,663,420
State Assessed Property Other Than Rail Transportation	90,535,162	100.00%	90,535,162
<b>GRAND TOTAL</b>	<b>1,665,063,687</b>	<b>66.90%</b>	<b>2,488,931,184</b>

Research and Statistics Section  
State Board of Equalization  
April 27, 2016

**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  
2014-15**

<u>County</u>	<u>Ratio</u>	<u>County</u>	<u>Ratio</u>
ALAMEDA	65.62%	RIVERSIDE	74.65%
BUTTE	86.81%	SACRAMENTO	77.81%
CALAVERAS	80.56%	SAN BERNARDINO	77.12%
CONTRA COSTA	66.79%	SAN DIEGO	74.73%
DEL NORTE	83.72%	SAN FRANCISCO	45.34%
EL DORADO	85.01%	SAN JOAQUIN	76.07%
FRESNO	72.02%	SAN LUIS OBISPO	68.39%
HUMBOLDT	67.18%	SAN MATEO	61.67%
IMPERIAL	87.20%	SANTA BARBARA	63.56%
KERN	79.76%	SANTA CLARA	62.84%
KINGS	82.55%	SHASTA	59.37%
LAKE	97.95%	SISKIYOU	83.92%
LOS ANGELES	56.17%	SOLANO	81.37%
MADERA	84.16%	SONOMA	76.41%
MARIN	62.90%	STANISLAUS	70.41%
MERCED	79.57%	SUTTER	63.76%
MODOC	69.93%	TEHAMA	74.86%
MONTEREY	73.97%	TULARE	74.94%
NAPA	70.91%	TUOLUMNE	91.34%
NEVADA	86.23%	VENTURA	77.25%
ORANGE	62.45%	YOLO	93.32%
PLACER	66.11%	YUBA	75.37%

These ratios were determined primarily by sales ratio studies comparing 2014-15 assessed values to sales prices of properties changing ownership from January 2014 through December 2014. 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.

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