

# Proposition 60/90

## Extends Property Tax Break For Seniors

Ordinarily, when the ownership of California real property changes, the property is reassessed at its current fair market value and the new owner pays property tax based on the reassessment. Proposition 60 created an exemption by providing that the taxpayer who is 55 years of age or older may transfer the Proposition 13 base year assessment of his/her principal residence to any replacement dwelling of equal or lesser value\* within the same county. If eligible, the homeowner will pay property tax on the replacement home based on the same assessment value of the former home. Proposition 90 enables such taxpayers, in certain circumstances, to transfer their base year value to a replacement dwelling in another county.

Only certain counties have adopted Proposition 90. Former Governor Pete Wilson extended the Prop. 90 bill indefinitely, subject to the approval by each county in the program. It is IMPERATIVE that you verify with the individual county that they are still accepting Prop. 90 transfers.

### **ELIGIBILITY REQUIREMENTS:**

- The seller of the original residence, or a spouse residing with the seller, must be at least **55** years of age, as of the date that the original property is transferred.
- The replacement property must be of equal or lesser "current market value" than the original.
- The base year value of the original property cannot be transferred to the replacement dwelling until the original property is sold.
- The replacement property must be purchased or newly constructed within two years (before or after) of the sale of the original property.
- The owner must file an application within three years following the purchase date or new construction completion date of the replacement property.
- This is a one-time only filing. Proposition 60/90 relief cannot be granted if the claimant, or spouse, was granted relief in the past.
- Proposition 60/90 relief includes, but is not limited to: single family residences, condominiums, units in planned unit developments, cooperative housing corporation units or lots, community apartment units, mobile homes subject to local real property tax, and owners' living premises which are a portion of a larger structure.
- The taxpayer is not eligible for the tax relief until they actually own AND occupy the replacement dwelling as their principle residence.

### **Helpful Hints To Expedite Your Prop 60/90 Application**

The County Assessor will require a copy of the tax bill from the other county and a copy of the applicant's birth certificate to be included with the application. Also include a copy of the grant deed for the new purchase and a copy of the closing statements for both the sale and the purchase. In most instances, if more than one owner of an original property is eligible for Proposition 60/90, they must choose among themselves which one will use the benefits.

**For more information call the Property Tax Office for all counties in California (Sacramento) by calling:  
(916) 445-4982.**

Information was obtained by a reliable source but is not guaranteed