Fidelity National Title

What is Proposition 8?

PROPOSITION 8 WAS PASSED IN CALIFORNIA IN 1978 AS A CONSTITUTIONAL AMENDMENT THAT ALLOWS A TEMPORARY REDUCTION IN ASSESSED VALUE WHEN A PROPERTY INCURS A "DECLINE-IN-VALUE".

A decline-in-value occurs when the current market value of a property is less than the current assessed value as of January 1. In order to qualify for the reassessment, the property owner must demonstrate that on January 1, the market value of the property was less than the current assessed value. A claim form for a **"DECLINE-IN-VALUE REASSESSMENT APPLICATION (PROP. 8)"** must be filed with the Assessor between January 1 and December 31 for the fiscal year beginning on July 1. In instances in which December 31 falls on a Saturday, Sunday, or legal holiday, an application is valid if either filed or mailed and postmarked by the next business day.

FREQUENTLY ASKED QUESTIONS

Q. DO PROPERTIES OTHER THAN SINGLE FAMILY RESIDENCES QUALIFY?
A. Yes. All real property qualifies.

Q. WHAT IS A COMPARABLE SALE?
A. A property sold with features that are similar to your property is a comparable sale. Comparable sales information helps you analyze the value of your home. For example, a property similar in location, zoning, size, number of bedrooms and bathrooms, age, quality and condition to yours that sold in the open market is a comparable sale.

Q. WHERE CAN I FIND COMPARABLE SALES INFORMATION?
A. A good place to start is online. The Assessor's website offers sales information for properties that have sold within the last two years. The same information is available from any Assessor District Office. Also, many websites offer sales information free of charge. A local real estate agent or title agent can also be a valuable source of information.

Q. I FILED MY PROPOSITION 8 APPLICATION BY DECEMBER 31. WHEN AND HOW WILL I KNOW IF MY VALUE WILL BE REDUCED?
A. You will receive notification by mail before July 1.

Q. IF MY ASSESSED VALUE IS REDUCED, HOW LONG WILL IT LAST?
A. Proposition 8 reassessments are not permanent, but last at least one year. The assessed value may decrease or increase depending on the market value of your property on January 1 of each subsequent year. Your assessed value will never increase more than the trended base value. It is important to remember, however, that base year values suspended by Proposition 8 reassessment values continue to increase by an annual inflation factor of no more than 2% per year.

For more information about Proposition 8 or for filing details, please visit your County Assessor online. *Contact your County Assessor's Office as well as your Tax Accountant before making any decisions or taking legal action. This information is provided for you for reference purposes only and is deemed reliable but not guaranteed.