

State of California  
BOARD OF EQUALIZATION  
PROPERTY TAX RULES

Division 1. State Board of Equalization-Property Tax  
Chapter 3. Local Equalization  
Article 1. Hearing by County Board

**Rule 324. Decision.**

*Authority:* Section 15606, Government Code.

*Reference:* Article XIII A, California Constitution; and Sections 402.1, 402.5, 1609, 1610.8 and 1611.5, Revenue and Taxation Code.

**(a) DETERMINATION OF FULL VALUE, CLASSIFICATION CHANGE IN OWNERSHIP, OR OTHER ISSUES.**

Acting upon proper evidence before it, the board shall determine the full value of the property, including land, improvements, and personal property, that is the subject of the hearing. The determination of the full value shall be supported by a preponderance of the evidence presented during the hearing. The board shall consider evidence of value derived by the use of any of the valuation methods described in regulation 3 of subchapter 1 of this chapter. It shall determine whether the method(s) used was (were) properly applied, considering the type of property assessed, governmentally imposed land use restrictions, and any recorded conservation easements as described in Civil Code section 815.1 et seq., by examining the factual data, the presumptions, and the estimates relied upon. The board shall also determine the classification, amount, and description of the property that is the subject of the hearing, the existence of a change in ownership or new construction, or any other issue that is properly before the board, or that is necessary to determine the full value of the property. The board shall provide to the clerk such details as are necessary for the implementation of the board's decision.

**(b) JURISDICTION.** The board's authority to determine the full value of property or other issues, while limited by the laws of this state and the laws of the United States and usually exercised in response to an application for equalization, is not predicated on the filing of an application nor limited by the applicant's request for relief. When an application for review includes only a portion of an appraisal unit, whether real property, personal property, or both, the board may nevertheless determine the full value, classification, or other facts relating to other portions that have undergone a change in ownership, new construction or a change in value. Additionally, the board shall determine the full value of the entire appraisal unit whenever that is necessary to the determination of the full value of any portion thereof.

The board is not required to choose between the opinions of value promoted by the parties to the appeal, but shall make its own determination of value based upon the evidence properly admitted at the hearing.

An appraisal unit of property is a collection of assets that functions together, and that persons in the marketplace commonly buy and sell as a single unit or that is normally valued in the marketplace separately from other property, or that is specifically designated as such by law.

**(c) VALUATION PRINCIPLES.** The board, the applicant, and appraisal witnesses shall be bound by the same principles of valuation that are legally applicable to the assessor.

**(d) COMPARABLE SALES.** When valuing a property by a comparison with sales of other properties, the board may consider those sales that, in its judgment, involve properties similar in size, quality, age, condition, utility, amenities, site location, legally permitted use, or other physical attributes to the property being valued. When valuing property for purposes of either the regular roll or the supplemental roll, the board shall not consider a sale if it occurred more than 90 days after the date for which value is being estimated. The provisions for exclusion of any sale occurring more than 90 days after the valuation date do not apply to the sale of the subject property.

The board shall presume that zoning or other legal restrictions, of the types described in Revenue and Taxation Code section 402.1, on the use of either the property sold or the property being valued will not be removed or substantially modified in the predictable future unless sufficient grounds as set forth in that section are presented to the board to overcome that presumption.

## **Rule 324 (Contd.)**

**(e) FINDINGS OF FACT.** When written findings of fact are made, they shall fairly disclose the board's findings on all material points raised in the application and at the hearing. The findings shall also include a statement of the method or methods of valuation used in determining the full value of the property or its components.

*History:* Adopted May 11, 1967, effective June 11, 1967.  
Amended October 4, 1967, effective October 5, 1967.  
Amended May 21, 1968, effective June 26, 1968.  
Amended November 20, 1968, effective November 22, 1968.  
Amended May 6, 1970, effective June 6, 1970.  
Amended May 5, 1971, effective June 10, 1971.  
Amended April 14, 1972, effective May 14, 1972.  
Amended December 17, 1975, effective January 25, 1976.  
Amended July 27, 1982, effective February 10, 1983.  
Amended March 6, 1990, effective May 23, 1990.  
Amended November 19, 1999, effective April 22, 2000.