



# All About California Propositions 60 & 90

In the state of California, new home owners face a reappraisal at the time of the sale and an associated reassessment of the new base tax value. With the historical appreciation of property values, the new assessment often equates to a raise in the property tax amount due. In order to offer protection for individuals over the age of 55 that may be facing decreased or fixed incomes, California introduced Proposition 60 in 1986 and the latter Proposition 90 in an effort to alleviate the potential increased tax burden. Propositions 60 & 90 may provide significant potential tax relief for qualifying property owners.

## Eligibility Requirements



1. Owner of record must have been at least 55 years of age when the original property was sold.
2. The replacement property must be used as a principal residence and must be eligible for the homeowners' exemption or disabled veterans' exemption.
3. The replacement property must be of equal or lesser "current market value" than the original property. The "equal or lesser" test is applied to the entire replacement property, even if the owner of the original property purchases only a partial interest in the replacement property.
4. The replacement property must be purchased or built within two years (before or after) of the sale of the original property.
5. To receive retroactive relief from the date of transfer, a claim must be filed within three years following the purchase date or new construction completion date of the replacement property.
6. The 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.

## Prop 60 v Prop 90

The primary difference between the two propositions is based on the location of the transfer.

Proposition 60 allows transfers within the same county (intracounty). Proposition 90 basically expands the benefits of Proposition 60 by allowing transfers from one county to another in California (intercounty) in counties that accept the transfer.

There are currently 11 counties with an ordinance enabling the inter-county base year value transfer including:

**Alameda  
Orange  
San Diego  
Tuolumne  
El Dorado  
Riverside**

**San Mateo  
Ventura  
Los Angeles  
San Bernardino  
Santa Clara**

Since the counties indicated above are subject to change, we recommend contacting the county to which you wish to move to verify eligibility.

\* Please note that El Dorado County Board of Supervisors approved an extension of their ordinance on August 30th, 2016 which will now sunset on October 1, 2021.

## One Time Use

The benefits of Proposition 60 and Proposition 90 are available for application only once in a lifetime with one exception. Proposition 110 further states that even if the benefits have been used as tax relief based on age, a second tax relief may be available for disability qualifications. In the event that the tax relief has been applied based on disability, a future relief is then not available based on age.

For more information about Proposition 60 & Proposition 90, visit the California State Board of Equalizations.

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