ACTION ITEM

Agenda Item No: 1

Title:
Offset Lithographic Printing Presses – Business Property Assessment Practices Guidelines

Issue:
What valuation factors for offset lithographic printing presses should the State Board of Equalization (Board) adopt for inclusion in Assessors' Handbook Section 581, Equipment and Fixtures Index, Percent Good and Valuation Factors?

Committee Discussion:
Committee Chair Steel opened the Committee meeting by introducing the agenda item and asked staff to give a report on the issue.

Mike Harris, Principal Property Appraiser, County-Assessed Properties Division, gave the Committee an overview of the valuation study and a description of the offset lithographic printing presses team's recommendation.

Dr. Gerry Bonetto, Vice President, Printing Industry Association of California, and Johan Klehs, Johan Klehs & Company, addressed the Committee and requested that the valuation factors developed by the team and recommended by Board staff in Issue Paper 09-008 be adopted.

Committee Chair Steel and Board Member Yee thanked the staff for their diligence and work with the team on the project.

Committee Action:
Member Yee made a motion to adopt the recommended offset lithographic printing presses valuation factors as presented in Issue Paper 09-008. The motion was seconded by Member Horton. Without objection, the motion passed.
Agenda Item No:  2

Title:  
Document Processors – Business Property Assessment Practices Guidelines

Issue:  
What valuation factors for document processors should the Board adopt for inclusion in Assessors’ Handbook Section 581, *Equipment and Fixtures Index, Percent Good and Valuation Factors*?

Committee Discussion:  
Committee Chair Steel introduced the agenda item and asked staff to give a report on the issue.

Mike Harris, Principal Property Appraiser, County-Assessed Properties Division, gave the Committee an overview of the valuation study and a description of the document processors team's recommendation. Mr. Harris told the Committee that Board staff will continue working with the team members to develop valuation factors for high-speed production printers which were not included in the current study. Staff anticipates that the valuation factors for high-speed production printers will be brought to the April 2010 Property Tax Committee meeting.

Committee Action:  
Member Yee made a motion to adopt the recommended document processors valuation factors as presented in Issue Paper 09-006. The motion was seconded by Member Horton. Without objection, the motion passed.

Agenda Item No:  3

Title:  
Assessors' Handbook Section 581, *Equipment and Fixtures Index, Percent Good and Valuation Factors*

Issue:  
Should the Board adopt and authorize publication of a revised Assessors' Handbook Section 581 (AH 581) for the 2010 lien date?
Committee Discussion:
Committee Chair Steel introduced the agenda item and asked staff to give a report on the issue.

Mike Harris, Principal Property Appraiser, County-Assessed Properties Division, gave the Committee an overview of the changes that were included in the revised handbook. Based on the action taken by the Committee on Agenda Items No. 1 and No. 2, the revisions to AH 581 include:

(1) The results of the valuation factor study for offset lithographic printing presses.
(2) The results of the valuation factor study for document processors.
(3) The results of the nonproduction computer study which was adopted by the Board in April 2009.
(4) The update to the equipment index and percent good factor tables.

Committee Action:
Member Leonard made a motion to adopt the 2010 revision of AH 581 as presented in Issue Paper 09-007, Alternative Number 4. The motion was seconded by Member Horton. Without objection, the motion passed.

Approved:  /s/ Michelle Steel
Michelle Steel, Committee Chair

/s/ Ramon J. Hirsig
Ramon J. Hirsig, Executive Director

BOARD APPROVED
At the  12/16/09  Board Meeting

/s/ Diane G. Olson
Diane Olson, Chief
Board Proceedings Division