The California State Board of Equalization (Board) is responsible for the certification of California County Assessors' and Board personnel who perform appraisals for property tax purposes. In order to attain this certification, qualified individuals must pass a certification examination administered by the Board. Thereafter, Revenue and Taxation Code section 671 mandates that every certified appraiser or auditor-appraiser must complete at least 24 hours of training conducted or approved by the Board annually in order to retain a valid appraiser certificate. Appraisers who have attained an advanced appraiser certificate must complete at least 12 hours of training each year.

Additional information regarding certification and training of property tax appraisers is contained in the Guidelines for Appraiser's Certification and Training.

The Board's Property Tax Department, County-Assessed Properties Division (CAPD), administers the appraiser certification and training program. CAPD offers various types of educational opportunities designed to meet the training needs of certified appraisers. These training sessions are developed to obtain an understanding of the fundamental principles of property appraisal and assessment in California, as well as to further develop an appraiser's knowledge of more advanced appraisal issues and techniques. Training is offered in the form of courses, workshop, and webinars where instruction is conducted in a classroom or online.

### Classroom Courses

<table>
<thead>
<tr>
<th>No.</th>
<th>Title of Course</th>
<th>Appraisal Hours Granted</th>
</tr>
</thead>
<tbody>
<tr>
<td>2A</td>
<td>Replacement Cost Estimating of Residential Structures</td>
<td>24</td>
</tr>
<tr>
<td>2B</td>
<td>Replacement Cost Estimating of Commercial and Industrial Structures</td>
<td>30</td>
</tr>
<tr>
<td>3</td>
<td>Residential Appraisal Procedures</td>
<td>24</td>
</tr>
<tr>
<td>5</td>
<td>Income Approach to Value</td>
<td>32</td>
</tr>
<tr>
<td>7</td>
<td>Appraisal of Agricultural Property</td>
<td>31</td>
</tr>
<tr>
<td>8</td>
<td>Appraisal of Machinery and Equipment</td>
<td>31</td>
</tr>
<tr>
<td>*9</td>
<td>Appraisal of Taxable Possessory Interests</td>
<td>31</td>
</tr>
<tr>
<td>*18</td>
<td>Auditing Procedures</td>
<td>30</td>
</tr>
<tr>
<td>*28</td>
<td>Advanced Auditing</td>
<td>24</td>
</tr>
<tr>
<td>*52</td>
<td>Valuation of Restricted (Open-Space) Lands</td>
<td>24</td>
</tr>
<tr>
<td>*56</td>
<td>Advanced Sales Comparison and Income Capitalization Approaches</td>
<td>31</td>
</tr>
<tr>
<td>*120</td>
<td>Investment Mathematics and Financial Calculators</td>
<td>31</td>
</tr>
</tbody>
</table>

* Advanced-level course
COURSE 2A -------- Replacement Cost Estimating of Residential Structures

Course 2A is designed to acquaint beginning real property appraisers and auditor-appraisers with recommended methods and procedures to use when making replacement cost estimates of single- and multiple-family residences.

This course begins with a review of the cost concept and then provides instruction in the use of the Standard Classification System for residential buildings. Through case studies, the students will learn to select and apply unit costs from Assessors' Handbook Section 531, Residential Building Costs. The course covers techniques for recognizing and estimating depreciation.

Prerequisite: None

Pre-reading: Assessors' Handbook Section 531, Residential Building Costs, Chapters 531.10, 531.20, 531.21, 531.22, 531.30, 531.40, 531.50, and 531.70

Calculator: Battery-operated calculator

Course Credit: 24 hours—21 hours of instruction and 3-hour examination

COURSE 2B -------- Replacement Cost Estimating of Commercial and Industrial Structures

Course 2B is designed to acquaint real property appraisers on the use of Marshall & Swift's Marshall Valuation Service to properly estimate the cost of commercial and industrial properties. The course begins with a discussion of the cost concept, different types of depreciation, various types of building materials, and classes of construction. The students will estimate the replacement cost of different types of buildings, including estimating depreciation.

Prerequisite: None

Pre-reading: Assessors' Handbook Section 501, Basic Appraisal, Chapter 6

Course Credit: 30 hours—28 hours of instruction and 2-hour examination

COURSE 3 -------- Residential Appraisal Procedures

Course 3 provides instruction in appraisal procedures with an emphasis on the comparative sales approach. This course focuses on the appraisal of single-family residential property. It includes some exposure to market analysis procedures for income-producing residential properties. Students learn to analyze and adjust sales to reflect market value and conditions, including cash equivalent procedures. They will study methods of estimating land value and learn to make sales comparisons with properties selected for reappraisal.

Students practice these techniques and reconcile the indicators of value into value conclusions as they solve drill problems.

Prerequisite: None

Pre-reading: Assessors' Handbook Section 501, Basic Appraisal, Chapters 5 and 6; and Assessors' Handbook Section 503, Cash Equivalent Analysis

Calculator: Battery-operated calculator

Course Credit: 24 hours—21 hours of instruction and 3-hour examination
**COURSE 5  ----------- Income Approach to Value**

Course 5 is designed to meet the needs of the real property appraiser or auditor-appraiser with little or no experience in the appraisal of income-producing properties. It offers an explanation of the basic assumptions of the income approach and takes the appraiser through the various steps of the capitalization process for both real and personal property.

Students are shown recommended methods of collecting and recording information that is to be analyzed and processed in the income approach. They learn how to estimate the gross income of a property and to process that estimate into an estimate of net income. Then, they learn the various techniques for extracting rates and income multipliers, and how to capitalize income estimates into indicators of value. The students are called upon to demonstrate these techniques as they solve drill problems.

**Prerequisite:** None

**Pre-reading:** Assessors' Handbook Section 501, *Basic Appraisal*, Chapters 5 and 6; and Property Tax Rule 8

**Calculator:** Battery-operated calculator

**Course Credit:** 32 hours—29 hours of instruction and 3-hour examination

**COURSE 7  ----------- Appraisal of Agricultural Property**

(Advanced-level course)

Course 7 is designed to provide real property appraisers and auditor-appraisers with an overview of the methods and techniques of appraising agricultural properties. The course is intended for students with limited experience in appraising these types of properties.

The course presents an introduction into the nature of agricultural properties and the characteristics of value that distinguish these properties from other property types, and reviews the appraisal process in the context of agricultural property. The course offers a review of the appraisal processes for valuing agricultural property. Specific types of agricultural property covered include row crop and field cropland, dry farm and grazing land, and permanent plantings. Students solve drill problems specific to the needs of the agricultural appraiser.

**Prerequisites:** Course 5, *Income Approach to Value*; or *Time Value of Money—Six Functions of a Dollar*

**Pre-reading:** Assessors' Handbook Section 521, *Assessment of Agricultural and Open-Space Properties*, Part 1

**Calculator:** Financial calculator (or battery-operated calculator and compound interest and annuity tables)

**Course Credit:** 31 hours—28 hours of instruction and 3-hour examination

**COURSE 8  ----------- Appraisal of Machinery and Equipment**

Course 8 introduces the beginning auditor-appraiser and real property appraisers to the fundamental concepts used in the appraisal of machinery and equipment. This course begins with a short review of value concepts and the pertinent provisions of the Revenue and Taxation Code.
and Property Tax Rules. This course focuses on the classification of equipment as either improvements or personal property. Students are taught to recognize and estimate depreciation and to prepare and compare market value estimates with base year values. The course describes methods of collecting and processing data.

**Prerequisite:** None

**Text:** None

**Calculator:** Battery-operated calculator

**Course Credit:** 31 hours—28 hours of instruction and 3-hour examination

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**COURSE 9  ----------- Appraisal of Taxable Possessory Interests**

(Advanced-level course)

Course 9 addresses the appraisal of private interests in publicly owned real property. The course is designed primarily for experienced real property appraisers and auditor-appraisers whose responsibilities include the appraisals of taxable possessory interests.

The course explains the nature of such interests, the legal basis for their assessment, and the effect of judicial decisions on possessory interest assessment. The various types of taxable possessory interests are described, and the prescribed valuation methods for taxable possessory interests are explained. Students apply these methods in the solution of drill problems.

**Prerequisite:** Course 5, *Income Approach to Value*; or an equivalent course

**Pre-reading:** *Assessors’ Handbook 510, Assessment of Taxable Possessory Interests*, Chapters 1 – 4

**Calculator:** Battery-operated calculator

**Course Credit:** 31 hours—28 hours of instruction and 3-hour examination

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**COURSE 18  ---------- Auditing Procedures**

(Advanced-level course)

Course 18 offers auditor-appraisers and real property appraisers an opportunity to learn step-by-step auditing procedures and techniques for performing property tax audits. Students will learn how to set up standardized working papers and how to submit a standardized audit report with the appraisal. Selection of audits and the need for good public relations are among the topics discussed.

**Prerequisites:** Course 8, *Appraisal of Machinery and Equipment*, or an equivalent course

**Pre-reading:** *Assessors' Handbook Section 506, Property Tax Audits and Audit Program*

**Calculator:** Battery-operated calculator

**Course Credit:** 30 hours—28 hours of instruction and 2-hour examination
**COURSE 28  ---------  Case Study Auditing**  
(Advanced-level course)

Course 28 is case study derived auditing class that includes in-depth studies in equipment and supplies auditing. This course covers auditing procedures, write-ups, and valuation concepts. This course also includes special topics such as commercial aircraft auditing, trade level, supplies, and others.

**Prerequisites:** Course 8, *Appraisal of Machinery and Equipment*; and Course 18, *Auditing Procedures*

**Pre-reading:** [Assessors' Handbook Section 506, Property Tax Audits and Audit Program](#)

**Calculator:** Battery-operated calculator

**Course Credit:** 30 hours—28 hours of instruction and 2-hour examination

**COURSE 52  ---------  Valuation of Restricted (Open-Space) Lands**  
(Advanced-level course)

Course 52 addresses the assessment of open-space properties—those types of properties that may be enforceably restricted under section 8 of article XIII of the California Constitution. The course focuses on land that is enforceably restricted under the California Land Conservation Act (Williamson Act), which is the most significant open-space program. The course is designed for real property appraisers and auditor-appraisers that have limited experience in the valuation of these types of properties.

Students are introduced to the various types of open-space programs, the legal aspects of these programs, and the prescribed valuation methods for open-space properties. Students work drill problems covering the valuation and assessment of open space properties.

**Prerequisites:** Course 5, *Income Approach to Value*; and Course 7, *Appraisal of Agricultural Property*; or equivalent courses

**Pre-reading:** [Assessors' Handbook Section 521, Assessment of Agricultural and Open-Space Properties](#), Part II, Chapters 1 – 10 and 12)

**Calculator:** Battery-operated calculator

**Course Credit:** 24 hours—21 hours of instruction and 3-hour examination

**COURSE 56  -------- Advanced Sales Comparison and Income Capitalization Approaches**  
(Advanced-level course)

Course 56 is designed for real property appraisers and auditor-appraisers actively involved in the appraisal of income-producing properties. The comparative sales approach and different income approach techniques will be presented. The course is developed around case studies and other drill problems. In order to solve case study problems, participants must draw from their experience and consider a number of factors that can influence the sale price of such properties. Other subjects include selection of capitalization methods, techniques, and rates that are appropriate for valuing different types of properties.
Prerequisites: Course 5, *Income Approach to Value*, or *Time Value of Money—Six Functions of a Dollar*, and at least three years of experience in the appraisal of income-producing properties

Pre-reading: Assessors' Handbook Section 502, *Advanced Appraisal*

Calculator: Financial calculator (or battery-operated calculator and compound interest and annuity tables)

**Course Credit:** 31 hours—28 hours of instruction and 3-hour examination

**COURSE 120 -------- Investment Mathematics and Financial Calculators**

(Advanced-level course)

Course 120 covers various mathematical procedures and models used in valuation, including the use of financial calculators. Topics include compound interest functions, cash flow diagrams, discounted cash flow analysis, net present value, internal rate of return, and applications involving cash equivalency and the income approach. The basic features and applications of HP 12c financial calculator are also discussed.

Prerequisites: Course 5, *Income Approach to Value*, or *Time Value of Money—Six Functions of a Dollar*, and knowledge of basic algebraic operations

Pre-reading: Assessors' Handbook Section 505, *Capitalization Formulas and Tables*, Chapters 1 – 4

Calculator: Financial calculator—the HP 12c is preferred

Course Credit: 31 hours—28 hours of instruction and 3-hour examination

**Online Training**

<table>
<thead>
<tr>
<th>TITLE OF SESSION</th>
<th>APPRAISAL HOURS GRANTED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appraisal of Machinery &amp; Equipment</td>
<td>32</td>
</tr>
<tr>
<td>Assessment of Personal Property and Fixtures</td>
<td>12</td>
</tr>
<tr>
<td>Beginning Appraisal Sessions:</td>
<td></td>
</tr>
<tr>
<td>• Introduction to Appraising for Property Tax Purposes</td>
<td>30</td>
</tr>
<tr>
<td>• Basic Appraisal</td>
<td>34</td>
</tr>
<tr>
<td>Income Approach to Value</td>
<td>33</td>
</tr>
<tr>
<td>Self-Study Training Sessions—35+ sessions</td>
<td>Various</td>
</tr>
<tr>
<td>Time Value of Money—Six Functions of a Dollar</td>
<td>8</td>
</tr>
</tbody>
</table>

**Appraisal of Machinery & Equipment**

This online course covers the principles of property tax appraisal for tax assessment of personal property and fixtures. Topics include the economic aspects and legal definitions of market value, California property tax laws and regulations, the appraisal process, and methods of valuation.
This is an online class, taught through American River College, a two-year public college in the Los Rios Community College District. It uses the Desire 2 Learn [D2L] web-based course management system. This 1½ semester unit course concludes with a final examination.

**Prerequisite:** None

**Texts:** Assessors' Handbook Section 504, Assessment of Personal Property and Fixtures

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

**Course Credit:** 32 hours, self-paced session

**Assessment of Personal Property and Fixtures**

The purpose of this training session is to explain the factors presented in Assessors' Handbook Section 581, Equipment and Fixtures Index, Percent Good and Valuation Factors, and their function in the appraisal of personal property and fixtures in California. This session consists of seven lessons. Each lesson provides a discussion of the aspects of using the factors in AH 581, in addition to showing practical examples of their application and calculations.

**Prerequisite:** None

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

**Course Credit:** 12 hours, self-paced session

**Beginning Appraisal Sessions**

Both Beginning Appraisal Sessions introduce new real property appraisers and auditor-appraisers to the fundamentals of appraising for property tax purposes. They present the various appraisal approaches and significant appraisal principles for all types of property. The courses cover the economic aspects and legal definitions of market value and California property tax laws.

- **Introduction to Appraisal for Property Tax Purposes**

  This is an online class taught through American River College, a two-year public college in the Los Rios Community College District. It uses the Desire 2 Learn [D2L] web-based course management system. This 1½ semester unit course concludes with a final examination. This course features staff from the Board's Property Tax Department who functions as the online instructor. The course is offered quarterly by the college and meets the Board's training requirement for county property tax appraisers and auditor-appraisers.

  **Prerequisite:** None

  **Texts:** Assessors' Handbook Section 501, Basic Appraisal

  Assessors' Handbook Section 531, Residential Building Costs

  **Course Credit:** 34 hours, self-paced session
Basic Appraisal

This online training session is hosted through the Sacramento State College of Continuing Education Course Management System. This course presents the same information as contained in the Introduction to Appraising for Property Tax Purposes class offered through American River College. This course does not have an online instructor. County assessors may want to consider appointing a mentor to assist staff who are participating in this session.

This course is offered every calendar month and must be completed by the last day of the month. County assessors’ training coordinators should complete form BOE-746-B, Sacramento State Basic Appraisal Online Course Registration, and submit it to the Appraiser Training email address. The Registration Form must be submitted at least five days before the enrollment month.

Prerequisite: None

Texts:
- Assessors' Handbook Section 501, Basic Appraisal
- Assessors' Handbook Section 531, Residential Building Costs

Course Credit: 30 hours, self-paced session

Income Approach to Value

The purpose of this training session is designed to equip property tax appraisers with an understanding of the fundamental principles of valuing property for ad valorem property tax purposes using the income approach to value. It explains the basic assumptions of the income approach to value and various steps in the valuation process. It discusses capitalization techniques used to derive rates and estimates of value. In this learning session, instruction is provided through structured reading and illustrated examples in 20 lessons. Additionally, demonstrations are used in certain lessons to show more complex topics, or to tie related subjects together.

This training session cannot be used to attain an advanced appraisal certificate. However, appraisers who successfully complete this online session may challenge the Course 5 exam and then attain credit toward advanced appraiser certification.

Prerequisite: None

Texts:
- Assessors' Handbook Section 501, Basic Appraisal
- Assessors' Handbook Section 502, Advanced Appraisal

Course Credit: 33 hours, self-paced session

Self-Study Training Sessions

The Property Tax Department has developed 35+ self-study training sessions designed to provide information about the property tax system in California. Completion of the reading assignment and correctly answering the review questions will qualify certified appraisers for training hours. The training sessions use differing texts and can be used attained various amounts of appraisal
training credits. All of the Self-Study Training Sessions documents are posted on the Board's website.

**Prerequisites:** None

*Time Value of Money—Six Functions of a Dollar*

The purpose of this training session is to explain the compound interest functions presented in Assessors' Handbook Section 505, *Capitalization Formulas and Tables*, the key concepts of the time value of money, and its relationship to appraising. This session consists of ten modules. Each module provides a discussion of the function or concept contained in the module, and shows practice examples of the calculation or method.

**Prerequisite:** None

**Texts:** Assessors' Handbook Section 505, *Capitalization Formulas and Tables*

**Course Credit:** 8 hours, self-paced session

**Workshops and Webinar Sessions**

Workshops and webinar sessions on a variety of appraisal and assessment topics are scheduled throughout the year. These training opportunities can vary from one hour to two days. When this type of training is scheduled, notification is posted on the Board's *Training for Assessors' Staff* webpage.