

**From:** May 24-25, 2022 Board Meeting – Public Comment  
**To:** Meeting Info  
**Subject:** [External] May 24-25, 2022 Board Meeting – Public Comment  
**Date:** Tuesday, May 17, 2022 12:11:27 PM



**PUBLIC COMMENT**

**From:** Vaughn McGuire  
**Agenda Item:** M1. Prop 19 Implementation  
**Meeting Date:** 5/24/22

Name: Vaughn McGuire

E-mail Address:

Phone:

Agenda Item(s):

M1. Proposition 19 Implementation

Comment:

First submission for May 2022' Hello, I have a concern about the provision of Prop 19 that raises the "excluded amount" prior to a parents death for heirs that would like to eventually inhabit their parents home. From what I understand the excluded amount will adjust each year based on the movement in the House Price Index for California from the prior calendar year. As it's written, every February 16th it will look back at the previous year to adjust the excluded amount. My concern is that this does not begin to happen until February 16th 2023', which is two years after Prop 19 became law. Under this scenario it will never adjust for 2021' since it only looks back one year. 2021' was a significant year for price appreciation in California. If I'm viewing the correct report, it states that the House Price Index for California rose 19.62% in 2021', which I believe was a record increase. In real terms this could have raised the excluded amount from \$1 million to almost \$1.2 million in just the first year, while saving property tax payers almost \$2000.00 per year in the future after their parents death if they move into the family home. While this may not seem like a significant amount for some people, for lower income people I would assume that this amount could be the difference between hanging onto the generational home versus being taxed out of it. Instead of receiving a larger excluded amount, they will simply have to pay property taxes on an extra 19.62% in value. As it stands not only are families being hit with the surprise of Prop 19, but also missing out on a rather significant hike in the excluded amount due to the way Prop 19 was written. My my first question is; am I reading this correctly? My second question is; was this Prop 19's intent? It's hard to believe that the intent was for the taxpayer to have the potential exposure to the burden of Prop 19 for ten and half months 2021', but at the same time not have the potential to benefit from a potentially higher excluded amount for the entire year. My third question is; could this potentially be amended? Prop 19 has blind sided a lot of people that may have a home in their family but not the income that Prop 19 will require to remain in it after the home is transferred from parent to child. We can use all the help we can get if some sort of amendment is justifiable and possible. The questions I asked above is referenced from this statement contained in a BOE document: (1) On February 16, 2023, and every other February 16 thereafter, the one million dollar (\$1,000,000) amount described in subdivision (c)(1)(B) of this rule shall be adjusted by the same percent change in the House Price Index for California for the prior calendar year, as determined by the Federal Housing Finance Agency. I found the above referenced comments in this BOE document:

<https://www.boe.ca.gov/proptaxes/pdf/lta21054.pdf> Last, I have found one resulting positive from Prop 19; I now know about the BOE and The Boards function. I can't tell you all how assured I am to know that this body exists. Thank you for everything that you all do.

Sincerely, Vaughn McGuire

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.