



STATE BOARD OF EQUALIZATION

TAXPAYERS' RIGHTS ADVOCATE OFFICE

PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0120

1-916-274-3400

www.boe.ca.govTED GAINES
First District, SacramentoSALLY J LIEBER
Second District, San FranciscoANTONIO VAZQUEZ
Third District, Santa MonicaMIKE SCHAEFER
Fourth District, San DiegoMALIA M. COHEN
State ControllerYVETTE M. STOWERS
Executive Director

No. 2024/028

August 20, 2024

TO COUNTY ASSESSORS AND INTERESTED PARTIES:

**NEW INFORMATION GUIDE FOR DISASTER RELIEF FOR
DAMAGED OR DESTROYED PROPERTY**

The State Board of Equalization (BOE) Taxpayers' Rights Advocate Office (TRA Office), under the Morgan Property Taxpayers' Bill of Rights, has an educational role in providing information to taxpayers to assist County Assessors in their efforts to provide education to taxpayers. The TRA Office is committed to education and outreach to help taxpayers understand property tax laws, and to increase their awareness of property tax savings that may be available to them.

The TRA Office has published Information Sheets on Property Tax Savings on available exclusions from reassessment and exemptions as well as other topics, written in simple, non-technical terms designed specifically for taxpayers. The Publication 800 series Information Sheets were issued beginning in July 2018, totaling 12 through June 2024.

Each year, devastating natural disasters occur in California, affecting hundreds of properties, as well as many individual misfortune or calamity incidents affecting a particular property. In continuing to provide taxpayers with information on available property tax savings, the TRA Office published an [*Information Guide for Disaster Relief for Damaged or Destroyed Property \(Publication 802\)*](#). The *Guide* is intended to help taxpayers understand the different types of property tax relief available if their property is damaged or destroyed from a natural disaster, such as a wildfire, flooding, or earthquake; or if their property is damaged or destroyed from a misfortune, such as an electrical fire. The *Guide* describes what qualifies for relief under Revenue and Taxation Code section 170, how property taxes are adjusted to grant relief for the damaged or destroyed property, and how and when to apply for relief. Additionally, the *Guide* discusses available relief once the property is rebuilt or if the property owner decides to purchase a different property.

Enclosed is the *Information Guide for Disaster Relief for Damaged or Destroyed Property*. This document is available on the BOE's website and can be accessed on the agency's publications page at <https://boe.ca.gov/formspubs/pubs.htm> or from the Taxpayers' Rights Advocate's webpage at <https://www.boe.ca.gov/tra/>, under the selection for Taxpayer Education. The *Guide* may be revised

in the future, if necessary, to reflect statutory or regulatory changes or published guidance; updated versions will be posted on the BOE's website.

Information regarding the Taxpayers' Rights Advocate Office, including contact information, can be found at <https://www.boe.ca.gov/tra/>.

Sincerely,

/s/ Lisa Thompson

Lisa Thompson
Chief, Taxpayers' Rights Advocate Office

LT:mw
Enclosure



CALIFORNIA STATE
BOARD OF EQUALIZATION



Information Guide for **Disaster Relief for Damaged or Destroyed Property**

BOARD MEMBERS

Ted Gaines
First District
Sacramento

Sally J. Lieber
Second District
San Francisco

Antonio Vazquez
Third District
Santa Monica

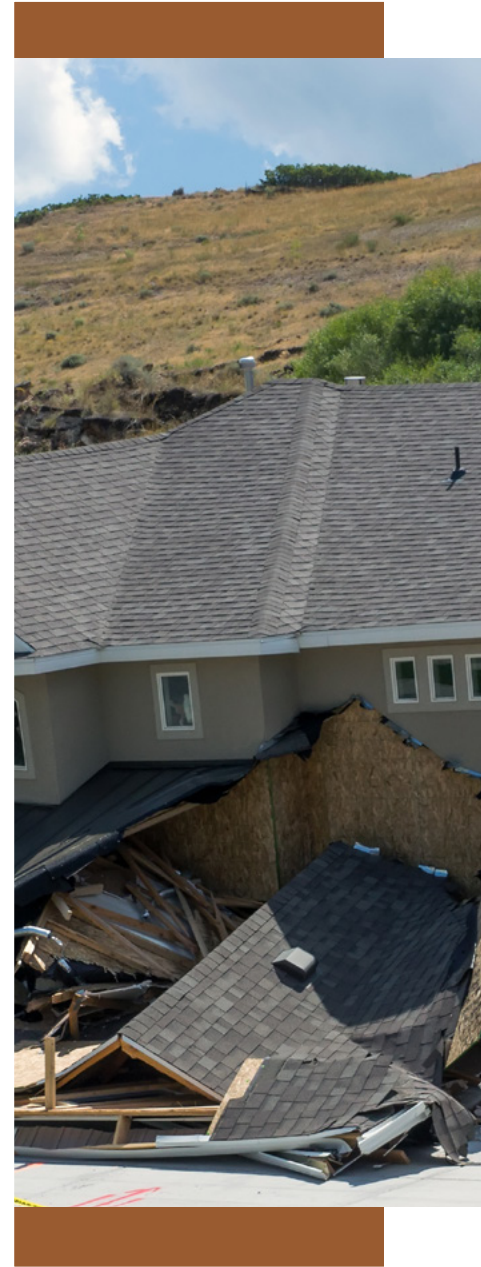
Mike Schaefer
Fourth District
San Diego

Malia M. Cohen
State Controller

Yvette M. Stowers
Executive Director

Table of Contents

Property Tax Relief	1
Misfortune and Calamity Property Tax Relief	1
How and When to Apply	2
Where to Find Additional Information for this Relief	2
Rebuilding your Damaged or Destroyed Property	2
Rebuild from any Calamity	3
Rebuild from Governor-Proclaimed Disaster	3
Claim Filing	4
Where to Find Additional Information	4
Base Year Value (BYV) Transfer to Replacement Property	4
Same County BYV Transfer	5
Different County BYV Transfer	6
Any County BYV Transfer	7
Manufactured Home-Base Year Value Transfer and New Construction Exclusion	8
Destroyed by a Governor-Proclaimed Disaster	9
Rebuilding a Damaged or Destroyed Manufactured Home	9
Additional Information	10



Property Tax Relief

Did you know property owners in California are eligible for tax relief if their property has been damaged or destroyed by a disaster or calamity such as fire, flooding, or earthquake?

The law provides for various types of property tax relief—from the date the property was damaged or destroyed and then later, once the property is rebuilt or if a different property is purchased.

The law is found in the Revenue and Taxation Code (R&TC). The R&TC sections noted in this publication are available at the California Legislative Information website at <https://leginfo.legislature.ca.gov/>.

Misfortune and Calamity Property Tax Relief

If your property has been damaged or destroyed as a result of any calamity or disaster, such as a fire, earthquake, or flood, you may qualify for property tax relief under R&TC section 170. To qualify, damage to the taxable property must be at least \$10,000 of current market value.

Taxable property includes real property, business equipment and fixtures, orchards or other agricultural groves, aircraft, boats, and manufactured homes that are subject to local property taxation by the County Assessor. For purposes of this R&TC section 170 tax relief, taxable property does not include manufactured homes subject to the Vehicle License Fee (VLF) or personal effects and household furnishings.

Upon a timely-filed claim, the County Assessor provides relief by reassessing the property downward to reflect its damaged condition as of the date of the disaster. The Assessor will notify you of the proposed reassessed taxable value. The property taxes due will be adjusted on a prorated basis, considering the amount of time in the fiscal year that your property was undamaged, and if applicable, amount of taxes paid will be refunded to you. The property's assessment will be temporarily reduced from the month the disaster occurred until the property is rebuilt or repaired. However, if property is partially rebuilt as of any January 1 lien date, its taxable value will be based on the property's damaged condition to the extent of the percentage of repairs completed on that lien date. For R&TC section 170, see https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=RTC§ionNum=170.

Additionally, if the property was damaged or destroyed by a disaster for which the Governor issued a state of emergency and a claim for reassessment was filed under R&TC section 170, the law allows you to defer the next property tax installment after the disaster (R&TC sections 194 through 196.99). To qualify, damage on residences and qualifying manufactured homes eligible for the homeowners' or disabled veterans' exemption must be at least \$10,000 or



10 percent of its fair market value, whichever is lower. Damage for all other property types must be at least 20 percent of its pre-damaged fair market value. The deferment postpones the next regular property tax installment payment (December 10 for the first installment or April 10 for the second installment) until the Assessor reassesses the property due to the damage and you receive a corrected property tax bill. The corrected tax bill will identify the payment due date. If a supplemental bill was issued due to a change in ownership or new construction that occurred prior to the damage, some counties permit deferrals of the supplemental bill as well—check with your county to see if they have adopted an ordinance to allow the deferral. For R&TC sections 194, 194.1, and 194.9, see https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=RTC&division=1.&title=&part=1.&chapter=5.&article=.

How and when to apply

- For R&TC section 170 reassessment relief—Obtain the application for misfortune or calamity relief from the County Assessor’s office in the county where your property is located. Submit the completed form to the same office **within 12 months** of the date of loss or the time specified in your county ordinance, whichever is later.
- For R&TC sections 194, 194.1, and 194.9 tax installment deferrals—Obtain the deferral application from the County Assessor’s office in the county where your property is located. Submit the completed form on or before the next property tax installment payment deadline following the calamity (December 10 or April 10).

Where to find additional information for this relief

- For information on R&TC section 170 property tax relief, see the State Board of Equalization (BOE) Letter To Assessors (LTA) 95/31 at www.boe.ca.gov/proptaxes/pdf/95_31.pdf and LTA 96/59 at www.boe.ca.gov/proptaxes/pdf/96_59.pdf.
- For information on the payment deferral of the next property tax installment, see LTA 2019/002 at www.boe.ca.gov/proptaxes/pdf/lta19002.pdf.

Rebuilding Your Damaged or Destroyed Property

After your property is rebuilt, you will retain your previous factored base year value¹ on the property if it is rebuilt in a like or similar matter, regardless of the cost of construction. The County Assessor will reinstate a portion of the factored base year value if construction is in progress as of each January 1 lien date until the construction has been completed.

¹ Factored base year value is the property’s base year value that was established as of the date of change of ownership or date of completion of new construction, adjusted by an annual inflation factor limited to two percent, commonly referred to as its Proposition 13 value. The factored base year value sets the upper limit for a property’s assessment. For information on Proposition 13, see [Publication 29, California Property Tax, An Overview](#).



The following table provides a quick reference for the new construction exclusion provisions upon rebuilding a property *on the same site* after a calamity or disaster:

Property Type	Type of Disaster	Time Period to Rebuild	Value Test	Applicable R&TC Sections
All Property Types	Any disaster or calamity; Governor-proclaimed	None specified	100%*	170
Real Property	Any disaster or calamity	None specified	100%*	70, 170
Real Property	Governor-proclaimed	5 years (8 years for the 2018 Camp and Woolsey Fires)	120%*	70.5, 170

*Partial relief is available if the market value of the rebuilt property exceeds the value test.

Rebuild from any calamity

Once you have received property tax relief under R&TC section 170 as described above, if you timely rebuild your damaged or destroyed real property on the same site such that it is substantially equivalent to the property prior to the damage or destruction, its factored base year value will be reinstated, as provided for in R&TC section 170(h). You will not have to pay an increase of property taxes based on the market value of your rebuilt property. However, any rebuilt property that exceeds the definition of substantially equivalent is considered new construction where that portion will be assessed at market value and added to the existing factored base year value pursuant to R&TC section 70(c). For R&TC section 70, see https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=RTC§ionNum=70.

Rebuild from Governor-proclaimed disaster

Pursuant to R&TC section 70.5, real property that is rebuilt on the same site after being substantially damaged or destroyed by a Governor-proclaimed disaster may have its factored base year value reinstated if the reconstructed property’s market value is comparable to the damaged property in size, utility, and function (for example, zoning).

“Substantially damaged or destroyed” means that the improvement must sustain physical damage amounting to more than 50 percent of the improvement’s full cash value immediately prior to the disaster as determined by the County Assessor. “Comparable in size and utility” means that the reconstructed property may not exceed 120 percent of the market value of the property prior to its damage or destruction. If it exceeds 120 percent, the



excess market value is added to the adjusted base year value, resulting in a new base year value. However, if the reconstructed property's market value is less than the adjusted base year value of the property prior to its damage, the lower value will be the new base year value.

The property must be rebuilt **within five years** of the disaster; however, for properties damaged or destroyed in the November 2018 Camp Fire in Butte County or in the November 2018 Woolsey Fire in Los Angeles and Ventura Counties, the property must be rebuilt *within eight years* of the respective disaster. If you rebuild pursuant to the provisions of R&TC section 70.5, you cannot receive both a base year value transfer to another property and this new construction exclusion.

Only the owner of the damaged or destroyed property is eligible for relief; if the property is sold before the completion of new construction, the new owner is not eligible for relief upon completion of the construction. For R&TC section 70.5, see https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=RTC§ionNum=70.5.

Claim filing

No additional claim filing is required; the Assessor's office will reinstate the property's factored base year value, plus any new construction value if applicable, based upon the claim you filed under R&TC section 170 to request a temporary reduction in the property's assessed value.

Where to find additional information

For information on the new construction exclusion for Governor-proclaimed disasters, including details on definitions for substantially damaged or destroyed and comparability of the reconstructed property, see LTA 2021/004 at www.boe.ca.gov/proptaxes/pdf/lta21004.pdf.

Base Year Value Transfer to Replacement Property

If your property was damaged or destroyed by a disaster for which the Governor proclaimed a state of emergency, you can transfer your property's tax base (its assessed value immediately prior to the damage) to another property within the same county or another county in California. This prevents the replacement property from being reassessed at market value due to a change in ownership (the reassessment due to a change in ownership can significantly increase the property taxes of those paid on the damaged or destroyed property).



There are three different types of such base year value (BYV) transfers, each under different provisions of the R&TC, and each has different qualifications for property tax relief. The following table provides a quick reference to the disaster relief base year value transfer provisions:

Property Type	Time Period to Purchase or Newly Construct Replacement	Must Sell Damaged Property	Value Test	Transfer BYV to Same or Different County	R&TC Section
All Real Property Types, and Manufactured Home	5 years from disaster date - 8 years for the 2018 Camp Fire (Governor-proclaimed)	No	120%*	Same County	69
Principal Place of Residence	3 years from disaster date (Governor-proclaimed)	No	Equal or Lesser	Different County, if Ordinance Adopted	69.3
Principal Place of Residence	2 years from sale date of original property (Governor-proclaimed)	Yes	100%*	Any County (Same or Different)	69.6

*Partial relief is available if the market value of the replacement property exceeds the value test.

Same County BYV Transfer

Operative as of July 1, 1985, Section 2(e) and (f) of Article XIII A of the California Constitution (Proposition 50), implemented by R&TC section 69, allows an owner whose real property or manufactured home subject to local property taxation by the County Assessor has been substantially damaged or destroyed in a *Governor-proclaimed disaster* to transfer the base year value of the damaged property to a comparable replacement property acquired or newly constructed in the same county **within five years** of the disaster. However, for properties damaged or destroyed in the November 2018 Camp Fire in Butte County, the base year value must be transferred within eight years. Physical damage must amount to more than 50 percent of the property's market value immediately before the disaster. This base year value transfer is available for any type of real property, not just your home, and the damaged and replacement property must be the same property type and of comparable size, utility, and function. The *damaged property does not need to be sold* for this base year value transfer. While the damaged property does not need to be sold to transfer its base year value under the provisions of R&TC section 69, you are not allowed to also receive the new construction exclusion under R&TC section 70(c), 70.5, or 170 if you rebuild the damaged or destroyed property.



You can purchase or newly construct a replacement property of any value; however, any value that exceeds 120 percent of the original property's market value in its pre-damaged condition or any portion that is not similar in function as the damaged or destroyed property is assessed at market value.

How and when to apply

Obtain BOE-65-P, *Claim for Intracounty Transfer of Base Year Value to Replacement Property for Property Damaged or Destroyed in a Governor-Declared Disaster*, from the County Assessor's office where the replacement property is located. Submit the completed form to the same office. There is no express time for filing the claim, but the replacement property must be purchased or newly constructed within five years of the date of disaster (eight years for the 2018 Camp Fire in Butte County).

Where to find additional information

For base year value transfers within the same county, see LTA 2021/026, pages 2-5, at www.boe.ca.gov/proptaxes/pdf/lta21026.pdf.

Different County BYV Transfer

Operative as of October 20, 1991, Section 2 of Article XIII A of the California Constitution (Proposition 171), implemented by R&TC section 69.3, allows a homeowner whose principal place of residence is substantially damaged or destroyed in a *Governor-proclaimed disaster* to transfer the property's factored base year value to a replacement principal residence acquired or newly constructed in another county if that county has adopted an ordinance accepting such base year value transfers. Under R&TC section 69.3, the following 14 counties accept base year value transfers from other counties: Contra Costa, Glenn, Los Angeles, Modoc, Orange, San Diego, San Francisco, Santa Clara, Solano, Sonoma, Sutter, Ventura, Yolo, and Yuba (see LTA 2021/017 at www.boe.ca.gov/proptaxes/pdf/lta21017.pdf). Substantially damaged or destroyed means that physical damage to the land or the improvements must amount to more than 50 percent of their full cash value immediately prior to the disaster. For R&TC section 69.3, see https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=RTC§ionNum=69.3.

The replacement property must be acquired or newly constructed **within three years** of the date of damage or destruction. The *damaged property does not need to be sold*, but will be reassessed at its market value upon transferring its base year value to another county. The damaged property land will retain its base year value notwithstanding that transfer; however, if you rebuild the damaged or destroyed property improvement, you cannot also receive the new construction exclusion reassessment under R&TC section 70(c), 70.5, or 170.

The market value of the replacement property must be of "equal or lesser value" than the market value of the damaged property just prior to its damage. This means the replacement property's fair market value may not exceed a specified percentage of the original property's fair market value, depending upon when the replacement property is acquired or newly constructed—105 percent if within the first year, 110 percent if within the second year, and 115 percent if within the third year.



How and when to apply

Obtain BOE-65-PT, *Claim for Intercounty Transfer of Base Year Value to Replacement Property from Principal Residence Damaged or Destroyed in a Governor-Declared Disaster*, from the County Assessor's office where the replacement property is located. Submit the completed claim to the same office **within three years** of the purchase or completion of the new construction replacement property.

Where to find additional information

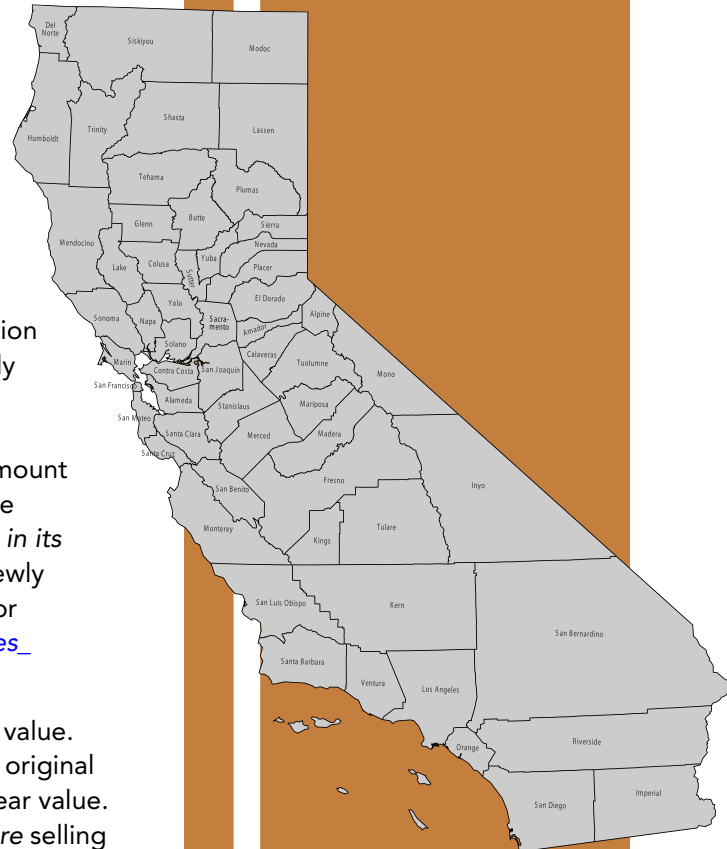
For base year value transfers to a different county, see LTA 2021/026, pages 5-7, at www.boe.ca.gov/proptaxes/pdf/lta21026.pdf and the disaster relief page on the BOE website at www.boe.ca.gov/proptaxes/disaster-relief.htm.

Any County BYV Transfer

Operative as of April 1, 2021, Section 2.1(b) of Article XIII A of the California Constitution (Proposition 19), implemented by R&TC section 69.6, allows a homeowner whose primary residence was substantially damaged or destroyed by *wildfire or Governor-proclaimed natural disaster* to transfer the base year value to a replacement principal residence located in *any* California county. Physical damage must amount to more than 50 percent of the land's or improvement's market value immediately before the disaster. The original property *must be sold in its damaged state*, and replacement property must be purchased or newly constructed **within two years** of the sale of the original property. For R&TC section 69.6, see https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=RTC§ionNum=69.6.

You can purchase or newly construct a replacement property of any value. However, any value in excess of the equal or lesser value test of the original property's market value is added to the transferred factored base year value. If the replacement property is purchased or newly constructed *before* selling the original property, then any market value of the replacement property over 100 percent of the original property's market value will be added to the transferred factored base year value. If the original property is sold *within the first year* of purchasing or newly constructing the replacement, any market value of the replacement over 105 percent of the original is added, and if sold *within the second year*, any market value over 110 percent of the original is added to the transferred factored base year value.

If a replacement property's market value was less than the original property's market value when the base year value transfer was originally granted, any new construction to the replacement property within two years of selling the original property may be excluded from new construction assessment up to the threshold of the equal or lesser value test for the original property. Any additional new construction amount in excess of the threshold will be assessed at market value and added to the taxable value.



How and when to apply

Obtain BOE-19-V, *Claim for Transfer of Base Year Value to Replacement Primary Residence for Victims of Wildfire or Other Natural Disaster*, from the County Assessor's office where the replacement property is located. Submit the completed form to the same office **within three years** of the purchase or new construction of the replacement to receive the base year value transfer; however, if a claim is not filed **within three years**, prospective relief is available from the year the claim is filed.

Where to find additional information

For Proposition 19's base year value transfer provisions and base year value transfers for Governor-proclaimed disasters, see LTA 2022/009, pages 7-8, at www.boe.ca.gov/proptaxes/pdf/lta22009.pdf and Property Tax Rule 462.540 at www.boe.ca.gov/proptaxes/pdf/rules/Rule462-540.pdf.

Manufactured Home—Base Year Value Transfer and New Construction Exclusion

For property tax purposes, manufactured homes are classified as personal property, except those that are classified as real property by being affixed to land on a permanent foundation. Manufactured homes first sold on and after July 1, 1980, are subject to local property taxation from the County Assessor's office. Those first sold prior to July 1, 1980, were subject to Vehicle License Fee (VLF) administered by the Department of Housing and Community Development in lieu of property taxes; however, owners have the option of converting to local property taxation.

Manufactured homes that are subject to local property taxation by the County Assessor are also eligible for the disaster relief provisions as discussed above pursuant to R&TC sections 170 (calamity relief), 70.5 (reinstatement of base year value upon rebuilding), and R&TC sections 69, 69.3, and 69.6 (base year value transfers to a comparable property). However, R&TC sections 172 and 172.1 provide additional disaster relief for manufactured homes that are considered personal property and subject to either local property taxation or the VLF. These additional relief provisions do not apply to manufactured homes that have been affixed to land on a permanent foundation as they are considered real property subject to disaster relief provisions for those of conventional type properties. The discussion below does not apply to manufactured homes subject to the VLF. For R&TC sections 172 and 172.1, see [https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=RTC&division=1.&title=&part=1.&chapter=2.6.&article=.](https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=RTC&division=1.&title=&part=1.&chapter=2.6.&article=)



Destroyed by Governor-proclaimed disaster

If a manufactured home on the local roll is *destroyed* by a Governor-proclaimed disaster and it is replaced by another one that is comparable in size, utility, and location as the one destroyed, relief pursuant to R&TC section 170 or 172 is available such that the prior property's taxable value of the destroyed manufactured home at the time of destruction will be reinstated, adjusted annually by an inflation factor. However, if the property tax on the replacement manufactured home is less than what the taxable value was on the destroyed one, the lesser amount shall apply.

If a manufactured home on the local roll is destroyed by a Governor-proclaimed disaster and the replacement home was subject to the VLF, the in-lieu taxation shall be equal to local property taxes paid on the destroyed manufactured home prior to its destruction.

A "destroyed manufactured home" means that the cost to repair it would exceed the market value of the home immediately prior to its destruction or that it has been declared a total loss for insurance purposes. There are no pro-rata tax reduction provisions, and no relief is available where a manufactured home has only been partially damaged. If the manufactured home is replaced with one that is not comparable, any new construction that exceeds substantial equivalence to the destroyed home will be assessed at market value and added to the reinstated property taxes.

Rebuilding a damaged or destroyed manufactured home

Pursuant to R&TC section 5825, a manufactured home that has been damaged or destroyed may retain its prior assessed value, adjusted annually for an inflation factor, if the reconstruction or replacement of the manufactured home on the same site is substantially equivalent to the manufactured home prior to damage or destruction. Any reconstruction or replacement of a manufactured home, or portion thereof, which is not substantially equivalent to the damaged or destroyed manufactured home, shall be deemed to be new construction, and only that portion which exceeds substantially equivalent reconstruction or replacement shall have a new base year value. R&TC section 5825 can be accessed at https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=RTC§ionNum=5825.

How and when to file

The owner must file a declaration under penalty of perjury that the manufactured home was destroyed by a Governor-proclaimed disaster and submit to the County Assessor.

Where to find additional information

For information on disaster relief for manufactured homes, see LTA 82/139 at www.boe.ca.gov/proptaxes/pdf/82_139.pdf and LTA 88/72 at www.boe.ca.gov/proptaxes/pdf/88_72.pdf.



Additional Information

Visit the State Board of Equalization's (BOE) website at www.boe.ca.gov for property tax information.

For information on disaster relief, visit www.boe.ca.gov/proptaxes/disaster-relief.htm, where there are links to many disaster relief resources, including LTA 2021/026 at www.boe.ca.gov/proptaxes/pdf/lta21026.pdf. For information on new construction exclusions, see Assessors' Handbook Section 410, Chapter 5, at www.boe.ca.gov/proptaxes/pdf/ah410.pdf.

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 Information Guide was prepared by the BOE's Taxpayers' Rights Advocate Office.

