



MALIA M. COHEN

MEMBER, SECOND DISTRICT
STATE BOARD OF EQUALIZATION

December 15, 2020

TO: Members of the Board of Equalization

FROM: Malia M. Cohen, Member, Second District

RE: Board of Equalization Board Meeting, December 16, 2020, L.1.d.
Consideration of Placing Letters to Assessors (LTAs) on the Board Meeting
Agenda Prior to Publication

Discussion and possible Board action to direct the Executive Director to provide the Board a report out on the value and feasibility of placing all Letters to Assessors (LTAs), including Assessment Practices Surveys, on the Board Meeting Agendas. This discussion does not apply to County Assessors Only (CAO) letters which provide confidential taxpayer-sensitive information to Assessors.

This Item has been presented so that the Board may consider placing all Letters to Assessors (LTA's), including Assessment Practices Surveys, on Board Meeting Agendas. This memorandum only addresses LTAs, and does not address County Assessors Only (CAO) letters, which provide confidential taxpayer-sensitive information to Assessors.

Background

As part of its Constitutional responsibilities, the Board of Equalization issues guidance to Assessors' offices in the form of Letters to Assessors (LTAs). This authority is found in Government Code section 15608, which provides that "The board shall instruct, advise, and direct assessors as to their duties under the laws. It may obtain the opinion of the Attorney General upon any questions of law relating to such duties in such cases as it deems necessary."

In 2019, the Board issued 51 LTAs; and in 2020, the Board issued 52 LTAs as of October 9, 2020. These LTAs included the issuance of Assessment Practices Surveys.

Government Code section 15606(c) requires that the Board "Prescribe rules and regulations to govern local boards of equalization when equalizing, and assessors when assessing, including uniform procedures for the consideration and adoption of written findings of fact by local boards of equalization as required by Section 1611.5 of the Revenue and Taxation Code."

Government Code section 15606(e) further requires the Board to "Prepare and issue instructions to assessors designed to promote uniformity throughout the state and its local taxing jurisdictions in the assessment of property for the purposes of taxation. It may adapt the instructions to varying local circumstances and to differences in the character and conditions of property subject to taxation as in its judgment is necessary to attain this uniformity."

This authority is explained in the Board's Governance Policy, Part VII, "Role and Powers of the Board" that states the following:

- "Item 13. Prescribe rules and regulations to govern local boards of equalization when equalizing, and assessors when assessing, including uniform procedures for the consideration and adoption of written findings of fact by local boards of equalization as required by Section 1611.5 of the Revenue and Taxation Code. Gov. Code Sec. 15606(c)."
- "Item 14. Prescribe and enforce the use of all forms for the assessment of property for taxation, including forms to be used for the application for reduction in assessment. Gov. Code Sec. 15606(d)."
- "Item 15. Prepare and issue instructions to assessors designed to promote uniformity throughout the state and its local taxing jurisdictions in the assessment of property for the purposes of taxation. The Board may adapt the instructions to varying local circumstances and to differences in the character and conditions of property subject to taxation when judged necessary to attain this uniformity. Gov. Code Sec. 15606(e)."
- "Item 16. Issue rules, regulations, instructions, and forms relating to classifications of kinds of property and evaluation procedures including but not limited to subdivisions (c), (d) and (f) of Gov. Code Sec. 15606. Gov. Code Sec. 15606(f)."
- "Item 17. Prescribe rules and regulations to govern local boards of equalization when equalizing and assessors when assessing with respect to the assessment and equalization of possessory interests. Gov. Code Sec. 15606(g)."

Current practice is that Board Members have a 3-day courtesy review of proposed LTAs prior to their release to the public. LTAs are typically drafted by the Property Tax Department. LTA No. 2003/032 (p.2-3), states that each Board member shall be given the opportunity to review any LTA prior to its publication.

Recommendation

In order to provide for maximum public transparency in the execution of the Board's Constitutional responsibility to issue guidance to Assessors, I recommend that the Executive Director report to the Board on the feasibility of placing all proposed LTAs, including Assessment Practices Surveys, on Board Meeting Agendas, prior to their issuance, so that Board Members can have the opportunity to collectively discuss and express their support for the proposed LTAs, or offer their suggestions concerning possible revisions. Where appropriate, an LTA may be placed on the Board Meeting Agenda as a Consent Item, or as an item for a full staff presentation, depending upon the discretion of the Chair of the Board in consultation with the Executive Director.