

From: January 14-15, 2021 Board Meeting-Public Comment
To: Meeting Info
Subject: [External] January 14-15, 2021 Board Meeting-Public Comment
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Public Comment

From: Carol Seto
Agenda Item: M2a. Board Discussion on Strike Team Reports, Part 2
Meeting Date: 01/15/21

Name: Carol Seto

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Agenda Item(s):

M2a1. Legislative Actions

M2a2. Guidance and Rulemaking

Comment:

Thank you, Board Members, for allowing me to state my concerns regarding Proposition 19 and how it impacts parent-child property transfers. The proposed legislation written in Proposition 19 focuses on inherited primary residences and Sections 2.1 only discusses what happens to primary residences upon transfer, but it does not mention other real property at all. The only vague reference to other real property transfers appears only in Section 2.1(d) at the bottom of page 2 of the proposition where it has one sentence stating "Subdivision (h) of Section 2 shall be inoperative as of February 16, 2021." Section 2 is the existing language of the current California Constitution which voters would need to go search for to find out what is becoming inoperative. The last half of the Section 2(h)(1) is where it mentions that the first \$1,000,000 of the full cash value of all other real property between parents and their children are not included in "change of ownership." This is a significant change of the legislation that has been in place for the past 34 years. It will result in millions of dollars of additional property taxes to be paid by families who have sacrificed and saved over the years to have a non-primary residence property to pass down to their children. A change of this magnitude should have been highlighted, or even mentioned, as a change to the state constitution. It should not have been hidden in one line at the bottom of page 2 as an afterthought. If the state wishes to remove the exclusion of the first \$1,000,000 of the full cash value of all other real property, it should be put forth to the voters on a future ballot. The way it was presented in Proposition 19 is not a forthright way to do it. Thank you for taking this into consideration as you implement the new legislation.