

This appeal is identified as application number #11-2021, 29-2022, 19-2023, 14-2024.

**Date Received:** Various

**Certification Date:** Various

**Applicant:** Tesla Energy Operations, Inc

**Assessment Number:** 800-005-066

**Owner Address:**

12832 S Frontrunner Blvd, Ste 100

Draper, UT 84020

### **Brief History of Subject**

The subject of this appeal is the business property valuation of leased solar systems located throughout Tehama County. Over the past four years, the applicant has filed numerous appeals across California, challenging the methodology used to value solar equipment. These appeals have centered on the argument that the existing valuation approach did not accurately reflect the value of leased photovoltaic systems.

In response to these statewide concerns, the California Assessors' Association, in collaboration with the State Board of Equalization (BOE), developed a new methodology for valuing photovoltaic systems. As part of this effort, a revised valuation factor table was created and adopted for use in the assessment of these systems. This new table is now being applied consistently across jurisdictions. We utilized the updated valuation table to recalculate the values reported on the applicant's business property statements, which resulted in a revised assessed value.

In addition to the valuation methodology, a late filing penalty was originally applied to the 2022 assessment. Upon reviewing the record, it was determined that the applicant submitted their business property statement in a timely manner. Therefore, the penalty was assessed in error. We are requesting that the late filing penalty be waived as part of this appeal.

A further issue arose concerning a reported "partnership flip" involving solar equipment. Revenue and Taxation Code (R&T) Section 73 excludes from the definition of "newly constructed" the construction or addition of any active solar energy system. This new construction exclusion remains in effect until there is a subsequent change in ownership. To finance the construction of new active solar energy systems, developers often enter into financing arrangements—such as sale-leasebacks, partnership flip structures, or similar transactions—with investors.

The applicant had included in their filing equipment that changed ownership as a result of a partnership flip. Under R&T Code Section 64.1, such transactions conducted for financing purposes are exempt from change in ownership provisions for active solar energy systems and, consequently, are not subject to reassessment. A Letter to the Assessors (LTA) has been included to further detail the exemption and its proper application. The applicant has submitted revised acquisition costs excluding the equipment that qualifies for this exemption. Upon review, we concur that this equipment should not have been reported or assessed.

The applicant concurs with the revised valuation and supports the request to waive the late filing penalty and exclude the exempt equipment from assessment.

The Assessor's Office requests approval of the stipulated value for each of the appeals.

**STIPULATION AGREEMENT**

To be completed by the Assessor and filed with  
the Clerk of the Board at the address shown.

**BEFORE THE COUNTY BOARD**

COUNTY OF Tehama, STATE OF CALIFORNIA

**IN THE MATTER OF THE APPLICATION OF:**

TESLA ENERGY OPERATIONS INC

NAME OF APPLICANT

11-2021

APPLICATION NUMBER(S)

800-005-066

PARCEL OR FILE NUMBER(S)

**STIPULATION TO VALUE**

For the *Assessment Appeal Application* referenced above, the applicant and the Assessor stipulate the following:

1. This stipulation agreement is made pursuant to Revenue and Taxation Code section 1607 and becomes effective only upon acceptance by the County Board.
2. The corrected assessed value of the property described in the application and enrolled upon the assessment roll for the year indicated shall be as hereafter set forth. The Assessor has reviewed the values and is now of the opinion that the full taxable value of the property, as of the lien date or event date (for change in ownership or new construction), should have been the values listed below as "Corrected Assessed Value."

ASSESSMENT YEAR 20 <u>21</u> - 20 <u>22</u> <input checked="" type="checkbox"/> REGULAR <input type="checkbox"/> SUPPLEMENTAL	ASSESSOR'S ROLL VALUE	APPLICANT'S OPINION OF VALUE	CORRECTED ASSESSED VALUE	DIFFERENCE (ROLL VALUE MINUS CORRECTED ASSESSED VALUE)
LAND				
IMPROVEMENTS/ STRUCTURES				
CROPS/TREES AND VINES				
MANUFACTURED HOME - PERSONAL PROPERTY				
FIXTURES				
PERSONAL PROPERTY	\$645,100	\$64,510	\$316,029	-\$329,071
TOTALS	\$645,100	\$64,510	\$316,029	-\$329,071
PENALTY				

THIS DOCUMENT IS SUBJECT TO PUBLIC INSPECTION

## 3. The facts upon which the change in assessed value is based are as follows:

The subject of this appeal is the business property valuation of leased solar systems located throughout Tehama County. Over the past four years, the applicant has filed appeals across California challenging the methodology used to value solar equipment.

In response to these appeals, the California Assessors' Association, in collaboration with the State Board of Equalization (BOE), developed a new methodology for valuing photovoltaic systems. A revised valuation factor table has been established and is now being used in the assessment of these systems. We applied this updated table to the values reported on the applicant's business property statement to determine the revised valuation.

An additional issue involved a "partnership flip" related to these systems. The applicant had reported equipment that had changed ownership as a result of a partnership flip transaction. Under Revenue and Taxation Code section 64.1, such transactions, when conducted for financing purposes, are exempt from change in ownership provisions for active solar energy systems and are therefore not assessable. The applicant has revised their reported value to exclude the exempt equipment. We agree that this equipment should not have been reported.

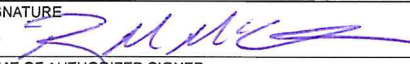
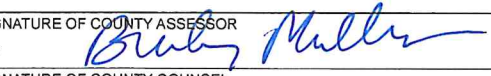
The applicant concurs with the revised valuation.

The undersigned respectfully requests that the County Board accept the stipulation, waive the appearance of the applicant, and change the assessed value in accordance with Revenue and Taxation Code section 1610.8 and the California Constitution, Article XIII, section 16.

The applicant understands that in the event this stipulation agreement is not approved by the County Board prior to the time that taxes, or any portion thereof, become due, payment shall be made in accordance with the appropriate provisions of the Revenue and Taxation Code.

Further, applicant understands that the County Board may reject this stipulation agreement, and set or reset this application for hearing, pursuant to Revenue and Taxation Code section 1607.

I hereby stipulate to the values for the subject property, as stated in the "Corrected Assessed Value" section of this agreement. If the corrected value(s) is approved by the County Board, the stipulation agreement also constitutes a withdrawal of the Assessment Appeal Application.

SIGNATURE ▶ 		DATE EXECUTED 7-10-25
NAME OF AUTHORIZED SIGNER Ryan McClure		TITLE VP
FILING STATUS <input checked="" type="checkbox"/> OWNER <input checked="" type="checkbox"/> AGENT <input type="checkbox"/> ATTORNEY <input type="checkbox"/> SPOUSE <input type="checkbox"/> REGISTERED DOMESTIC PARTNER <input type="checkbox"/> CHILD <input type="checkbox"/> PARENT <input type="checkbox"/> PERSON AFFECTED <input type="checkbox"/> CALIFORNIA ATTORNEY, STATE BAR NUMBER: _____ <input type="checkbox"/> CORPORATE OFFICER OR DESIGNATED EMPLOYEE		
SIGNATURE OF COUNTY ASSESSOR ▶ 		PRINT NAME OF COUNTY ASSESSOR Burley Phillips
SIGNATURE OF COUNTY COUNSEL ▶		PRINT NAME OF COUNTY COUNSEL

## FOR COUNTY BOARD USE ONLY

- ☐ The stipulation agreement is approved and appearance is waived. The full value of the property in question is changed in accordance with Revenue and Taxation Code section 1607.
- ☐ The stipulation agreement is rejected, and the *Assessment Appeal Application* is set for hearing on: \_\_\_\_\_ DATE

ATTEST BY COUNTY BOARD:

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
CHAIRPERSON

\_\_\_\_\_  
CLERK OF THE BOARD

**STIPULATION AGREEMENT**

*To be completed by the Assessor and filed with  
the Clerk of the Board at the address shown.*

**BEFORE THE COUNTY BOARD**

COUNTY OF Tehama, STATE OF CALIFORNIA

**IN THE MATTER OF THE APPLICATION OF:**

TESLA ENERGY OPERATIONS INC

NAME OF APPLICANT

29-2022

APPLICATION NUMBER(S)

800-005-066

PARCEL OR FILE NUMBER(S)

**STIPULATION TO VALUE**

For the *Assessment Appeal Application* referenced above, the applicant and the Assessor stipulate the following:

1. This stipulation agreement is made pursuant to Revenue and Taxation Code section 1607 and becomes effective only upon acceptance by the County Board.
2. The corrected assessed value of the property described in the application and enrolled upon the assessment roll for the year indicated shall be as hereafter set forth. The Assessor has reviewed the values and is now of the opinion that the full taxable value of the property, as of the lien date or event date (for change in ownership or new construction), should have been the values listed below as "Corrected Assessed Value."

ASSESSMENT YEAR 20 <u>22</u> - 20 <u>23</u> <input checked="" type="checkbox"/> REGULAR <input type="checkbox"/> SUPPLEMENTAL	ASSESSOR'S ROLL VALUE	APPLICANT'S OPINION OF VALUE	CORRECTED ASSESSED VALUE	DIFFERENCE (ROLL VALUE MINUS CORRECTED ASSESSED VALUE)
LAND				
IMPROVEMENTS/ STRUCTURES				
CROPS/TREES AND VINES				
MANUFACTURED HOME - PERSONAL PROPERTY				
FIXTURES				
PERSONAL PROPERTY	\$384,540	\$211,000	\$299,440	-\$85,100
TOTALS	\$422,994	\$211,000	\$299,440	-\$123,554
PENALTY	\$38,454			-\$38,454

**THIS DOCUMENT IS SUBJECT TO PUBLIC INSPECTION**

## 3. The facts upon which the change in assessed value is based are as follows:

The subject of this appeal is the business property valuation of leased solar systems located throughout Tehama County. Over the past four years, the applicant has filed appeals across California challenging the methodology used to value solar equipment.

In response to these appeals, the California Assessors' Association, in collaboration with the State Board of Equalization (BOE), developed a new methodology for valuing photovoltaic systems. A revised valuation factor table has been established and is now being used in the assessment of these systems. We applied this updated table to the values reported on the applicant's business property statement to determine the revised valuation.

A late filing penalty was also applied to this year's value. However, upon review of the record, it was determined that the business property statement was filed on time. Therefore, the penalty was applied in error. We are requesting that the penalty be waived as part of this appeal.


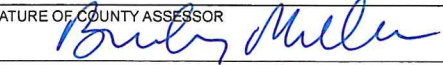
The applicant concurs with the revised valuation.

The undersigned respectfully requests that the County Board accept the stipulation, waive the appearance of the applicant, and change the assessed value in accordance with Revenue and Taxation Code section 1610.8 and the California Constitution, Article XIII, section 16.

The applicant understands that in the event this stipulation agreement is not approved by the County Board prior to the time that taxes, or any portion thereof, become due, payment shall be made in accordance with the appropriate provisions of the Revenue and Taxation Code.

Further, applicant understands that the County Board may reject this stipulation agreement, and set or reset this application for hearing, pursuant to Revenue and Taxation Code section 1607.

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SIGNATURE ▶ 		DATE EXECUTED 7-10-25
NAME OF AUTHORIZED SIGNER Ryan McElure		TITLE VP
FILING STATUS <input checked="" type="checkbox"/> OWNER <input checked="" type="checkbox"/> AGENT <input type="checkbox"/> ATTORNEY <input type="checkbox"/> SPOUSE <input type="checkbox"/> REGISTERED DOMESTIC PARTNER <input type="checkbox"/> CHILD <input type="checkbox"/> PARENT <input type="checkbox"/> PERSON AFFECTED <input type="checkbox"/> CALIFORNIA ATTORNEY, STATE BAR NUMBER: _____ <input type="checkbox"/> CORPORATE OFFICER OR DESIGNATED EMPLOYEE		
SIGNATURE OF COUNTY ASSESSOR ▶ 		PRINT NAME OF COUNTY ASSESSOR Burley Phillips
SIGNATURE OF COUNTY COUNSEL ▶		PRINT NAME OF COUNTY COUNSEL

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- ☐ The stipulation agreement is rejected, and the *Assessment Appeal Application* is set for hearing on: \_\_\_\_\_ DATE

ATTEST BY COUNTY BOARD:

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
CHAIRPERSON

\_\_\_\_\_  
CLERK OF THE BOARD

**STIPULATION AGREEMENT**

To be completed by the Assessor and filed with  
the Clerk of the Board at the address shown.

**BEFORE THE COUNTY BOARD**

COUNTY OF Tehama, STATE OF CALIFORNIA

**IN THE MATTER OF THE APPLICATION OF:**

TESLA ENERGY OPERATIONS INC

NAME OF APPLICANT

19-2023

APPLICATION NUMBER(S)

800-005-066

PARCEL OR FILE NUMBER(S)

**STIPULATION TO VALUE**

For the *Assessment Appeal Application* referenced above, the applicant and the Assessor stipulate the following:

1. This stipulation agreement is made pursuant to Revenue and Taxation Code section 1607 and becomes effective only upon acceptance by the County Board.
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ASSESSMENT YEAR 20 <u>23</u> - 20 <u>24</u> <input checked="" type="checkbox"/> REGULAR <input type="checkbox"/> SUPPLEMENTAL	ASSESSOR'S ROLL VALUE	APPLICANT'S OPINION OF VALUE	CORRECTED ASSESSED VALUE	DIFFERENCE (ROLL VALUE MINUS CORRECTED ASSESSED VALUE)
LAND				
IMPROVEMENTS/ STRUCTURES				
CROPS/TREES AND VINES				
MANUFACTURED HOME - PERSONAL PROPERTY				
FIXTURES				
PERSONAL PROPERTY	\$407,110	\$200,000	\$298,831	-\$108,279
TOTALS	\$407,110	\$200,000	\$298,831	-\$108,279
PENALTY				

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In response to these appeals, the California Assessors' Association, in collaboration with the State Board of Equalization (BOE), developed a new methodology for valuing photovoltaic systems. A revised valuation factor table has been established and is now being used in the assessment of these systems. We applied this updated table to the values reported on the applicant's business property statement to determine the revised valuation.


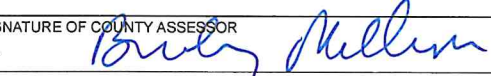
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CHAIRPERSON

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CLERK OF THE BOARD

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**BEFORE THE COUNTY BOARD**

COUNTY OF Tehama, STATE OF CALIFORNIA

**IN THE MATTER OF THE APPLICATION OF:**

TESLA ENERGY OPERATIONS INC

NAME OF APPLICANT

14-2024

APPLICATION NUMBER(S)

800-005-066

PARCEL OR FILE NUMBER(S)

**STIPULATION TO VALUE**

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LAND				
IMPROVEMENTS/ STRUCTURES				
CROPS/TREES AND VINES				
MANUFACTURED HOME - PERSONAL PROPERTY				
FIXTURES				
PERSONAL PROPERTY	\$414,260	\$212,000	\$285,289	-\$128,971
TOTALS	\$414,260	\$212,000	\$285,289	-\$128,971
PENALTY				

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The applicant concurs with the revised valuation.

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SIGNATURE OF COUNTY ASSESSOR ▶ 		PRINT NAME OF COUNTY ASSESSOR Burley Phillips
SIGNATURE OF COUNTY COUNSEL ▶		PRINT NAME OF COUNTY COUNSEL

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ATTEST BY COUNTY BOARD:

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
CHAIRPERSON

\_\_\_\_\_  
CLERK OF THE BOARD