

(916) 445-4588

May 24, 1982

Mr. Bruce Cook
Deputy County Counsel
San Luis Obispo County
Courthouse Annex, Room 103
San Luis Obispo, CA 93408

Dear Mr. Cook:

The other day you asked whether or not we had anything in writing relating to the date Section 462(i)(4)(2)(A) is applicable to.

Although the provision relating to the applicability of the interest transferred to other than the trustor or his or her spouse was not placed into the rule until 1981, it is and always has been our position that the conclusions expressed in that section are applicable to transfers that occurred on and after March 1, 1975.

This section was not amended as the result of any statutory change in the law. The law; i.e., Section 62(d) of the Revenue and Taxation Code, has not been changed since its original enactment in 1979. It is unfortunate that a county might have interpreted this amendment as a change in our position. It has always been our position that the transfer of property to an irrevocable trust does not constitute a change in ownership provided the trustor or the trustor's spouse is the sole beneficiary. If there are other present beneficiaries, the interest they have in the trust is subject to reappraisal under Proposition 13.

Very truly yours,

Glenn L. Rigby
Assistant Chief Counsel

GLR:jlh

bc: Mr. Gordon P. Adelman
Mr. Robert H. Gustafson
Legal Section