

What is Proposition 60 and 90?

- ◆ **Constitutional Amendments:** Passed by California voters in 1986, they provide tax relief to homeowners 55 and older by allowing, with certain restrictions, homeowners to transfer their existing property tax base to a replacement home of the same or a lesser value within the same county if the transactions take place within a two-year period.
- ◆ **When are these propositions effective?** The replacement residence must have been purchased or constructed on or after November 5, 1986 if the original was located in Los Angeles County. The replacement residence must have been purchased or constructed on or after November 9, 1988 if the original was located in any other California county.
- ◆ **What is the difference between Proposition 60 and 90?** Proposition 60 covers property transfers within the same county. Proposition 90 allows broader existing property tax base transfers, but only if the county in which the replacement property is located chooses to participate.
- ◆ **What counties allow these intercounty exchanges?** Since the counties below are subject to change, it's recommended you contact the county to which you wish to move to verify Proposition 90 eligibility. Right now, these counties in California have an ordinance enabling Proposition 90
 - Los Angeles
 - Alameda
 - San Mateo
 - Santa Clara
 - San Diego
 - Orange
 - Ventura
- ◆ **Can I give my original home to my son or daughter and still get Proposition 60/90 benefits when I purchase a replacement property?:** No. The owners must determine between themselves which ones will get the benefit. Only one original owner can claim Proposition 60/90 tax relief.
- ◆ **What homeowners typically use Proposition 60/90 today?** It's a growing trend for homeowners 55 and older to take advantage of this property tax relief to "move down" to a smaller home and pay the same amount of property tax as before. Often times, someone is retired, or the kids have moved out, or someone wants to relocate to a different area in California that has Proposition 90, or they simply want to lower their cost of living.
- ◆ **Do all replacement homes qualify?** Proposition 60/90 relief includes, but is not limited to single family residences, condominiums, unit in planned development, cooperative housing, community apartment units, mobile homes subject to local real property tax, and living unit within a larger structure consisting of both residential and non-residential accommodations.

Please know that we're here to help if you have any questions about our local real estate market. However, please contact your accountant or tax advisor for specific questions regarding how Proposition 60/90 pertains to your specific needs.

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