



STATE BOARD OF EQUALIZATION
PROPERTY AND SPECIAL TAXES DEPARTMENT
450 N STREET, MIC: 64, SACRAMENTO, CALIFORNIA
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0064
TELEPHONE (916) 445-4982
FAX (916) 323-8765
www.boe.ca.gov

JOHAN KLEHS
First District, Hayward

DEAN ANDAL
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JOHN CHIANG
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JAMES E. SPEED
Executive Director

August 30, 2002

No. 2002/059

TO COUNTY ASSESSORS:

OPEN-SPACE LAND INTEREST COMPONENT – 2003 LIEN DATE

In accordance with section 423(b) of the Revenue and Taxation Code, the Board is required to announce, no later than September 1, an interest component of the capitalization rate to be used in the valuation of lands assessed under sections 423, 423.5, and 426.

Section 423(b)(1)(E) provides that the interest component shall be:

For the 1997–98 assessment year, and each fiscal year thereafter, the arithmetic mean, rounded to the nearest $\frac{1}{4}$ percent, of the yield rate for long-term United States government bonds, as most recently published by the Federal Reserve Board, and the corresponding yield rates for those bonds, as most recently published by the Federal Reserve Board as of each September 1 immediately prior to the four immediately preceding assessment years.

Information received from the Federal Reserve Board indicated the yield rates were 5.53 percent as of August 21, 1998; 5.93 percent as of August 30, 1999; 5.69 percent as of August 25, 2000; 5.44 percent as of August 24, 2001; and 4.24 percent as of August 23, 2002. The arithmetic mean of 5.53, 5.93, 5.69, 5.44, and 4.24 is 5.37; when rounded to the nearest one-quarter percent, the interest component is **5.25** percent. The interest components announced for prior lien dates are enclosed.

Sincerely,

/s/ David J. Gau

David J. Gau
Deputy Director
Property and Special Taxes Department

DJG:grs
Enclosure

OPEN-SPACE LAND ASSESSED UNDER SECTIONS 423, 423.5, AND 426
OF THE REVENUE AND TAXATION CODE

INTEREST COMPONENT FOR PRIOR YEARS

Lien Date	Interest Component
2002	5.75
2001	6.00
2000	6.25
1999	6.75
1998	6.75
1997	7.00
1996	7.00
1995	7.00
1994	6.75
1993	7.25
1992	8.00
1991	9.00
1990	8.25
1989	9.50
1988	9.00
1987	7.25
1986	10.50
1985	12.50
1984	12.00
1983	12.50
1982	14.50
1981	11.00
1980	9.00
1979	8.50
1978	7.00
1977	6.75
1976	7.25
1975	7.25