



COUNTY OF RIVERSIDE  
ASSESSOR-COUNTY CLERK-RECORDER  
P.O. BOX 751  
RIVERSIDE CA 92502-0751  
(951) 955-7006

David Montgomery  
Assistant  
Assessor Division

Kan Wang  
Assistant  
Administration Division

**PETER ALDANA**  
Assessor-County Clerk-Recorder

## **PROPERTY OWNER'S GUIDE TO PROPOSITION 60/90/110 (TRANSFER OF BASE YEAR VALUE)**

### **What is Prop. 60, Prop. 90 and Prop. 110?**

Prop. 60 allows the transfer of base-year property values within the same county. Prop. 90 allows transfers from one California County to another. Prop. 110 allows transfers for severely and permanently disabled property owners within the same county and from one California County to another.

### **How do Props. 60/90/110 benefit the homeowner?**

All are property tax savings programs for owners' age 55 or older, or severely and permanently disabled, who sell a home and buy another of equal or lesser value. Under Proposition 13, a home is appraised at its full market value at the time it is purchased. Props. 60/90/110 allow the taxable value on the original home to be transferred to the replacement home. That prevents any increase in property taxes when the new home is appraised. Prop. 90 has not been available in Riverside County since 1995, but recently was re-enacted. With the re-enactment of Prop. 90, a homeowner is eligible to file under Prop. 90 in Riverside County **only if a new home purchase or construction was completed on or after September 19, 2013.**

**Example:** An applicant sells their former residence for \$489,000 and purchases their new property for \$340,000. The assessed value on their former residence at the time of sale was \$261,669. Under the guidelines of Prop. 60/90, we would transfer their assessed value plus 2% (\$266,901) to the new residence. Hence, their new taxable value on the new residence would be \$266,901, instead of \$340,000.

### **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.

### **Do I need to be receiving the homeowners' exemption on my original property when it is sold?**

No. The original property must be eligible for the homeowners' exemption because you own it and because it was your principal place of residence, either:

- 1) at the time of its sale or
- 2) within two years of the purchase or new construction of the replacement dwelling.

If you did not have the homeowners' exemption on your property, you may need to provide documents to the assessor that prove it was your principal place of residence. Proof of residency may include voter or vehicle registration, bank accounts, or income tax records.

**If I receive the benefit of Prop. 60/90/110, may I still qualify and claim a Homeowner's or Disabled Veteran's Exemption?**

Yes. If you qualify for either of these exemptions, you will need to file separately.

**May I take advantage of this tax saving program more than once?**

No. This is a one-time only program.

**Is there a time limit for this program?**

Yes. You must purchase or complete construction on the replacement dwelling within two years of the sale of the original property. Claims must be filed within three years of the purchase or completion of construction of the replacement dwelling to receive retroactive relief. Eligible claims filed more than three years after the purchase or completion of construction will receive prospective relief. A homeowner is eligible to file under Prop. 90 in Riverside County only if a new home purchase or construction was completed on or after September 19, 2013.

**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, can I still qualify for Prop. 60/90/110?**

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 (951) 955-6200 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 homeowners 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.

**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.

**If I give my original property to my child, can I still qualify for a Prop. 60/90/110 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.

**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 be 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 Prop. 60/90/110 benefits for a residence that includes *all* land within the parcel provided that any nonresidential uses of the property are merely incidental to the residential use of the property.

**Example:** You sell your original residence on a 5-acre parcel and purchase a .25 - acre residence. As long as the 5-acre parcel was used only for purposes incidental to the use as a residential site, the base year value of the original property could be transferred assuming all the other qualifications are met.

**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 cancelled to reflect the Prop. 60/90/110 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 a Prop. 60/90/110 claim?**

There is one application for filing either a Prop. 60 or Prop. 90 claim. A different application is required for filing a Prop. 110 claim. You may download the application from our website at [www.riversideacr.com](http://www.riversideacr.com) or call our office at (951) 955-6200 to request the application. For a list of Frequently Asked Questions on Prop. 60/90/110, please visit the State Board of Equalization website at [www.boe.ca.gov](http://www.boe.ca.gov).