BUTTE COUNTY
ASSESSMENT PRACTICES SURVEY

MARCH 2025

CALIFORNIA STATE BOARD OF EQUALIZATION

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STATE BOARD OF EQUALIZATION
PROPERTY TAX DEPARTMENT
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279–0064
1–916–274–3350 ● FAX 1–916–285–0134
www.boe.ca.gov

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First District, Sacramento

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March 11, 2025

TO COUNTY ASSESSORS:

No. 2025/008

BUTTE COUNTY
ASSESSMENT PRACTICES SURVEY

A copy of the Butte County Assessment Practices Survey Report is enclosed for your information. The State Board of Equalization (BOE) completed this survey in fulfillment of the provisions of sections 15640–15646 of the Government Code. These code sections provide that the BOE shall make surveys in specified counties to determine that the practices and procedures used by the County Assessor in the valuation of properties are in conformity with all provisions of law.

The Honorable Alyssa Douglass, Butte County Assessor, was provided a draft of this report and given an opportunity to file a written response to the findings and recommendations contained therein. The report, including the Assessor's response, constitutes the final survey report, which is distributed to the Governor, the Attorney General, and the State Legislature; and to the Butte County Board of Supervisors, Grand Jury, and Assessment Appeals Board.

Fieldwork for this survey was performed by the BOE's Assessment Practices Survey Division from March through May 2024. The report does not reflect changes implemented by the Assessor after the fieldwork was completed.

Ms. Douglass and staff gave their complete cooperation during the survey. We gratefully acknowledge their patience and courtesy during the interruption of their normal work routine.

Sincerely,

/s/ David Yeung

David Yeung,
Deputy Director Property
Tax Department

DY:gdc
Enclosure

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INTRODUCTION

Although county government has the primary responsibility for local property tax assessment, the State has both a public policy interest and a financial interest in promoting fair and equitable assessments throughout California. The public policy interest arises from the impact of property taxes on taxpayers and the inherently subjective nature of the assessment process. The financial interest derives from state law that annually guarantees California schools a minimum amount of funding; to the extent that property tax revenues fall short of providing this minimum amount of funding, the State must make up the difference from the general fund.

The assessment practices survey program is one of the State's major efforts to address these interests and to promote uniformity, fairness, equity, and integrity in the property tax assessment process. Under this program, the State Board of Equalization (BOE) periodically reviews the practices and procedures (surveys) of specified County Assessors' offices. This report reflects the BOE's findings in its current survey of the Butte County Assessor's Office.

The Assessor is required to file with the board of supervisors a response that states the manner in which the Assessor has implemented, intends to implement, or the reasons for not implementing the recommendations contained in this report. Copies of the response are to be sent to the Governor, the Attorney General, the BOE, and the Senate and Assembly; and to the Butte County Board of Supervisors, Grand Jury, and Assessment Appeals Board. That response is to be filed within one year of the date the report is issued and annually thereafter until all issues are resolved. The Honorable Alyssa Douglass, Butte County Assessor, elected to file her initial response prior to the publication of our survey; it is included in this report following the Appendices.

OBJECTIVE

The survey shall "…show…the extent to which assessment practices are consistent with or differ from state law and regulations."[1] The primary objective of a survey is to ensure the Assessor's compliance with state law governing the administration of local property taxation. This objective serves the three-fold purpose of protecting the state's interest in the property tax dollar, promoting fair treatment of taxpayers, and maintaining the overall integrity and public confidence in the property tax system in California.

The objective of the survey program is to promote statewide uniformity and consistency in property tax assessment by reviewing each specified county's property assessment practices and procedures, and publishing an assessment practices survey report. Every Assessor is required to identify and assess all properties located within the county – unless specifically exempt – and maintain a database or "roll" of the properties and their assessed values. If the Assessor's roll meets state requirements, the county is allowed to recapture some administrative costs.

SCOPE AND METHODOLOGY

Government Code sections 15640 and 15642 define the scope of an assessment practices survey. As directed by those statutes, our survey addresses the adequacy of the procedures and practices employed by the Assessor in the valuation of property, the volume of assessing work as measured by property type, and the performance of other duties enjoined upon the Assessor.

Pursuant to Revenue and Taxation Code[2] section 75.60, the BOE determines through the survey program whether a county assessment roll meets the standards for purposes of certifying the eligibility of the county to continue to recover costs associated with administering supplemental assessments. Such certification is obtained either by satisfactory statistical result from a sampling of the county's assessment roll or by a determination by the survey team – based on objective standards defined in regulation – that there are no significant assessment problems in the county.

This survey examined the assessment practices of the Butte County Assessor's Office for the 2023-24 assessment roll. Since this survey did not include an assessment sample pursuant to Government Code section 15640(c), our review included an examination to determine whether "significant assessment problems" exist, as defined by Rule 371.

Our survey methodology of the Butte County Assessor's Office included reviews of the Assessor's records, interviews with the Assessor and their staff, and contacts with officials in other public agencies in Butte County who provided information relevant to the property tax assessment program.

For a detailed description of the scope of our review of county assessment practices, ~~please refer to the document entitled *Scope of Assessment Practices Surveys*, which is available on the BOE's~~

[1] Government Code section 15642.

[2] Unless otherwise stated, all statutory references are to the California Revenue and Taxation Code and all rule references are to sections of California Code of Regulations, Title 18, Public Revenues.

~~website at http://www.boe.ca.gov/Assessors/pdf/Scopemaster.pdf.~~ as of 10/2/2025, please refer to the updated URL on the BOE's website https://www.boe.ca.gov/proptaxes/assessment-practices-survey-division/scope.htm. Additionally, detailed descriptions of assessment practices survey topics, authoritative citations, and related information can be found at https://boe.ca.gov/proptaxes/assessment-practices-survey-division/.

EXECUTIVE SUMMARY

This report offers recommendations to help the Assessor correct assessment problems identified by the survey team. The survey team makes recommendations when assessment practices in a given area are not in accordance with property tax law or generally accepted appraisal practices. An assessment practices survey is not a comprehensive audit of the Assessor's entire operation. The survey team does not examine internal fiscal controls or the internal management of an Assessor's office outside those areas related to assessment. In terms of current auditing practices, an assessment practices survey resembles a compliance audit – the survey team's primary objective is to determine whether assessments are being made in accordance with property tax law.

We examined the assessment practices of the Butte County Assessor's Office for the 2023-24 assessment roll.

During our survey, we conducted reviews of the following areas:

- Administration

  We reviewed the Assessor's administrative policies and procedures that affect both the real property and business property assessment programs. Specific areas reviewed include budget and staffing, workload, assessment appeals, disaster relief, and exemptions. In the area of administration, the Assessor is effectively managing workload, assessment appeals, and disaster relief. However, we made a recommendation for improvement in the exemptions program.

- Assessment of Real Property

  We reviewed the Assessor's program for assessing real property. Specific areas reviewed include properties having experienced a change in ownership, new construction assessments, and declines in value. In the area of real property assessment, the Assessor has effective programs for new construction and declines in value. However, we made recommendations for improvement in the change in ownership program.

- Assessment of Personal Property and Fixtures

  We reviewed the Assessor's program for assessing personal property and fixtures. Specific areas reviewed include conducting audits, processing business property statements, and business equipment valuation. In the area of personal property and fixtures assessment, the Assessor has an effective program for business equipment valuation. However, we made recommendations for improvement in the audit and business property statements programs.

Despite the recommendations noted in this report, we found most properties and property types are assessed correctly, and the overall quality of the assessment roll meets state standards.

We found no significant assessment problems as defined in Rule 371. Since Butte County was not selected for assessment sampling pursuant to Government Code section 15643(b), this report does not include the assessment ratios that are generated for surveys that include assessment sampling. Accordingly, pursuant to section 75.60, Butte County continues to be eligible for recovery of costs associated with administering supplemental assessments.

OVERVIEW OF BUTTE COUNTY

Butte County is located in northern California and is one of California's original 27 counties created in 1850. The county encompasses a total area of 1,677.13 square miles, consisting of 1,636.46 square miles of land area and 40.67 square miles of water area. Butte County is bordered by Tehama County to the north, Plumas and Sierra Counties to the east, Sutter and Yuba Counties to the south, and Glenn and Colusa Counties to the west.

As of 2023, Butte County had an estimated population of 207,172. There are five incorporated cities in Butte County, which include Biggs, Chico, Gridley, Oroville, and Paradise. The county seat is Oroville.

The Butte County local assessment roll ranks 30th in value of the 58 county assessment rolls in California.[3]

[3] Statistics provided by the BOE Open Data Portal dataset - *County Assessed Property Values, by Property Class and County (Table 7),* for year 2023-24.

FINDINGS AND RECOMMENDATIONS

As noted previously, our review concluded that the Butte County assessment roll meets the requirements for assessment quality established by section 75.60. This report does not provide a detailed description of all areas reviewed; it addresses only the deficiencies discovered.

Following is a list of the formal recommendations contained in this report.

RECOMMENDATION 1: Improve the administration of the welfare exemption by: (1) conducting field inspections on all first-time filing claims for new locations, and (2) properly applying late-filing provisions for welfare exemption claims that are not filed timely. 8

RECOMMENDATION 2: Properly apply penalties in accordance with section 482(b). 11

RECOMMENDATION 3: Reappraise all properties exceeding the $1 million exclusion provided in section 63.1. 12

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RECOMMENDATION 5: Conduct an audit or perform a field review to update taxable value estimates every three or four years.....14

ADMINISTRATION

Exemptions

Article XIII, section 1 of the California Constitution sets forth the general principle that all property is taxable unless otherwise provided. Section 3 of article XIII authorizes exemption of certain types of property from property taxation and section 4 authorizes the Legislature to exempt certain other types of property from property taxation.[4]

Our review of the Assessor's exemption program focused on the welfare exemption.

Welfare Exemption

Article XIII, section 4(b) of the California Constitution authorizes the Legislature to exempt property owned and used exclusively for religious, hospital, or charitable purposes by organizations formed and operated exclusively for those purposes. When the Legislature enacted section 214 to implement this constitutional provision, a fourth purpose (scientific) was added. Both the organizational and property use requirements must be met for the exemption to be granted.

The welfare exemption is co-administered by the BOE and County Assessors. The BOE is responsible for determining whether an organization is qualified for either an *Organizational Clearance Certificate* (OCC) or a *Supplemental Clearance Certificate* (SCC), while the Assessor is responsible for determining whether the use of a qualifying organization's property is eligible for the welfare exemption.

The Assessor may not grant a welfare exemption on an organization's property unless the organization holds either a valid OCC or SCC. The Assessor may, however, deny an exemption claim based on non-qualifying use of the property, notwithstanding that the BOE has issued an OCC or SCC to the organization.

RECOMMENDATION 1: Improve the administration of the welfare exemption by: (1) conducting field inspections on all first-time filing claims for new locations, and (2) properly applying late-filing provisions for welfare exemption claims that are not filed timely.

Conduct field inspections on all first-time filing claims for new locations.

We found examples where first-time filers were granted the welfare exemption even though a field inspection was not conducted.

Section 254.5(b)(1) provides, in relevant part, that the Assessor shall review all claims for the welfare exemption to ascertain whether the property on which the exemption is claimed meets

[4] The scope of our review for the exemptions topic is provided on the BOE website. ~~at https://boe.ca.gov/Assessors/pdf/exemptions_general.pdf~~ As of 10/2/2025, please refer to the updated URL https://www.boe.ca.gov/proptaxes/general-exemptions/.

the requirements of section 214. In addition, section 254.5(b)(1)(B) provides that in connection with reviewing welfare exemption claims, the Assessor shall consider, among other matters, whether the property on which the exemption is claimed is "used for the actual operation of an exempt activity and does not exceed an amount of property reasonably necessary to accomplish the exempt purpose." Although the Assessor is not required by statute to conduct a field inspection, the requirement of section 254.5(b)(1)(B) can best be accomplished by an onsite physical inspection because it would confirm that the property is used for the operation of an exempt activity.

The Assessor's failure to conduct field inspections for welfare exemption claims may result in the granting of an improper exemption and the potential loss of tax revenue.

Properly apply late-filing provisions for welfare exemption claims that are not filed timely.

We found instances where the Assessor did not properly apply the late-filing provisions to a property when a welfare exemption claim form was not filed timely. The late filings found included only annual filing claim forms.

Section 255(a) provides that annual claims for the welfare exemption must be filed with the Assessor between the lien date, which is January 1, and 5:00 p.m. on February 15. Section 270(a)(1) states that 90 percent of any tax, penalty, or interest will be cancelled or refunded if the claim is filed on or before the lien date in the calendar year next succeeding the calendar year in which the exemption was not claimed by a timely application. If a claim is filed after the time specified in section 270(a)(1), then 85 percent of any tax, penalty, or interest shall be cancelled or refunded, as specified in Section 270(a)(2). However, section 270(b) further provides that any tax, penalty, or interest may not exceed $250.

By not properly applying late-filing relief provisions for welfare exemption claims, the Assessor is not in compliance with these statutory requirements.

ASSESSMENT OF REAL PROPERTY

Change in Ownership

Section 60 defines change in ownership as a transfer of a present interest in real property, including the beneficial use thereof, the value of which is substantially equal to the value of the fee simple interest. Sections 61 through 69.6 further clarify what is considered a change in ownership and what is excluded from the definition of a change in ownership for property tax purposes. Section 50 requires the Assessor to enter a base year value on the roll for the lien date next succeeding the date of the change in ownership; a property's base year value is its fair market value on the date of the change in ownership.[5]

Legal Entity Ownership Program (LEOP)

Section 64 provides that certain transfers of ownership interests in a legal entity constitute a change in ownership of all real property owned by the entity and any entities under its ownership control. Rule 462.180 interprets and clarifies section 64, providing examples of transactions that either do or do not constitute a change in entity control and, hence, either do or do not constitute a change in ownership of the real property owned by the entity. Discovery of these types of changes in ownership is difficult for Assessors, because ordinarily there is no recorded document evidencing a transfer of an ownership interest in a legal entity.

To assist Assessors, the BOE's LEOP section gathers and disseminates information regarding changes in control and ownership of legal entities that hold an interest in California real property on a monthly basis, LEOP transmits to each County Assessor a listing, with corresponding property schedules, of legal entities that have reported a change in control under section 64(c) or change in ownership under section 64(d). However, because the property affected is self-reported by the person or entity filing information with the BOE, LEOP advises Assessors to independently research each entity's property holdings to determine whether all affected parcels have been identified and properly reappraised.

Sections 480.1, 480.2, and 482 set forth the filing requirements and penalty provisions for reporting legal entity changes in control under section 64(c)(1) and changes in ownership under section 64(d). A change in ownership statement must be filed with the BOE within 90 days of the date of change in control or change in ownership; reporting is made on BOE-100-B, *Statement of Change in Control and Ownership of Legal Entities*. Section 482(b) requires the County Assessor to impose a penalty if a person or legal entity required to file a statement under sections 480.1 and 480.2 does not do so within 90 days from the earlier of (1) the date of change in control or ownership or (2) the date of written request by the BOE. The BOE advises County Assessors of entities that are subject to penalty, so they can impose the applicable penalty to the entity's real property.

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[5] The scope of our review for the change in ownership topic is provided on the BOE website. ~~at https//boe.ca.gov/Assessors/pdf/cio_general.pdf.~~ As of 10/2/2025, please refer to the updated URL https://boe.ca.gov/proptaxes/change-in-ownership/

RECOMMENDATION 2: Properly apply penalties in accordance with section 482(b).

We found instances where penalties were not applied when an entity had failed to file timely a BOE-100-B, even though the Assessor had been notified by the BOE's LEOP Section that the penalty applied.

Section 482(b) states that if a legal entity required to file a statement described in sections 480.1 or 480.2 fails to do so within 90 days from the earlier of (1) the date of the change in control or the change in ownership of the legal entity, or (2) the date of a written request by the BOE, a specific penalty will be applied.

The BOE provides the Assessor with several reports, as well as copies of BOE-100-B filings, indicating whether a penalty applies. The Assessor should utilize these reports and the BOE-100-B filings to identify legal entities with late-filings, or failures to file, and apply the penalty accordingly.

By failing to apply the required penalty, the Assessor is not in compliance with statutory requirements.

Change in Ownership Exclusion – Parent-Child and Grandparent-Grandchild

Prior to February 16, 2021, section 63.1 generally excludes from the definition of "change in ownership" the purchase or transfer of a principal residence and the first $1 million of other real property between parents and their children. Section 63.1 also excludes qualifying purchases or transfers from grandparents to their grandchildren if qualifying children of the grandparents are deceased as of the date of purchase or transfer.

To enforce the $1 million limit for property of an eligible transferor, other than their principal residence, the BOE maintains a statewide database that lists transfers of such property. To further the state and local interests served by tracking these transfers, section 63.1 encourages County Assessors to report such transfers to the BOE on a quarterly basis. The quarterly reporting, which was formerly mandatory, is now optional. However, if an Assessor opts out of reporting quarterly transfer information to the BOE, the Assessor must track such transfers internally to be in compliance with section 63.1.

The BOE compiles the information provided by Assessors to generate quarterly reports notifying Assessors of any transferors who have exceeded their $1 million limit. The data the BOE provides Assessors enables them to identify ineligible claims and, if necessary, take corrective action to ensure the $1 million limit isn't exceeded.

However, effective September 30, 2021, Senate Bill 539 (Stats. 2021, Ch. 427) added section 63.2, which generally excludes from the definition of "change in ownership" the purchase or transfer of a principal residence or family farm occurring on and after February 16, 2021 between parents and their children. Section 63.2 also excludes qualifying purchases or transfers occurring on and after February 16, 2021 from grandparents to their grandchildren if qualifying children of the grandparents are deceased as of the date of purchase or transfer.

The transfer of a principal residence (family home) or each legal parcel of a family farm is subject to a value cap that is the sum of the property's factored base year value plus $1 million. Section 2.1(c)(4) of article XIII A of the California Constitution and section 63.2 provide that the $1 million amount is to be adjusted every other year for inflation beginning on February 16, 2023.

RECOMMENDATION 3: Reappraise all properties exceeding the $1 million exclusion provided in section 63.1.

We found properties listed on the BOE's *Report of Transferors Exceeding $1,000,000,* which the Assessor either failed to reappraise those properties exceeding the $1 million limit or failed to report to the BOE the corrections necessary to resolve the issue.

Prior to February 16, 2021, section 63.1(a)(2) excludes from reassessment the purchase or transfer of the first $1 million of full cash value of all real property, other than a principal residence, of an eligible transferor in the case of a purchase or transfer between parents and their children. Based on quarterly reports submitted by Assessors to the BOE listing approved section 63.1 transfer exclusions, the BOE tracks transferors and the properties transferred for each county in an effort to enforce the $1 million limit. The BOE sends out a *Report of Transferors Exceeding $1,000,000*, which lists the transferor and the properties that have been excluded. Assessors should review this list and report any necessary corrections to the BOE, such as duplicate submissions or errors in the value submitted. For those properties exceeding the limit, the Assessor should determine if a reassessment is valid and coordinate with the taxpayer and any other counties involved to make sure the exclusion is not granted on properties once the $1 million limit has been exceeded. By allowing the exclusion of properties once the $1 million limit has been exceeded, the Assessor is allowing certain properties to be excluded from reassessment that would otherwise be reassessable.

However, as stated previously, effective September 30, 2021, Senate Bill 539 (Stats. 2021, Ch. 427) added section 63.2, which eliminates the exclusion for other real property other than the principal residence or family farm. Therefore, the BOE will no longer need to maintain a statewide database that lists transfers of such property.

ASSESSMENT OF PERSONAL PROPERTY AND FIXTURES

Audit Program

Prior to January 1, 2019, County Assessors were required to annually conduct a significant number of audits as specified in section 469. The significant number of audits required was at least 75 percent of the fiscal year average of the total number of mandatory audits the Assessor was required to have conducted during the 2002–03 fiscal year to the 2005–06 fiscal year, with 50 percent of those to be selected from a pool of those taxpayers with the largest assessments.[6] However, effective January 1, 2019, Senate Bill 1498 (Stats. 2018, Ch. 467) amended section 469 to provide County Assessors flexibility in meeting this annual audit requirement. Thus, beginning with the 2019–20 fiscal year, Assessors may also meet the requirements of section 469 by completing the four-year total of required annual audits within that four-year period. The first four-year period began with the 2019–20 fiscal year and ends with the 2022–23 fiscal year.

RECOMMENDATION 4: Perform the minimum number of audits of professions, trades, and businesses pursuant to section 469.

We found that the Assessor did not meet the minimum number of total audits required by section 469 for the four-year fiscal period beginning with the 2019-20 fiscal year and ending with the 2022-23 fiscal year. The Assessor completed a total of 144 audits for the four-year fiscal period, falling short of the required 164 audits.

For the 2019-20 to 2022-23 four-year fiscal period, section 469 required the Assessor to audit 164 taxpayers, with 82 of those audits from the pool of largest business property assessments and 82 of the audits from the pool of all other business property owners.

By failing to conduct the minimum number of audits for the four-year fiscal period, the Assessor was not in compliance with section 469 and risked the possibility of allowing taxable property to permanently escape assessment.

Business Property Statement Program

Each person owning taxable personal property (other than a manufactured home) having an aggregate cost of $100,000 or more annually file a business property statement (BPS) with the Assessor, other persons must file a BPS if requested by the Assessor. Property statements form the backbone of the business property assessment program.[7]

[6] The scope of our review for the audit program topic is provided on the BOE website~~. at https://boe.ca.gov/Assessors/pdf/auditprogram_general.pdf.~~ As of 10/2/2025, please refer to the updated URL https://boe.ca.gov/proptaxes/audit-program/.

[7] The scope of our review for the business property statement program topic is provided on the BOE website~~. at https://boe.ca.gov/Assessors/pdf/businesspropstatement_general.pdf.~~ As of 10/2/2025, please refer to the updated URL https://boe.ca.gov/proptaxes/business-property-statement-program/.

RECOMMENDATION 5: Conduct an audit or perform a field review to update taxable value estimates every three or four years.

We found that the Assessor sets no formal limits on the number of consecutive years a business property owner may fail to file a BPS before visiting the location of the taxable property or conducting an audit.

Section 501 requires the Assessor, after sending written request to the taxpayer, to estimate the value of business property belonging to anyone who does not comply with the reporting requirements. If a BPS was received during the previous year, it is reasonable to use the reported cost data from the previous year as a basis for estimating the current year's value. However, when allowing estimated assessments to continue for several years without any new information, the values become increasingly susceptible to error.

This practice can lead to inaccurate assessments and the permanent loss of tax revenue due to the expiration of the statute of limitations provided for in section 532. Therefore, estimated assessments based on prior years' reporting should be limited to four consecutive roll years.

APPENDIX A: STATISTICAL DATA

Table 1: Assessment Roll

The following table displays pertinent information from the 2023-24 assessment roll.[8]

	PROPERTY TYPE	ENROLLED VALUE
Secured Roll	Land	$10,231,929,473
	Improvements	$16,833,172,241
	Fixtures	$185,015,411
	Personal Property	$461,920,300
	Total Secured	$27,712,037,425
Unsecured Roll	Land	$29,751,199
	Improvements	$285,403,476
	Fixtures	$432,525,199
	Personal Property	$815,211,006
	Total Unsecured	$1,562,890,880
Exemptions[9]		($1,501,945,244)
	Total Assessment Roll	$27,772,983,061

Table 2: Change in Assessed Values

The following table summarizes the change in assessed values over recent years:[10]

ROLL YEAR	TOTAL ROLL VALUE	CHANGE	STATEWIDE CHANGE
2023-24	$27,772,983,000	7.8%	6.7%
2022-23	$25,770,765,000	6.8%	7.5%
2021-22	$24,119,203,000	4.1%	4.1%
2020-21	$23,168,079,000	5.8%	5.7%
2019-20	$21,894,541,000	-3.0%	6.1%

[8] Statistics provided by BOE-822, *Report of Assessed Values by City*, *County* 04 Butte for year 2023.
[9] The value of the Homeowners' Exemption is excluded from the exemptions total.
[10] Statistics provided by the BOE Open Data Portal dataset - *County Assessed Property Values, by Property Class and County (Table 7)*.

Table 3: Gross Budget and Staffing

The Assessor's budget has grown from $4,001,170 in fiscal year 2018-19 to $4,292,678 in fiscal year 2022-23.

For fiscal year 2022-23, the Assessor had 38 budgeted permanent positions. These positions consist of the Assessor, Assistant Assessor, 1 manager, 17 real property appraisers, 3 business property auditor-appraisers, 1 drafting/mapping technicians, 1 computer analyst, and 13 support staff.[11]

The following table identifies the Assessor's budget and staffing over recent fiscal years:[12]

FISCAL YEAR	GROSS BUDGET	PERCENT CHANGE	PERMANENT STAFF
2022-23	$4,292,678	3.7%	38
2021-22	$4,139,038	1.0%	39
2020-21	$4,098,974	0.5%	39
2019-20	$4,077,249	1.9%	39
2018-19	$4,001,170	5.1%	39

Table 4: Assessment Appeals

The following table shows the number of assessment appeals filed in recent fiscal years:[13]

FISCAL YEAR	ASSESSMENT APPEALS FILED
2022-23	109
2021-22	96
2020-21	102
2019-20	129
2018-19	97

[11] Statistics provided by the BOE Open Data Portal dataset – *Budgeted Permanent Positions*.
[12] Statistics provided by the BOE Open Data Portal datasets – *Gross and Net Budget* and *Budgeted Permanent Positions*.
[13] Statistics provided by the BOE Open Data Portal dataset – *Distribution of Assessment Appeals by Property Types*.

Table 5: Exemptions – Welfare

The following table shows welfare exemption data for recent roll years:[14]

ROLL YEAR	WELFARE EXEMPTIONS	EXEMPTED VALUE
2023-24	516	$1,239,166,475
2022-23	481	$1,191,027,917
2021-22	485	$1,126,887,746
2020-21	495	$932,408,773
2019-20	471	$984,662,267

Table 6: Change in Ownership

The following table shows the total number of transfer documents received and the total number of reappraisable transfers due to changes in ownership processed in recent roll years:[15]

ROLL YEAR	TOTAL TRANSFER DOCUMENTS RECEIVED	REAPPRAISABLE TRANSFERS
2023-24	10,185	5,922
2022-23	12,995	7,541
2021-22	13,056	7,151
2020-21	7,126	7,126
2019-20	12,723	12,723

[14] Statistics provided by BOE-802, *Report on Exemptions*.
[15] Statistics provided by the BOE Open Data Portal dataset – *Real Property Workload Data, Transfers*.

Table 7: New Construction

The following table shows the total number of building permits received and the total number of new construction assessments processed in recent roll years:[16]

ROLL YEAR	TOTAL BUILDING PERMITS RECEIVED	NEW CONSTRUCTION ASSESSMENTS
2023-24	7,482	2,217
2022-23	16,063	2,683
2021-22	14,824	2,754
2020-21	0	3,084
2019-20	5,205	1,943

Table 8: Declines In Value

The following table shows the total number of decline-in-value assessments in recent roll years:[17]

ROLL YEAR	DECLINE-IN-VALUE ASSESSMENTS
2023-24	7,100
2022-23	8,737
2021-22	11,948
2020-21	13,976
2019-20	18,004

[16] Statistics provided by the BOE Open Data Portal dataset – *Real Property Workload Data, New Construction*.
[17] Statistics provided by the BOE Open Data Portal dataset – *Real Property Workload Data, Proposition 8*.

Table 9: Audits

The following table shows the minimum number of audits required to be conducted and the total number of audits completed in recent fiscal years.[18]

MINIMUM NUMBER OF AUDITS REQUIRED[19]	2022-23	2021-22	2020-21	2019-20	2018-19
Largest Assessments					21
All Other Taxpayers					20
Total Required					41
NUMBER OF AUDITS COMPLETED					
Total Audits Completed	47	41	19	37	26
Largest Assessments	24	21	14	25	15
Over/(Under) Required					(6)
All Other Taxpayers	23	20	5	12	11
Over/(Under) Required					(9)
CCCASE AUDITS					
Prepared for other county Assessors	0	0	0	13	0

[18] Statistics provided by the BOE Open Data Portal dataset – *Business Property Workload Data, Audits*.
[19] See Letter To Assessors (LTA) No. 2009/049, *Significant Number of Business Property Audits*, for the minimum number of annual audits required pursuant to the provisions of section 469 for year 2018-19. Effective January 1, 2019, section 469 was amended to give Assessors more flexibility in completing the number of audits by allowing for the four-year total of required annual audits to be completed within a four-year period of time, rather than annually, beginning with the 2019-20 fiscal year. For more information on the amendments to section 469, see LTA No. 2018/067.

APPENDIX B: ASSESSMENT PRACTICES SURVEY DIVISION / PROPERTY TAX DEPARTMENT SURVEY GROUP

Butte County

Chief:

Holly Cooper

Survey Program Director:

Gary Coates	Principal Property Appraiser

Survey Team Supervisor:

Christine Bradley	Supervising Property Appraiser

Survey Team:

Alexander B. Fries	Supervising Property Appraiser
Jeff Arthur	Senior Specialist Property Auditor Appraiser
Vida McIsaac	Senior Specialist Property Appraiser
Derrick Yee	Associate Property Auditor Appraiser
Eric Collins	Assistant Property Auditor Appraiser
Amy Andresen	Associate Property Appraiser
Chris Howell	Associate Property Appraiser
Hanju Lee	Associate Property Appraiser
Troy Holt	Assistant Property Appraiser
Gregory Dela Cruz	Associate Governmental Program Analyst

APPENDIX C: RELEVANT STATUTES AND REGULATIONS

Reference	Description
Government Code	
§15640	**Survey by board of county assessment procedures.**
§15641	**Audit of records, appraisal data not public.**
§15642	**Research by board employees.**
§15643	**When surveys to be made.**
§15644	**Recommendations by board.**
§15645	**Survey report, final survey report, Assessor's report.**
§15646	**Copies of final survey reports to be filed with local officials.**
Revenue and Taxation Code	
§75.60	**Allocation for administration.**
Title 18, California Code of Regulations	
Rule 371	**Significant assessment problems.**

ASSESSOR'S RESPONSE TO BOE'S FINDINGS

Section 15645 of the Government Code provides that the Assessor may file with the Board a response to the findings and recommendations in the survey report. The survey report, the Assessor's response, and the BOE's comments regarding the Assessor's response, if any, constitute the final survey report.

The Butte County Assessor's response begins on the next page. The BOE has no comments regarding the response.

ALYSSA DOUGLASS
BUTTE COUNTY ASSESSOR
25 COUNTY CENTER DRIVE, SUITE 100
OROVILLE CA 95965-3382
Telephone (530) 552-3800 Fax (530) 538-7991

February 12, 2025

Mr. David Yeung, Deputy Director
State Board of Equalization
Property Tax Department, MIC 63
P.O. Box 942879
Sacramento, CA 94279-0064

RE: Assessment Practices Survey, Butte County

Dear Mr. Yeung:

In accordance with Section 15645 of the California Government Code, I am submitting the enclosed response to the findings and recommendations outlined in the Butte County Assessment Practices Survey presented in February 2025.

Please convey my sincere appreciation to Supervisor Christine Bradley and the State Board of Equalization survey team for their thorough review of our assessment practices. They were a pleasure to work with throughout the process, conducting the survey with courtesy and professionalism. We thank them for their constructive feedback, which not only ensures our compliance with state law but also promotes public confidence in our administration of local property taxation.

I would also like to acknowledge and express my gratitude to the dedicated employees of the Butte County Assessor's Office. The overall positive survey results reflect the staff's expertise and commitment to high-quality work. Despite the obstacles faced by the department due to staffing cuts and major disasters, they continue to collaborate and discover more efficient methods for achieving department goals and delivering exceptional customer service.

Sincerely,

Alyssa Douglass

Alyssa Douglass
Butte County Assessor

Enclosure

BUTTE COUNTY ASSESSOR'S OFFICE

ASSESSMENT PRACTICES SURVEY RECOMMENDATIONS AND RESPONSES - FEBRUARY 2025

RECOMMENTION 1:

Improve the administration of the welfare exemption by: (1) conducting field inspections on all first-time filing claims for new locations, and (2) properly applying late-filing provisions for welfare exemption claims that are not filed timely.

RESPONSE:

(1) We concur. Due to staffing shortages, the office has been unable to perform inspections for all claims. We will implement this recommendation as time and resources permit.
(2) We concur and have addressed the issue. Upon the departure of the employee previously responsible for this task, we discovered the miscalculations. Since then, the department has corrected approximately 25 files to bring us into compliance. We have also requested an additional Assessment Technician Supervisor specifically to address the need for greater oversight of exemptions.

RECOMMENTION 2:

Properly apply penalties in accordance with section 482(b).

RESPONSE:

We concur. Due to major disasters, staffing shortages, turnover and resultant heavy workloads, our office fell behind in this duty. We have implemented a plan to keep our LEOP program up to date and to ensure that penalties are properly assessed on all properties as we are notified by the BOE. The shortage of commercial appraisers has significantly contributed to the delays in our ability to apply penalties to reappraised properties in a timely manner.

RECOMMENTION 3:

Reappraise all properties exceeding the $1 million exclusion provided in section 63.1.

RESPONSE:

We concur. Due to heavy workloads and high employee turnover, this requirement, though previously implemented, has recently been neglected. We are now reviewing the transfer list of excluded properties so they can be addressed. We will look into cross-training staff to prevent non-compliance in the future.

RECOMMENTION 4:

Perform the minimum number of audits of professions, trades, and businesses pursuant to section 469.

RESPONSE:

We concur. The office has had difficulties in recruiting and retaining audit staff, resulting in an inability to comply with this duty. We will implement this recommendation as soon as resources permit.

RECOMMENTION 5:

Conduct an audit or perform a field review to update taxable value estimates every three or four years.

RESPONSE:

We concur. Due to staffing and workload constraints, we have been unable to implement a comprehensive field audit program to date. We conduct internet research, make phone calls, and occasionally perform field checks for many of the approximately 3,000 non-filers to confirm whether they are still in business. We will implement this recommendation as time and staffing allows.