

# PERSONAL PROPERTY ASSESSMENT

## PERSONAL PROPERTY

The Assessor must place a value on certain personal property owned as of January 1 of each year, to include boats and airplanes.

### **Boats/Vessels**

Privately owned boats held for personal use are assessable each year for property tax purposes. The registration fee paid to the DMV each year does not contain a portion based on value. For this reason, this boat is assessed by the local Assessor. Boat values are placed on the Unsecured Roll.

R & T Code Section 1141 provides that boats "... shall be assessed where they are habitually moored when not in use." Domicile of the owner is the usual tax situs. However, proof that the boat is kept elsewhere when not in use overrides that presumption.

Boats should be registered with the DMV according to their place of habitual mooring. If that location changes, the DMV and the Assessor should both be notified. Proof of situs other than the DMV registration could include receipts of docking fees or a current tax bill from another county.

Boats are valued using Blue Books. The value estimate is for current market value on the January 1<sup>st</sup> Lien Date.

### **Aircraft**

As with boats, privately owned aircraft are also subject to annual assessment. Aircraft are also valued by Blue Book at the current market value on the Lien Date. To assist the Assessor, an Aircraft Property Statement is mailed each year. That statement must be completed and returned by February 15<sup>th</sup>. Failure to return the statement will result in a penalty for 10% (R & T Sec. 5367).

Aircraft will be assessed in the county and the location where the plane is habitually situated when not in flight.

### **Historical Aircraft Exemption**

An aircraft which is 35 years or older on the January 1<sup>st</sup> Lien Date (or one of less than 5 known to exist worldwide) may qualify for exemption if all the following conditions are met:

1. Assesses is individual owner; plane is not held for sale
2. Aircraft is not used for commercial purposes or general transportation
3. Aircraft displayed to public 12 days during 12 months just prior to Lien Date
4. An exemption form must be filed by February 15<sup>th</sup> each year. There is a \$35 fee – one time per aircraft, per county.

Letters from the Board of Equalization (LTA's 88/36 and 88/84) address the issues of "use" and "public display". Go to [www.boe.ca.gov/proptaxes/lta.htm](http://www.boe.ca.gov/proptaxes/lta.htm).

**Racehorse**

Racehorses are subject to an in-lieu tax as defined in R & T Code Section 5701 through 5720.5. The Assessor will mail these forms out in mid-December each year. The forms should be completed and returned by February 15<sup>th</sup>. Note that these forms require the owner to compute their own tax liability and submit payment at the same date: Feb. 15<sup>th</sup> to the San Benito County Tax Collector.

Form 571-F2: Registered & show other than Racehorses

Form 571-J: Annual Racehorse Return

Form 571-J1: Boarded Racehorses