

PROPOSITION 90

Proposition 90 was enacted by the voters of California in November 1998. It provides an avenue for property tax relief to eligible senior citizens (age 55 or older) who sell their principal residence and purchase a replacement home of equal or lesser value in another county.

Under Proposition 13, the value of a home for property tax purposes is reassessed to market level whenever a change in ownership occurs. This usually results in higher property taxes for the purchase of a new home. Proposition 90 allows eligible senior citizens relief from reassessment when purchasing a replacement home of equal or lesser value in a county which has adopted the provisions of the law. Those participating counties will accept transfers of property tax base assessments from other California counties.

The following list of counties will assist eligible homeowners in determining the status of Proposition 90 counties.

Counties Adopting a Proposition 90 Ordinance				
Alameda	Los Angeles	Orange	Santa Clara	San Diego
San Mateo	Ventura			
Counties Rejecting Implementation of a Proposition 90 Ordinance				
Butte	Calaveras	Contra Costa*	El Dorado	Fresno
Inyo*	Kern*	Lake	Madera	Marin*
Mendocino	Merced	Modoc*	Mono	Monterey*
Napa	Nevada	Placer	Riverside*	Sacramento
San Benito	San Bernadino	San Luis Obispo	Santa Barbara	Santa Cruz
Shasta	Siskiyou	Solano	Sonoma	Stanislaus
Trinity	Tulare	Yolo		

Counties with asterisk previously had a Proposition 90 ordinance and then repealed it. All other counties not listed above have failed to adopt or reject an ordinance.

1. Proposition 60 allows a transfer of base-year value of the principal residence sold of a senior citizen to a replacement dwelling of equal or lesser value within the same county. Verify eligibility requirements with the tax assessor's office or other county authorities before proceeding.
2. Proposition 90 is a "local-option" law. Each California county has the option of participating depending on a vote of the county board of supervisors. Certain requirements are imposed in order to participate and potential buyers should check with the tax assessor's office or other county authorities before proceeding.
3. If the county that the homeowner is moving from has not adopted a Proposition 90 ordinance, the eligibility of the homeowner is not affected. The homeowner is still eligible if moving to a county that has adopted a Proposition 90 ordinance.

Forms can usually be found on the county website under Assessor office. Effective 08/2004 all Counties charge a \$200.00 processing fee.

(Information prepared by North American Title Company)