

**M e m o r a n d u m**

**To :** Honorable Antonio Vazquez, Chair  
 Honorable Mike Schaefer, Vice Chair  
 Honorable Ted Gaines, First District  
 Honorable Malia M. Cohen, Second District  
 Honorable Betty T. Yee, State Controller

**Date :** May 3, 2021

**From :** Chris Butler, Research Data Specialist  
 Legislative, Research & Statistics Division

**Subject :** **4-R ACT EQUALIZATION RATIO  
 MAY 2021 BOARD MEETING**

Rail transportation property is to be assessed at the same percentage of market value as all other commercial/industrial (C/I) property. We have completed an analysis of the effective assessment level of the 2019-20 roll. That analysis, which was based primarily on sales ratio studies using sales data submitted by counties, is summarized on the attached two pages. It yielded an estimated statewide ratio of assessed value to market value of commercial/industrial property other than rail transportation property of 58.79 percent. The ratio decreased 1.00 percentage point from last year's 59.79 percent.

Therefore, it is recommended that the Board assess rail transportation property at 58.79 percent of market value for the 2021-22 roll.

CB:cb

Attachments (2)

**cc:** Ms. Kari Hammond  
 Mr. Gary Gartner  
 Mr. Matt Cox  
 Ms. Regina Evans  
 Ms. Yvette Stowers  
 Mr. David Yeung  
 Mr. Jack McCool  
 Ms. Catherine Taylor

**Recommended by:**

/s/ Chris Butler

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 Chris Butler, Research Data Specialist  
 Legislative, Research & Statistics Division

**Approved:**

/s/ B Fleming

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 Brenda Fleming  
 Executive Director

**Board Approved on:** \_\_\_\_\_

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 Catherine Taylor, Chief  
 Board Proceedings  
 and Support Services Division

**RATIO OF ASSESSED VALUE TO MARKET VALUE OF LOCALLY ASSESSED  
COMMERCIAL/INDUSTRIAL REAL PROPERTY DETERMINED FROM SALES RATIO  
STUDIES FOR THOSE COUNTIES THAT REPORTED SALES DATA TO THE BOARD  
2019-20**

| <u>County</u> | <u>Ratio</u> | <u>County</u>   | <u>Ratio</u> |
|---------------|--------------|-----------------|--------------|
| ALAMEDA       | 53.74%       | SAN BERNARDINO  | 61.27%       |
| BUTTE         | 64.00%       | SAN DIEGO       | 71.52%       |
| CONTRA COSTA  | 51.56%       | SAN FRANCISCO   | 50.28%       |
| DEL NORTE     | 92.11%       | SAN JOAQUIN     | 51.91%       |
| EL DORADO     | 68.20%       | SAN LUIS OBISPO | 58.16%       |
| FRESNO        | 63.13%       | SAN MATEO       | 45.97%       |
| GLENN         | 61.58%       | SANTA BARBARA   | 59.00%       |
| HUMBOLDT      | 51.66%       | SANTA CLARA     | 55.41%       |
| IMPERIAL      | 86.78%       | SANTA CRUZ      | 59.73%       |
| KERN          | 66.37%       | SHASTA          | 65.51%       |
| KINGS         | 99.70%       | SISKIYOU        | 70.97%       |
| LOS ANGELES   | 51.95%       | SOLANO          | 61.53%       |
| MADERA        | 65.97%       | SONOMA          | 61.97%       |
| MERCED        | 59.24%       | STANISLAUS      | 62.75%       |
| MODOC         | 83.24%       | SUTTER          | 77.63%       |
| MONTEREY      | 48.21%       | TEHAMA          | 61.33%       |
| NAPA          | 56.48%       | TRINITY         | 86.55%       |
| NEVADA        | 75.40%       | TULARE          | 73.28%       |
| ORANGE        | 46.20%       | TUOLUMNE        | 64.85%       |
| PLACER        | 65.80%       | VENTURA         | 58.90%       |
| RIVERSIDE     | 64.40%       | YOLO            | 72.73%       |
| SACRAMENTO    | 67.50%       | YUBA            | 72.82%       |
| SAN BENITO    | 77.15%       |                 |              |

These ratios were determined primarily by sales ratio studies comparing 2019-20 assessed values to sales prices of properties changing ownership from January 2019 through December 2019. Although these studies when used in aggregate produce a reliable estimate of the statewide ratio of locally assessed Commercial / Industrial real property, the estimate for a single county may vary from year-to-year due to the nature of the particular changes in ownership occurring in a given year.

**ESTIMATED STATEWIDE RATIO OF ASSESSED VALUE TO MARKET VALUE OF  
COMMERCIAL/INDUSTRIAL PROPERTY OTHER THAN RAIL TRANSPORTATION PROPERTY  
2019-20**

|   | <u>Assessed<br/>Value<br/>(000's)</u> | <u>Ratio</u>  | <u>Market<br/>Value<br/>(000's)</u> |
|---|---------------------------------------|---------------|-------------------------------------|
| Locally Assessed<br>Real Property                         |                                       |               |                                     |
| Urban Coastal Counties                                    | 1,502,360,392                         | 53.02%        | 2,833,791,549                       |
| All Other Counties  | <u>470,998,559</u>                    | <u>63.65%</u> | <u>740,010,713</u>                  |
| <b>TOTAL ALL COUNTIES</b>                                 | <b>1,973,358,951</b>                  | <b>55.22%</b> | <b>3,573,802,262</b>                |
| Locally Assessed<br>Personal Property                     | 197,624,414                           | 98.83%        | 199,963,992                         |
| State Assessed Property<br>Other Than Rail Transportation | 115,929,434                           | 100.00%       | 115,929,434                         |
| <b>GRAND TOTAL</b>  | <b>2,286,912,799</b>                  | <b>58.79%</b> | <b>3,889,695,688</b>                |

Legislative, Research & Statistics Division  
State Board of Equalization  
April 2021