

# Keeping you IN THE KNOW

## GUIDE TO PROPOSITIONS 60 & 90

Propositions 60 & 90 allow a person over the age of 55 to sell his or her principal place of residence and transfer its base year value to a replacement residence of equal or lesser value that is purchased or newly constructed within two years of the sale. These propositions are implemented by Revenue and Taxation Code section 69.5.

Proposition 60 allows transfers of base year values within the same county (intracounty). Proposition 90 allows transfers from one county to another county in California (intercounty) at the discretion of each county to authorize such transfers.

**As of December 12, 2017, the following California counties have an ordinance enabling the intercounty base year value transfer:**

<b>Alameda</b>	<b>El Dorado*</b>	<b>Los Angeles</b>	<b>Orange</b>	<b>Riverside</b>	<b>San Bernardino</b>
<b>San Diego</b>	<b>San Mateo</b>	<b>Santa Clara</b>	<b>Tuolumne</b>	<b>Ventura</b>	

\* On December 12, 2017, the El Dorado County Board of Supervisors approved a rescission of their ordinance, which will now expire November 7, 2021.

### ELIGIBILITY REQUIREMENTS:

- You, or a spouse residing with you, must have been at least 55 years of age when the original property was sold.
- This is a one-time only benefit. Once you have filed and received this tax relief, neither you nor your spouse who resides with you can ever file again, even upon your spouse's death or if the two of you divorce. The only exception is that if you become disabled after receiving this tax relief for age, you may transfer the base year value a second time because of the disability, which involves a different claim form.
- Your original property must have been eligible for the homeowners' or disabled veterans' exemption either at the time it was sold or within two years of the purchase or construction of the replacement property.
- The original property must be subject to reappraisal at its current fair market value at the time of sale.
- The replacement property must be your principal residence and must be eligible for the homeowners' exemption or disabled veterans' exemption.
- The replacement property must be of equal or lesser "current market value" than the original property.
  - 100% or less of the market value of the original property if a replacement property were purchased or newly constructed before the sale of the original property, OR
  - 105% or less of the market value of the original property if a replacement property were purchased or newly constructed within the first year after the sale of the original property, OR
  - 110% or less of the market value of the original property if a replacement property were purchased or newly constructed within the second year after the sale of the original property.
- The replacement property must be purchased or built within two years (before or after) the sale of the original property.

This document is for informational purposes only and in no way shall be interpreted or construed to be professional legal or tax advice on any subject matter. Since the counties indicated above are subject to change, we recommend contacting the county to which you wish to move to verify eligibility. Data Source: [https://www.boe.ca.gov/proptaxes/prop60-90\\_55over.htm#Description](https://www.boe.ca.gov/proptaxes/prop60-90_55over.htm#Description)

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