

Senior Seller Advisory, Propositions 60 and 90 Apply to You

As seen in the Orange County Register – Fountain Valley View

What are Propositions 60 and 90?

They are constitutional initiatives passed by California voters. They provide property tax relief by preventing reassessment when a senior citizen sells his/her existing residence and purchases or constructs a replacement residence worth the same or less than the original home.

These props were enacted to encourage a person, age 55 or older to "move down" to a smaller residence. When a senior citizen acquires a replacement property worth less than the original property, he/she will continue to pay approximately the same amount of annual property taxes as before. The Assessor transfers the factored base value of the original residence to the replacement residence. The seller of the original residence, OR spouse who resides with the seller, must be at least 55 years of age at the time of the sale. The replacement home must be the owner's principal residence and eligible for the Homeowner's Exemption.

The replacement residence must have been purchased or constructed on or after November 5, 1986 if it was located in Los Angeles County. If the replacement residence was located in any other California County (not all counties have adopted these props) it must have been purchased or constructed on or after November 9, 1988. Claims must be filed within three years following the purchase of the replacement residence. For additional information, including the exceptions, on these propositions contact the writer. Next week we'll review Proposition 58 and 193.