



Appraisals of Taxable Possessory Interests on Public Real Property, FREA Echo

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Introduction

In states such as California, it is well settled that real property owned by the government is exempt from taxation. See, e.g., Cal. Const., art. III, §3. What happens, though, when states lease public lands to private persons? One would assume (correctly) that such private possessory interests are taxed, but how and, more specifically, on what appraised basis? The recent appellate decision in *Cal. State Teacher's Ret. Sys. v. County of Los Angeles* (2013) 216 Cal.App.4th 41 addresses these questions, particularly in the light of appraisals of private possessory interests on public land.