



# Proposition 19

## Proposition 19 – The Home Protection for Seniors, Severely Disabled, Families, and Victims of Wildfire or Natural Disasters Act

On November 3, 2020, California voters approved [Proposition 19](#), *The Home Protection for Seniors, Severely Disabled, Families, and Victims of Wildfire or Natural Disasters Act*.

To assist taxpayers, the following tabs provide general information on Proposition 19. Please continue to visit the California State Board of Equalization (BOE) website for updates, as additional legislation will provide further clarification.

**For assistance or questions, please contact the Property Tax Department by phone at 1-916-274-3350 or by e-mail.**

To assist taxpayers, below are comparison charts reflecting the effects of [Proposition 19](#).

### PARENT-CHILD & GRANDPARENT-GRANDCHILD EXCLUSION

	Former Law	Proposition 19 (Current Law)
<b>Principal Residence</b>	<ul style="list-style-type: none"> <li>→ Principal residence of transferor</li> <li>→ No value limit</li> <li>→ Residence and homesite (excess land may be excluded as "other property")</li> </ul>	<ul style="list-style-type: none"> <li>→ Principal residence of transferor and transferee</li> <li>→ Value limit of current taxable value plus \$1,000,000 (as annually adjusted)</li> <li>→ Family homes and farms</li> </ul>



	Former Law	Proposition 19 (Current Law)
<b>Other Real Property</b>	→ Transferor lifetime limit of \$1,000,000 of factored base year value	→ Eliminates exclusion for other real property other than the principal residence
<b>Grandparent-Grandchild Middle Generation Limit</b>	→ Parent(s) of grandchild, who qualifies as child(ren) of grandparent, must be deceased on date of transfer	→ No change: parent(s) of grandchild, who qualifies as child(ren) of grandparent, must be deceased on date of transfer
<b>Filing Period</b>	→ File claim within 3 years or before transfer to third party	→ File for homeowners' exemption within 1 year of transfer
<b>Implementing Statute</b>	→ Revenue & Taxation Code section 63.1 (implements Propositions 58/193)	→ To be determined
<b>Important Dates</b>	→ Through February 15, 2021	→ Effective February 16, 2021

### BASE YEAR VALUE TRANSFER – PERSONS AT LEAST AGE 55/DISABLED

	Former Law	Proposition 19 (Current Law)
<b>Type of Property</b>	→ Principal residence	→ Principal residence
<b>Timing</b>	→ Purchase or newly construct residence within 2 years of sale	→ Purchase or newly construct residence within 2 years of sale
<b>Location of Replacement Home</b>	→ Same county → County with intercounty ordinance (10 counties)	→ Anywhere in California
<b>Value Limit</b>	→ Equal or lesser value → 100% if replacement purchased/new construction prior to sale → 105% if replacement purchased/new construction in first year after sale → 110% if replacement purchased/new construction in second year after sale	→ Any value → Amount above 100% is added to transferred value
<b>How many transfers?</b>	→ One time → Exception: After using once for age, second time for subsequent disability	→ Three times

	Former Law	Proposition 19 (Current Law)
<b>Implementing Statute</b>	→ Revenue & Taxation Code section 69.5 (implements Propositions 60/90/110)	→ To be determined
<b>Important Dates</b>	→ Through March 31, 2021	→ Effective April 1, 2021

### BASE YEAR VALUE TRANSFER – INTRACOUNTY DISASTER RELIEF

	Former Law	Proposition 19 (Current Law)
<b>Type of Property</b>	→ Any type of property	→ Principal residence
<b>Timing</b>	→ Purchase or newly construct property within 5 years of disaster	→ Purchase or newly construct residence within 2 years of sale
<b>Location of Replacement Property</b>	→ Within same county	→ Anywhere in California
<b>Value Limit</b>	→ Any value → Amount above 120% is added to transferred value	→ Any value → Amount above 100% is added to transferred value
<b>Type of Disaster</b>	→ Disaster for which the Governor proclaims a state of emergency	→ Wildfire, as defined, or natural disaster as declared by the Governor
<b>Implementing Statute</b>	→ Revenue & Taxation Code section 69 (implements Proposition 50)	→ To be determined
<b>Important Dates</b>	→ Through March 31, 2021	→ Effective April 1, 2021

### BASE YEAR VALUE TRANSFER – INTERCOUNTY DISASTER RELIEF

	Former Law	Proposition 19 (Current Law)
<b>Type of Property</b>	→ Principal residence	→ Principal residence
<b>Timing</b>	→ Purchase or newly construct principal residence within 3 years of disaster	→ Purchase or newly construct principal residence within 2 years of sale
<b>Location of Replacement Home</b>	→ County with intercounty ordinance (13 counties)	→ Anywhere in California

	Former Law	Proposition 19 (Current Law)
<b>Value Limit</b>	<ul style="list-style-type: none"> <li>→ Equal or lesser value</li> <li>→ 105% if purchased/new construction in first year after disaster</li> <li>→ 110% if purchased/new construction in second year after disaster</li> <li>→ 115% if purchased/new construction in third year after disaster</li> </ul>	<ul style="list-style-type: none"> <li>→ Any value</li> <li>→ Amount above 100% is added to transferred value</li> </ul>
<b>Type of Disaster</b>	<ul style="list-style-type: none"> <li>→ Disaster for which the Governor proclaims a state of emergency</li> </ul>	<ul style="list-style-type: none"> <li>→ Wildfire, as defined, or natural disaster as declared by the Governor</li> </ul>
<b>Implementing Statute</b>	<ul style="list-style-type: none"> <li>→ Revenue &amp; Taxation Code section 69.3 (implements Proposition 171)</li> </ul>	<ul style="list-style-type: none"> <li>→ To be determined</li> </ul>
<b>Important Dates</b>	<ul style="list-style-type: none"> <li>→ Through March 31, 2021</li> </ul>	<ul style="list-style-type: none"> <li>→ Effective April 1, 2021</li> </ul>

**Note:** The information presented is intended to provide general and summary information about Proposition 19. It is not intended to be a legal interpretation or official guidance or relied upon for any purpose, but is instead a presentation of summary information. If there is a conflict between the information presented and the text of the proposition or its implementation, the text of the proposition or legal interpretation will prevail. It is highly encouraged that you consult an attorney for advice specific to your situation.

Refer to the guidance issued below in the form of [Letters to Assessors](#) and Chief Counsel Memos regarding [Proposition 19](#).

## Letters to Assessors

- [Letter to Assessors No. 2020/061 – Proposition 19](#)
- [Letter to Assessors No. 2021/007 – Proposition 19 Forms](#)
- [Letter to Assessors No. 2021/008 – Proposition 19 Intergenerational Transfer Exclusion Guidance Questions and Answers](#)
- [Letter to Assessors No. 2021/010 – Proposed Property Tax Rule 462.520](#)
- [Letter to Assessors No. 2021/012 – Proposed Property Tax Rule 462.540](#)

## Chief Counsel Memos

- [Proposition 19 – Initial Interpretational Questions and Answers](#)

1. This memorandum, including questions and answers, represent the initial thoughts of the Legal Department and may be subject to change.

[Proposition 19's](#) provisions have become operative on February 16, 2021 (for intergenerational transfer exclusion) and April 1, 2021 (for base year value transfer). Unfortunately, Proposition 19 did not have companion legislation that would have clarified a host of issues. Therefore, these frequently asked questions (FAQs) are intended to help property taxpayers navigate those new provisions in light of Proposition 19's lack of clarity or silence. It is anticipated that these FAQs will be updated periodically with additional questions, particularly if legislation is enacted or further guidance is issued by the Board. Please check back often for updates.

### 1. What is the effective date of Proposition 19?

Proposition 19, which was passed by the California voters on November 3, 2020, became effective on December 16, 2020, the 5th day after the Secretary of State certified the election. However, the changes to the

parent-child and grandparent-grandchild exclusion will become operative and apply to transactions on February 16, 2021, and the base year value transfer provisions will become operative on April 1, 2021.

**2. Does the Board of Equalization have the authority to extend or change Proposition 19's operative dates of February 16, 2021 or April 1, 2021?**

No. The Board of Equalization does not have the authority to extend or change Proposition 19's operative dates of February 16, 2021 or April 1, 2021.

## Base Year Value Transfers

**1. Under Proposition 19, will I qualify for the base year value transfer if I purchase my replacement home now and sell my original home on or after April 1, 2021?**

Proposition 19 requires the transfer of the base year value to occur on or after April 1, 2021. It does not require that both the primary residence be sold and the replacement primary residence be purchased on or after April 1, 2021. Therefore, in most cases, as long as either the primary residence is sold or the replacement primary residence is purchased on or after April 1, 2021, the base year value of the primary residence can be transferred to the replacement primary residence under Proposition 19. However, future legislation may impact the operation of Proposition 19 and any updates will be posted on the Board's website.

**2. Under Proposition 19, will I qualify for the base year value transfer if I sell my original home now and purchase a replacement home on or after April 1, 2021?**

As answered in the prior question, as long as either the primary residence is sold or the replacement primary residence is purchased on or after April 1, 2021, the base year value of the primary residence can be transferred to the replacement primary residence under Proposition 19.

For example, a person over age 55 years old who has already sold their original home and expect to purchase a replacement home on or after April 1, 2021 would qualify for Proposition 19 base year transfer.

**3. Is Proposition 19 retroactive and would it cause property transfers that have already received the benefit of Proposition 60/90 to be reassessed?**

The Proposition 19 operative date for the base year value transfer provisions is April 1, 2021. It is not expected that base year value transfers that have already been processed under [Propositions 60/90](#) and [Proposition 110](#) will be affected.

**4. If I use my one-time base year value transfer under Proposition 60/90, can I transfer that base year value three more times under Proposition 19?**

It is anticipated that three transfers under Proposition 19 will be allowed regardless of whether a property owner transferred a base year value in the past under [Propositions 60/90](#) and [Proposition 110](#). Future legislation may impact the operation of Proposition 19 and any updates will be posted on the Board's website.

**5. Under Proposition 19, can I transfer my base year value to a home of any value?**

Yes; however, if the full cash value of the replacement home is greater than the full cash value of the original home, the difference in full cash values will be added to the transferred factored base year value.

For example, an original home was sold and had a full cash value of \$400,000 and a factored base year value of \$100,000 at time of sale. If a replacement home is purchased for a full cash value of \$600,000, the difference of \$200,000 (\$600,000 - \$400,000) is added to the factored base year value of \$100,000. Thus, the replacement home will have a new base year value of \$300,000 (\$100,000 + \$200,000).



## 6. Is Proposition 19 retroactive to disasters that occurred in 2020?

Proposition 19 is effective on and after April 1, 2021, and also requires that a replacement primary residence is purchased or newly constructed as a person's principal residence within two years of the sale of the original primary residence. Proposition 19 is not dependent on the date of disaster. However, future legislation may impact the operation of Proposition 19 and any updates will be posted on the Board's website.

## 7. To qualify for the base year value transfer, does the homeowner have to be (1) age 55 or over and (2) disabled and (3) a victim of a disaster (all three)?

No, under Proposition 19, a homeowner may qualify for the base year value transfer under any one of the three categories listed; they do not need to meet all three categories in order to qualify.

# Parent-Child and Grandparent-Grandchild Transfers

## 1. Is Proposition 19 retroactive and would it cause property transfers that have already received the benefit of Proposition 58 (Parent-Child Exclusion) to be reassessed?

No, Proposition 19 is clear that Proposition 58 applies to transfers that occur on or before February 15, 2021, and that Proposition 19 applies to transfers that occur on or after February 16, 2021.

## 2. If a family home is gifted to two children, do both children have to reside in the family home as their primary residence in order to receive the parent-child exclusion?

We believe the intent of the Legislature was to allow the exclusion as long as the parent's family home becomes the family home of at least one of the children.

## 3. Under Proposition 19, if I inherit my parent's family home and move into it and establish it as my principal residence, must I live continually in the home to receive the parent-child exclusion? What happens if I move somewhere else?

We believe that at least one eligible transferee must continually live in the property as his or her family home for the property to maintain the exclusion. Thus if the property is no longer your family home, it will receive a new taxable value. The new taxable value will be the fair market value of the home on the date you inherited it, adjusted each year for the inflation factor, which is published by the BOE annually.

## 4. Does Proposition 19 apply to a transfer of a rental home?

No, Proposition 19 limits the parent-child exclusion to a transfer of a family home that is the principal residence of the transferor and becomes the principal residence of the transferee.

## 5. Do we need to submit our application for the parent/child exclusion prior to the February 16, 2021 operative date to qualify for the exclusion under Proposition 58/193?

As long as the date of transfer or change in ownership of real property between parent and child occurs on or before February 15, 2021, the transfer will qualify for the exclusion under Proposition 58/193. Therefore, as long as the claim is filed with the County Assessor within three years of the date of transfer or before a transfer to a third party or within six months of the date of notice of supplemental or escape assessment. Thus, the claim does not need to be filed by February 16, 2021.

## 6. Will I lose the parent-child exclusion if the value of the family home is greater than \$1 million dollars?

The value limit under Proposition 19 is the sum of the factored base year value plus \$1 million. If the market value exceeds this limit, partial relief is available. The amount exceeding the excluded amount will be added to the factored base year value.



For example, a family home has a factored base year value (FBYV) of \$300,000 and a fair market value of \$1,500,000. The excluded amount under Proposition 19 is  $\$300,000 + \$1,000,000 = \$1,300,000$ . The difference,  $\$1,500,000 - \$1,300,000 = \$200,000$ . Thus, the adjusted base year value is \$500,000 (FBYV \$300,000 + difference of \$200,000).

**7. If a parent died prior to the February 16, 2021 operative date and the Assessor does not become aware of the death until a year later and reassesses the property as of the date of death, are the parent-child exclusion provisions applied under [Proposition 58](#) or Proposition 19?**

The date of death is the date of change in ownership. The law in effect as of the date of death will apply. Proposition 19 is clear that [Proposition 58](#) applies to transfers that occur on or before February 15, 2021, and Proposition 19 applies to transfers that occur on or after February 16, 2021.

**8. I have my deed signed and notarized, and have submitted it for recording at my local County Recorder's office prior to the February 15, 2021 deadline. What if my deed does not record by the February 15, 2021 deadline? Must my deed be recorded prior to that date in order to still be under the [Proposition 58/193](#) provisions?**

No. As long as the date of *transfer* is on or before February 15, 2021, the transfer will qualify for the [Proposition 58/193](#) exclusion. [Property Tax Rule 462.260](#) makes clear that the recordation date of a deed is *rebuttably presumed* to be the transfer date. This means that if evidence is shown that the transfer occurred prior to the recordation date, the assessor should accept that earlier date. Such evidence could be, for example, the date of a notarized document of transfer, such as a deed.

**9. How is a property held in a trust affected by Proposition 19?**

The administration of a trust is governed by the trust instrument itself. For properties held in trusts, Revenue and Taxation Code section 61(h) provides that a change in ownership occurs when any interests in real property vest in persons other than the trustor or the trustor's spouse or registered domestic partner when a revocable trust becomes irrevocable (also see [Property Tax Rule 462.260](#)). This typically occurs upon the death of the trustor. Thus, the date of death is considered to be the date of change in ownership. Proposition 19 is clear that [Proposition 58](#) applies to transfers that occur on or before February 15, 2021, and Proposition 19 applies to transfers that occur on or after February 16, 2021.

**10. How do I apply for the [homeowners' exemption](#) or [disabled veterans' exemption](#) within one year of the transfer to qualify for the parent-child or grandparent-grandchild exclusion, as required by Proposition 19?**

To apply for the [homeowners' exemption](#) or [disabled veterans' exemption](#), a claim must be filed with the [County Assessor](#). BOE-266, *Claim for Homeowners' Property Tax Exemption*, is the claim form to apply for the homeowners' exemption, and BOE-261, *Claim for Disabled Veterans' Property Tax Exemption*, is the claim form for the disabled veterans' exemption. Both forms can be obtained from and submitted to the local [County Assessor's office](#) where the property is located.

**11. I still have questions on Proposition 19. Who do I contact to discuss?**

If you have further questions, you may call the Board of Equalization's Property Tax Department, County-Assessed Properties Division at 1-916-274-3350 or by [e-mail](#).

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To assist taxpayers, below you will find information on legislation related to [Proposition 19](#).

- [Senate Bill 539 \(Introduced on February 18, 2021\)](#)
  - [BOE Analysis on SB 539 \(March 2, 2021\)](#)
- [Senate Bill 668 \(Introduced on February 19, 2021\)](#)
  - [BOE Analysis on SB 668 \(May 6, 2021\)](#)
- [Assembly Constitutional Amendment 9 \(Introduced on May 3, 2021\)](#)

**Note:** Please visit the [California Legislative Information website](#) for the latest updates on legislation.

Below you will find additional resources on [Proposition 19](#).

- [Proposition 19 Fact Sheet \(as of February 1, 2021\)](#)
- [Introduction to Proposition 19 Presentation \(as of February 1, 2021\)](#)
- [Proposition 19 Analysis and Implementation Planning Matrix](#)

Below you will find general property tax information.

- [Listing of County Assessors, Auditors and Auditor-Controllers, Clerks of the Board, and Tax Collectors](#)
- [Property Tax Exemptions](#)
- [Change in Ownership Frequently Asked Questions](#)
- [2021 Property Tax Calendar](#)
- [Property Tax Bill Frequently Asked Questions](#)

Introduction	+
Comparison Charts	-
Guidance Issued	+
Frequently Asked Questions	+
Related Legislation	+
Additional Resources	+

### Taxpayers' Rights Advocate

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#### LEGAL RESOURCES

- [Legal Department](#)
- [Legislation](#)
- [Current Litigation](#)
- [Laws, Annotations, Rules and Regulations](#)

#### BOE RESOURCES

- [OPEN BOE Data Portal](#)
- [Annual Report](#)
- [Accessing Public Records](#)
- [Careers at BOE](#)

[Tax Appeals](#)

#### EXTERNAL TAX RESOURCES

- [California Department of Tax and Fee Administration](#)
- [Office of Tax Appeals](#)
- [Unclaimed Property Program \(SCO\)](#)





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Property Taxes Law Guide  
Bankruptcy

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