



PROPOSITION 19

FACT SHEET

On November 3, 2020, California voters approved [Proposition 19](#) and its implementing legislation, [Senate Bill 539](#), was enacted on September 30, 2021, providing for intergenerational exclusions and base year value transfers that can result in property tax savings for taxpayers.

INTERGENERATIONAL TRANSFER EXCLUSION (California Constitution Article XIII A, section 2.1(c), (d) and (e); Revenue and Taxation Code section 63.2)

For Transfers Between Parents and Children—Operative February 16, 2021

Allows transfers of a family home or family farm between parents and their children without causing a change in ownership for property tax purposes. It is an exclusion from change in ownership. Allows transferee to retain the taxable value of the transferor. "Taxable value" means the base year value plus inflationary adjustments, commonly referred to as the factored base year value. (Note: In cases where the transferor died, the date of death is considered the date of transfer.)

Applies to a purchase or transfer of a family home between parents and their children if the property continues as the family home of the transferee. The transferee must live in the home as their primary residence within one year of transfer to qualify for the exclusion. The transferee (for example, child) must file for the homeowners' exemption or disabled veterans' exemption on the residence **within one year of the transfer to receive the intergenerational exclusion as of the date of the transfer**. If the exemption claim is filed after one year, the exclusion is available beginning in the year the claim is filed, as clarified by [Property Tax Rule 462.520](#). If the property was transferred to two or more children, and if one moves out and another moves in, a new claim must be filed within one year of the previous child's move-out date.

- There is no requirement that the family farm contain a home that the transferee lives in to qualify. A family farm is defined as real property under cultivation or which is being used for pasture or grazing, or that is used to produce any agricultural commodity, as defined by Government Code [section 51201](#).
- There is a limit to the value that can be excluded for a family home or each legal parcel of a family farm. The value limit is equal to the property's taxable value (factored base year value) at time of transfer plus \$1 million, as adjusted every other year by an inflation factor. The State Board of Equalization calculates this adjustment and publishes the amount that the \$1 million is adjusted to for a specific period of time. For transfer or change in ownership dates from February 16, 2021, through February 15, 2023, the amount is \$1,000,000; from February 16, 2023, through February 15, 2025, the adjusted amount is \$1,022,600; and from February 16, 2025, through February 15, 2027, the adjusted amount is \$1,044,586. [Letter To Assessors 2025/009](#) announced the 2025 amount. If the market value exceeds this limit, the difference is added to the taxable value.

How to Apply

Submit form **BOE-19-P**, *Claim for Reassessment Exclusion for Transfer Between Parent and Child Occurring On or After February 16, 2021*, to the County Assessor where the property is located. The application must be filed within three years of the transfer date, but before transferring the property to a third party. A claim is also considered timely if filed within six months after the date of mailing of the Assessor's supplemental or escape assessment notice issued for the transfer. If you do not file the exclusion claim form on time, you can still qualify as long as you own the property, but it will begin the year the claim is filed. (The transferee must also file for the homeowners' or disabled veterans' exemption **within one year** of the transfer date by filing either forms **BOE-266** or **BOE-261-G** to receive exclusion from the date of the transfer. If the homeowners' or disabled veterans' exemption claim is filed after one year, exclusion begins the year the exemption claim was filed—referred to as prospective relief.)

For additional information on this exclusion, refer to: [Letter To Assessors No. 2022/012](#) and other LTA's listed on the Proposition 19 webpage, and the *Guidance Issued/Rulemaking* tab under the category of *Intergenerational Transfer Exclusion*.

For Transfers Between Grandparents and Grandchildren—Operative February 16, 2021

Allows transfers of a family home or family farm between grandparents and their grandchildren under limited conditions without causing a change in ownership for property tax purposes. It is an exclusion from change in ownership. The same conditions and requirements apply as the exclusion for transfers between parents and children, except in order to qualify, the parents of the grandchild, who qualify as children of the grandparents, must be deceased.

How to Apply

Submit form **BOE-19-G**, *Claim for Reassessment Exclusion for Transfer Between Grandparent and Grandchild Occurring On or After February 16, 2021*, to the County Assessor where the property is located. The filing period is the same as form **BOE-19-P**; see above for transfers between parents and children. (Note: the transferee must also file for the homeowners' or disabled veterans' exemption **within one year** of the transfer date to receive exclusion from the date of transfer.)

For additional information, refer to: [Letter To Assessors No. 2022/12](#) and other LTA's listed on the Proposition 19 webpage, and the *Guidance Issued/Rulemaking* tab under the category of *Intergenerational Transfer Exclusion*.

Proposition 19 Value Limit Test for Intergenerational Transfer Exclusion

(Note: For ease, the following example uses the initial \$1 million allowance when Proposition 19 became effective February 16, 2021.)

Example:

At the time of the transfer, a single-family primary residence has a taxable value or factored base year value (FBYV) of \$300,000 and a fair market value of \$1,500,000.

1. Calculate the sum of the FBYV plus \$1 million:

<div>\$300,000 FBYV/Taxable</div>	+	<div>\$1,000,000 Prop. 19 Allowance</div>	=	<div>\$1,300,000 Excluded Amount</div>
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If the home had a market value equal to or less than \$1,300,000, the child would not have to pay additional property taxes.

2. Since the fair market value is greater than the excluded amount, calculate the difference between the fair market value and the excluded amount:

<div>\$1,500,000 Fair Market Value</div>	-	<div>\$1,300,000 Excluded Amount</div>	=	<div>\$200,000 Difference</div>
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3. Thus, the adjusted base year value is \$500,000.

<div>\$300,000 FBYV/Taxable</div>	+	<div>\$200,000 Difference</div>	=	<div>\$500,000 New Taxable Value</div>
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BASE YEAR VALUE (TAXABLE VALUE) TRANSFER

(California Constitution Article XIII A, section 2.1(b) and (e); Revenue and Taxation Code section 69.6)

For Seniors and Severely Disabled Persons—Operative April 1, 2021

Allows homeowners who are age 55 or older, or severely and permanently disabled of any age, to transfer the taxable value of their principal residence to a replacement property up to three times anywhere in the state. "Taxable value" means the base year value plus inflationary adjustments, commonly referred to as a factored base year value. There is no limit to the market value of the replacement property compared to the original property, but the amount in excess of the original property's market value is added to the transferred value. The replacement's market value can exceed the original's market value up to one hundred and five percent (105%) if the replacement is purchased within the first year after the sale of the original, or one hundred and ten percent (110%) in the second year with no excess added to the transferred taxable value.

To qualify:

- The replacement residence must be purchased or newly constructed within two years of the sale of the original property.
- At the time the original property is sold, the claimant must be age 55 or older, or severely and permanently disabled of any age.
- Both the original and replacement properties must be eligible for the homeowners' or disabled veterans' exemption. The claimant must own and reside in the original property at the time of its sale or within two years of the purchase or new construction of the replacement.
- Either or both the sale of the original property or the purchase/completion of new construction of the replacement must occur on or after April 1, 2021.
- The original property must be sold and the replacement purchased for consideration. "Consideration" is defined as something of value such as payment of cash, creation or cancellation of debt, or exchange of other property.

How to Apply

If qualifying based on age, submit form **BOE-19-B**, *Claim for Transfer of Base Year Value to Replacement Primary Residence for Persons at Least Age 55 Years*, to the County Assessor where the replacement property is located. If qualifying based on disability, submit both forms **BOE-19-D**, *Claim for Transfer of Base Year Value to Replacement Primary Residence for Severely Disabled Persons*, and **BOE-19-DC**, *Certificate of Disability*, to the County Assessor where the replacement property is located. Applications must be filed within three years of the replacement's purchase or construction, and the claimant must own and occupy the replacement property as their principal residence at the time of filing. If you do not file the base year value transfer form within three years, you can still qualify, but it will begin the year that the claim is filed.

For additional information, refer to: [Letter To Assessors No. 2022/009](#) and other LTA's listed on the Proposition 19 webpage, and the *Guidance Issued/Rulemaking* tab under the category of *Base Year Value Transfer*.

For Disaster Victims – Operative April 1, 2021

Allows victims of a wildfire or natural disaster to transfer the taxable value of their primary residence to a replacement residence anywhere in the state. The conditions and requirements are the same as the taxable value transfer for seniors, except there is no age requirement. However, the original property must have been substantially damaged or destroyed from a wildfire or Governor-declared disaster, with over half of the market or improvement value diminished, to be considered "substantially damaged."

How to Apply

Submit form **BOE-19-V**, *Claim for Transfer of Base Year Value to Replacement Primary Residence for Victims of Wildfire or Other Natural Disaster*, to the County Assessor where the replacement property is located. Application must be filed within three years of the replacement's purchase or construction, and the claimant must own and occupy the replacement property as their principal residence at the time of filing.

For additional information, refer to: [Letter To Assessors No. 2022/009](#) and other LTA's listed on the Proposition 19 webpage, and the *Guidance Issued/Rulemaking* tab under the category of *Base Year Value Transfer*. Additionally, see Publication 802, *Information Guide for Disaster Relief for Damaged or Destroyed Property*.

Examples for Base Year Value Transfers

Example 1

If the market value of the replacement is less than or equal to the market value of the original, then the taxable value (factored base year value) of the original will transfer to the replacement residence with no adjustment.

Original Taxable Value = \$300,000 | Original Market Value = \$900,000 | Replacement Market Value = \$700,000

*Since the market value of the replacement is **\$200,000 less than** the original's market value, the taxable value transferred to the replacement **will remain at \$300,000**.*

Example 2

If the market value of the replacement is more than the market value of the original, then the difference will be added to the transferred value. (This assumes the replacement property is purchased before the original. If the replacement property is purchased after the original, depending on the time period when the replacement was purchased, the amount above five percent [5%] or ten percent [10%] over the original property's market value is added to the transferred base year value.)

Original Taxable Value = \$300,000 | Original Market Value = \$600,000 | Replacement Market Value = \$700,000

*Since the replacement's market value is **\$100,000 more than** the original, the difference in market value is added to the transferred value. Therefore, the taxable value of the replacement **will be \$400,000** (\$300,000 + \$100,000).*

Where to Find Additional Information

Visit the State Board of Equalization's (BOE) website at www.boe.ca.gov for property tax information. For comprehensive information on Proposition 19, visit www.boe.ca.gov/prop19/.

Visit the County Assessor's website where the property is located. The BOE's website has contact information for each County Assessor in California, available at www.boe.ca.gov/proptaxes/countycontacts.htm.

This fact sheet was updated in June 2025. The information is subject to change.

The information presented is intended to provide general and summary information about Proposition 19 and its implementing legislation resulting from the passage of Senate Bill 539. This fact sheet is not intended to be a legal interpretation. It is encouraged that you consult an attorney for advice specific to your situation as to transfers.