

A historical designation can provide a property tax reduction. The Mills Act, named for James Mills, a former State Senator, provides an important monetary incentive designed to encourage the preservation, maintenance, and restoration of designated historic properties. If you have questions on the calculation of the assessed value, please call the Assessor's Office at (951) 955-6200.

### **Mills Act Benefits**

- Possible reduction in property taxes – average of 20% to 70%
- No supplemental bills if under contract at the time of transfer or completion of new construction
- Transferable if property is sold

### **Mills Act Restriction**

- 10-year contract, which is renewable
- Once a property is designated as a Historical Property, it must be permanently maintained as a historical site.

### **Who should I contact if I want to place my property under the Mills Act?**

Check with your local City or County Planning Department to see if they participate in the program.

**Peter Aldana**  
*Assessor - County Clerk - Recorder*  
*County of Riverside*



## **MILLS ACT**

### **Historical Properties**

Information: (951) 955-6200

**Mailing Address:**  
**PO Box 751**  
**Riverside, CA 92502-0751**

#### **OFFICE LOCATIONS TO SERVE YOU:**

#### **BLYTHE**

270 N Broadway  
Blythe, CA 92225  
(760) 921-5050

#### **RIVERSIDE (Downtown)**

4080 Lemon  
Riverside, CA 92501-3659  
(951) 955-6200

#### **HEMET**

880 N. State, Ste B6  
Hemet, CA 92543  
(951) 766-2500

#### **RIVERSIDE (Gateway)**

2724 Gateway Dr  
Riverside, CA 92507  
(951) 486-7000

#### **PALM DESERT**

38686 El Cerrito Road  
Palm Desert, CA 92211  
(760) 863-7800

#### **TEMECULA**

41002 County Ctr Dr, #230  
Temecula, CA 92591  
(951) 600-6200

For hours of operation and additional information, please call our office or visit our website at

[www.riversideacr.com](http://www.riversideacr.com)

### **What is the Mills Act?**

The Mills Act provides that property that is subject to a historical property contract be valued using the rental income and what could be expected from that property rather than using comparable sales to establish the assessed value. This generally results in a much lower assessment if the property has been recently purchased.

### **How does my property qualify for the Mills Act?**

It must meet qualifying criteria such as significant architecture association with a historically significant event or person, or location in a historic district, such as the Mission Inn. Once designated as a historical site, the owner can then enter into a voluntary contract with that city.

### **How long is the contract and is it canceled if I sell the property?**

The term of the contract is ten years; however, it is automatically extended unless the property owner cancels the contract. The new owner would receive the full benefit of the contract because the contract goes with the property.

### **Is the property owner required to open the property to the public?**

No, the law was revised in 1985 when new legislation relaxed the rules to encourage the preservation of historic properties. Prior to that time, any property under contract had to be open to the public for tours and the like. After the revision in 1985, many additional properties have been placed under contract.

### **Do all historical properties in Riverside County qualify for the Mills Act?**

No, only the Cities of Corona, Rancho Mirage, Riverside, Palm Desert, and Palm Springs have enacted ordinances to grant the Mills Act exclusion. The County of Riverside has also passed an ordinance for historical properties in the unincorporated areas of the county.

### **How many properties are benefiting under the Mills Act in Riverside County?**

Currently, there are approximately 100 properties under contract with the various cities that receive this property tax benefit.

### **What is the Assessor's role in the process?**

Although the individual cities actually place the property under a historical contract, the Assessor's Office must determine the actual assessed value based on a formula under State law, using the income that could be generated from the property.

### **What kind of savings can I expect on my property tax bill?**

Typically, property owners can expect a 20% to 70% savings on their property taxes. Under State law, the lesser of: 1) the current market value, 2) the Proposition 13 value, or 3) the restricted value based on the rents will be used to calculate your property taxes. It is possible that the Proposition 13 value may actually be lower than the restricted value, and the property would receive no property tax benefit.

### **Since I have owned my property for many years and already have a very low assessment, is it worthwhile to apply for the Mills Act?**

Some owners who would receive no property tax benefit still apply for the Mills Act. It can be a selling point to a potential buyer because the property would not be reappraised at its full market value upon sale if the property were already under a historical contract.

### **Once my property is listed on the historic register, are there any binding restrictions that will affect my property?**

Yes, once that property is designated on a Federal, State, or local register, it is subject to the rules and regulations of the Office of Historic Preservation of the Department of Parks and Recreation, the U.S. Secretary of the Interior's Standards for Rehabilitation, and the Historic Building Code. In effect, the owner must protect, maintain, and rehabilitate the property into perpetuity.