

ALTERNATIVE LANGUAGE

Rule 462.500, *Change in Ownership of Real Property Acquired to Replace Property Taken by Governmental Action or Eminent Domain Proceedings*

NO.	SECTION REFERENCE	SOURCE	PROPOSED LANGUAGE	SBE STAFF POSITION
1	Title	Los Angeles County Assessor (Dale Hough)	<p>Please add the verbiage "Proposition 3" to the existing title.</p> <p>Title. Rule 462.500. Change in Ownership of Real Property Acquired to Replace Property Taken by Governmental Action or Eminent Domain Proceedings (<u>Proposition 3</u>).</p>	Not accepted. This would cause confusion as proposition numbers are reused (Proposition 3 reused in 2008 and 2018).
2	(d) or (e)	Stanislaus County Assessor (Sarah Lewis)	<p>Add an additional example to Property Tax Rule 462.500, either:</p> <p>(d) BASE YEAR VALUE OF REPLACEMENT PROPERTY</p> <p>Example - Blended Value: A is the sole owner of a primary residence that is taken through eminent domain proceedings by a school district. The school district awarded A \$179,000 for the property taken. A and B (not the spouse of A) purchase a replacement property as joint tenants with a reported fair market value of \$339,000. A's relief is limited to 120 percent of his/her ownership share in the replacement property. Since \$169,500, half of the fair market value of the replacement property, A's entire adjusted base year value of the property taken can be transferred for A's interest. B's interest in the property is reassessed at current fair market value. The resulting assessment is a blend of A's adjusted base year value of the property taken plus \$169,500.</p> <p style="text-align: center;"><i>OR</i></p> <p>(e) OWNERSHIP REQUIREMENTS</p> <p>Example: A is the sole owner of a primary residence that is taken through eminent domain proceedings by a school district. A and B (not the spouse of A) purchase a replacement property as joint tenants. A's relief is limited to 120 percent of his/her ownership share in the replacement property. B's interest in the property is reassessed at current fair market value.</p> <p><i>BOE REWRITE:</i></p> <p>(e) OWNERSHIP REQUIREMENTS</p> <p>EXAMPLE 14: A is the sole owner of a primary residence that is taken through eminent domain proceedings by a school district. A and B (not the spouse of A) purchase a replacement property as joint tenants. A's relief is limited to 120 percent of his/her ownership share in the replacement property. B's interest in the property is reassessed at current fair market value.</p>	Accept new example under subdivision (e), because at that point, the rule has addressed both issues of base year value and ownership requirements.

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3	(e) Ex. 11	Sacramento County Assessor (Janet Lewis)	<p>Change "which" to "that" in second sentence.</p> <p>EXAMPLE 11: A and B each own an undivided 50 percent interest as joint tenants in a home that is taken through eminent domain proceedings by the state. A purchases a replacement property which is comparable to the property taken. B contributes his share of the award or purchase price to a limited partnership which <u>that</u> owns a home which is comparable replacement property. A's relief is limited to 120 percent of one-half of the award or purchase price of the property taken. B is entitled to no relief.</p>	Accepted.
4	(i)(2)	San Francisco City and County Assessment Appeals Board (Dawn Duran)	<p>In the very last paragraph, section (i) Administration, subsection (2), there are three references to "<i>the Board</i>" - can you please clarify if this is to mean the "county Board of Supervisors", the "State Board of Equalization" or the "local county Board of Equalization"?</p> <p>BOE REWRITE:</p> <p>(2) Upon receipt of a taxpayer request and proof of actual displacement, the assessor shall forward to the Board <u>State Board of Equalization</u> such information regarding the identification of a displaced property as the Board <u>State Board of Equalization</u> may require. The Board <u>State Board of Equalization</u> shall review such information to determine whether more than one request for assessment relief has been made as a result of a single taking or governmental acquisition and if so shall advise the appropriate assessor(s).</p>	Accepted – see BOE rewrite.