

BUSINESS PROPERTY STATEMENT PROGRAM AUTHORITATIVE CITATIONS

The following provides the authoritative citations for the Business Property Statement Program Survey Topic. In general, citations include Constitutional provisions, sections of the Revenue and Taxation Code, other applicable statutes, court cases, Property Tax Rules, *Assessors' Handbook Sections*, Letters To Assessors, and legal annotations pertaining to the topic.

CITATION	DESCRIPTION
Government Code	
§16.5	A digital signature may be optionally used instead of a manual signature in any written communication with a public entity and is acceptable provided that it is unique to the person using it, capable of verification, under the user's sole control, linked to data so that the signature will be invalidated should the data change, and conforms to Secretary of State regulations.
Revenue and Taxation Code	
§75.15	Taxpayers shall annually report on the business property statement those fixtures added to and removed from real property for the prior 12 months ending January 1 (lien date). This requirement does not apply to fixtures included in a change in ownership or new construction of a structure.
§129	Business inventories shall not include goods intended for sale or lease which cannot be legally sold or leased in California. If such goods are not reported by the taxpayer on a business property statement, it shall be conclusively presumed that the value of the goods when discovered is their value on the preceding lien date.
§166	A property statement shall be deemed timely filed if it is mailed and shows a post office cancellation mark dated on the specified date or earlier.
§167	In an assessment appeal of an escaped assessment resulting from a taxpayer's failure to file a business property statement, there is no rebuttable presumption in favor of the taxpayer affecting burden of proof.
§405	The assessor shall assess taxable property to the persons owning, claiming, possessing, or controlling it on the lien date.
§441	Requires that every person owning taxable personal property (other than a manufactured home) with an aggregate acquisition cost of \$100,000 or more for any assessment year file a signed property statement. The property statement shall be declared true under penalty of perjury and filed with assessor between the lien date and 5 p.m. April 1. The penalty for not filing or for filing late applies to property statements not filed by May 7. The assessor may examine the taxpayer's records for any property under the

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	<p>taxpayer's control. These records can include development costs, rental income, acquisition details, and other data. This requirement also applies to an owner-builder of new construction constructed for or sold to a third party. The assessor may ask for total consideration paid to the developer, including any upgrades and additions; this information must be supplied within 45 days of a written request by the assessor.</p> <p>A statement may be amended for errors and omissions that are not willful and resubmitted by May 31 without penalty.</p> <p>The assessor may accept a property statement filed through electronic media. The signature must be authenticated by BOE-approved methods.</p> <p>Fractionally owned aircraft fleet managers and commercial air carriers must file with a designated lead county assessor's office a single property statement reporting all their aircraft.</p>
§441.5	Attachments in a format specified by the assessor may be submitted with the property statement in lieu of completing the detail schedules on the BOE-prescribed forms. The property statement submitted must either be signed or the statement may be filed electronically and authenticated as provided in §441(k).
§442	The property statement shall show all taxable property, claimed, possessed, controlled, or managed by the person filing it and required to be reported.
§443	The property statement shall show the location of the property (situs).
§443.1	If a timely property statement is filed in duplicate with a request that the assessor list the full value and return the duplicate to the filer, the assessor shall do so by July 15.
§445	The property statement shall show a description of the property, in the detail required.
§448	Property statement shall show all information as of 12:01 a.m. on the lien date. Lien date is January 1.
§451	Information furnished on the property statement or requested by the assessor shall be held secret. It is not a public document or open to public inspection.
§452	<p>The BOE shall prescribe in detail the content of property statements.</p> <p>Starting with 2008 filings, the BOE-prescribed property statement shall include specific information notifying assesseees that they may have a use tax liability and that information they furnish on the statement may be shared with the Board of Equalization.</p>
§454	The assessor may subpoena and examine information in relation to statements furnished to him or her that disclose property in his or her county.
§462	It is a misdemeanor to refuse the assessor access to property records or information about one's property.
§463	A penalty of 10 percent of the assessed value of the property attaches if any person required by law or requested by the assessor to make an annual statement fails to

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	file it with the assessor by 5 p.m. within the time limit specified in §441.
§465	Authorizes the assessor to destroy property statements six years from the lien date in which the information was obtained (three years if documents have been microfilmed or otherwise preserved in an accessible medium).
§468	The assessor may obtain a court-ordered subpoena to force a taxpayer to disclose information about his or her property to the court.
§501	The assessor shall estimate the value of property owned by a taxpayer who fails to file a property statement.
§506	Assessments made pursuant to §502, 503, or 504 shall include interest calculated from the date of delinquency that would have been established for timely enrollment of the unreported property. (Technically also applies to §501, but normally interest is not applicable because the estimated assessment is usually enrolled prior to delinquency).
§531	If a property owner fails to file a property statement pursuant to §441 and that failure results in an underassessment or no assessment, escape assessments shall be made which shall include a §463 late filing penalty and a §506 interest assessment.
§531.3	Underreporting of costs on a business property statement, whether willful and fraudulent or not, shall result in §506 interest being included when the escape assessment is made. If willful underreporting or fraud is involved, the §504 penalty shall also be included.
§531.4	If an assessee fails to report taxable property accurately on a Board-prescribed form or property statement, and no assessment or underassessment results, the subsequent escape assessment shall include §506 interest, and, if the misreporting was willful or fraudulent, shall also include the §504 penalty.
§531.5	Property misreported on a property statement as business inventory shall be subject to an escape assessment including §506 interest and, if the misreporting was with knowledge, shall also include the §504 penalty.
§5365	Upon the assessor's request, an aircraft owner shall file a property statement setting forth information including, but not limited to, serial number, make, model, year of manufacture, and engine and maintenance information such as total hours logged and last major overhaul.
§5367	An abatable 10 percent penalty must be added to the value of the aircraft for failure to timely file an aircraft statement upon the assessor's request.
Property Tax Rules	
Rule 171	The BOE has the authority to prescribe all property statement forms for the assessors' use. Assessors shall annually notify the BOE of forms they intend to use, and must get BOE approval for rearranged forms. No language may be added or deleted. Depending upon the size of the business property assessment, the assessor may allow a taxpayer to file a short form business property statement rather than the long version. The assessor must submit a final printed copy to the BOE by February 10 each year.
Rule 172	Property statements and mineral production report forms prescribed by the Board, and filed with the assessor or the Board, must be signed by the assessee, a partner,

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	<p>a duly appointed fiduciary, or an authorized agent. When signed by an agent or employee other than a member of the bar,</p> <p>CPA, a public accountant, an enrolled agent, or a duly appointed fiduciary, the assessee's written authorization of the agent or employee to sign the statement on behalf of the assessee shall be filed with the assessor.</p>
Letters To Assessors	
99/85	Ch. 334, Statutes of 1999 (AB 704), changed statement filing code sections to allow the assessor more time to process statements prior to the July 1 annual deadline. Now the §463 penalty does not accrue until after May 7, and a timely filed statement may be amended up to May 31 without penalty.
2003/024	Chapter 775, Statutes of 2002, amended §441 and 441.5 to allow filing of property statements by electronic media. Such media include computer modem, magnetic media, optical disk, and facsimile machine. The assessor may choose a method of filing and a method of authenticating signatures as well. The method(s) of authentication must be submitted to the BOE for review.
Annotations	
260.0095	The assessor may use information submitted by other taxpayers on property statements to develop averages to assess or defend another taxpayer's assessment. The identity of these other taxpayers should not be disclosed in public session, but may be revealed in confidence to the court or appeals board.
325.0015	When the deadline for filing any document with the assessor falls on a Saturday, Sunday, or holiday, the filing will be considered timely if postmarked by close of business on the next business day.
680.0010	A property statement, though timely filed, is not automatically full and complete upon receipt by the assessor.
680.0030	The 10 percent failure to file penalty applies when: (1) property at multiple locations exceeds \$30,000 in cost, has not been assessed, and no statement has been filed, or (2) a statement has been requested but not filed. <i>Note: Stats. 1996, ch. 1087 changed \$30,000 threshold to \$100,000.</i>
680.0035	Lessees under capital leases are considered owners and assesseees and must report their leased properties on business property statements.
680.0040	Even if the federal government, as lessee of a private lessor's personal property, reimburses the lessor for personal property taxes, the private lessor is still responsible for filing business property statements.
680.0090	A parent corporation may not file a single, combined statement for itself and its subsidiaries if the subsidiaries are otherwise required to file separately (aggregate cost over \$100,000 or requested to file by assessor).
680.0100	If, within 120 days of lease commencement, a lessor files an affidavit with the assessor attesting to a lease-purchase arrangement with certain exempt public entities calling for a nominal final payment to purchase, the lessor need not report that property on its business property statement.