

STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION

450 N STREET, SACRAMENTO, CALIFORNIA

PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0082)

TELEPHONE (916) 445-4380

FAX (916) 323-3387



JOHAN KLEHS  
First District, Hayward

DEAN F. ANDAL  
Second District, Stockton

ERNEST J. DRONENBURG, JR.  
Third District, San Diego

BRAD SHERMAN  
Fourth District, Los Angeles

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Controller, Sacramento

E. L. SORENSEN, JR.  
Executive Director

No. 98/05

January 9, 1998

TO COUNTY ASSESSORS,  
COUNTY COUNSELS,  
ASSESSMENT APPEALS BOARDS,  
AND OTHER INTERESTED PARTIES:

NOTICE OF PROPOSED REGULATORY ACTION  
BY THE  
STATE BOARD OF EQUALIZATION

REPEAL PROPERTY TAX RULE 460.1 - 1975 BASE YEAR VALUES  
PUBLIC HEARING: WEDNESDAY, FEBRUARY 25, 1998, AT 1:30 P.M.

NOTICE IS HEREBY GIVEN:

The State Board of Equalization, pursuant to the authority vested in the Board by Section 15606 (c) of the Government Code proposes to repeal Regulation 460.1 in Title 18, Division 1 of the California Code of Regulations, relating to property taxes. A public hearing on the proposed action will be held in Room 121, 450 N Street, Sacramento, at 1:30 p.m., or as soon thereafter as the matter may be heard, on March 18, 1998. Any person interested may present statements or arguments orally or in writing at that time and place. Written statements or arguments will be considered by the Board if received by February 25, 1998.

INFORMATIVE DIGEST/PLAIN ENGLISH OVERVIEW

Rule 460.1 is proposed for repeal because the general time limitations period for determining 1975 base year values lapsed on June 30, 1981. Where the rule remains relevant for property totally escaping assessment for the 1975 lien date, its language does not clarify or interpret the authorizing statute, Revenue and Taxation Code section 110.1.

The express terms of the proposed action, written in plain English, are available from the agency contact person named in this notice.

COST TO LOCAL AGENCIES AND SCHOOL DISTRICTS

The State Board of Equalization has determined that the proposed repeal of Rule 460.1 does not impose a mandate on local agencies or school districts. Further, the Board has determined that the repeal will result in no additional direct or indirect costs to any State agency or any local agency or school district that is required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code, and that there are no other non-discretionary costs or savings imposed on local agencies, or cost or savings in Federal funding to the State of California.

EFFECT ON BUSINESS

Pursuant to Government Code Section 11346.53(c), the Board of Equalization finds that the repeal of Rule 460.1 will not have a significant adverse economic impact on business.

The repeal of this regulation will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses nor create or expand business in the State of California.

The repeal of the regulation as proposed will not be detrimental to California businesses in competing with businesses in other states.

The proposed regulation will not affect small business.

ADVERSE ECONOMIC IMPACT ON PRIVATE PERSONS/BUSINESSES

There will be no adverse economic impact on private businesses or persons.

FEDERAL REGULATIONS

Rule 460.1 has no comparable Federal regulation.

AUTHORITY

Government Code Section 15606, subdivision (c).

REFERENCE

Revenue and Taxation Code Section 110.1.

CONTACT

Questions regarding the content of the proposed regulations should be directed to:  
Mr. Louis Ambrose, Tax Counsel, at P.O. Box 942879, 450 N Street, MIC: 82, Sacramento, CA  
94279-0082. Telephone: (916) 445-5580 FAX (916) 323-3387.

Written comments for the Board's consideration or requests to present testimony and  
bring witnesses to the public hearing should be directed to Ms. Mary Ann Stumpf, Regulations  
Coordinator, (916) 322-9569, and P. O. Box 942879, 450 N Street, MIC: 80, Sacramento, CA  
94279-0080.

ALTERNATIVES CONSIDERED

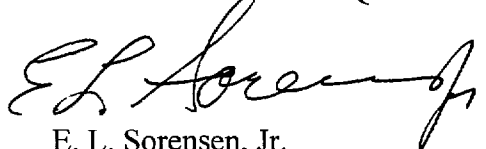
The Board must determine that no alternative considered would be more effective in  
carrying out the purpose for which this action is proposed or be as effective and less burdensome  
to affected private persons than the proposed action.

AVAILABILITY OF STATEMENT OF REASONS AND OF TEXT OF PROPOSED  
REGULATIONS

The Board has prepared a statement of reasons and strike-out version of the proposed  
repeal. Those documents and all information on which the proposal is based are available to the  
public upon request. The Rulemaking file is available for public inspection at 450 N Street,  
Sacramento, California. Requests for copies should be addressed to Ms. Mary Ann Stumpf,  
Regulations Coordinator, (916) 322-9569, at P. O. Box 942879, 450 N Street, MIC: 80,  
Sacramento, CA 94279-0080.

Dated: December 22, 1997

STATE BOARD OF EQUALIZATION



E. L. Sorensen, Jr.  
Executive Director

**~~Rule 460.1. 1975 BASE YEAR VALUES.~~**

**~~References:~~** ~~Article XIII A, Sections 1, 2, California Constitution.~~  
~~Section 110.1, Revenue and Taxation Code.~~

~~(a) For the 1978-79 fiscal year and years thereafter, the assessor shall determine base year value for property or portion thereof with a 1975 base year at the value appearing on the 1975-76 assessment roll when that value resulted from a "periodic appraisal" made for the 1975 lien date, whether or not the 1975-76 roll value differed from the 1974-75 assessment roll value.~~

~~(b) The value of a parcel of property shall be presumed to have been determined pursuant to a "periodic appraisal" for the 1975-76 fiscal year if the assessor's determination of the value for that year differed from the 1974-75 assessment roll value, but the assessor may rebut the presumption by evidence that notwithstanding such differences in value, the property was not "periodically appraised" for the 1975-76 fiscal year.~~

~~Value differences between the 1974-75 and 1975-76 assessment rolls resulting from such things as zoning changes, new construction, or interim adjustments not designed to equal 1975 general revaluation levels will not be considered as resulting from "periodic appraisals."~~

~~(c) For the 1978-79 fiscal year and years thereafter, any property or portion thereof whose 1975-76 value was determined as a result of an appeal filed in 1975 with a county board shall have that value as its 1975-76 base year value.~~

~~(d) The base year value of any property not appraised for the 1975 lien date or not determined as a result of an assessment appeal filed in 1975 shall be valued by the assessor using only those factors and indicia of fair market value actually utilized in "periodic appraisals" made for the 1975 lien date. Such values shall be consistent with the values established for comparable properties that were reappraised for the 1975 lien date.~~

~~(e) Determinations of value made pursuant to (d) of this section shall be made at any time until June 30, 1980, except in counties over 4,000,000 population the values must be determined prior to July 1, 1981, and if made prior to June 30 of any year may be added to either the roll for the fiscal year in which the value determination is made or included with the assessments for the succeeding fiscal year.~~

~~No escape assessments may be made because of value increases to the 1975 base year that result from redetermination of values pursuant to this section, but decreases in such values shall be certified to the auditor by the assessor as corrections to the roll prepared for the 1978-79 fiscal year and fiscal years thereafter, as is appropriate.~~