

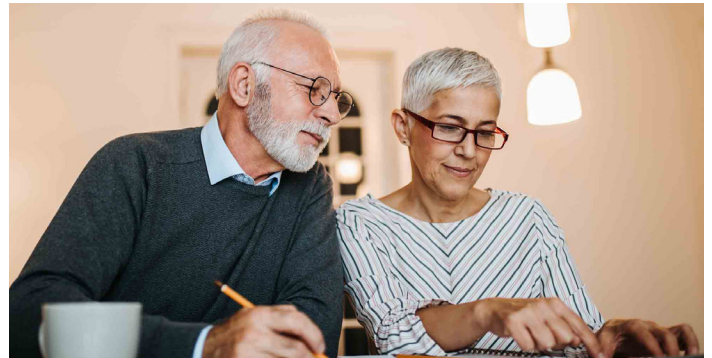


## PROPERTY TAX SAVINGS FOR SENIORS, SEVERELY DISABLED OWNERS, VICTIMS OF A NATURAL DISASTER

November 2021

On November 3, 2020, California voters approved Proposition 19 which changed tax savings programs for families and seniors. This fact sheet focuses on the tax savings for persons 55 or older, severely disabled, or victims of wildfire or other natural disasters who are interested to keep and transfer their existing assessed value when they move to a replacement home in California. **Effective Date: April 1, 2021.**

Check to see if you are eligible today!



### ELIGIBILITY CHECKLIST

#### Eligible Person

- 55 or older,
- Severely disabled, or
- Victims of wildfires or other natural disasters

#### Eligible Property

Principal Residency required. Your original property and later the replacement property must be your principal residence.

#### Value

The replacement home can be of greater value than the original home. The portion that is over the value of the original home will be reassessed at current market value and added to the original home's base year value.

#### Replacement home purchase timeline

The replacement home must be newly purchased or newly constructed within two years of the sale of the original home.

#### Claim Filing Timeline

A claim must be filed within three (3) years following the purchase date or the construction completion date of the replacement primary residence. If you file after the three year period, relief cannot be applied retroactively.

### PLEASE KEEP IN MIND

Prop 19 allows eligible owners to transfer their tax base up to three (3) times in their lifetime. This is in addition to any claims that the owner may have already used under previous provisions (Propositions 60, 90 and 110). Victims of wildfires or other natural disasters may transfer their tax base once per event.

The replacement home can be located within any county in California.



*“Severely Disabled” For property tax purposes, a severely and permanently disabled person is defined as “any person who has a physical disability or impairment, whether from birth or by reason of accident or disease, that results in a functional limitation as to employment or substantially limits one or more major life activities of that person, and that has been diagnosed as permanently affecting the person’s ability to function, including, but not limited to, any disability or impairment that affects sight, speech, hearing, or the use of any limbs.”*

*“Natural Disaster” means the existence, as declared by the Governor, of conditions of disaster or extreme peril to the safety of persons or property within the affected area caused by conditions such as fire, flood, drought, storm, mudslide, earthquake, civil disorder, foreign invasion, or volcanic eruption.*

**EXAMPLE:**

Homeowner, aged 56, sells her principal residence on October 6, 2021 for \$1,200,000. At the time of sale, the home had a Taxable Value of \$368,000.

On November 30, 2021, a replacement home is purchased for a full cash value of \$1,500,000. Here, the full cash value of the replacement home is more than the full cash value of the original home by \$300,000. Under Prop 19, this difference will be added to the taxable value carried over from the prior home.

“Taxable value” means the base year value plus annual inflationary adjustments that is used to calculate property tax. This is also known in our office as the factored base year value.

**PROP 19 FAMILY TRANSFER CALCULATION**

1) Calculate the difference in full cash values

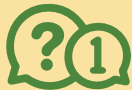
<b>Full Cash Value Replacement Residence</b>	\$1,500,000
<b>Full Cash Value Original Residence</b>	- \$1,300,000
<b>Difference</b>	= \$200,000

2) Add the difference to the factored base year value

<b>Difference</b>	\$200,000
<b>Factored Base Year Value</b>	+ \$368,000
<b>New Base Year Value of Replacement Residence</b>	= \$568,000



**FREQUENTLY ASKED QUESTIONS**



**How do I apply for Prop 19's Base Year Value transfer?**

**A1:** Complete a Claim Form for Transfer of Base Year Value to Replacement Primary Residence:

- BOE-19-B, Claim for Transfer of Base Year Value to Replacement Primary Residence for Persons at Least Age 55 Years
- BOE-19-D, Claim for Transfer of Base Year Value to Replacement Primary Residence for Severely Disabled Persons
- BOE-19-DC, Certificate of Disability
- BOE-19-V, Claim for Transfer of Base Year Value to Replacement Primary Residence for Victims of Wildfire or Other Natural Disaster

The forms can be found on our website at [sfassessor.org](http://sfassessor.org). You can also visit our office at City Hall room 190 during office hours (Mon-Fri 8am-5pm) to obtain these application forms. If you have any questions, please visit us, call 415-554-5596 or email [assessor@sfgov.org](mailto:assessor@sfgov.org).



**To qualify for the base year value transfer, does the homeowner have to be (1) age 55 or over, (2) severely disabled, and (3) a victim of a disaster (all three)?**

**A2:** No, under Proposition 19, a homeowner may qualify for the base year value transfer under any one of the three categories listed; they do not need to meet all three categories in order to qualify.



**If I make an improvement to my new home after I transferred the old value to it, can I get additional tax relief for the new construction?**

**A3:** Maybe. You may be eligible to receive additional tax relief if 1) construction is completed within two years of the purchase, and 2) the value of your new construction plus the market value of your replacement property when purchased does not exceed the market value of the original property. You must notify the assessor in writing within 30 days after completion.

*\*\*Disclaimer: Information on this document is not constructed as legal advice, but is designed to inform the public on tax relief opportunities processed by the Office of the Assessor-Recorder. If you have any questions regarding your particular property tax position, it is recommended that you consult with an attorney or a certified accountant.*