

February 13, 2014

I write on behalf of Santa Clara County to let you know that in the short window provided, we have quickly reviewed the proposed changes to the rule. We remain opposed for the reasons outlined in our letter of February 3, 2014. Fundamentally, only property that is “intended for sale or lease” can constitutionally be exempted from assessment. SpaceX’s website (and its founder, Elon Musk) has repeatedly made clear that its intention is to build and operate a fleet of space capsules much like any other cargo transportation company. As noted in a January 29 Reuters article about the passage of AB 777, the competing effort to provide this tax break, SpaceX “along with Virginia-based Orbital Sciences Corp, have NASA contracts worth a combined \$3.5 billion for a total of 20 cargo flights to the International Space Station...SpaceX is preparing for its third cargo run to the space station on Feb. 22. Other private space exploration companies have also set up shop in California, including Virgin Galactic...”

Larry Stone
Assessor