

# PROPOSITION 60

## PURPOSE

This pamphlet is to acquaint the public with Proposition 60, which provides for the transfer of property tax base for senior citizens.

## REQUIREMENTS

On November 4, 1986, the voters of California passed Proposition 60 to provide to qualified homeowners the transfer of the base-year value of their principal residence to a replacement dwelling located in the same county, under certain circumstances.

The requirements for this exclusion are:

1. At the date of transfer of the original property, the transferor (seller) must be at least 55 years of age. (If married, only one spouse must be at least 55, but must reside in the residence; if co-owners, only one co-owner must be at least 55 and must reside in the residence.)
2. The replacement residence must be purchased or newly constructed **within two years** before or after the sale of the original residence.
3. The sale of the original residence must qualify for reassessment as the result of its transfer.
4. The principal claimant must have been (1) receiving, or eligible for, a Homeowner's Exemption or (2) have been receiving a Disabled Veteran's Exemption on the original and replacement residences.
5. The replacement residence must be "equal or lesser" in market value than the original residence. In general, "equal or lesser" than market value of a replacement dwelling has been defined as: **100%** of market value of original property as of its date of sale if a replacement dwelling is purchased before an

original property is sold; **105%** of market value of original property as of its date of sale if a replacement dwelling is purchased within one year after the sale of an original property; **110%** of market value of original property as of its date of sale if a replacement dwelling is purchased within two years after the sale of an original property.

6. The claimant and/or claimant's spouse can only be granted relief under this section once in a lifetime. The disclosure of social security numbers by all applicants is required. They are used by the assessor to verify the eligibility of persons claiming this exemption and by the State to prevent multiple claims in different counties. This claim is not open to public inspection.

## TO APPLY:

If you feel you meet the qualifications for this exclusion, you must provide evidence that you are at least 55 years old. A claim form must be completed and filed within three years of the date a replacement dwelling is purchased or new construction of the replacement dwelling is completed.

Claims received after the time limit cannot be granted as of the date of transfer, but may be granted for future tax years.

To obtain a claim form, call the Assessor's Office at (925) 313-7400, or write to:

Gus S. Kramer, Assessor  
County of Contra Costa  
2530 Arnold Drive, Ste. 100  
Martinez, CA 94553

The information in this pamphlet is a general overview of the law and is not meant to be relied upon as complete information.  
**QUESTIONS AND ANSWERS**

**Q: Is it true that only one claimant, out of several co-owners of a replacement dwelling, must be at least age 55 as of the date of sale of an original property in order to qualify?**

A: Yes. Only one claimant/occupant (or his/her spouse who was also an occupant) who was a qualified record owner of the original property must be at least 55 years of age.

**Q: Can a taxpayer apply for and receive the benefit of Proposition 60 numerous times during the course of his/her lifetime?**

A: No. Only claimants who have **not** previously been granted this property benefit are eligible.

**Q: When making the "equal or lesser value" test comparison, is a simple comparison of the sales price of the original property and the purchase price/cost of new construction of the replacement dwelling all that is needed?**

A: No. The comparison must be made using the **full market value** of the original property as compared to the full market value of the replacement dwelling as of its date of purchase/completion of new construction. This is important because the sales/purchase price is not always the same as market value. The assessor must determine the market value for each property, which may differ from the sale price. The full market value of the lot and the residence at the time of completion will be used for comparison in determining equal or lesser value.

**Q: If the current full cash value of my replacement dwelling slightly exceeds the**

**"equal or lesser value" test as compared to the full market value of my original property, can I receive partial benefit?**

A: No. Unless the replacement dwelling satisfies the "equal or lesser value" test, no benefit is available.

**Q: Can two otherwise qualified taxpayers who have recently sold their separately owned original properties combine their claim for Proposition 60 benefit when they buy a single replacement dwelling together?**

A: No. They can only receive benefits if one or the other, not both, qualifies by comparing his/her original property to the jointly purchased replacement dwelling.

**Q: May I give my original property to my son/daughter and still receive the Proposition 60 benefit when I purchase a replacement property?**

A: 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 devise does not qualify.

**Q: Isn't the assessor precluded under Proposition 60 from issuing supplemental assessments when the factored base-year value is transferred from an original property to a replacement dwelling?**

A: No. When the replacement dwelling is purchased or newly constructed, the assessor is mandated by law to issue supplemental assessments (positive or negative) for all transactions that result in a base-year value change, including those that qualify under Proposition 60. This is accomplished by comparing the factored base-year value of the original property to the factored base-year

value of the replacement dwelling property.

**Q: After receiving the notice that my application has been granted, do I still need to pay both installments of the secured tax bill at the higher value?**

**A:** Yes. Any overpayment of taxes will be refunded. Please be aware that the refund may not arrive before the second installment of the secured tax bill is due. No adjustments are made to the secured tax bill to reflect the Proposition 60 exclusion.

**Q: If a qualified claimant first sells his/her original property and then transfers its existing factored base-year value of \$60,000 to a subsequently acquired replacement dwelling that has an existing taxable value on the roll of \$40,000, should a supplemental assessment be levied for \$20,000 as of the date of purchase of the replacement property?**

**A:** Yes, assuming the current market value of the replacement dwelling exceeds the new base-year value which resulted from a change of ownership of the replacement dwelling. Although the new base-year value was transferred from the original property, it results in a supplemental assessment for the difference between the new base-year value and the current roll value, or \$20,000.

**Q: If a lot is purchased and a home constructed, must the new construction be completed within two years of the purchase of the lot?**

**A:** No. The replacement lot may be purchased anytime before the sale of the original property; however, the new construction of the residence must be completed within two years of the sale of the original property.

**Q: May I, as a former co-owner of an original property, receive partial benefit on my replacement dwelling along with the other co-owners on their separate replacement dwellings?**

**A:** No. The law provides that only one co-owner of an original property which is/was qualified for the homeowner's exemption may receive the benefit in a situation like this where all co-owners must determine, between themselves, which ones should receive the benefit. Only in the case of a multiple-residential original property where several co-owners qualify for separate homeowner's exemptions may portions of the factored base-year value of that property be transferred to several qualified replacement dwellings.

**Q: Can an original property mobile home qualify for Proposition 60 when a replacement property is acquired?**

**A:** Yes, but only if the mobile home is enrolled as real property. If it is not, then the mobile home is not eligible since there is no real property base-year value to be transferred.

**Q: Can I transfer my original property tax base from a property located outside of Contra Costa County?**

**A:** No. Transfers between counties (Proposition 90) are allowed only if the county in which the replacement dwelling is located has passed an authorizing ordinance. Effective November 8, 1993, Proposition 90 was repealed in Contra Costa County.

**ASSESSOR'S OFFICE**

**General Information:**

Public Service .....925 / 313-7400

**Value Questions:**

- Agricultural Property .....925 / 313-7400
- Boats & Aircraft .....925 / 313-7605
- Business Property .....925 / 313-7600
- Commercial .....925 / 313-7520
- Industrial .....925 / 313-7520
- Mobile Homes .....925 / 313-7400
- Multiple Properties .....925 / 313-7400
- Personal Property .....925 / 313-7600
- Residential .....925 / 313-7400

**Exemptions:**

- Homeowners .....925 / 313-7481
- Local .....925 / 313-7470
- Change of Ownership .....925 / 313-7400

**OTHER COUNTY DEPARTMENTS**

**Tax Collector .....925 / 957-5280**

625 Court St. Rm 100, Martinez

- Copies of Tax Bills
- Payment of Taxes

**Auditor .....925 / 646-2236**

625 Court St., Martinez

- Tax Rates
- Special Assessments
- Supplemental Assessment Refunds

**Recorder .....925 / 335-7900**

555 Escobar St., Martinez

- Recording and Copies of Deeds

**Dept of Conservation and Dev. 925 / 674-7200**

30 Muir Rd. Martinez

- Zoning
- Planning

**Building Inspector .....925 / 674-7200**

30 Muir Rd. Martinez

- Building Permits

**GUS S. KRAMER  
ASSESSOR**

**PROPOSITION 60**

**TRANSFER OF  
PROPERTY TAX BASE  
FOR SENIOR CITIZENS**

**QUESTIONS & ANSWERS**



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County of Contra Costa  
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For more information, visit our Web site at:  
<http://www.co.contra-costa.ca.us/depart/assr/assr.htm>