



STATE BOARD OF EQUALIZATION  
PROPERTY AND SPECIAL TAXES DEPARTMENT  
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Executive Director

No. 2014/044

September 17, 2014

TO COUNTY ASSESSORS:

**OPEN-SPACE LAND INTEREST COMPONENT – 2015 LIEN DATE**

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

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

...the arithmetic mean, rounded to the nearest 1/4 percent, of the yield rate for long-term United States government bonds, as most recently published by the Federal Reserve Board as of September 1, 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 each of the four immediately preceding assessment years.

Information received from the Federal Reserve Board indicated the yield rates for long-term United States government bonds were:

August 27, 2010 – 3.61 percent  
August 30, 2011 – 3.53 percent  
August 31, 2012 – 2.74 percent  
August 30, 2013 – 3.72 percent  
August 29, 2014 – 3.11 percent

The arithmetic mean of 3.61, 3.53, 2.74, 3.72 and 3.11 is 3.342. When rounded to the nearest one-quarter percent, the interest component for the 2015 assessment year is **3.25 percent**.

A table listing the interest components announced for prior lien dates is also enclosed.

Sincerely,

/s/ Dean R. Kinnee

Dean R. Kinnee  
Acting Deputy Director  
Property Tax Department

DRK:mph  
Enclosure

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

**INTEREST COMPONENTS FOR PRIOR YEARS**

<b>Lien Date</b>	<b>Interest Component</b>
2014	3.50
2013	3.75
2012	4.00
2011	4.50
2010	4.50
2009	4.50
2008	4.50
2007	4.50
2006	4.50
2005	4.75
2004	5.25
2003	5.25
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