

**ASSEMBLY BILL**

**No. 2362**

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**Introduced by Assembly Member Honda**

February 24, 2000

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An act relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2362, as introduced, Honda. Taxation: estate taxes.

Existing law provides for an estate tax equal to the maximum allowable federal estate tax credit for state death taxes, which is attributable to property located in California.

This bill would state the intent of the Legislature to enact legislation to authorize the Controller to waive any and all estate taxes attributable to a certain property located in Santa Clara County in exchange for the creation of a historical, regional park on the 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. The Legislature finds and declares all of  
2 the following:

3 (a) The Martial Cottle Ranch is a 270 acre farm located  
4 in the heart of Silicon Valley. Walter Cottle Lester is the  
5 only remaining heir of the property.

6 (b) Mr. Lester has indicated his intent to make a  
7 charitable gift of the farm to the Santa Clara County Parks  
8 and Recreation Department for use as a regional park. As

1 a regional park, the farm will remain a historical park with  
2 farming and preservation as its mission.

3 (c) If Mr. Lester has to pay the estimated \$156 million  
4 in California estate taxes, he would have to sell off a large  
5 portion of the property for development purposes,  
6 thereby preventing the creation of a regional park.

7 (d) The Legislature would like to facilitate the  
8 conveyance of this parcel of land known as the Martial  
9 Cottle Farm to Santa Clara County for use as a  
10 demonstration farm and recreational area in perpetuity.

11 (e) Legislation will be introduced at the federal level  
12 to accept the conveyance of the property as an in-kind  
13 payment of the estate tax obligations. The land would  
14 then be treated as federal excess property which would  
15 be conveyed to Santa Clara County for its intended use  
16 under the Federal Lands to Parks program administered  
17 by the National Forest Service.

18 SEC. 2. The Legislature declares its intent to enact  
19 legislation to authorize the Controller to waive any and  
20 all estate taxes attributable to the real property known as  
21 the Martial Cottle Ranch, located at 5285 Snell Road, San  
22 Jose, California, in exchange for the creation of a  
23 historical, regional park on that property.

