



SALLY J. LIEBER

CHAIR
CALIFORNIA STATE BOARD OF EQUALIZATION

MEMORANDUM

Date: May 13, 2026

To: Ted Gaines, Vice-Chair, Board Member, First District
Antonio Vazquez, Board Member, Third District
Mike Schaefer, Board Member, Fourth District
Malia M. Cohen, State Controller

From: Sally J. Lieber, Chair, Board Member, Second District

Re: ITEM 7. Request for Board Support of Assembly Bill 1668 (Pellerin) extending the sunset date of the welfare property tax exemption for natural resources and open space land.

I am writing to respectfully request that the Board of Equalization take a position in support of Assembly Bill 1668 (Pellerin) extending by five years to January 1, 2032, the sunset date of the welfare property tax exemption for property used exclusively for the preservation of specified natural resources and open-space lands.

Germaneness. This request is germane to the Board of Equalization's responsibilities because the provisions of AB 1668 require the Board of Equalization to, on or before January 1 of each year prior to January 1, 2034, publish and submit to the relevant committees of the Legislature a summary of the annual total acreage and annual total assessed value of the properties exempt pursuant to this bill, to the extent that data are available.

Policy Issue Addressed. As stated in the Assembly Revenue and Taxation Committee Bill Analysis of AB 1668, dated April 27, 2026, "Existing law exempts property that is used exclusively for the preservation of native plants or animals, biotic communities, geological or geographical formations of scientific or educational interest, or open-space lands used solely for recreation

and for the enjoyment of scenic beauty that are open to the general public subject to reasonable restrictions concerning the needs of the land. Property used for an eligible purpose that is owned and operated by a scientific or charitable fund, foundation, limited liability company, or corporation with the primary interest of preserving those natural areas and that complies with general requirements of the welfare exemption is deemed exempt.”

The bill’s author comments, “AB 1668 extends the property tax exemption for open lands from 2027 to 2033 so that land trusts can continue doing the important work of preserving and maintaining open space.”

The Assembly Revenue and Taxation Committee’s Staff comments, “This exemption has been extended numerous times over the course of its 50 years in operation, with the latest extension occurring in 2021 to the current inoperative date of January 1, 2027.”

Fiscal Impact. The Assembly Revenue and Taxation Committee Bill Analysis of AB 1668 states, “The BOE estimates a property tax revenue loss of approximately \$6.5 million.”

State and Local Administrative Impacts. As stated in the Legislative Counsel’s Digest, “This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above. Existing law requires the state to reimburse local agencies annually for certain property tax revenues lost as a result of any exemption or classification of property for purposes of ad valorem property taxation. This bill would provide that, notwithstanding those provisions, no appropriation is made and the state shall not reimburse local agencies for property tax revenues lost by them pursuant to the bill.”

Link to Bill Text. The following is a link to the text of AB 1668:

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB1668

Bill Analyses Link:

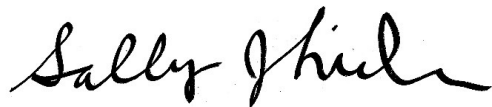
https://leginfo.legislature.ca.gov/faces/billAnalysisClient.xhtml?bill_id=202520260AB1668

AB 1668 extends a policy of this state, established in 1971, that non-profit organizations can play a vital role in preserving California’s habitats and providing recreational opportunities for young and old alike.

AB 1668 enjoys the support of many organizations dedicated to the preservation of open space and natural habitats including: California Council of Land Trusts, Center for Natural Lands Management, Feather River Land Trust, Land Trust for Santa Barbara County, Mendocino Land Trust, Placer Land Trust, Redwood Coast Land Conservancy, Siskiyou Land Trust, The Trust for Public Land, and the Western Alliance for Nature.

I respectfully request that the Board add our support for AB 1668.

Sincerely,

A handwritten signature in black ink that reads "Sally J. Lieber". The signature is written in a cursive, flowing style.

Sally J. Lieber, Chair

cc:

Matt Cox, Chief Deputy, Office of Vice-Chair Ted Gaines
Douglas Winslow, Chief Deputy, Office of Chair Sally J. Lieber
Juan Carlos Flores, Chief Deputy, Office of Member Antonio Vazquez
Cody Petterson, Chief Deputy, Office of Member Mike Schaefer
Hasib Emran, Deputy State Controller
Yvette M. Stowers, Executive Director