Fidelity National Title

Proposition 19 Summary

THE HOME PROTECTION FOR SENIORS, SEVERELY DISABLED, FAMILIES AND VICTIMS OF WILDFIRE OF NATURAL DISASTERS ACT

BASE YEAR VALUE TRANSFER FOR ELIGIBLE HOMEOWNERS

Effective April 1, 2021, homeowners who are 55 years of age and older, severely disabled, or whose property was extensively destroyed by wildfire or natural disasters may be eligible to transfer the taxable value of their primary residence to a replacement primary residence as follows:

- Anywhere in California
- Replacement of any value, but with upward adjustments if replacement residence is of greater value
- Purchased or newly constructed within two years of sale
- Up to three times, but without limitation for properties destroyed by fire

TAXATION OF INHERITED PROPERTY TRANSFERS

Effective February, 2021, Proposition 19 narrows the rules allowing properties to pass from parent to child or from grandparent to grandchild without an increase in the property tax bill. The taxable value can be transferred as follows:

- To transfer the parent's or grandparent's principal residence where the property is to be used as a primary residence (or farm) by the child or grandchild, respectively
- If the homeowners' exemption is filed within one year of transfer
- If the value of the property at the time of the transfer exceeds the parent's assessed value by less than $1 million, then the child takes the parent's assessed value. If the value of the property at the time of the transfer exceeds the parent's assessed value by $1 million or more, then the child's assessed value is the current value of the property less $1 million

CONSULT YOUR TAX ADVISOR OR LOCAL ASSESSOR'S OFFICE FOR MORE INFORMATION

Please contact your tax advisor or local assessor's office to learn more about Proposition 19's provisions and eligibility rules. Any required forms can be obtained from the county assessor's office and filed with them directly. For more information, please visit: www.boe.ca.gov/prop19