

AMENDED IN ASSEMBLY MAY 15, 2002

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 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.

Existing law requires that all property that is subject to property taxation be taxed at its full value. 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 tangible personal property or trade fixtures by the use of minimum percent good factors that are determined in an ~~arbitrary~~ *unsupported* manner. ~~This~~ *The* bill would also prohibit county assessors ~~that~~ *who* 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 401.16 is added to the Revenue and  
2 Taxation Code, to read:

3 401.16. If, for purposes of property taxation, the county  
4 assessor utilizes the reproduction or replacement cost approach to  
5 value to determine the value of tangible personal property or trade  
6 fixtures, both of the following apply:

7 (a) If the county assessor depreciates this property using  
8 percent good factors published by the State Board of Equalization  
9 that provide separate factors for property that is first acquired new  
10 and property that is first acquired used, the assessor may not  
11 average the published factors to apply these factors to both classes  
12 of new and used property.

13 (b) If the county assessor depreciates this property using  
14 percent good factors, the assessor may not depreciate that property  
15 using minimum percent good factors that are determined in an  
16 ~~arbitrary~~ *unsupported* manner.

