

Frequently Asked Questions

On Proposition 19 Base Year Value Transfers

As Answered by the State of California Board of Equalization



Validity/Timing

1. **Question:** When is the operative date of Section 2.1(b), the new base year value transfer?

Answer: Section 2.1(b) is operative beginning on and after April 1, 2021.

2. **Question:** For purposes of a base year value transfer under the provisions of Proposition 19, what is the date of the “transfer”?

Answer: The date that a base year value can be transferred is the later of either (1) the date of sale of the original primary residence, or (2) the date of purchase or completion of new construction of the replacement primary residence.

3. **Question:** Must both the sale of the original primary residence and the purchase or completion of new construction of a replacement primary residence occur on or after April 1, 2021 in order to qualify for the Proposition 19 base year value transfer?

Answer: No. Only one of these transactions must occur on or after April 1, 2021, in order to qualify for the Proposition 19 base year value transfer, as long as all other requirements have been met.

4. **Question:** Can the replacement primary residence be purchased prior to selling the original primary residence?

Answer: Yes. The replacement primary residence must be purchased within two years of the sale of the original primary residence – either before or after the sale. As long as one of the transactions occurs on or after April 1, 2021, the provisions of Proposition 19 will apply. However, if the replacement primary residence is purchased first, the base year value cannot be transferred until the original primary residence is sold. Thus, the homeowner will be responsible for property taxes based on the full fair market value determined as of the date of purchase. Thus, there will be no refund or cancellation of taxes for the period between the date of purchase of the replacement primary residence and the date of sale of the original primary residence if the replacement primary residence is purchased first.

5. **Question:** If I sell my original primary residence in March 2021, but I wait until after April 1, 2021, to buy a replacement primary residence, am I eligible for the base year value transfer from my original primary residence to my replacement primary residence under the provisions of Proposition 19?

Answer: Yes. As long as one transaction (either the sale of the original primary residence or the purchase of the replacement primary residence) occurs on or after April 1, 2021, you will be eligible to transfer your base year value from your original primary residence to a replacement primary residence under the provisions of Proposition 19, as long as all other requirements have been met.

6. **Question:** We bought a new home in June 2019, and made it our primary residence. We sold our original primary residence on July 15, 2019. At the time, we did not qualify for a base year value transfer under the provisions of Prop 60/90/110. Can we now qualify to transfer our original base year value under the new base year value provisions of Proposition 19 to our replacement primary residence if we file the claim after April 1, 2021?

Answer: No. In order to transfer the base year value under Proposition 19, at least one transaction must occur on or after April 1, 2021. Since both transactions occurred prior to this date, you would not be eligible to transfer your base year value under the provisions of Proposition 19. However, since you sold your original primary residence on July 15, 2019, you have two years from the date of sale of your original primary residence, either before or after, in which to purchase or complete new construction of your replacement primary residence. Thus, while you are not eligible to transfer the base year value of your original primary residence to the replacement residence you purchased in June 2019, you may still be eligible to transfer the base year value of your original primary residence under the provisions of Proposition 19 if you purchase another replacement primary residence on or after April 1, 2021, but before the two-year deadline of July 15, 2021.



7. **Question:** I sold my original primary residence in November 2020. Am I still eligible to transfer my base year value under the provisions of Proposition 19 if I am under contract to purchase my replacement primary residence before April 1, 2021, but escrow does not close until May 1, 2021?

Answer: Yes. Where a transfer is evidenced by the recordation of a deed or other document, the date of recording (i.e., close of escrow) is rebuttably presumed to be the date of change in ownership.¹ Thus, as long as the deed for the purchase of your replacement primary residence is recorded on or after April 1, 2021, then the provisions of Proposition 19 may apply, as long as all other requirements have been met.

Age

8. **Question:** I will turn 55 years old in September 2021. Will I be able to transfer my base year value under Proposition 19 if I sell my current primary home in April 2021 and purchase a replacement home after I turn 55 in September 2021?

Answer: No. In order for you to transfer your base year value, you must be at least age 55 when you sell your original primary residence. Your age when you purchase your replacement primary residence is not relevant. Thus, if you are age 54 when you sell your original primary residence, you will not qualify to transfer your base year value from the home that was sold in April 2021.

9. **Question:** If one spouse is over age 55, but the other spouse is not, do they still qualify for the base year value transfer under Proposition 19?

Answer: As long as the spouse who is at least age 55 is on title to both the original primary residence on its date of sale and the replacement primary residence on its date of purchase, then the spouse who is at least age 55 will qualify to transfer the base year value, as long as all other requirements have been met. It does not matter if the other spouse is not at least age 55.

Principal Place of Residence

10. **Question:** Does the home that was sold have to be the owner's primary residence at the time of sale?

Answer: The home from which the property owner wants to transfer the base year value must have been the owner's primary place of residence as of one of the following: (1) the date of sale of the original primary residence, (2) the date of disaster that resulted in the substantial damage or destruction of the original primary residence, or (3) within two years of the purchase of the replacement primary residence.

Ownership

11. **Question:** Can I have a co-owner on title and still qualify to transfer my base year value under Proposition 19?

Answer: Yes, there is no requirement that the homeowner who is over 55, or severely disabled, or a victim of a wildfire be the sole owner of either the original primary residence or the replacement primary residence.

12. **Question:** Under Proposition 19, can the base year value be transferred when one spouse (age 65) stays in the existing home and the other spouse (age 67) purchases another home of equal value if they are separated and/or divorced?

Answer: In order to transfer the base year value, the original primary residence must be sold and 100 percent reassessed to current market value. A transfer between spouses, whether during the marriage or pursuant to a marriage settlement agreement, is excluded from reassessment under section 63. Thus, in this situation, the spouse who purchases another home will be unable to transfer the base year value because the original primary residence was not sold and reassessed to current market value.



Location

13. **Question:** What counties will be participating in Proposition 19 after April 1, 2021?

Answer: The provisions of Proposition 19 apply to all 58 counties beginning on and after April 1, 2021. Thus, a base year value from an original primary residence may be transferred to a replacement primary residence that is located anywhere in California. There is no requirement that a county enact an ordinance in order to allow an intercounty base year value transfer under the Proposition 19 provisions.

14. **Question:** I would like to know if I would be able to qualify for Proposition 19 if I am 62 years old and I am buying a primary residence in California. I will be selling my primary residence in Georgia.

Answer: In order to transfer a base year value under Proposition 19, both the original primary residence and the replacement primary residence must be located in California. Thus, a base year value cannot be transferred from an original primary residence located in Georgia.

Transferring Base Year Value Multiple Times

15. **Question:** If we already used the one-time base year value transfer provided under Prop 60/90/110, will we be able to transfer our base year value again under Proposition 19 and, if so, how many more times can we transfer our base year value?

Answer: Regardless of whether you already used your one-time transfer of your base year value under Prop 60/90/110, you will still be able to transfer your base year value three more times under Proposition 19.

Value Comparison Test

16. **Question:** If I sell my original primary residence and purchase another home as my replacement primary residence, can I still transfer my base year value if my replacement primary residence was purchased for more than what my original primary residence sold for?

Answer: Yes. Under the provisions of Proposition 19, when the full cash value of the replacement primary residence is equal to or less than the full cash value of the original primary residence, the new base year value of the replacement primary residence is the factored base year value of the original primary residence. However, when the full cash value of the replacement primary residence is greater than the full cash value of the original primary residence, the new base year value of the replacement primary residence is the difference between the full cash value of the replacement primary residence and the full cash value of the original primary residence plus the factored base year value of the original primary residence.



Value to Transfer

17. **Question:** How can we transfer my mother's previous tax rate to her new property?

Answer: Under Proposition 19, it is the factored base year value, not the tax rate, of the original primary residence that is transferred to the replacement primary residence.

18. **Question:** If I buy a home that is of equal or lesser value, will my property taxes remain the same before and after I transfer my base year value to my replacement primary residence?

Answer: While your factored base year value will remain the same, the actual amount of property taxes may change. A property's property tax is dependent upon the tax rate area where the property is located. A property's tax rate is the combination of assessing districts in which the property is located. In addition to the general state-wide property tax levy of 1 percent, the tax rate in any particular area may include increments to pay off bonded indebtedness and/or direct levies assessed by local agencies. A property's tax bill is calculated by applying the property's tax rate to its assessed value (the factored base year value). Thus, the difference in tax rates between the original primary residence and the replacement primary residence determines whether your property taxes will remain the same, increase, or decrease.

19. **Question:** I am interested in buying a property that is located in a Mello-Roos Community Facilities District. Under Proposition 19, will the base year value transfer from my original primary residence to the replacement primary residence eliminate the Mello-Roos assessment bonds on the property?

Answer: No. The Mello-Roos assessment bonds are a separate assessment for a property located in a Mello-Roos Community Facilities District; they are not ad-valorem property taxes. Transferring a base year value will have no impact on the amount of Mello-Roos assessment owed for the replacement property.

Multi-Unit Property

20. **Question:** If my original primary residence is a multi-unit property, am I still eligible to transfer the base year value to a replacement primary residence?

Answer: Yes. However, you will only be eligible for that portion of the value attributable to the unit that is your original primary residence. Section 2(a) of article XIII A of the California Constitution provides that "a two-dwelling unit shall be considered as two separate single-family dwellings." Thus, the base year value attributable to the unit that is occupied as your primary residence may be transferred to a replacement primary residence. In determining the new taxable value of the replacement primary residence, the full cash value attributable to the unit that was the original primary residence will be compared to the full cash value of the replacement primary residence. For example, a duplex that is comprised of two identical units has a total factored base year value of \$300,000. One of the units is occupied by the owner of the property as their primary residence and the other unit is being used as a rental unit. The duplex is sold on May 10, 2021, for \$800,000. The owner of the duplex then purchases a single family residence as their replacement primary residence on May 11, 2021, for \$500,000. Under the provisions of Proposition 19, as long as all other requirements have been met, the new taxable value of the replacement primary residence would be calculated as follows: Since both units of the duplex are identical, then the full cash value of the unit that is the original primary residence is \$400,000 ($\$800,000/2$). Since the full cash value of the replacement primary residence is greater than the full cash value attributable to the original primary residence unit, the difference between the full cash values is added to the factored base year value that is attributable to the original primary residence. Thus, $\$500,000 - \$400,000 = \$100,000$. The factored base year value that is attributable to the original primary residence unit is \$150,000 ($\$300,000/2$). The new taxable value of the replacement primary residence is \$250,000 ($\$100,000 + \$150,000$).



Disaster

21. **Question:** Our home flooded multiple times in 2017 and once again in 2019. We purchased a new home on January 15, 2020 in order to escape the flooding. Can we qualify for a base year value transfer under Proposition 19?

Answer: For an owner who is the victim of a wildfire or natural disaster, the original primary residence must meet the following requirements in order for you to be able to transfer your base year value under Proposition 19: • The flooding was the result of a disaster for which the Governor proclaimed a state of emergency. • The original primary residence was substantially damaged or destroyed by the flood, meaning that there was more than a 50 percent difference in the value of the residence immediately before and after the flooding. • The original primary residence is sold in its damaged state within two years of the purchase of your replacement primary residence (i.e., between the Proposition 19 operative date of April 1, 2021 and January 15, 2022).

22. **Question:** I am a homeowner who lost my home in Napa County in the wildfires of 2017. I purchased a replacement property in Santa Barbara County on October 9, 2020. I intend to sell the original primary residence in Napa County sometime during the 2021 calendar year. Must I sell my original primary residence in Napa County on or after April 1, 2021, in order to qualify under the Proposition 19 provisions to transfer my base year value from my original primary residence in Napa County to a replacement primary residence in Santa Barbara County?

Answer: Under Proposition 19, the base year value of the original primary residence cannot be transferred to the replacement primary residence until the original primary residence is sold. In addition, in order to transfer the base year value under the Proposition 19 provisions, at least one transaction must occur on or after April 1, 2021. Thus, as long as you sell your damaged or destroyed home (original primary residence) in Napa County on or after April 1, 2021 (the operative date of Proposition 19 base year value transfer) and before October 9, 2022 (within two years of the purchase of your replacement primary residence), you will be able to transfer your base year value to your replacement primary residence in Santa Barbara County. Once your Napa County property is sold, then you will be able to file a claim with the Santa Barbara County Assessor's Office to transfer your base year value.



Claim Filing

23. **Question:** How do I apply for a Proposition 19 base year value transfer? Do I apply during the escrow process?

Answer: You can apply for the Proposition 19 base year value transfer once you have sold your original primary residence and you have purchased your replacement primary residence within two years of the sale of that original primary residence. Once both of these transactions have taken place and you occupy the replacement residence as your primary residence, you must file a claim form with your local County Assessor's office where the replacement primary residence is located in order to be eligible to have your base year value transferred.

24. **Question:** Where do I get the form to apply for the base year value transfer under the provisions of Proposition 19?

Answer: It is the local County Assessor where the replacement primary residence is located that determines whether you qualify to transfer your base year value from your original primary residence to a replacement primary residence. Thus, the new claim forms that have been created for the Proposition 19 base year value transfers must be obtained from your local County Assessor's office where the replacement primary residence is located. The new forms for the base year value transfers are: • 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 A list of the 58 California County Assessors and the links to their websites are available on the BOE's website at: www.boe.ca.gov/proptaxes/countycontacts.htm.

25. **Question:** I purchased my replacement primary residence in February 2021. A year later, I sell my original primary residence and file a claim for the base year value transfer. Under Proposition 19, will I get a refund of the taxes I paid while waiting for my claim to be approved to transfer my base year value to my replacement primary residence?

Answer: Once your claim is approved, any taxes that were levied on the replacement primary residence prior to the filing of the claim on the basis of the replacement primary residence's full cash value at the time of purchase or new construction, and any allowable adjustments, shall be cancelled or refunded to the extent that the taxes exceed the amount that would be due when determined on the basis of the adjusted new base year value.

¹ Property Tax Rule 462.260(a)(1).

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