



CALIFORNIA ASSESSORS' ASSOCIATION

EXECUTIVE COMMITTEE

President

DON H. GAEKLE

Stanislaus County

gaekled@stancounty.com

Immediate Past President

***LESLIE K. DAVIS**

Calaveras County

ldavis@co.calaveras.ca.us

President-Elect

ERNEST J. DRONENBURG

San Diego County

ernest.dronenburg@sdcounty.ca.gov

Vice President

CARMEN CHU

San Francisco City & County

Carmen.Chu@sfgov.org

Treasurer

KRISTINE LEE

Kings County

kristine.lee@co.kings.ca.us

Presidential Appointments

***CHARLES LEONHARDT**

Plumas County

cleonhardt@countyofplumas.com

JEFFREY PRANG

Los Angeles County

jprang@assessor.lacounty.gov

***MARC TONNESEN**

Solano County

mctonnesen@solanocounty.com

***LARRY STONE**

Santa Clara County

lstone96@hotmail.com

***JIM ROONEY**

Amador County

jrooney@amadorgov.org

Regional Representatives

CHRISTINA WYNN

Sacramento County

wynnc@saccounty.net

PETER ALDANA

Riverside County

paldana@asrcrkrec.com

KARL WEILAND

El Dorado County

karl.weiland@edcgov.us

Ex-Officio/Secretary

LESLIE MORGAN

Shasta County

1450 Court Street, Ste 208

Redding, CA 96001

Phone (530) 225-3600

Committee Chairs

Standards

JON LIFQUIST

Kern County

Legislative

JESSE SALINAS

Yolo County

Education

CHRISTINA WYNN

Sacramento County

November 2, 2020

All California Assessors

R E: Modification to Exemption of Historical Aircraft

Honorable Assessors,

At the CAA Standards Committee meeting on October 28th, Santa Clara County Assessor Larry Stone brought forward recommendations regarding acceptable proof of the availability for public display of Historic Aircraft when considering the 2021 Lien Date Exemption. Given the numerous annual aircraft shows cancelled, or never scheduled, due to the COVID-19 pandemic, it was not possible for most owners to meet the 12-day per year requirement by attending aircraft shows/displays. The Standards Committee approved a motion to forward the recommendations to the Executive Committee. Exec voted their agreement, approving a motion that asked me to forward the Santa Clara County recommendations to all Assessors. I am recommending that all Assessors exercise their full discretion under the law and, in addition to any actual displays, accept proof of availability for display, as discussed in the following Santa Clara County letter, when considering the exemption for the 2021 lien date.

“In the absence of proactive efforts by Assessors, owners of historical aircraft may inadvertently lose their property tax exemption this February 15, 2021, because the exemption use determination requires these owners to publicly display the historical aircraft a minimum of 12 days.

At the September 22, 2020 BOE meeting, Item N, Public Comment on Matters Not on the Agenda, John Ringel (a taxpayer) brought this issue to the BOE’s attention. Specifically, Mr. Ringel stated:

“Owners of historical aircraft who normally display our historical aircraft throughout the calendar year have been unable to display them due to all display days at various airports in California being cancelled starting in the month of March 2020.”

Under state law, one of the requirements to claim the exemption is that the aircraft be available for public display (as defined in the statute) at least 12 days during the 12-month period immediately preceding the lien date (January 1). Assessor Handbook 260, pages 2-3 and LTA 2002/90, offers limited insight on this particular exemption. The issue hinges on the interpretation of “available for public display.”

AH 260 page 3 (attached) clarifies “available” as follows:

CALIFORNIA ASSESSORS' ASSOCIATION

EXECUTIVE COMMITTEE

“As used in this statute, available for public display includes instances where an aircraft is formally scheduled for display at a qualifying site and the display is subsequently cancelled (for example, due to rain). That cancelled date would count as a day the aircraft was available for display for purposes of qualifying for the exemption.”

AH 260 identifies weather as one example of a permitted cancellation (not the only permitted cancellation). Therefore, our Counsel believes that an event cancellation due to the pandemic would qualify as a permitted cancellation. However, the applicant would have to prove that the taxpayer was actually going to show the aircraft at the event, and that the event was cancelled due to the pandemic. As part of our implementation we plan to recognize that events may not have been scheduled due to Covid-19, and thus could not get cancelled. We have determined that if the applicant can prove that the taxpayer showed the aircraft at this particular event in past years, it is reasonable that the taxpayer would have shown the aircraft again this year if the event were in fact held.

In consideration of the above, our Counsel believes that assessors have discretion to accept the following as proof of “available” for public display:

1. Proof of entry of the aircraft into an event that was cancelled due to the pandemic.
2. Proof of entry of the aircraft into an event that was held in prior years but is not on calendar this year due to the pandemic.
3. Proof that the aircraft is not airworthy, and was displayed 12 times at the normal storage location.

The BOE’s Property Tax Advocate plans to report back on this issue in November and the BOE may provide direction or input in December or January. This may not provide sufficient time to advise assessors and more importantly aircraft owners who would be required to provide important documentation.”

Again, I recommend that all Assessors allow these additional “proofs” when considering application of the Historic Aircraft Exemption for the 2021 Lien Date.

Sincerely,



Don H. Gaekle, President
California Assessors' Association

CC: Brenda Fleming, Executive Director of the BOE
David Yeung, Deputy Director of the BOE Property Tax Division
Patricia Lumsden, Chief of BOE County-Assessed Properties