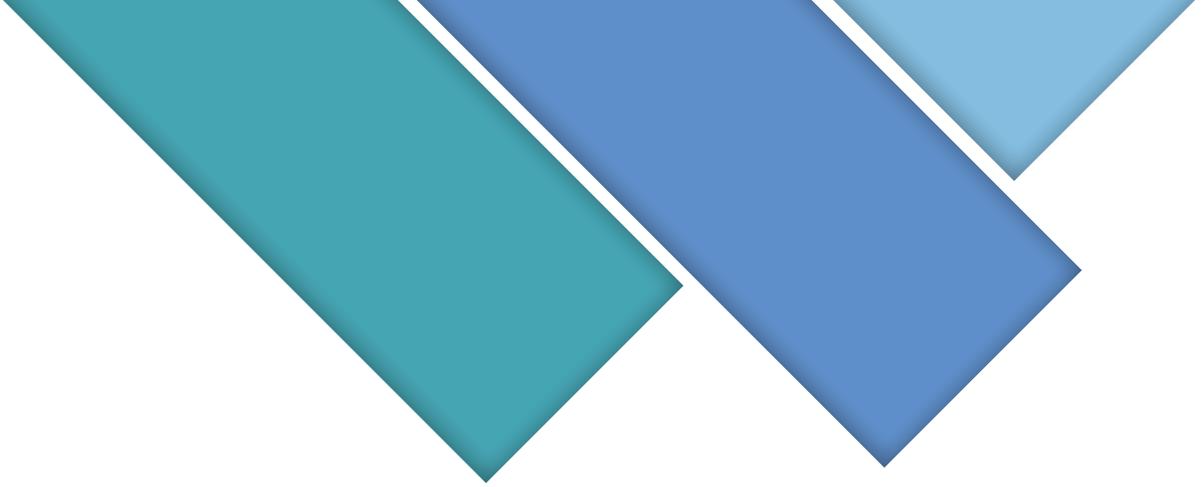


CALIFORNIA STATE BOARD  
OF EQUALIZATION



**2020-21**  
ANNUAL REPORT



# LETTER *from the* EXECUTIVE DIRECTOR

The Honorable Gavin Newsom  
Governor of California  
March 2022



Dear Governor Newsom:

On behalf of the Board Members, the Executive Management Team, and our dedicated employees, I am pleased to present the Annual Report of the California State Board of Equalization (BOE) for the fiscal year (FY) that ended June 30, 2021.

The BOE is committed to fulfilling its constitutional and statutory duties and is focused on our mission, to serve the public through fair, effective, and efficient tax administration in support of state and local governments.

The BOE oversees the assessment practices for the 58 County Assessors, who are charged with valuing over 13 million assessments each year. In FY 2020-21, the net statewide assessed value was \$7.1 trillion, resulting in \$79.9 billion of property tax levies. Those property tax levies contributed \$43.0 billion to schools and \$36.9 billion to local government. Additionally, with the passage of Proposition 19 in November 2020, the BOE provided critical statewide leadership in the implementation of significant changes to how certain property tax assessments are treated.

In 2021, the BOE set the values of state-assessed properties, primarily privately-owned public utilities and railroads, at \$123.2 billion for the 2021-22 roll. This was a \$3.5 billion increase from 2020-21 values. State-assessed properties produced \$1.94 billion in local property tax revenues for the state's 58 counties in 2021-22.

The BOE is also responsible for administering the Alcoholic Beverage Tax Program, which produced \$405 million, and the Tax on Insurers Program, which added \$2.7 billion to the state.

We are proud to serve this great State of California and will continue to do our part to provide essential revenues for the state and local governments.

Sincerely,

*Brenda Fleming*

Brenda Fleming  
Executive Director

# BOARD MEMBERS



**TED GAINES**  
First District,  
Sacramento



**MALIA M. COHEN**  
Second District,  
San Francisco



**ANTONIO VAZQUEZ**  
Chairman, Third District,  
Santa Monica



**MIKE SCHAEFER**  
Vice Chair, Fourth District,  
San Diego



**BETTY T. YEE**  
State Controller

Created in 1879 by a constitutional amendment, the California State Board of Equalization (BOE) was initially responsible for ensuring that county property tax assessment practices are equal and uniform throughout California.

The BOE administers three tax programs that produce revenue essential to our state. The Board hears appeals from public utility assessments and serves a significant role in the assessment and administration of property taxes by issuing rules and regulations, establishing the tax values of railroads and specified privately-held public utilities, and overseeing the assessment practices of the state's 58 County Assessors.

Public Board meetings offer taxpayers and other interested parties the opportunity to participate in the formulation of rules and regulations adopted by the Board and to interact with the Members as they carry out their official duties. The Board meets monthly.

The Board consists of five Members who serve concurrent four-year terms. One Member is elected from each of California's four equalization districts. The State Controller, elected at large, serves as the Board's fifth Member. Each of the four elected Board Members represent approximately 9.5 million constituents in their respective districts.

This annual report represents the BOE's services and accomplishments for FY 2020-21. The elected Board is comprised of Board Members Ted Gaines, First District; Malia M. Cohen, Second District; Antonio Vazquez, Third District; Mike Schaefer, Fourth District; and Betty T. Yee, State Controller. This Board is committed to fulfilling its constitutional duties and contributing to California's success.

# MISSION, VISION, *and* CORE ORGANIZATIONAL VALUES

## MISSION

Our mission is to serve Californians through fair, effective, and efficient tax administration in support of state and local governments.

## VISION

To rebuild, revitalize, and modernize the BOE, to enrich its employees, and strengthen its organizational capabilities to deliver gold-standard services.

## CORE ORGANIZATIONAL VALUES

- Perform public service with integrity
- Put people first
- Commit to excellence
- Keep getting better



# CONTENTS

Profile of the BOE .....	5
State- and County-Assessed Values.....	9
Exemptions.....	10
Revenue .....	12
Proposition 19.....	14
Taxpayer Assistance.....	16
Changing Legislation.....	17
Court Cases.....	21
Statistical Index .....	23





# PROFILE *of the* BOE

## BOE PROGRAMS

The BOE oversees the assessment practices of the state's 58 County Assessors, who are charged with establishing values for over 13 million assessments each year.

The BOE is additionally responsible for:

- Assessing the property of regulated railroads and specific public utilities.
- Assessing and collecting the Private Railroad Car Tax.
- Assessing taxes on insurers.
- Assessing and collecting excise taxes on the manufacture, importation, and sale of alcoholic beverages.

### General Property Taxes

Proposition 13, passed by California voters in 1978, imposed a property tax rate of one percent of the property's full cash value, with limited exceptions. In addition, it allows reappraisal of real property at current fair market value only when there is a change in ownership or upon completion of new construction.

When a reappraisal occurs because of a change in ownership or the completion of new construction, the County Assessor sets a new "base year value" for the property that underwent the change in ownership or that was newly constructed. Thereafter, Proposition 13 generally limits annual increases in the base year value to a maximum of two percent, depending on the most recent year's percentage change in the California Consumer Price Index. The application of the increase to the base year value each year is referred to as the adjusted base year value or factored base year value.

However, where a property's current market value has declined below its base year value adjusted for inflation, the current market value becomes the property's temporary assessed value until the adjusted base year value exceeds its current market value. The temporary assessed value is commonly referred to as a "Proposition 8" value, so named for the November 1978 constitutional amendment that allowed for such temporary reductions in assessed value.

When a property has received a Proposition 8 value, increases in assessed value year-over-year are no longer limited to two percent, but instead may be made in whatever amount is needed to either: (a) establish a new, higher Proposition 8 value; or (b) restore the adjusted base year value. In all cases, the assessed value must be the lower of current market value or the adjusted base year value.



### **State-Assessed Properties**

In accordance with article XIII, section 19 of the California Constitution, the BOE assesses certain public utilities and other specified properties and allocates the assessed values among the counties where the properties are physically located.

State-assessed properties include:

- Pipelines, flumes, canals, ditches, and aqueducts lying within two or more counties.
- Property (except franchises) owned or used by regulated railway, telegraph, or telephone companies; railroad car companies operating on railways in the state; and companies transmitting or selling gas or electricity.

### **Private Railroad Car Tax**

Private railcar owners pay the Private Railroad Car Tax on railcars operated in California. The Private Railroad Car Tax is an in-lieu property tax on railroad cars owned by non-railroad companies and operated upon California railroads. Railroad company-owned cars are included in the unitary value of railroads adopted by the Board each May. The tax paid is based on values established by the Board and the number of days the cars were physically in the state. This is the only property tax administered and collected by the state.

### **Alcoholic Beverage Tax**

The Alcoholic Beverage Tax is a per-gallon excise tax collected on the sale, distribution, or importation of alcoholic beverages in California. Revenues from the tax are deposited into the Alcohol Beverage Control Fund and are withdrawn for use by the state's General Fund or used to pay refunds under this program.

As part of an interagency agreement, the California Department of Tax and Fee Administration (CDTFA) collects the tax and administers some of the program's functions on behalf of the BOE. The BOE hears all appeals for claims for refund and petitions for redetermination.



### **Tax on Insurers**

The Tax on Insurers Program is jointly administered by the BOE, the California Department of Insurance (CDI), and the State Controller's Office (SCO).

Insurance companies that have received authority from the CDI to transact insurance business in California are called "admitted insurers" and may be subject to as many as three insurance taxes in California.

All insurance companies are subject to a tax on gross premiums. In addition, one of the schedules in the gross premiums tax return is used for the computation of retaliatory tax, which is the second tax that an insurance company may owe. A retaliatory tax is owed when an out-of-state insurance company's domicile state (home state) imposes higher taxes on a California-domiciled insurer for the same business. The third insurance tax on insurance companies is the ocean marine tax. Surplus Line Brokers, who are licensed brokers that sell policies for non-admitted (nonlicensed) insurance companies, also pay a tax.

As part of an interagency agreement with the BOE, CDTFA issues deficiency assessments, refunds, and receives appeals on behalf of the BOE. The BOE hears all appeals for claims for refund and petitions for redetermination.

### **GOVERNANCE**

The Board consists of five Members who serve concurrent four-year terms. One Member is elected from each of California's four equalization districts. The State Controller, elected at large, serves as the Board's fifth Member. Each of the four elected Board Members took office in January 2019, and represents approximately 9.5 million constituents in their respective districts.

The BOE's Executive Director, appointed by the Board Members, is responsible for the employees and carrying out the BOE's mission, goals, and directives.

## RESPONSIBILITIES

The primary responsibilities of the BOE are to:

- Administer agency programs.
- Act as an appellate body for the review of certain property tax determinations.
- Adopt rules and regulations clarifying the laws it administers.
- Determine the assessed value of railroads and specified privately-held public utilities, including gas, electric, and telephone companies.
- Oversee the property tax assessment practices of County Assessors.
- Assess and collect the Private Railroad Car Tax.
- Hear all appeals for claims for refund and petitions for redetermination for the Alcoholic Beverage Tax and the Tax on Insurers.

In carrying out these responsibilities, the BOE:

- Prescribes Property Tax Rules and issues advice to guide property owners, County Assessors, and County Assessment Appeals Boards.
- Considers appeals from taxpayers on state-assessed property values and denials or revocations of Welfare Exemption Organizational and Supplemental Clearance Certificates.
- Hears appeals from local governments of assessments made by County Assessors on lands, water rights, and certain improvements on properties owned by the local governments, but located outside their boundaries.
- Develops and publishes capitalization rates to be used in valuing state-assessed utilities.
- Classifies unitary and nonunitary properties of public utilities and determines the property values of each assessee for local property taxation.

## MEETINGS

Monthly public Board meetings offer taxpayers and other interested parties the opportunity to participate in the formulation of rules and regulations adopted by the Board and to interact with the Members as they carry out their official duties.

Each year, the Board also holds a Taxpayers' Bill of Rights hearing that allows taxpayers to make comments on matters identified in the Taxpayers' Rights Advocate's Annual Report or BOE- administered laws and programs.

Additionally, the Board is required by law to hold a meeting with County Assessors at least once a year to discuss issues focused on the administration of assessment and taxation laws, and ways to promote statewide uniformity.

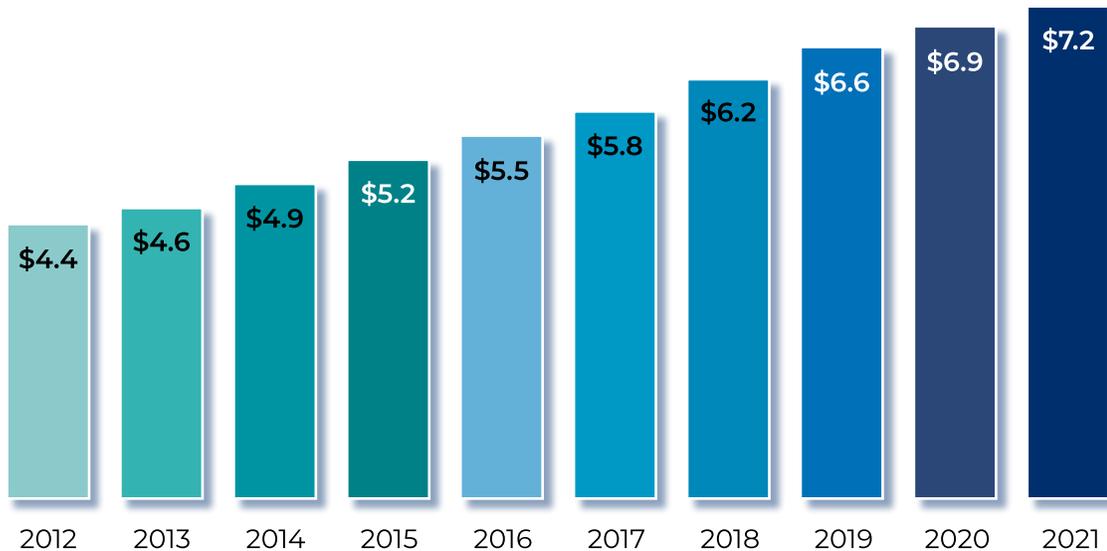


# STATE- *and* COUNTY-ASSESSED VALUES

The BOE oversees the assessment practices of the state's 58 County Assessors, who are charged with establishing values for over 13 million assessments each year. Assessed value, net of all exemptions, for 2021-22 was \$7.2 trillion, which includes \$7.1 trillion in county-assessed properties and \$123.2 billion in state-assessed properties.

## TEN YEAR SUMMARY NET-ASSESSED VALUE OF STATE- AND COUNTY-ASSESSED PROPERTY

*(in Trillions)*



## EXEMPTIONS

Several exemptions are available to qualifying nonprofits that own property, including various charitable organizations and private and nonprofit colleges. The homeowners' exemption typically provides a \$70 reduction in property taxes for owner-occupied homes.

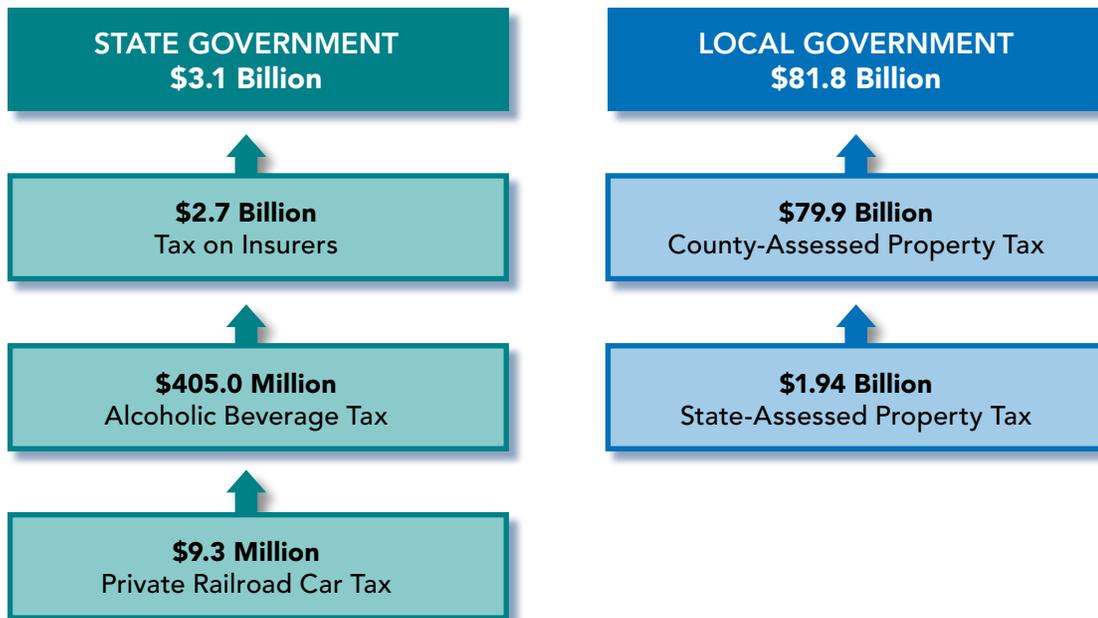
QUALIFYING EXEMPTIONS 2021-22	
EXEMPTION TYPE	EXEMPTION VALUE
CHARITABLE NONPROFIT	\$143,249,115,530
HOSPITALS	\$40,082,564,689
NONPROFIT COLLEGES	\$34,988,933,356
HOMEOWNERS' EXEMPTION*	\$33,742,723,332
OTHER EXEMPTIONS	\$26,062,308,599
RELIGIOUS	\$18,318,276,838
DISABLED VETERANS	\$9,094,552,726
PRIVATE SCHOOLS	\$3,846,707,181
CHURCHES	\$2,555,420,528
LOW-VALUED PROPERTY	\$105,224,154
<b>TOTAL</b>	<b>\$312,045,826,933</b>

\* The Homeowners' Exemption value is reimbursed by the state.

*Note:* Detail may not compute to total due to rounding.

## SUPPORTING OUR COMMUNITIES

**\$85 Billion in Fiscal Contributions to State and Local Government**



## REVENUE

### 2020-21 GENERAL COUNTY PROPERTY TAX REVENUE

	FY 2020-21	FY 2019-20	CHANGE FROM 2019-20
● SCHOOL PURPOSES	\$43,022,827,000	\$40,545,386,000	6.1%
● COUNTIES	\$11,216,138,000	\$10,704,921,000	4.8%
● CITIES	\$10,019,993,000	\$9,446,338,000	6.1%
● OTHER	\$15,690,813,000	\$14,699,219,000	6.7%
<b>TOTAL</b>	<b>\$79,949,771,000</b>	<b>\$75,395,863,000</b>	<b>6.0%</b>

*Note:* Detail may not compute to total due to rounding.

## WHERE YOUR COUNTY PROPERTY TAX DOLLAR GOES

All Californians benefit from property tax revenues. Property tax is allocated among local governments, with schools getting more than half the revenues.





## REVENUE SUMMARY

	CURRENT YEAR	PRIOR YEAR	% CHANGE	GENERAL FUND
COUNTY-ASSESSED PROPERTY TAX	\$79,900,000,000	\$75,400,000,000	6.0%	No
TAX ON INSURERS	\$2,700,000,000	\$2,600,000,000	3.8%	Yes
STATE-ASSESSED PROPERTY TAX	\$1,943,000,000	\$1,876,000,000	3.6%	No
ALCOHOLIC BEVERAGE TAX	\$405,000,000	\$369,000,000	9.8%	Yes
PRIVATE RAILROAD CAR TAX	\$9,300,000	\$10,400,000	-10.6%	Yes
<b>TOTAL</b>	<b>\$84,957,300,000</b>	<b>\$80,255,400,000</b>	<b>5.9%</b>	



## PROPOSITION 19

On November 3, 2020, California voters approved Proposition 19, *The Home Protection for Seniors, Severely Disabled, Families, and Victims of Wildfire or Natural Disasters Act*. Proposition 19 (Assembly Constitutional Amendment 11, Stats. 2020, Res. ch. 31) added sections 2.1, 2.2, and 2.3 to article XIII A of the California Constitution.

Proposition 19 made significant changes to certain property tax laws. Operative February 16, 2021, the intergenerational provisions of Proposition 19, only allow for a principal residence to be transferred between a parent and a child or between a grandparent and a grandchild, where the grandchild's parents are deceased, without a property tax increase (up to a certain value) if the transferee keeps the home as their principal residence. As part of the requirements, the transferee must apply for the homeowners' or disabled veterans' exemption within one year of the purchase or transfer of the family home. In addition, the transfer of a family farm may also be transferred between parents and children, or in the case of deceased parents, between grandparents and grandchildren, without a property tax increase (up to a certain value). In either case, the excludable amount is capped equal to the principal residence's taxable value at the time of transfer plus \$1 million.

Operative April 1, 2021, the base year value transfer provisions of Proposition 19, allows California's seniors, severely disabled persons, or victims of wildfires or natural disasters to transfer the taxable value of their original residence to a replacement residence anywhere throughout the state. Seniors and severely disabled persons may utilize this relief up to three times during their lifetime. The original and replacement residences must be eligible for the homeowners' or disabled veterans' exemption, an application must be filed with the County Assessor where the replacement property is located, and the replacement residence must be purchased or newly constructed within two years of the sale of the original residence. If the market value of the replacement residence is greater than the market value of the original residence, the difference will be added to the taxable value at the time of transfer. Seniors are considered age 55 and older, and for victims of wildfire or a Governor proclaimed disaster, the residence must be substantially damaged to qualify.



Immediately after the passage of Proposition 19, the BOE began its statewide role in the implementation process. Highlights of accomplishments in fiscal year 2020-21 include:

- Issued eight Letters To Assessors (LTA) providing guidance to County Assessors and stakeholders on Proposition 19.
- Established a new webpage as a one-stop-shop dedicated to Proposition 19 ([www.boe.ca.gov/prop19](http://www.boe.ca.gov/prop19)) that is updated in real-time. The webpage includes frequently asked questions, comparison charts, guidance, related legislation, and additional resources for County Assessors, stakeholders, and the public.
- A Proposition 19 Fact Sheet and PowerPoint presentation were created to assist with the education and outreach to taxpayers.
- Prescribed seven new Proposition 19 forms and amended four existing forms in consultation with the California Assessors' Association (CAA).
- Began the rulemaking process to adopt two Property Tax Rules: 462.520, *Exclusion from Change in Ownership – Intergenerational Transfers* and 462.540, *Exclusion from Change in Ownership – Base Year Value Transfers*.
- The Board, in exercising its oversight duties, received monthly reports at Board Meetings from the Executive Management Team on the progress of Proposition 19 implementation.
- In conjunction with the CAA, the BOE and other stakeholders partnered with the state Legislature to begin drafting Proposition 19 implementation legislation.
- The BOE's Property Tax Department's County-Assessed Properties Division answered approximately 3,144 calls and 1,017 email inquiries related to Proposition 19.

The implementation process of Proposition 19 is ongoing. The BOE is committed to fulfilling its constitutional and statutory duties by issuing property tax rules and guidance where necessary to ensure assessment practices are uniform and consistent statewide. Please visit the BOE website for the latest information on Proposition 19.

# TAXPAYER ASSISTANCE

## TAXPAYERS' RIGHTS ADVOCATE ASSISTANCE

The Taxpayers' Rights Advocate (TRA) Office conducted work on approximately 230 new cases in FY 2020-21, all relating to property taxes.

The TRA Office receives contacts from taxpayers and others who are either seeking assistance with a problem or a disagreement they have in the assessment and collection of property taxes, or a concern with a program administered by our agency. Generally, the TRA Office assists taxpayers who have been unable to resolve a matter through normal channels, and seek confirmation that they were treated fairly under the law. Some taxpayers have questions or concerns that need to be addressed by another state agency, such as the CDTFA, Franchise Tax Board (FTB), or a county agency. The TRA Office staff responds by directing the taxpayer to the appropriate state agency or local county agency, and provides website resources.

Although primary contact is with individual taxpayers, cases also originate from contact with tax agents, attorneys, and government officials, such as County Assessors, Tax Collectors, Auditor-Controllers, Board Members, and Legislators.

Most property tax cases are resolved in conjunction with local County Assessors, Tax Collectors, and Assessment Appeals Board clerks. Depending on the nature of the problem, multiple offices can be involved in the resolution of taxpayers' cases.

Please visit [www.boe.ca.gov](http://www.boe.ca.gov) for more information on the TRA Office and to view the TRA Annual Report.

## APPEALS PROCESS

The Board serves as the appellate body, reviewing and deciding certain determinations of certain property taxes, Tax on Insurers, and Alcoholic Beverage Tax cases. For property taxes, Board Members hear appeals from taxpayers regarding state-assessed property values, Welfare Exemption Organizational and Supplemental Clearance Certificate denials or revocations, the Private Railroad Car Tax, and taxable property owned by local governments located outside its boundaries.

Although most cases are resolved at the department level, the Board Members may hear appeals from petitioners who disagree.

In FY 2020-21, 28 petitions were filed by the state-assessed public utilities, and 16 of those were successfully resolved without needing to be adjudicated by the Board.

# CHANGING LEGISLATION

The following is a list of 2020 legislation that impacted programs administered by the BOE. All bills became effective January 1, 2021, unless otherwise specified.

## PROPERTY TAX

### **AB 107 (Budget Committee), Chapter 264, effective September 29, 2020**

*Amends section 1604 of the Revenue and Taxation Code and adds sections 1616, 1752.4 to the Revenue and Taxation Code.*

For timely filed appeals whose 2-year decision deadline occurs during the period beginning March 4, 2020, and March 31, 2021, extends the 2-year decision period to March 31, 2021. Provides that existing law does not prohibit remote hearings. If a County Board of Supervisors (BOS) enacts any rules and procedures, it is required that remote hearings be compliant with those rules and procedures.

### **AB 499 (Mayes), Chapter 155**

*Amends section 11019.7 of the Government Code.*

Prohibits a state agency from sending any outgoing U.S. Mail that contains an individual's Social Security Number (SSN) unless the number is truncated to its last four digits or in specified circumstances, including when federal law requires inclusion of the SSN. Requires each state agency that mails an individual's SSN to that individual, on or before September 1, 2021, to report to the Legislature when and why it mails documents that contain SSNs. Provides that such reports are confidential and prohibits public disclosure.

### **AB 2013 (Irwin), Chapter 124**

*Adds section 70.5 to the Revenue and Taxation Code.*

Adds exclusion for comparable reconstruction of substantially damaged/destroyed property that is located on the same site. Provides that reconstruction is comparable if it is similar in size (120 percent of market value, not physical size), utility, and function. Applies to real property damaged or destroyed on or after January 1, 2017.

### **AB 3373 (Revenue and Taxation Committee), Chapter 57**

*Amends section 1621 of the Revenue and Taxation Code.*

Deletes maximum number of Assessment Appeals Boards (AABs) and instead allows the County Board of Supervisors to create as many AABs for the county as deemed necessary.

**ACA 11 (Mullin), Resolution, Chapter 31,  
effective December 16, 2020<sup>1</sup>**

*Amendment to the Constitution of the State, adds sections 2.1, 2.2, 2.3 to article XIII A.*

**Parent-Child and Grandparent-Grandchild Exclusion.** Replaces existing exclusion with new exclusion for a transfer of a family home and adds a value test. Provides that “family home” includes a family farm, as defined. Requires transferee to file a Homeowners’ Exemption or Disabled Veterans’ Exemption claim within one year of transfer. Eliminates exclusion for any other type of property.

**Base Year Value Transfer – Over 55/Disabled/Disaster Victims.** Allows homeowner who is over 55, disabled, or a victim of a wildfire or natural disaster to transfer the base year value to a new home located anywhere in CA and of any value. For home of greater value, requires difference in full cash value be added to factored base year value. Allows over 55/disabled to transfer base year value three times.

**SB 300 (Umberg), Chapter 26, effective June 30, 2020**

*An act related to elections.*

Calls a special election to be consolidated with the November 3, 2020, statewide general election for ACA 4, 5, 6, 11, and 25, if passed by the Legislature on or before July 1, 2020.

**SB 350 (Hill), Chapter 27**

*Adds sections 222.5, 713, 3400, 3440 to the Public Utilities Code.*

Authorizes the Governor to incorporate Golden State Energy, a nonprofit public benefit corporation, for the purpose of owning, controlling, operating, or managing gas services for its ratepayers. Provides that property used exclusively by Golden State Energy is not exempt from taxation under CA Const. article XIII, sections 4(b) and 5, and Revenue and Taxation Code section 214.

**SB 1371 (Judiciary Committee), Chapter 370**

*Amends sections 214, 4675 of the Revenue and Taxation Code.*

Makes technical, non-substantial changes.

<sup>1</sup> Section 4, article XVIII of the California Constitution specifies a proposed amendment or revision of the Constitution takes effect on the fifth day after the Secretary of State files the statement of the vote for the election at which the measure is voted on, but the measure may provide that it becomes operative after its effective date.

## **SB 1473 (Committee on Governance and Finance), Chapter 371**

*Amends sections 15643, 15645, 15646 of the Government Code and sections 214.18, 439.2 of the Revenue and Taxation Code.*

- **County Surveys.** Extends existing survey cycle until January 1, 2026. Requires the BOE to issue the final survey report within 12 months. Requires copies of final survey report that are filed with specified entities to include addendum.
- **Welfare Exemption. Community Land Trusts.** Corrects erroneous cross-reference. Requires a contract be an enforceable and verifiable agreement with a public agency, a recorded deed restriction, or other legal document that restricts the project's usage and imposes specified affordable rent requirements.
- **Historical Property Interest Component.** Requires the component be determined based on the yield rate equal to the effective average interest rate on conventional mortgages as determined by the Federal Home Loan Mortgage Corporation as of September 1, 2020.



## ALCOHOLIC BEVERAGE TAX

### **AB 2459 (Bigelow), Chapter 53: Alcoholic Beverage License – Mariposa and Napa Counties**

Authorizes Department of Alcoholic Beverage Control (ABC) to issue up to 10 new original on-sale general licenses for bona fide public eating places in Mariposa County that have a seating capacity for 50 or more diners, not to exceed 5 per year. Prohibits transferring the new licenses out of the county. Prohibits selling or transferring the new licenses for a price greater than the original fee paid by the seller/transferor. Authorizes ABC to issue up to 10 new original on-sale general licenses for bona fide public eating places in Napa County that have a seating capacity for 25 or more diners, not to exceed 5 per year. Allows ABC to designate specified existing on-sale general licenses for special use.

### **SB 432 (Nielsen), Chapter 178: Distilled Spirits Instruction**

In part, authorizes rectifiers and brandy manufacturers to instruct, or to conduct courses of instruction for, licensees and their employees on the subject of distilled spirits and to furnish distilled spirits and equipment, materials, and utensils that may be required for use in connection with the instruction or courses of instruction.

### **SB 918 (Committee on Governmental Organization), Chapter 362: Special Nonprofit Sales License**

Changes definition of nonprofit mutual benefit corporation from Revenue and Taxation Code reference to Corporations Code reference. Changes label requirements for wine bottled in Mendocino County as specified.

## TAX ON INSURERS

### **AB 83 (Budget Committee), Chapter 15: Budget Trailer Bill – Housing**

Prior to allocation of additional amount for 2021, requires CA Tax Credit Allocation Committee and CA Debt Limit Allocation Committee to adopt regulations, rules, or guidelines to align the programs of both committees, as specified. Prohibits CA Debt Limit Allocation Committee from accepting applications for 2021 for bond allocations for an eligible project prior to issuing, reviewing, and publishing a new tax-exempt private activity bond demand survey. Requires a new allocation methodology be implemented to increase production and containing costs, including a scoring system that maximizes the efficient use of public subsidy and benefit created through low-income housing tax credit programs, as specified.

### **AB 85 (Budget Committee), Chapter 8: Budget Trailer Bill - State Taxes and Charges**

Provides that, for 2020-2022, the total amount of all those insurance tax credits otherwise allowable, including any credit amount allowed to be carried over, may not reduce the annual tax by more than \$5 million for a given year.

# COURT CASES

## CALIFORNIA APPELLATE COURT DECISIONS IN FY 2020-21

***Bobnett v. County of Santa Barbara* (2021)  
59 Cal.App.5th 1128 [1.19.2021]**

The appellate court held that property purchased from parents' trust was a purchase by one beneficiary from his sibling beneficiaries and was not excluded from reassessment as a transfer from parent to child.

***LA Live Properties, LLC v. County of Los Angeles* (2021)  
61 Cal.App.5th 363 [2.26.2021]**

Taxpayer appealed a lower court decision requiring taxpayer to first file an assessment appeal with the County even though County Assessor failed to comply with the ten-day notice requirement under Revenue and Taxation Code section 531.8. The appellate court affirmed the lower court's decision.

***Valley Baptist Church v. City of San Rafael* (2021)  
61 Cal.App.5th 401 [2.26.2021]**

The City of San Rafael appealed a lower court's decision exempting the Valley Baptist Church (Church) from the paramedic tax, a special tax. The appellate court concluded that the religious exemption from property taxation set forth in article XIII, sections 3 and 4 of the California Constitution, apply only to ad valorem property taxation and not special taxes.





***Verizon California Inc. v. Board of Equalization et al. (2021)***  
**64 Cal.App.5th 1155 [6.1.2021]**

For each year at issue, the State Board of Equalization approved Verizon’s and the Board staff’s joint recommendation of value and resolution of issues. Verizon subsequently filed property tax refund actions arguing for a lower value than the ones to which they agreed. The appellate court held that since Verizon agreed to the reduced assessments set forth in the joint recommendations and approved by the Board, there was no longer a “dispute” regarding assessed valuation as required for an action based on section 5148, subdivision (a) of the Revenue and Taxation Code.

# STATISTICAL INDEX

The *BOE Annual Report* and statistical data are available online at [www.boe.ca.gov](http://www.boe.ca.gov) through the BOE's Open Data Portal (ODP).

## PROPERTY TAX

- Summary of Assessed Values of Property Subject to Local General Property Taxes, and Average Tax Rates
- Assessed Value of State- and County-Assessed Property Subject to General Property Taxes, inclusive of the Homeowners' Exemption, by Class of Property and by County
- Assessed Value of State-Assessed Property Subject to General Property Taxes, by Class of Property and by County
- Assessed Value of County-Assessed Property Subject to General Property Taxes, inclusive of the Homeowners' Exemption, by Class of Property and by County
- Number of Veterans' Exemptions and Exempt Value of Veterans', College, Church, Religious, and Welfare Exemptions
- Gross Assessed Value of State- and County-Assessed Property, Number of Homeowners' Exemptions, Exempt Value by Type of Exemption, and Net Assessed Value Subject to General Property Taxes
- Net State- and County-Assessed Value of Property Subject to General Property Taxes on the Secured and Unsecured Rolls, by County
- Assessed Value of State- and County-Assessed Property Subject to General Property Taxes, inclusive of the Homeowners' Exemption, by Incorporated Cities
- Assessed Value of Property Assessed by the State Board of Equalization, by Type of Company
- Assessed Value of Property Assessed by the State Board of Equalization and Subject to Local Taxation, by Company
- General Property Tax Levies as Compiled for Computation of the Average Tax Rate
- General Property Tax Dollar, by County
- Assessed Value of Private Railroad Cars Assessed by the State Board of Equalization and Subject to Exclusive State Taxation, by Company
- Private Railroad Car Tax Assessments, Tax Rates, and Tax Levies

## ALCOHOLIC BEVERAGE TAX

- Beer, Wine, and Distilled Spirits Excise Tax Collections
- Apparent Consumption of Beer, Wine, and Distilled Spirits, by Fiscal Year
- Per Capita Consumption of Beer, Wine, and Distilled Spirits, by Fiscal Year

## TAX ON INSURERS

- Summary of Insurance Taxes Assessed Against Companies Authorized to do Business in California, by Type of Insurer
- Insurance Tax Assessments Against Licensed Insurers, Tax Rate, Taxes on Premiums, Local Property Tax Credits Allowed, Taxes on Ocean Marine Business, and Total Taxes Assessed





