

**For Immediate Release**  
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## **Board of Equalization Sets Utility Property Values for Fiscal Year 2019-2020**

**Sacramento** – Local governments will receive \$1.656 billion in tax revenue in the upcoming fiscal year because of the California State Board of Equalization’s (BOE) assessment of privately owned public utilities and railroads. The values for these properties for Fiscal Year 2019-20 were set at \$111.8 billion by the BOE at its May 29, 2019 meeting in Sacramento by unanimous vote.

Total values are \$800 million more than the \$111 billion (after appeals) adopted by the Board last year and will generate approximately \$11 million more in taxes for local governments than in the current fiscal year. Values were set for 356 companies with property in California, which includes telephone (long distance, local, and wireless), gas and electric companies, independent power producers, railroads, and inter-county pipelines.

Privately held public utilities are assessed by the BOE statewide. These properties are not subject to Proposition 13 and are reappraised annually at their market value. The market value is a “unitary value” that includes improvements, personal property, and land. A unitary valuation applies to properties owned or used by public utilities and railroads which are considered necessary to their operation.

“Annual assessment of state-assessed properties by our State-Assessed Property team is complex and critical work performed by the Board of Equalization,” stated Chair Malia M. Cohen. “It is just one aspect of the \$67 billion property tax administration system the Board of Equalization fulfills on behalf of the residents of California.”

The BOE determines the fair market value on January 1st of each year by considering market conditions, use of the property, income generated by the property, replacement costs, investments in the property, regulatory climate, depreciation, and other factors.

The values set by the BOE are used by county governments to levy local property taxes, which help support county governments, cities, special districts, and schools. Penalties are assessed for late or incomplete filings, or failure to file with the BOE.

More information on the BOE’s State-Assessed Properties Program is available at [www.boe.ca.gov/proptaxes/sappcont.htm](http://www.boe.ca.gov/proptaxes/sappcont.htm).

The Board of Equalization is the only elected tax board in the country. Its five members include four equalization district members, and the State Controller. Under its constitutional mandate, the BOE oversees the assessment practices of the state’s 58 county assessors, who are charged with establishing values for approximately 12.8 million assessments each year. In addition, the BOE assesses the property of regulated railroads and specific public utilities and assesses and collects the private railroad car tax. The BOE’s monthly meetings offer taxpayers and other interested parties opportunities to participate in the formulation of rules and regulations adopted by the Board. For more information on the BOE, visit [www.boe.ca.gov](http://www.boe.ca.gov).

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