



STATE BOARD OF EQUALIZATION  
PROPERTY TAX DEPARTMENT  
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Executive Director

No. 2019/044

December 16, 2019

TO COUNTY ASSESSORS:

### **CERTIFICATED AIRCRAFT VALUATION FORMS AND INSTRUCTIONS**

Senate Bill (SB) 791 (Stats. 2019, ch. 333), effective September 20, 2019 and operative January 1, 2020, amended Revenue and Taxation Code<sup>1</sup> section 441, amended and added section 1152, added sections 1153.5 and 1157, and repealed section 1153. For purposes of valuation of certificated aircraft, SB 791 establishes a new formula, re-establishes a lead county, sets forth audit requirements, and revises the Board of Equalization's (BOE) role.

The statutory changes also require the BOE, after consultation with the California Assessors' Association (CAA) and representatives of commercial air carriers, to produce forms and instructions that implement the newly established allocation formula. The forms and instructions must be effective by January 1, 2020.

Draft forms were sent to the CAA and representatives of commercial air carriers on October 11, 2019 for comments/suggestions. Revised draft forms reflecting minor edits were sent to these interested parties on October 22, 2019. The following forms and instructions adopted by the Board on November 19, 2019 are enclosed.

- BOE-570-1, *Supplementary Schedule to the Business Property Statement, Air Carrier's Operation Report*
- BOE-570-2, *Supplementary Schedule to the Business Property Statement, Flight Equipment Value Computation*

If you have any questions regarding these forms or the valuation of certificated aircraft, you may contact the County-Assessed Properties Division at 1-916-274-3350.

Sincerely,

/s/ David Yeung

David Yeung  
Deputy Director  
Property Tax Department

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Enclosures

<sup>1</sup> All statutory references are to the Revenue and Taxation Code, unless otherwise provided.

SUPPLEMENTARY SCHEDULE TO THE BUSINESS PROPERTY STATEMENT

BOE-570-1

AIR CARRIER'S OPERATION REPORT

Flight Detail Activity Period Calendar Year \_\_\_\_\_

(See Reverse Side for Instructions)

| CARRIER       |       | AIRCRAFT TYPE            |                                     | COUNTY                                  |                                       | AIRPORT                          |
|---------------|-------|--------------------------|-------------------------------------|---|---------------------------------------|----------------------------------|
| A             | B     | C                        | D                                   | E                                       | F                                     | G                                |
| AIRCRAFT TYPE | ROUTE | ANNUAL NUMBER OF FLIGHTS | CA BOE FLIGHT TIME MINUTES BY ROUTE | TOTAL CA BOE FLIGHT TIME MINUTES [Cx D] | TOTAL GROUND MINUTES FOR THIS AIRPORT | TOTAL MINUTES TO BOE-570-2 [E+F] |
|               |       |                          |                                     |   |                                       |                                  |
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| <b>TOTAL</b>  |       |                          |                                     |   |                                       |                                  |

## INSTRUCTIONS FOR COMPLETING BOE-570-1

Use a separate 570-1 for each airport within each county where your aircraft had activity. Add the total time calculated on this form to BOE 570-2 in order to calculate the allocation factor for each sub-fleet at each airport.

- Column A.** List each aircraft sub-fleet type that had activity at this airport during the prior calendar year.
- Column B.** For each aircraft sub-fleet type, list each route pair that the sub-fleet completed. For example JFK/LAX, LAX/DFW, LAX/SMF, SMF/LAX, BUR/SFO, SFO/BUR.
- Column C.** Report the total number of times the route pair reported in Column B occurred during the prior calendar year.
- Column D.** Find and report the BOE Flight Time associated with the route pair reported in column B within the list published in the latest "Letter to Assessors".
- Column E.** Multiply the number of flights in column C by the associated flight time in Column D, subtotal the CA flight time by sub-fleet type.
- Column F.** Report the total ground time for each sub-fleet type at this airport.
- Column G.** Add the CA Flight Time calculated in column E by sub-fleet type to the ground time reported in Column F to obtain the total time for the sub-fleet type at this airport.

SUPPLEMENTARY SCHEDULE TO THE BUSINESS PROPERTY STATEMENT  
 BOE-570-2  
 FLIGHT EQUIPMENT VALUE COMPUTATION  
 Allocated Value Summary  
 (See Reverse Side for Instructions)

| CARRIER         |               |   | COUNTY                              |                             | AIRPORT                     |                                   | LIEN DATE                                    |   |
|-----------------|---------------|---|-------------------------------------|-----------------------------|-----------------------------|-----------------------------------|--|---|
| A               | B             | C   | D                                   | E                           | F                           | G                                 | H  | I   |
| NO. OF AIRCRAFT | AIRCRAFT TYPE | TOTAL TIME REPORTED ON FORM BOE-570-1, COLUMN G | MAJOR MAINTENANCE TIME FOR OVERHAUL | TOTAL ALLOCATED TIME =(C+D) | TOTAL TIME =( A x 525,600 ) | AIRCRAFT ALLOCATION FACTOR =(E/F) | AIRCRAFT TAXABLE VALUE (Assessor's Use Only) | AIRCRAFT ALLOCATED VALUE =(GxH) (Assessor's Use Only) |
|                 |               |   |                                     |                             |                             |                                   |  |   |
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|                 |               |   |                                     |                             |                             |                                   |  |   |
| TOTAL           |               |   |                                     |                             |                             |                                   |  |   |

**RETURN THIS FORM WITH THE BUSINESS PROPERTY STATEMENT**

**INSTRUCTIONS FOR COMPLETING BOE-570-2**  
*Complete one sheet for each airport*

- Column A.** List the number of aircraft in each sub-fleet as of the lien date for the reporting year.
- Column B.** Enter the aircraft sub-fleet type name.
- Column C.** Enter the total time allocated to this airport as shown in Column G of form BOE-570-1.
- Column D.** Enter major maintenance time as calculated by sub-fleet type. Only maintenance that requires the aircraft to be taken out of revenue service shall be reported here. The time entered should be shown as a negative amount.
- Column E.** Add the time in Column C to the time in Column D
- Column F.** Calculate total available time by multiplying Column A, number of aircraft, by 525,600, the total number of minutes in one year.
- Column G.** Calculate the airport allocation factor by dividing Column E by Column F.
- Column H.** The taxable value of the carrier's entire fleet of each type of aircraft will be determined by the Assessor and entered in this column.
- Column I.** The Assessor will multiply the total factor in Column G by the taxable value in Column H and enter the result here.