



WHAT ARE CALIFORNIA PROPOSITIONS 60, 90 & 110?

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Propositions 60, 90, and 110 are constitutional amendments approved by the voters of California. They provide for the transfer of a property's base year value from an existing residence to a replacement residence, under certain conditions, for qualified persons over the age of 55 or persons of any age who are severely and permanently disabled.

WHAT ARE THE CONDITIONS THAT NEED TO BE MET IN ORDER TO QUALIFY FOR THE EXCLUSION?

1. Both properties must be located in the same county, unless the county in which the replacement residence is located has an ordinance that allows intercounty base year value transfers.
2. As of the date of transfer of the original property, the transferor (seller) or a spouse residing with the transferor must be at least 55 years of age, or be severely or permanently disabled.
3. At the time of sale, the original property must have been eligible for the Homeowners' Exemption, or entitled to the Disabled Veterans' Exemption.
4. Generally, the replacement dwelling must be of equal or lesser value than the original property.
5. The replacement dwelling must have been acquired or newly constructed within two years of (before or after) the sale of the original property.
6. The owner must file an application within three years following the purchase date or new construction completion date of the replacement property.
7. The original property must be subject to reappraisal at its current fair market value. Therefore, transfers of the original property that are excluded from reappraisal (e.g., most transfers between parents and children) will not qualify.

I THINK THAT THE SALE OF MY RESIDENCE MAY QUALIFY FOR THIS BENEFIT.

HOW DO I APPLY?

You must file a claim with the assessor, who will determine if the transaction qualifies. Claim forms should be obtained from the assessor's office in the county where the replacement property is located.

HOW DO I DETERMINE IF THE REPLACEMENT PROPERTY IS OF "EQUAL OR LESSER VALUE" THAN THE ORIGINAL?

It depends upon the timing of the purchase or completion of construction of the replacement property. In general, "equal or lesser value" means the fair market value of the replacement property does not exceed one of the following:

100 percent of the market value of the original property, if the replacement property is purchased or newly constructed before the original property is sold.

105 percent of the market value of the original property, if the replacement property is

purchased or newly constructed within the first year after the original property is sold.

110 percent of the market value of the original property, if the replacement property is purchased or newly constructed within the second year after the original property is sold.

PROP 60, 90 & 110



IF THE MARKET VALUE OF MY REPLACEMENT DWELLING SLIGHTLY EXCEEDS THE "EQUAL OR LESSER VALUE" TEST COMPARED TO THE MARKET VALUE OF MY ORIGINAL PROPERTY, CAN I STILL RECEIVE PARTIAL BENEFIT?

No. Unless the replacement dwelling completely satisfies the "equal or lesser value" test, no benefit is available.

CAN A TAXPAYER APPLY FOR AND RECEIVE THE BENEFIT OF PROPOSITIONS 60/90/110 NUMEROUS TIMES DURING THE COURSE OF HIS/HER LIFETIME?

Generally, no. With one exception, only claimants who have not previously been granted this benefit are eligible.

I WAS PREVIOUSLY GRANTED THIS BENEFIT BUT HAVE SINCE BECOME SEVERELY AND PERMANENTLY DISABLED. CAN I APPLY FOR AND RECEIVE THE BENEFIT OF PROPOSITION 110?

Proposition 110 creates an exception from the one-time-only limitation for any claimant who becomes severely and permanently disabled after having previously received a base year value transfer as a claimant over the age of 55 years. Thus, if a person over the age of 55 years transferred the base year value from an original property to a replacement dwelling and subsequently becomes disabled, then that person may now transfer his or her base year value a second time.

I WOULD LIKE TO TRANSFER MY BASE YEAR VALUE TO A REPLACEMENT PROPERTY LOCATED IN ANOTHER COUNTY. WHICH COUNTIES HAVE ADOPTED AN ORDINANCE TO ALLOW SUCH TRANSFERS?

Currently, each of the following nine counties has an ordinance implementing the intercounty base year value transfer provisions of section 69.5 of the Revenue and Taxation Code (Prop 90):

- Alameda
- Orange
- San Mateo
- Ventura
- Los Angeles
- San Diego
- Santa Clara
- Riverside
- El Dorado

If the replacement property is in a different county than the original property, only the replacement property (not the original property) must be located in one of these seven counties. If a county has an ordinance, it will accept a base year value transfer from any other county in California as long as all the requirements are met.

WHAT IS THE DEADLINE FOR FILING A CLAIM?

Generally, you must file your claim with the county assessor within three years of the acquisition or completion of construction of the replacement property.

