

# TITLE EXPRESS PROPOSITION

# 60 & 90



Please remember; if your client purchases a replacement principal place of residence prior to closing escrow on the residence he wants to transfer his tax base from; he does not have an inflation allowance. His former home must sell for at least what was paid for the replacement residence.

## Guidelines for the transfer of the Property Tax Base from one principal place of residence to another principal place of residence in-county only.

One of the property owners must be at least 55 years old on the day of the transfer of the principal phase of residence.

The subsequent principal place of residence must be transferred (i.e. close of escrow on purchased home) within two years of the transfer date of the first principal place of residence.

The purchase price of the subsequent principal place of residence must not exceed the sales price of the original property unless:

- A five percent inflation allowance is allowed if the subsequent purchase is less than one year.
- A ten percent inflation allowance is allowed if subsequent purchase is at least one year and one day but less than two years of the original property.

## ALL PROP. 60 TRANSACTIONS MUST BE COMPLETED WITHIN TWO YEARS!

Proposition 90 will allow the inter-county transfer of the property tax base if the county supervisors approved it. For further information, contact your local county assessor's office.

### Counties that have approved Proposition 90

Alameda	(510) 272-3787	San Mateo	(650) 363-4500
Orange	(714) 834-2727	Santa Clara	(408) 299-5500
Los Angeles	(213) 974-2111	Ventura	(805) 654-2181
Riverside	(951) 955-6200	El Dorado	(530) 621-5755
San Diego	(619) 531-5481		



## Guidelines for Proposition 60 & 90 if the homeowner wishes to purchase a new principal place of residence prior to the sales completion of his original principal residence.

There is no inflation allowance if a new principal place of residence is purchased first.

**EXAMPLE:** A home is purchased under Propositions 60 & 90 for the amount of \$200,000 before the sale is completed on the original home (DEED RECORDED).

The homeowner must be certain the original home where the property taxes are being transferred from, will sell for at least the purchased price of his new home, \$200,000 in this example.

If the original residence does not sell for at least this \$200,000, the home owner would not be able to transfer his lower property tax base to the new home.

It is always a safer situation to have the home-owner sell his principal residence first, as he then knows what his options will be.

For more information contact your Ticor Representative

