



STATE BOARD OF EQUALIZATION
PROPERTY TAX DEPARTMENT
450 N STREET, SACRAMENTO, CALIFORNIA
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0064
1-916-274-3350 • FAX 1-916-285-0134
www.boe.ca.gov

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Executive Director

No. 2016/059

December 16, 2016

TO COUNTY ASSESSORS:

**ASSESSORS' HANDBOOK SECTION 534,
*RURAL BUILDING COSTS***

Analysis of cost data relative to rural buildings and agricultural-based equipment has been completed, and it indicates that the costs in the 2016 revision of Assessors' Handbook Section 534 (AH 534), *Rural Building Costs*, are still appropriate for the 2017 lien date.

Most costs presented for the 2016 lien date were significantly revised to reflect a strong increase in the marketplace similar to the single-family housing upturn in the economy. The data analyzed during 2016 was based on recently sampled market data, Producer Price Index data, and cost information from knowledgeable sources in the rural cost field. Sampled market data supports no change in costs for the 2017 lien date.

To maintain continuity, a 2017 revision of AH 534 has been posted to the Board's website at <http://www.boe.ca.gov/proptaxes/ah534.htm>, however the cost factors are identical to those published in the AH 534 for January 1, 2016.

The compilation of cost factors and specifications for AH 534 is a continuous process. Your comments and input will help to make this handbook a more useful product. If you have any questions or comments regarding this handbook, please contact Mr. Michael Crook at michael.crook@boe.ca.gov or 1-916-274-3361.

Sincerely,

/s/ Dean R. Kinnee

Dean R. Kinnee
Deputy Director
Property Tax Department

DRK:sk