



**SALLY J. LIEBER**

CHAIR, CALIFORNIA STATE BOARD OF EQUALIZATION

**MEMORANDUM**

Date: September 8, 2026

To: Ted Gaines, Vice-Chair, Board Member, First District  
Antonio Vazquez, Board Member, Third District  
Mike Schaefer, Board Member, Fourth District  
Malia M. Cohen, State Controller

From: Sally J. Lieber, Chair, Board Member, Second District

**Proposal for a Semi-annual Report on the Status of the Legal Entity Ownership Program (LEOP).**

On January 28, 2026, the Board conducted an informational hearing on the Legal Entity Ownership Program – known as “LEOP.” That informational hearing included a comprehensive presentation from BOE executive staff regarding the operations of LEOP.<sup>1</sup>

As part of our due diligence responsibilities as Board Members, it is critical that we periodically examine the operations of our major programs to ensure that we are fulfilling the Board of Equalization’s mission to serve the public through fair, effective, and efficient tax administration.

The fair and efficient functioning of LEOP is an essential part of property tax administration that ensures revenue for our schools, local governments, and special districts.

Accordingly, it is imperative that we periodically review LEOP to provide a transparent examination of how well the program is functioning and to consider ways to improve it.

---

<sup>1</sup> See: The State Board of Equalization’s Legal Entity Ownership Program Overview, linked at: <https://boe.ca.gov/meetings/pdf/2026/202601-IH-LEOP-BOE.pdf>

The functioning of LEOP is dependent in large part on voluntary disclosures by property taxpayers and the complementary relationships between the BOE, the Franchise Tax Board (FTB), and our 58 elected County Assessors.

Ensuring that LEOP operates at maximum efficiency, and that all of the various operations of the LEOP mesh, are among our most important due diligence responsibilities.

A periodical review of LEOP could be provided through a semi-annual "Report on the Status of the Legal Entity Ownership Program," including how to better assist in the discovery of changes in ownership among complex ownership structures, and whether regulatory or statutory revisions could yield fair discovery of property ownership changes

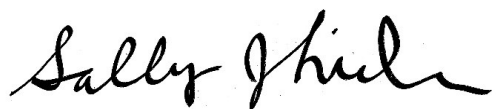
Such a semi-annual report could provide an opportunity for all stakeholders in the LEOP process to also provide their analyses on how to increase the effectiveness and efficiency of the program.

In this time of significant revenue restraints for our schools, counties, cities, and local government special districts, we need to do everything within our power to ensure that changes in ownership enrolled – and by extension -- critical property tax revenue discovered.

Therefore, I respectfully request that the Board support this request for a semi-annual BOE staff report on the "Status of the Legal Entity Ownership Program" to ensure that we are appropriately executing our mandate to provide for fair, effective, and efficient tax administration.

Thank you.

Sincerely,

A handwritten signature in black ink, reading "Sally J. Lieber". The signature is fluid and cursive, with a long, sweeping underline.

Sally J. Lieber, Chair

cc:

Matt Cox, Chief Deputy, Office of Vice-Chair Ted Gaines

Douglas Winslow, Chief Deputy, Office of Chair Sally J. Lieber

Juan Carlos Flores, Chief Deputy, Office of Member Antonio Vazquez

Cody Petterson, Chief Deputy, Office of Member Mike Schaefer

Hasib Emran, Deputy State Controller

Yvette Stowers, Executive Director