

CALIFORNIA PROPOSITION 19 AT A GLANCE

California Proposition 19, the Property Tax Transfers, Exemptions, and Revenue for Wildfire Agencies and Counties Amendment.

HOW DOES PROP 19 CHANGE THE RULES GOVERNING TAX ASSESSMENT TRANSFERS?

Effective April 1, 2021, the proposition allows eligible homeowners to transfer their tax assessments anywhere within the state and allows tax assessments to be transferred to a more expensive home with an upward adjustment. The number of times that a tax assessment can be transferred increases from one to three for persons over 55 years old or with severe disabilities (disaster and contamination victims continue to be allowed one transfer).

HOW DOES THE PROPOSITION AFFECT INHERITED PROPERTIES?

Effective February 16, 2021, the proposition eliminates the parent-to-child and grandparent-to-grandchild tax assessment resetting exemption in cases where the child or grandchild does not use the inherited property as their principal residence. When the

inherited property is used as the recipient's principal residence but is sold for over \$1 million above the property's taxable value, an upward adjustment in assessed value will occur. The proposition also applies these rules to certain farms. Beginning on February 16, 2023, the taxable value of an inherited principal residential property will be adjusted each year at a rate equal to the change in the California House Price Index.

WHAT DOES PROP 19 DO WITH CHANGES IN REVENUE?

The proposition creates the California Fire Response Fund (CFRF) and County Revenue Protection Fund (CRPF). The California State Controller is required to deposit 75 percent of the calculated revenue to the Fire Response Fund and 15 percent to the County Revenue Protection Fund. The County Revenue Protection Fund will be used to reimburse counties for revenue losses related to the propositions property tax changes. The Fire Response Fund will be used to fund fire suppression staffing and full-time station-based personnel.

	Applies to principal residence only	Must be 55 or older to use	This is a one-time use benefit	Replacement property must be equal or lesser value	Available statewide	Can be used by multiple owners	Wildfire Assistance (Prop 171)
Current Prop 60/90	✓	✓	✓	✓	X	X	✓ & X
Prop 19	✓	✓	X	X	✓	✓	✓

	Applies to principal residence only	Limit placed on transfer value of principal residence	Allowed on multiple residential properties	Allowed on commercial property	Can be used on farmland	Must be filed within 3 years of transfer	Required to reside in the transferred property
Current Prop 58/193	X	X	✓	✓	✓	✓	X
Prop 19	✓	✓	X	X	✓	X	✓

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