

(916) 445-4588

December 29, 1980

Mr. Dow Bettis
Plumas County Assessor
P. O. Box 1016
Quincy, California 95971

Attention: Mr. Ernie Eaton

Dear Ernie:

In our telephone conversation of the 26th, you asked our opinion regarding the following transaction:

FACTS:

A and B husband and wife made a quit claim of certain real property they owned as joint tenants to a California corporation called Redacted. This quit claim deed was signed and notarized in June of 1977 but was not recorded until December 8, 1980. The property involved included A and B's principal place of residence in which they received a homeowners' exemption. The corporation is owned by A and B but you are not sure of the percentage interests of each.

I agree with you that since A and B transferred the property to the corporation in June of 1977 they would not be entitled to the homeowners' exemption on and after lien date 1978, since they were no longer the owners of the property as required by Section 215 of the Revenue and Taxation Code.

Assuming there is nothing to prevent the quit claim deed from being effective as of June 1977, it is our opinion that there was a change in ownership at that time and escape assessments are required for 1978, 1979, and 1980. Whether the transfer would qualify for the amendment made by AB 2777 in Section 62(a) is a

Mr. Dow Bettis
Page 2
December 29, 1980

question which you will have to determine by finding out how A and B held and now holds stock ownership in the corporation. Assuming A and B are equal coowners of the stock, then the value to be enrolled for 1981-82 would be the march 1, 1975, value factored forward by two percent per annum rather than the 1977 value factored forward.

Very truly yours,

Glenn L. Rigby
Assistant Chief Counsel

GLR:jlh

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