

Reasons for Property Tax Reassessment in California

When a property is reassessed it is to a new Base Year Value equal to the current fair market value of the property which typically means higher property taxes.

SOME TRANSFERS THAT **WILL** TRIGGER A REASSESSMENT

- Change in Ownership such as a purchase.
- Friends or family transfers that are not to a child's primary residence.
- Completion of new construction including new buildings or additions.
- An addition to the home will only add the value of the new construction to the existing assessment. The existing home will not be reassessed for tax purposes.
- Remodel: A remodel will cause a property tax increase when new square footage is added, or new improvements are built such as a spa/swimming pool. The complete remodel of a kitchen or bath with upgraded fixtures/appliances will also cause an increase in the assessed value.

SOME TRANSFERS THAT **WILL NOT** TRIGGER A REASSESSMENT

- Transfers between husband and wife and between parent and child if the property is the primary residence of the transferee.
- Refinance does not trigger a reassessment as long as there is no change in title.
- Transfers into trusts do not trigger reassessment as long as the trustor and deed grantor are the same person.
- Remodel: Permits for normal repair and routine maintenance such as a new roof, re-plumbing, rewiring or replacing a deck will not cause a reassessment. In addition, retrofitting for earthquake safety, soundproofing, or accommodating a permanently disabled person will not cause a reassessment.
- The addition of Joint Tenants, whether related or not, does not result in a reappraisal.

PROP 19

Reach out today for more information on Prop 19 regarding reassessment of property taxes and some ways to avoid it.



CAN MY ASSESSED VALUE BE DECREASED?

Yes, if there is property damage such as a fire or when structures are removed. You will have to apply for a review of assessment with your county assessor office.

When in Escrow:

During your real estate transaction you will be required by the county to fill out a Preliminary Change of Ownership form that your escrow company will provide. The title company will record all deeds during the closing of the transaction and depending on the circumstances your property may be reassessed.



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