



## Legislative Bill Analysis

### SB 293 (Perez)

Date: Amended 9/2/25, 07/08/25, and 6/16/25  
Program: Property Taxes  
Revenue and Taxation Code Sec 63.1, 63.2  
Effective: January 1, 2026

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**Summary:** SB 293 extends the current deadline for taxpayers to retroactively apply a Proposition 58 (1986), Proposition 193 (1996), or Proposition 19 (2020) intergenerational transfer from six months to three years, upon notification from the Assessor, under specified circumstances resulting from specified 2025 Los Angeles Fires. The bill limits the proposed extended timeframes to claims filed before January 1, 2031.

### Summary of Amendments:

**The September 2 amendment** provides that filing a claim for an intergenerational transfer exclusion, or a homeowners' or disabled veterans' exemption, is timely if filed according to the provisions outlined in the "Proposed Law" section below; but limits the extended timeframes in RTC sections 63.1 and 63.2 to claims filed before January 1, 2031.

### The July 8 amendments:

1. Clarify that the proposed provisions in the bill are limited to property damaged or destroyed by the Palisades, Eaton, Hurst, Lidia, Sunset, or Woodley Fires which were declared to be in a state of emergency by the Governor.
2. Clarify procedural requirements required by the Assessor limited to circumstances where no instrument evidencing a change in ownership of the real property was recorded.
3. Add declaratory language that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique circumstances facing the County of Los Angeles.

**The June 16 amendments** clarify that any filing of a homeowners' or disabled veterans' exemption in accordance with the specified changes proposed in SB 293 be treated as timely if filed within one year of the date of mailing of a notice of supplemental or escape assessment.

**Fiscal Impact Summary:** Indeterminable loss. See Revenue Impact below.

**Existing Law:** The law requires Assessors to reassess real property from its Proposition 13 (1978) protected value (called the "base year value") to its current market value whenever a change in ownership occurs<sup>1</sup>. Exceptions to this reassessment requirement have been enacted by the Legislature, including exclusions from reassessment for transfers between parents and children. Under certain circumstances, the parent-child exclusion is extended to transfers of real property from grandparents to grandchildren. Thus, for these types of transfers, the real property will not be

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<sup>1</sup> Article XIII A, section [2](#)

reappraised.

An exclusion occurs when the Assessor does not reassess a property because the property or portions of the property are automatically excluded from reassessment or is eligible to be excluded if the owner properly files a claim. The following list covers few changes in ownership that are excluded from reassessment, either automatically or by claim; however, there may be other excludable qualifying transactions not listed below.

The following three propositions created scenarios where a property could be exempted from a change of ownership reassessment:

**Proposition 58 (1986).** Transfers of the principal place of residence between parents and their children (there is no limit on the value of the residence) that occurred between November 5, 1986, and February 15, 2021, if a completed application is filed timely with the Assessor's office. Proposition 58, effective November 6, 1986, is a constitutional amendment approved by the voters of California that excludes from reassessment transfers of real property between parents and children. Proposition 58 is codified by section 63.1 of the Revenue and Taxation Code.

Transfers of up to \$1 million of real property between parents and their children, other than a principal place of residence, that occurred between November 5, 1986, and February 15, 2021, if a completed application is filed timely with the Assessor's office would also qualify for this exemption.

**Proposition 193 (1996).** Transfers of a principal place of residence from grandparents to their grandchildren, but not vice versa, and the transfer of up to \$1 million of other real property from grandparents to their grandchildren, provided that:

- the transfer occurs on or after March 26, 1996, and on or before February 15, 2021.
- the grandchild(ren)'s parent (grandparent's child) was deceased on or before the date of transfer; and
- a completed application is timely filed with the Assessor's office.

Proposition 193, effective March 27, 1996, is a constitutional amendment approved by the voters of California which excludes from reassessment transfers of real property from grandparents to grandchildren, providing that all the parents of the grandchildren who qualify as children of the grandparents are deceased as of the date of transfer. Proposition 193 is codified by section 63.1 of the Revenue and Taxation Code.

**Proposition 19 (2020).** Transfers of a family home or family farm between parents and their children or, under limited circumstances, between grandparents and their grandchildren that occur on or after February 16, 2021, if completed claims for the homeowners' exemption (for a family home) and the exclusion are timely filed with the Assessor's office. Proposition 19, the *Home Protection for Seniors, Severely Disabled, Families, and Victims of Wildfire or Natural Disasters Act* (ACA 11, Mullin) is codified by section 63.2 of the Revenue and Taxation Code.

Among other provisions, the Act enacted a new section of the California Constitution to limit the parent-child and grandparent-grandchild exclusion enacted by Propositions 58 and 193 to apply solely to the transfer of a principal residence when the property continues as the primary residence

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of the transferee. The transferee has one year from the date of transfer to reside in the home to be eligible for the exclusion. The Act further repeals the parent-child, grandparent-grandchild exclusion, beyond the principal residence, for up to \$1 million in aggregate. Among other requirements, the Act requires the transferee to claim the homeowners' or disabled veteran's exemption at the time of transfer to apply the exclusion.

After the enactment of Proposition 19, the Legislature enacted an omnibus implementation bill to resolve several administrative uncertainties, largely based on similar law implementing Propositions 58 and 193 (SB 539, Hertzberg, 2021). Among these, a transferee has six months from the date of a Notice of Supplemental Assessment or Notice of Proposed Escape Assessment to file a timely claim to retroactively apply the exclusion. If this deadline passes, and the transferee still owns the property, they may file a claim for the exclusion to receive prospective relief only, which applies to the lien date of the assessment year and subsequent years.

### **Informing the County Assessor**

[Section 480](#) of the Revenue and Taxation Code (RTC) requires the buyer of any real property subject to local property taxation that has changed ownership to file a change in ownership report according to the following time schedule:

If the transfer is recorded:

- At the time of recording:

If the transfer is not recorded or change in ownership report not filed at time of recording:

- Within 90 days of the date of transfer.

If the change in ownership was the result of a death and there is no probate:

- Within 150 days of the date of death.

If the change in ownership was the result of a death and the estate is probated:

- At the same time that the "inventory and appraisal" is filed.

If the statement is filed at the time of recording, the owner may file a Preliminary Change in Ownership Report (PCOR), BOE 502-A. If a PCOR is not filed at the time of recording, the owner must file a Change in Ownership Statement, BOE-502-AH, within the specified time period.

### **Penalties for not Filing with the County Assessor**

Per RTC [section 482](#), if one fails to notify the county Assessor of a change in ownership after being mailed a change in ownership statement or death change in ownership statement, such failure to report will result in the assessment of penalties and interest and may also result in penalties associated with any escape assessments. The penalty for failure to file a Change in Ownership Statement upon a written request by the Assessor is \$100 or 10 percent of the new base year value resulting from the transfer, whichever is greater, but such penalty may not exceed \$5,000 if the property is eligible for the homeowners' exemption or \$20,000 if the property is not eligible for the homeowners' exemption, unless the failure to file was willful.

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**Escaped Assessments**

An "escape assessment" is a correction to a property's assessed value on the local property tax roll. This correction is made because the Assessor's Office discovered property or a taxable event that should have been assessed but was not. Current and/or prior year tax rolls may be affected. Per RTC [section 532\(b\)\(2\)](#), the County Assessor must retroactively assess as many as eight prior assessment rolls if the escape assessment was the result of the failure to file a required Change in Ownership Statement. For legal entities, there is no limitation as to the number of years the County Assessor may make an escape assessment.

**Proposed Law:**

1. Amends RTC sections 63.1 and 63.2 to extend to three years the current six-month deadline from the date of notice for supplemental assessment (under Propositions 58, 193, and 19) for taxpayers to apply an intergenerational change in ownership exclusion, and deems a claim to be timely filed when all of the following apply:
  - The Assessor reassesses the property, pursuant to section 170, as a result of the property being damaged or destroyed by the 2025 Palisades Fire, Eaton Fire, Hurst Fire, Lidia Fire, Sunset Fire, or Woodley Fire, for which the Governor proclaimed a state of emergency.
  - The Assessor issued a supplemental or escape assessment on or after the date the above-referenced state of emergency was declared, as a result of a purchase or transfer of the real property for which the claim is filed that occurred before the date of the fire, and for which no instrument evidencing a change in ownership of the real property was recorded.
  - The transferee acquires ownership of the property, including, but not limited to, pursuant to Chapter 4 (commencing with section 13600) of Part 2 of Division 8 of the Probate Code, on or after the date of the misfortune or calamity.

A) Limits the above extension to claims filed before January 1, 2031.
2. Considers a filing to claim the homeowners' or disabled veterans' exemption to be treated as timely if it is filed within a year of the date of mailing of a notice of supplemental or escape assessment issued as a result of the transfer of the real property for which the claim is filed. Limits the extended "timely filed" provisions in RTC section 63.2 to claims filed before January 1, 2031.
3. Makes a declaration of the Legislature that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique circumstances facing the County of Los Angeles.

**Commentary:**

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1. **Six months to three years.** SB 293 extends the six-month period to three years for those taxpayers with unrecorded changes in ownership where property was reassessed due to a disaster and who obtain ownership on or after the date of the disaster. SB 293 is clear that the three-year period only applies to those eligible for the Constitutional exclusions; transfers to non-lineal descendants, such as nephews, nieces, or non-family members, do not qualify.
2. **Recent Governor Emergency Proclamations.** On January 7, 2025, the Governor proclaimed a state of emergency to exist in Los Angeles and Ventura counties due to the Palisades fire and windstorm conditions. A total of nineteen [Executive Orders](#) were issued during the devastation period. According to Los Angeles County Assessor email on June 2, 2025, an estimated 23,500 parcels were impacted by the wildfires, of which approximately 12,000 were completely destroyed. The county estimated total initial loss to be about \$10 billion which could stretch to as much as \$13 billion. The Assessor makes the point that this estimate is lower than the \$20 billion to \$30 billion originally estimated. This disaster has triggered several bills, some of which also include base year transfer extensions.
3. **Related Legislation.** AB 245 (Gipson) and SB 663 (Allen) extend base year transfer timeframes by three years and propose other administrative changes to property tax law for property owners impacted by specified circumstances resulting from the 2025 Los Angeles County Fires. SB 603 (Niello) would allow a county board of supervisors of any county affected by a disaster or state of emergency declared by the Governor to extend the five-year time period (by up to three years) to transfer the base year value of property substantially damaged.
4. **Local Government Reimbursement.** Existing law requires the state to reimburse local agencies annually for certain property tax revenues lost as a result of any exemption or classification of property for purposes of ad valorem property taxation. If the Commission on State Mandates determines the provisions of this bill create a new program or impose a higher level of service for which the state must reimburse local costs, the county could claim reimbursement from the state (General Fund).

**Costs:** The BOE would incur costs of approximately \$27,000 for fiscal year 2025-26, \$154,000 for fiscal year 2026-27, \$113,000 for fiscal year 2027-28, \$94,000 for fiscal year 2028-29, \$77,000 for fiscal year 2029-30 and \$52,000 for FY 2030-31 to issue guidance to impacted County Assessors, update informational materials, answer public inquiries, and to address a projected increase in administrative review.

**Revenue Impact:** Indeterminable, but potentially significant revenue loss dependent on Assessors' handling of unrecorded changes in ownership following misfortune and calamity claims. There is no reasonable way to estimate how many property owners will avail themselves of the extended timeframe contemplated in the bill, especially without first knowing how many impacted property owners had not previously submitted a change in ownership prior to the fire disasters.

Again, SB 293 extends the current six-month period to three years for those taxpayers with unrecorded changes in ownership where property is reassessed due to a disaster and ownership

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is established on or after the date of the disaster (likely intended to assist in probate transfer timeframes). However, the longer deadline only applies to those eligible for the Constitutional exclusions from reassessment under existing law.

**Qualifying Remark:**

This revenue estimate does not account for any changes in economic activity that may or may not result from the enactment of the proposed law.

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