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October 16, 2008

Sherrie Kinkle
California State Board of Equalization
Property and Special Taxes Department
P.O. Box 942879
Sacramento, CA 94279

Dear Ms. Kinkle,

On behalf of the more than 120 companies that sell and distribute propane throughout the state of California, please accept this as our industry's comment regarding the inclusion of economic lives for equipment categories in the Assessors' Handbook Section 581.

Our industry opposes the inclusion of economic lives for equipment categories in the Assessors' Handbook Section 581 because there does not appear to be any rationale for the economic years chosen. In the table, "Propane Tank" is listed as having a 30-year economic life. However, many propane companies currently use a 40-year economic life for depreciation. Propane tanks are traditionally made of steel and have been known to far exceed even a 40-year life span.

The Western Propane Gas Association urges the California State Board of Equalization to proceed with caution on this issue and refrain from publishing the economic lives and valuation table without further developing additional backup information to verify the table's accuracy. Thank you for your consideration.

Sincerely,

Lesley Brown Garland
President and CEO