



State Board of Equalization

News Release

Michelle Steel, Member

3rd District – Rolling Hills Estates

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Michelle Steel: Total Statewide Property Values Decline

First decline in statewide total since BOE began keeping records in 1933

Michelle Steel, Member of the State Board of Equalization (BOE) Third District, today reported that the total value of state-assessed and county-assessed property declined to \$4.448 trillion for 2009-10, a drop of \$107.2 billion (2.4 percent) from the previous year. This is the first year-to-year decline in the statewide total since the BOE began keeping records in 1933.

Assessed Value in Southern California declined 2.5 percent, roughly in line with the statewide figure. Board Member Steel Expressed concern that declining property rates will create a loss of net worth, and damage the viability of many small businesses in the state. As reported in the *Los Angeles Times* in June, Many Californians, and especially immigrants, refinanced their homes to start small businesses. Others have already seen their home equity lines of credit cut due to falling housing prices.

The value of county-assessed property fell by \$107.6 billion (2.4 percent) to \$4.372 trillion. The value of state-assessed property, mainly privately owned public utilities and railroads, totaled \$76.1 billion, an increase of \$400 million (0.5 percent). *Editor's note – please see attached matrix.*

Year-to-year percentage increases ranged from a high of a 7.1 percent gain in San Francisco County, to a low of a 13.4 percent decline in Merced County. Thirty-eight counties posted year-to-year declines, with 14 of them declining by five percent or more. Only two counties (San Francisco and Trinity) saw a positive growth rate exceeding five percent.

The assessed valuation in California's 15 coastal counties (which account for nearly 60 percent of total assessed valuation) fell 0.6 percent. In contrast, the assessed valuation in the 43 inland counties fell 4.8 percent, twice the statewide average.

The decline in assessed valuation was especially concentrated in the Central Valley. Assessed values dropped 9.9 percent in the Northern San Joaquin Valley, 4.8 percent in the Greater Sacramento Area, and 4.2 percent in the Southern San Joaquin Valley. The drop was mildest in the San Francisco Bay Area (0.8 percent).

Of the twelve counties with rolls exceeding \$100 billion, three counties (all in the San Francisco Bay Area) posted an increase in assessed valuation: San Francisco (7.1 percent), San Mateo (0.5 percent), and Santa Clara (0.1 percent). The assessed valuation in the other nine counties declined: Riverside County (-10.5 percent), followed by Sacramento (-7.2 percent), Contra Costa (-7.0 percent), San Bernardino (-6.0 percent), Alameda (-2.5 percent), San Diego (-2.4 percent), Ventura (-2.4 percent), and Orange (-1.4 percent). Los Angeles County, with the largest assessment roll at \$1.083 trillion, declined 0.6 percent, down \$6 billion over 2008-09.

Elected to the Board of Equalization in 2006, Michelle Steel serves as Southern California's elected taxpayer advocate. In 2008, Steel uncovered a \$42 million mistake in the agency's sales tax refund procedures. Following her investigation, the tax agency refunded tax security deposits to over 5,500 small businesses.

The five-member California State Board of Equalization (BOE) is a publicly elected tax board. The BOE collects more than \$53 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

[Assessed Values Matrix](#)

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