November 24, 2010

TO COUNTY ASSESSORS AND INTERESTED PARTIES:

PROPERTY TAX RULES 471 AND 1020

As announced in Letters To Assessors 2009/031 and 2010/008, Board staff initiated a project to revise Property Tax Rule 1020, *Timber Value Areas*, and to repeal Property Tax Rule 471, *Timberland*. Following an interested parties process and a public hearing held on August 24, 2010, the proposed changes were approved by the Office of Administrative Law. The repeal of Rule 471 and the amendments to Rule 1020 will become effective on November 17, 2010.

The purpose for the repeal of Rule 471 was to delete unnecessary and duplicative language from the California Code of Regulations. Rule 471 was adopted in 1978 and last amended in August 1979. The rule was implemented in conjunction with the adoption of Proposition 13 when there were concerns about how certain properties subject to special assessment provisions should be treated. Those issues were subsequently addressed in statutory provisions.

Rule 1020 was adopted in 1976 and last amended in January 1977. Pursuant to the provisions of Revenue and Taxation Code section 38204, the Board must designate areas containing timber having similar growing, harvesting, and marketing conditions to be used as timber value areas for the preparation and application of immediate harvest values. While similar growing and harvesting conditions have not significantly changed since 1977, changing marketing conditions made the amendments to Rule 1020 necessary.

Enclosed is a copy of amended Rule 1020 for your reference. If you have questions regarding the Timber Tax Rules, please contact the Timber Tax Section at 916-445-6964.

Sincerely,

/s/ Dean R. Kinnee for

David J. Gau
Deputy Director
Property and Special Taxes Department

DJG:sk
Enclosures
Rule 1020. TIMBER VALUE AREAS.

Authority: Section 38701, Revenue and Taxation Code.
Reference: Sections 38109 and 38204, Revenue and Taxation Code.

(a) The following nine designated areas contain timber having similar growing, harvesting, and marketing conditions and shall be used as timber value areas in the preparation and application of immediate harvest values:

Area 1
- Del Norte County
- Humboldt County

Area 2
- Marin County
- Mendocino County
- Napa County
- Sonoma County

Area 3
- Alameda County
- Contra Costa County
- Monterey County
- San Francisco City and County
- San Mateo County
- Santa Clara County
- Santa Cruz County

Area 4
- Colusa County
- Glenn County
- Lake County
- Shasta County west of Interstate Highway No. 5
- Solano County
- Siskiyou County west of Interstate Highway No. 5
- Tehama County west of Interstate Highway No. 5
- Trinity County
- Yolo County

Area 5
- Shasta County east of Interstate Highway No. 5
- Siskiyou County east of Interstate Highway No. 5

Area 6
- Lassen County
- Modoc County

Area 7
- Butte County
- Nevada County
- Placer County
- Plumas County
- Sierra County
Sutter County
Tehama County east of Interstate Highway No. 5
Yuba County

**Area 8**
Alpine County
Amador County
Calaveras County
El Dorado County
Sacramento County
San Joaquin County
Stanislaus County
Tuolumne County

**Area 9**
Fresno County
Imperial County
Inyo County
Kern County
Kings County
Los Angeles County
Madera County
Mariposa County
Merced County
Mono County
Orange County
Riverside County
San Benito County
San Bernardino County
San Diego County
San Luis Obispo County
Santa Barbara County
Tulare County
Ventura County

**History:**
Amended October 18, 2010, effective November 17, 2010.