

Can two otherwise qualified property owners who have recently sold their separately owned original properties combine their claim when they buy a single replacement home together?

No. They can only receive the benefit if one or the other, not both together, qualifies by comparing his or her original property to the jointly purchased replacement home. The implementing legislation specifically disallows combining a claim in this manner, regardless of whether the co-owners of the replacement home are married or not.

If an addition is made to a replacement home (such as a new room, detached garage, or pool) after the base year has been transferred, can that addition be excluded from re-assessment?

Yes. The law provides that if new construction is performed upon the replacement home after the base year value has been transferred, the newly constructed portion is excluded from assessment if three specific conditions are met:

- The new construction is completed within two years of the date of sale of the original property;
- The owner notifies the assessor of the new construction in writing no later than 30 days after its completion; and

- The market value of the new construction plus the market value of the replacement home is not greater than the market value of the original property.

What if my original property contains more than just my principal residence and the land necessary for that residence?

You will receive Proposition 60/90 benefits only if the replacement home is of equal or lesser value than the portion of the original property that is your principal residence and the land that is necessary for that residence. The market value of the rest of the original property is not included in the comparison of the original property with the replacement home.

Do I still have to pay the existing current tax bill on the replacement property or will that bill be adjusted to reflect the new value?

Yes. You must pay the current year tax bill on your replacement property. That bill cannot be adjusted or canceled to reflect the Proposition 60/90 benefit. Any correction resulting from the original value transfer will be made on the supplemental assessment. When the entire process is complete, you will have the same assessed value as your original property.

How can I apply for this program?

In order to apply, you must complete and submit the necessary application. You may request the necessary application by writing to Ernest J. Dronenburg, Jr., Assessor/Recorder/County Clerk, 1600 Pacific Highway, Suite 103, San Diego, CA 92101, or by calling (619) 531-5481. You may also download the form from our website at www.sdarcc.com.

Are there any tax exclusions available for the disabled?

Yes. California law, Proposition 110, allows any person who is severely and permanently disabled to buy a residence of **equal or lesser value** than their existing home and transfer their current taxable value to their new property. This provides property tax relief for the disabled by preventing a tax increase if they sell their existing home and buy another. An application must be filed with the Assessor's Office. For more information, call (619) 531-5481.

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

**REAPPRAISAL EXCLUSION
FOR SENIORS**

OCcurring BEFORE
APRIL 1, 2021

*A PROPERTY TAX
SAVINGS PROGRAM*

INFORMATION
1600 Pacific Highway, Suite 109
San Diego, CA 92101
(619) 531-5481

Branch Office Locations to Serve You:

CHULA VISTA 590 Third Avenue Chula Vista, CA 91910	SANTEE 10144 Mission Gorge Road Santee, CA 92071
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KEARNY MESA 9225 Clairemont Mesa Blvd. San Diego, CA 92123	SAN MARCOS 141 E. Carmel Street San Marcos, CA 92078
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OFFICE HOURS
8:00 a.m. to 5:00 p.m.
Monday through Friday

www.sdarcc.com

March 2021



What does Proposition 60/90 Reappraisal Exclusion for Seniors provide?

This is a property tax savings program for those aged 55 or older who are selling their home and buying another of equal or lesser value. Under Proposition 13, a home is normally appraised at its full market value at the time it is purchased. This program allows the taxable value on the original home to be transferred to the replacement home thereby preventing an increase in property tax.

Is there an age requirement to qualify?

Yes. The property owner must be 55 years of age or older at the time the original property is sold in order to qualify. For married couples, only one spouse must be 55 years of age or older in order to qualify.

Must the property be owner-occupied?

Yes. Both the original and replacement property must be eligible for a homeowner's exemption. This means that the property must be the owner's principal place of residence.

May I take advantage of this program more than once?

No. This is a one-time only program.

If I buy a replacement home with a much higher value than my present home, can I qualify for a partial exclusion?

No. Partial exclusions are not allowed under this program, it is either all or nothing.

Is there a time limit for this program?

Yes. You must sell your original home and buy your new property within a two-year period in order to qualify. Effective January 1, 2007, applications can be filed anytime after the date a replacement home is purchased or new construction of a replacement home is completed. However, if the application is filed after three years, the exclusion will only be applied prospective from the date the application is filed.

Are there property value limits on this program?

Yes. Generally, the value of the replacement property must be equal to or less than the market value of the original property. Specifically, the following percentages apply:

- 100% of the market value of an original property if a replacement home is purchased before the original property is sold.
- 105% of the market value of an original property if a replacement home is purchased within one year after the sale of the original property.

- 110% of the market value of an original property if a replacement home is purchased within the second year after the sale of the original property.

If I decide to build my replacement property, does this qualify for this program?

Yes. New construction does qualify for this program, although there are specific requirements that must be followed. If you are interested in pursuing this option you may contact the Assessor's Office at (619) 531-5481 to go over the requirements.

How will the Assessor's Office determine the market value of my replacement home if I build it myself?

The Assessor's Office will determine the value of the newly constructed residence by looking at comparable sales of similar property. The value can often be substantially higher than the actual cost of construction especially if the work is completed by the homeowner and not by an outside general contractor.

Is the "equal or lesser value" test a simple comparison of the sales price of the original property and the purchase price or cost of new construction of the replacement home?

No. The comparison must be made using the full market value of the original property and the full market value of

the replacement home as of its date of purchase. This is important because the sales price is not always the same as market value. The assessor must determine the market value for each property, which may differ from the actual sales price.

Is this program available if I move from another California county to San Diego?

Yes. You can come from any California county and move to San Diego and transfer your base year value. However, only a limited number of California counties will allow the transfer from San Diego to their county. Please contact the Assessor's office in the county that you are interested in moving to and ask if they accept "Proposition 90 base year value transfers."

May I give my original property to my child and still receive the Proposition 60/90 benefit when I purchase a replacement property?

No. The law provides that an original property must be sold for consideration and subject to reappraisal at full market value at the time of sale. Original property transferred to a child or disposed of by gift or inheritance does not qualify.