

AMENDED IN ASSEMBLY MAY 7, 2002

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 2714

Introduced by Assembly Member Aanestad

February 22, 2002

An act to ~~amend Section 413 of~~ *add Section 401.16* to the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2714, as amended, Aanestad. Property taxation: valuation: ~~implements of husbandry.~~

Existing law requires that all property that is subject to property taxation be taxed at its full value. ~~Existing law requires county assessors that assess an implement of husbandry, as defined, to determine the taxable value of the implement in accordance with standards and guides relating to the full cash value of the implement.~~ *Existing law requires the State Board of Equalization to issue to county property tax assessors data that, in the judgment of the board, will promote uniformity in appraisal practices and assessed values throughout the state.*

This bill would prohibit county assessors from depreciating the taxable value of ~~implements of husbandry~~ *tangible personal property or trade fixtures* by the use of minimum percent good factors that are determined in an arbitrary manner. *This bill would also prohibit county assessors that depreciate this property using percent good factors published by the State Board of Equalization that provide separate factors for property that is first acquired new and property that is first acquired used, from averaging the published factors to apply these factors to both classes of new and used property.*

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1.—Section 413 of the Revenue and Taxation Code~~
2 SECTION 1. *Section 401.16 is added to the Revenue and*
3 *Taxation Code, to read:*
4 401.16. *If, for purposes of property taxation, the county*
5 *assessor utilizes the reproduction or replacement cost approach to*
6 *value to determine the value of tangible personal property or trade*
7 *fixtures, both of the following apply:*
8 (a) *If the county assessor depreciates this property using*
9 *percent good factors published by the State Board of Equalization*
10 *that provide separate factors for property that is first acquired new*
11 *and property that is first acquired used, the assessor may not*
12 *average the published factors to apply these factors to both classes*
13 *of new and used property.*
14 (b) *If the county assessor depreciates this property using*
15 *percent good factors, the assessor may not depreciate that property*
16 *using minimum percent good factors that are determined in an*
17 *arbitrary manner.*
18 ~~is amended to read:~~
19 413.—(a) ~~In assessing the implement of husbandry, the county~~
20 ~~assessor shall determine the value of the implement in accordance~~
21 ~~with standards and guides to the full cash value.~~
22 (b) ~~The county assessor may not adopt a practice of~~
23 ~~depreciating the value of implements of husbandry by the use of~~
24 ~~minimum percent good factors that are determined in an arbitrary~~
25 ~~manner.~~

