



# California Tax Savings Programs

## Proposition 3

### Property Taken by Government Action-Eminent Domain

Allows property owners to transfer Prop. 13-factored base year value of real property taken by government action to a comparable replacement property located anywhere in California, if certain qualifying conditions are met. Value limits and other requirements apply. Proof of displacement and supporting documentation is required.

## Proposition 60

### Senior Citizen's Replacement Dwelling Benefit or Empty Nest Act

Proposition 60 is a constitutional amendment approved by California voters in 1986. It is codified in Section 69.5 of the Revenue & Taxation Code and allows homeowners who are at least 55 years of age to transfer an existing Prop 13-factored base year to a replacement residence located within the same county, if certain qualifying conditions are met.

## Proposition 58

### Parent-Child Transfers (R&T Section 63.1)

- Real Estate transferred from parents to children, or from children to parents may be excluded from reassessment.
- The established Prop. 13 taxable value is not affected by the transfer.
- The new owner's taxes are calculated on the established Prop. 13 value, instead of the current market value when the property is acquired.
- \$1 Million limit (taxable value) on transfers of non-principal residence property.
- No dollar limitation on the original owner's principal residence.
- Generally, transfers between legal entities (i.e. corporations, partnerships) owned by parents or children do not qualify.

## Proposition 90

### Senior Citizen's Replacement Dwelling Benefit or Empty Nest Act

Proposition 90 is a constitutional amendment approved by California voters in 1998. It is codified in section 69.5 of the Revenue & Taxation Code and allows homeowners who are at least 55 years of age to transfer an existing Prop. 13-factored base year value to a replacement residence located within another county, if certain qualifying conditions are met. Not all counties have adopted local ordinances to implement Prop. 90. Before attempting to transfer a base year value to property in another county under the provisions of Prop 90, you should contact the local County Assessor to discuss eligibility.

## Proposition 110

### Severely and Permanently Disabled Persons

Proposition 110 is a constitutional amendment approved by California voters in 1990. It is codified in Section 69.5 of the Revenue & Taxation Code and allows homeowners who are severely and permanently disabled to transfer an existing Prop. 13 factored base year value to a replacement residence, if certain conditions are met. Some counties have not adopted local ordinances to implement Prop 110. Before attempting to transfer a base year property value to property in another county under the provisions of Prop 110, contact the local County Assessor to discuss eligibility.

## Proposition 193

### Grandparent—Grandchildren Transfers

- Real Estate transferred from grandparents to grandchildren may be excluded from reassessment.
- The established Prop. 13 taxable value is not affected by the transfer.
- Taxes are calculated on the established Prop. 13 value.
- \$1 Million limit (taxable value) on transfers of non-principal residence property.
- No dollar limitations on grandparent's principal residence.
- No dollar limitation on grandparent's principal residence.
- Generally, transfers directly between legal entities (i.e. corporations, partnerships) owned by grandparents do not qualify.

## Proposition 50

### Property Substantially Damaged By Disaster

- Taxpayers whose property has been destroyed or damaged in a Governor declared disaster area can transfer the Prop 13 base year value to a comparable property.
- Property is "substantially damaged or destroyed" when it has sustained physical damage amounting to more than 50% of the property's market value before the disaster occurred.
- Damages include a property's loss in value due to permanent restricted access caused by the disaster.



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