

# NO ON PROPOSITION 19

A massive tax increase on families



Important information from the  
HOWARD JARVIS TAXPAYERS ASSOCIATION  
[www.HJTA.org](http://www.HJTA.org)

Proposition 19 is a **tax increase**. That's why the Howard Jarvis Taxpayers Association opposes it and urges you to **vote NO on Proposition 19**.

Proposition 19 takes away important taxpayer protections that have been enshrined in the State Constitution since 1986. That's when 76% of voters approved Proposition 58 to allow parents to transfer a home and limited other property to their children without an increase in property taxes. **Proposition 19 eliminates Proposition 58** and a similar measure, Proposition 193, which gives the same protection to transfers between grandparents and grandchildren if the children's parents are deceased.

**Proposition 19 would require property transferred within families to be reassessed to market value as of the date of transfer, resulting in a huge property tax increase for long-held family homes.** The only exception is if the children move into the home within a year and make it their principal residence. This is a billion-dollar tax increase on California families.

Proposition 19 contains other provisions, which HJTA has supported in the past, to expand the opportunities for older homeowners to transfer the base-year value of their home (under Prop. 13) to a replacement home. This was on the ballot in November 2018 as Proposition 5, but voters rejected it by a vote of 60-40 percent. Now, with a massive tax increase added, **HJTA opposes this measure. VOTE NO ON PROPOSITION 19.**

## TAKES AWAY RIGHTS YOU HAVE NOW

Under Proposition 13, passed in 1978, property is reassessed to market value upon change of ownership. However, in 1986, the Legislature voted **unanimously** to put a measure on the ballot, which was Proposition 58, to change the State Constitution and exempt parent-child transfers of property from reassessment. Prop. 58 says parents and children may transfer a home of any value and up to \$1 million of assessed value of other property, such as a small business, without reassessment, so the tax bill stays the same. This was no loophole. **Prop. 58 was approved by 75.7% of California voters.**

In 1996, Prop. 193 extended the same rules to transfers between grandparents and grandchildren if the children's parents are deceased. It passed with 67% approval.

But Proposition 19 repeals Prop. 58 and Prop. 193. It requires that properties transferred between parents and children must be reassessed to current market value. The only exception is if the new owner moves into the home as a principal residence within a year. **This is a huge tax increase on families, and it takes away rights that California voters put into the State Constitution by overwhelming votes.**

## MORE "PORTABILITY" IS TOO COSTLY

Under current law, homeowners age 55 and older may move to a replacement home and keep the lower property tax bill from their previous home. There are some limitations on this tax break: the replacement home must be either in the same county (Proposition 60, 1986) or in a county that accepts the transfers (Proposition 90, 1988). Also, the replacement home must be of equal or lesser value, and a homeowner may transfer the base-year value only once in a lifetime. Proposition 19 eliminates the value and location restrictions and allows three transfers instead of one.

While HJTA supports expanded portability, the value of this tax break must be weighed against **the loss of the exclusion from reassessment for parent-child transfers that is in the State Constitution.** The price is just too high.

**The Howard Jarvis Taxpayers Association urges a NO vote on Proposition 19.**

## TAKE ACTION

Go online to **HJTA.org** to sign up for emails, request a free yard sign, and support the campaign. Become a member of HJTA for just \$15 and strengthen the voice of taxpayers in California. Welcome to the fight for a better future.

Ad paid for by Stop the Tax Hikes, No on 15 and 19,  
A Project of the Howard Jarvis Taxpayers Association