



County of Fresno

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Assessor-Recorder

FOR IMMEDIATE RELEASE:

December 21, 2020

NEWS RELEASE

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PROPOSITION 19 CLARIFIED

California Secretary of State Alex Padilla has certified on December 11, 2020 the adoption of Proposition 19, a Constitutional amendment to Proposition 13 that expands the portability of a property owner's tax base. It also makes significant changes to the property tax benefits for individuals who inherit real property from their parents, and in some cases, grandparents.

"Proposition 19 has a very short implementation deadline," Assessor Dictos said. "For parents who intend to leave their property to their children, it's important that they be aware of this new law and its limitations. Proposition 19 significantly reduces the property tax savings' benefits for inherited property."

Under current law, known as Proposition 58 and Proposition 193, children (and in some cases grandchildren) may inherit their parents or grandparents' property tax assessment. This applies to primary residences of any value and up to \$1 million in additional property (commercial or residential).

Proposition 19 restricts the inheritance of a property's assessed value to the primary residence. Prior to a transfer, the home must be the parent's principal residence and it must become the primary residence of the children/child within one year after the transfer to qualify. This new law takes effect February 15, 2021.

"My staff and I are committed to implementing a quick and smooth transition to the new law," Assessor Dictos said. "There are significant issues in the language of the measure that will require interpretation or amendment by the State Board of Equalization or the Legislature before California assessors are able to fairly and efficiently implement this measure", said Dictos.

Proposition 19 also expands benefits allowed for seniors, the disabled and victims of disasters to transfer their property's assessed value to another home anywhere in California. This aspect of Proposition 19 is effective April 1, 2021.

"As the sale of property frequently triggers unintended consequences on federal and state taxes, such as capital gains, property owners are encouraged to seek professional advice before taking any action," Assessor Dictos said.

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