

Can property held by my parents in a trust qualify for this exclusion?

Yes. An inheritance or transfer to children within a trust may qualify for this exclusion. The trust documents must be provided with the claim.

Can property held by a corporation or partnership qualify?

No. In order to qualify, the transfer of property must be between individuals, not individuals and a corporation or partnership.

The claim form asks for information about the transferor and transferee. Who is the transferor and who is the transferee?

The transferor is the previous owner (grantor, decedent, or trustor). The transferee is the new owner (grantee, heir, or beneficiary).

Do all children (transferees) need to sign the claim form?

No, one signature is sufficient, however, all transferees must be listed. A photocopied signature is not acceptable.

How do I obtain a Parent-Child or Grandparent-Grandchild Exclusion claim form?

You may request an exclusion claim form by calling our office at (619) 531-5848, or by downloading the form from our website at www.sdarcc.com. If you have additional questions, please contact the Change in Ownership Unit at ARCCPC@sdcounty.ca.gov or write to us at:

Ernest J. Dronenburg, Jr.
Assessor/Recorder/County Clerk
1600 Pacific Highway, Suite 103
San Diego, CA 92101

February 2021



Ernest J. Dronenburg, Jr.
Assessor / Recorder / County Clerk
County of San Diego

**PARENT-CHILD
EXCLUSION**

**Occurring on or After
February 16, 2021**



INFORMATION

**1600 Pacific Highway, Suite 103
San Diego, CA 92101
(619) 531-5848
ARCCPC@sdcounty.ca.gov**

Branch Office Locations to Serve You:

CHULA VISTA
590 Third Avenue
Chula Vista, CA 91910

SANTEE
10144 Mission Gorge Road
Santee, CA 92071

KEARNY MESA
9225 Clairemont Mesa Blvd.
San Diego, CA 92123

SAN MARCOS
141 E. Carmel Street
San Marcos, CA 92078

OFFICE HOURS
8:00 a.m. to 5:00 p.m.
Monday through Friday
(All Locations)

www.sdarcc.com

What is a Parent-Child Exclusion?

The Parent-Child Exclusion applies to any real property purchases or transfers between parents and children of a principal residence of the transferor and transferee which occurred on or after February 16, 2021.

What is the purpose and benefit of the Parent-Child Exclusion?

This exclusion prevents an increase in property taxes when real property is transferred between parents and their children.

What is the definition of a “child” for the purpose of this exclusion?

Natural children, children adopted before the age of 18, stepchildren (as long as the parents are still married), foster children, and sons- and daughters-in-law are considered children under this exclusion program.

What type of property can be transferred without a tax increase?

A parent may transfer their principal residence with a \$1,000,000 market value exclusion to their children providing that the proper Claim for Exclusion from Reappraisal form is filed and approved by the Assessor’s Office. If the market value of the family home or farm on the date of transfer exceeds the sum of the factored base year value plus \$1 million, the amount in excess of this sum will be added to the factored base year value.

What is a Grandparent-Grandchild Exclusion?

California State law allows property to be excluded from reappraisal when transferred between grandparent and grandchild, providing that a Claim for Exclusion from Reappraisal form is filed and approved by the Assessor’s Office. This exclusion is available only when both parents of the eligible grandchildren are deceased. Disclaiming interest in the real property by the parent does not alter the requirements as both parents must be deceased for the Grandparent-Grandchild Exclusion to qualify.

Will I get the exclusion automatically?

No. A Claim for Exclusion from Reappraisal form must be completed and filed with the Assessor’s Office. Failure to file a claim will result in a reassessment of the property. You will receive the exclusion after your claim is approved.

Is there a filing deadline for this exclusion?

A claim must be filed within three years of the date of transfer or death, or prior to the sale or transfer to a third party. Also, a claim may be filed within six months after the mailing date of the supplemental notice or escape assessment. In addition, a Homeowners’ or Disabled Veterans’ Exemption must be filed within one year of transfer.

When must the claim for the exclusion be filed to avoid a supplemental bill?

To prevent a supplemental tax bill from being issued, a claim with a Homeowners’ or Disabled Veterans’ Exemption must be filed as soon as possible after the transfer or date of death.

Is there anything I can do after the deadline?

If a claim is filed after the legal deadline, the exclusion may be granted but no refunds will be issued for prior years. It will be granted for the year the claim is filed as long as the property has not been sold to a third party.

We have already sold the property we inherited from our parents. May we still file a claim?

Yes. A reappraisal will occur for the period between the date of the death and the sale to the third party. A supplemental bill will be issued unless the heirs or beneficiaries apply and qualify for this exclusion.

Can transfers that occurred before February 16, 2021 qualify for the Parent-Child Exclusion?

Yes. There are different laws for the Parent-Child Exclusion for transfers that occurred prior to February 16, 2021. Please contact our office for further information.