

AMENDED IN SENATE MARCH 24, 2025

SENATE BILL

No. 293

Introduced by Senator Pérez

February 6, 2025

~~An act relating to taxation.~~ *An act to amend Section 63.1 and 63.2 of the Revenue and Taxation Code, relating to taxation.*

LEGISLATIVE COUNSEL'S DIGEST

SB 293, as amended, Pérez. ~~Property taxation: County of Los Angeles: fire victims.~~ *Real property tax: transfer of base year value: generational transfers.*

The California Constitution generally limits ad valorem taxes on real property to 1% of the full cash value of that property, defined as the county assessor's valuation of real property as shown on the 1975–76 tax bill and, thereafter, the appraised value of the property when purchased, newly constructed, or a change in ownership occurs after the 1975 assessment, subject to an annual inflation adjustment not to exceed 2%. Existing property tax law provides that the purchase or transfer of the principal residence, and the first \$1,000,000 of other real property, of a transferor in the case of a transfer between parents and their children, or between grandparents and their grandchildren if all the parents of those grandchildren are deceased, is not a “purchase” or “change in ownership” for purposes of determining the “full cash value” of property for taxation.

The California Constitution, pursuant to Proposition 19, adopted by the voters at the November 3, 2020, general election, beginning on and after February 16, 2021, excludes from the terms “purchase” and “change in ownership,” for purposes of determining the “full cash value” of property, the purchase or transfer of a family home or family

farm, as those terms are defined, of the transferor in the case of a transfer between parents and their children, or between grandparents and their grandchildren if all the parents of those grandchildren are deceased, as specified.

Existing law requires a filing to be made with regard to a transfer that is eligible for the above-referenced exclusions, and sets various deadlines, including a requirement to file six months after the date of mailing of a notice of supplemental or escape assessment, issued as a result of the purchase or transfer of real property for which the claim is filed.

This bill would require a filing for a transfer that is eligible for the above-referenced exclusions to be treated as timely if the filing is made within three years of the date of mailing of a notice of supplemental or escape assessment if specified requirements are met, including a requirement that the assessor reassesses the property due to a misfortune or calamity in an area proclaimed a state of emergency, as specified. By expanding the duties of local tax officials, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

~~The California Constitution provides that all property is taxable, and requires that it be assessed at the same percentage of fair market value, unless otherwise provided by the California Constitution or federal law.~~

~~This bill would state the intent of the Legislature to enact subsequent legislation that would expand current provisions of property tax law that provide relief to taxpayers affected by a disaster in order to support families affected by fires in the County of Los Angeles.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

- 1 **SECTION 1.** *Section 63.1 of the Revenue and Taxation Code*
- 2 *is amended to read:*

63.1. (a) Notwithstanding any other provision of this chapter, a change in ownership shall not include the following purchases or transfers for which a claim is filed pursuant to this section:

(1) (A) The purchase or transfer of real property which is the principal residence of an eligible transferor in the case of a purchase or transfer between parents and their children.

(B) A purchase or transfer of a principal residence from a foster child to the child's biological parent shall not be excluded under subparagraph (A) if the transferor child received that principal residence, or interest therein, from a foster parent through a purchase or transfer that was excluded under subparagraph (A).

(2) The purchase or transfer of the first one million dollars (\$1,000,000) of full cash value of all other real property of an eligible transferor in the case of a purchase or transfer between parents and their children.

(3) (A) Subject to subparagraph (B), the purchase or transfer of real property described in paragraphs (1) and (2) of subdivision (a) occurring on or after March 27, 1996, between grandparents and their grandchild or grandchildren, if all of the parents of that grandchild or those grandchildren, who qualify as the children of the grandparents, are deceased as of the date of purchase or transfer. Notwithstanding any other provision of law, for the lien date for the 2006–07 fiscal year and each fiscal year thereafter, in determining whether “all of the parents of that grandchild or those grandchildren, who qualify as the children of the grandparents, are deceased as of the date of purchase or transfer,” a son-in-law or daughter-in-law of the grandparent that is a stepparent to the grandchild need not be deceased on the date of the transfer.

(B) A purchase or transfer of a principal residence shall not be excluded pursuant to subparagraph (A) if the transferee grandchild or grandchildren also received a principal residence, or interest therein, through another purchase or transfer that was excludable pursuant to paragraph (1) of subdivision (a). The full cash value of any real property, other than a principal residence, that was transferred to the grandchild or grandchildren pursuant to a purchase or transfer that was excludable pursuant to paragraph (2) of subdivision (a) and the full cash value of a principal residence that fails to qualify for exclusion as a result of the preceding sentence shall be included in applying, for purposes of paragraph

(2) of subdivision (a), the one million dollar (\$1,000,000) full cash value limit specified in paragraph (2) of subdivision (a).

(b) (1) For purposes of paragraph (1) of subdivision (a), “principal residence” means a dwelling that is eligible for a homeowners’ exemption or a disabled veterans’ exemption as a result of the transferor’s ownership and occupation of the dwelling. “Principal residence” includes only that portion of the land underlying the residence that consists of an area of reasonable size that is used as a site for the residence.

(2) For purposes of paragraph (2) of subdivision (a), the one-million-dollar (\$1,000,000) exclusion shall apply separately to each eligible transferor with respect to all purchases by and transfers to eligible transferees on and after November 6, 1986, of real property, other than the principal residence, of that eligible transferor. The exclusion shall not apply to any property in which the eligible transferor’s interest was received through a transfer, or transfers, excluded from change in ownership by the provisions of either subdivision (f) of Section 62 or subdivision (b) of Section 65, unless the transferor qualifies as an original transferor under subdivision (b) of Section 65. In the case of any purchase or transfer subject to this paragraph involving two or more eligible transferors, the transferors may elect to combine their separate one-million-dollar (\$1,000,000) exclusions and, upon making that election, the combined amount of their separate exclusions shall apply to any property jointly sold or transferred by the electing transferors, provided that in no case shall the amount of full cash value of real property of any one eligible transferor excluded under this election exceed the amount of the transferor’s separate unused exclusion on the date of the joint sale or transfer.

(c) As used in this section:

(1) “Purchase or transfer between parents and their children” means either a transfer from a parent or parents to a child or children of the parent or parents or a transfer from a child or children to a parent or parents of the child or children. For purposes of this section, the date of any transfer between parents and their children under a will or intestate succession shall be the date of the decedent’s death, if the decedent died on or after November 6, 1986.

(2) “Purchase or transfer of real property between grandparents and their grandchild or grandchildren” means a purchase or transfer

on or after March 27, 1996, from a grandparent or grandparents to a grandchild or grandchildren if all of the parents of that grandchild or those grandchildren who qualify as the children of the grandparents are deceased as of the date of the transfer. For purposes of this section, the date of any transfer between grandparents and their grandchildren under a will or by intestate succession shall be the date of the decedent's death. Notwithstanding any other provision of law, for the lien date for the 2006–07 fiscal year and each fiscal year thereafter, in determining whether “all of the parents of that grandchild or those grandchildren, who qualify as the children of the grandparents, are deceased as of the date of purchase or transfer,” a son-in-law or daughter-in-law of the grandparent that is a stepparent to the grandchild need not be deceased on the date of the transfer.

(3) “Children” means any of the following:

(A) Any child born of the parent or parents, except a child, as defined in subparagraph (D), who has been adopted by another person or persons.

(B) Any stepchild of the parent or parents and the spouse of that stepchild while the relationship of stepparent and stepchild exists. For purposes of this paragraph, the relationship of stepparent and stepchild shall be deemed to exist until the marriage on which the relationship is based is terminated by divorce, or, if the relationship is terminated by death, until the remarriage of the surviving stepparent.

(C) Any son-in-law or daughter-in-law of the parent or parents. For the purposes of this paragraph, the relationship of parent and son-in-law or daughter-in-law shall be deemed to exist until the marriage on which the relationship is based is terminated by divorce, or, if the relationship is terminated by death, until the remarriage of the surviving son-in-law or daughter-in-law.

(D) Any child adopted by the parent or parents pursuant to statute, other than an individual adopted after reaching 18 years of age.

(E) Any foster child of a state-licensed foster parent, if that child was not, because of a legal barrier, adopted by the foster parent or foster parents before the child aged out of the foster care system. For purposes of this paragraph, the relationship between a foster child and foster parent shall be deemed to exist until terminated by death. However, for purposes of a transfer that occurs on the

1 date of death, the relationship shall be deemed to exist on the date
2 of death.

3 (4) “Grandchild” or “grandchildren” means any child or children
4 of the child or children of the grandparent or grandparents.

5 (5) “Full cash value” means full cash value, as defined in Section
6 2 of Article XIII A of the California Constitution and Section 110.1,
7 with any adjustments authorized by those sections, and the full
8 value of any new construction in progress, determined as of the
9 date immediately prior to the date of a purchase by or transfer to
10 an eligible transferee of real property subject to this section.

11 (6) “Eligible transferor” means a grandparent, parent, or child
12 of an eligible transferee.

13 (7) “Eligible transferee” means a parent, child, or grandchild
14 of an eligible transferor.

15 (8) “Real property” means real property as defined in Section
16 104. Real property does not include any interest in a legal entity.
17 For purposes of this section, real property includes any of the
18 following:

19 (A) An interest in a unit or lot within a cooperative housing
20 corporation, as defined in subdivision (i) of Section 61.

21 (B) A pro rata ownership interest in a mobilehome park, as
22 defined in subdivision (b) of Section 62.1.

23 (C) A pro rata ownership in a floating home marina, as defined
24 in subdivision (c) of Section 62.5.

25 (9) “Transfer” includes, and is not limited to, any transfer of
26 the present beneficial ownership of property from an eligible
27 transferor to an eligible transferee through the medium of an inter
28 vivos or testamentary trust.

29 (10) “Social security number” also includes a taxpayer
30 identification number issued by the Internal Revenue Service in
31 the case in which the taxpayer is a foreign national who cannot
32 obtain a social security number.

33 (d) (1) The exclusions provided for in subdivision (a) shall not
34 be allowed unless the eligible transferee, the transferee’s legal
35 representative, the trustee of the transferee’s trust, or the executor
36 or administrator of the transferee’s estate files a claim with the
37 assessor for the exclusion sought and furnishes to the assessor each
38 of the following:

39 (A) A written certification by the transferee, the transferee’s
40 legal representative, the trustee of the transferee’s trust, or the

1 executor or administrator of the transferee's estate, signed and
 2 made under penalty of perjury that the transferee is a parent, child,
 3 or grandchild of the transferor and that the transferor is ~~his or her~~
 4 ~~the parent, child, or grandparent.~~ *grandparent of the transferee.*
 5 In the case of a grandparent-grandchild transfer, the written
 6 certification shall also include a certification that all the parents
 7 of the grandchild or grandchildren who qualify as children of the
 8 grandparents were deceased as of the date of the purchase or
 9 transfer and that the grandchild or grandchildren did or did not
 10 receive a principal residence excludable under paragraph (1) of
 11 subdivision (a) from the deceased parents, and that the grandchild
 12 or grandchildren did or did not receive real property other than a
 13 principal residence excludable under paragraph (2) of subdivision
 14 (a) from the deceased parents. The claimant shall provide legal
 15 substantiation of any matter certified pursuant to this subparagraph
 16 at the request of the county assessor.

17 (B) A written certification by the transferor, the transferor's
 18 legal representative, the trustee of the transferor's trust, or the
 19 executor or administrator of the transferor's estate, signed and
 20 made under penalty of perjury that the transferor is a grandparent,
 21 parent, or child of the transferee and that the transferor is seeking
 22 the exclusion under this section and will not file a claim to transfer
 23 the base year value of the property under Section 69.5.

24 (C) A written certification shall also include either or both of
 25 the following:

26 (i) If the purchase or transfer of real property includes the
 27 purchase or transfer of residential real property, a certification that
 28 the residential real property is or is not the transferor's principal
 29 residence.

30 (ii) If the purchase or transfer of real property includes the
 31 purchase or transfer of real property other than the transferor's
 32 principal residence, a certification that other real property of the
 33 transferor that is subject to this section has or has not been
 34 previously sold or transferred to an eligible transferee, the total
 35 amount of full cash value, as defined in subdivision (c), of any
 36 real property subject to this section that has been previously sold
 37 or transferred by that transferor to eligible transferees, the location
 38 of that real property, the social security number of each eligible
 39 transferor, and the names of the eligible transferees of that property.

1 (D) If there are multiple transferees, the certification and
2 signature may be made by any one of the transferees, if both of
3 the following conditions are met:

4 (i) The transferee has actual knowledge that, and the certification
5 signed by the transferee states that, all of the transferees are eligible
6 transferees within the meaning of this section.

7 (ii) The certification is signed by the transferee as a true
8 statement made under penalty of perjury.

9 (E) In the case of a transfer between a foster parent and foster
10 child, the claim filed with the assessor shall include a certified
11 copy of the court decision regarding the foster child status of the
12 individual and a certified statement from the appropriate county
13 agency stating that the foster child was not, because of a legal
14 barrier, adopted by the foster parent or foster parents. Upon a
15 request by the county assessor, the claimant also shall provide to
16 the assessor legal substantiation of any matter certified under this
17 subparagraph.

18 (2) If the full cash value of the real property purchased by or
19 transferred to the transferee exceeds the permissible exclusion of
20 the transferor or the combined permissible exclusion of the
21 transferors, in the case of a purchase or transfer from two or more
22 joint transferors, taking into account any previous purchases by
23 or transfers to an eligible transferee from the same transferor or
24 transferors, the transferee shall specify in ~~his or her~~ *their* claim the
25 amount and the allocation of the exclusion ~~he or she is~~ *they are*
26 seeking. Within any appraisal unit, as determined in accordance
27 with subdivision (d) of Section 51 by the assessor of the county
28 in which the real property is located, the exclusion shall be applied
29 only on a pro rata basis, however, and shall not be applied to a
30 selected portion or portions of the appraisal unit.

31 (e) (1) The State Board of Equalization shall design the form
32 for claiming eligibility. Except as provided in paragraph ~~(2)~~, (3),
33 any claim under this section shall be filed:

34 (A) For transfers of real property between parents and their
35 children occurring prior to September 30, 1990, within three years
36 after the date of the purchase or transfer of real property for which
37 the claim is filed.

38 (B) For transfers of real property between parents and their
39 children occurring on or after September 30, 1990, and for the
40 purchase or transfer of real property between grandparents and

1 their grandchildren occurring on or after March 27, 1996, within
2 three years after the date of the purchase or transfer of real property
3 for which the claim is filed, or prior to transfer of the real property
4 to a third party, whichever is earlier.

5 (C) Notwithstanding subparagraphs (A) and (B), a claim shall
6 be deemed to be timely filed if it is filed within six months after
7 the date of mailing of a notice of supplemental or escape
8 assessment, issued as a result of the purchase or transfer of real
9 property for which the claim is filed.

10 (2) *Notwithstanding subparagraph (C) of paragraph (1), a claim*
11 *shall be deemed to be timely filed within three years after the date*
12 *of mailing of a notice of supplemental or escape assessment, issued*
13 *as a result of transfer of real property for which the claim is filed,*
14 *when all of the following apply:*

15 (A) *The assessor reassesses the property due to a misfortune*
16 *or calamity, in an area or region subsequently proclaimed by the*
17 *Governor to be in a state of emergency, if that property was*
18 *damaged or destroyed by the major misfortune or calamity that*
19 *caused the Governor to proclaim the area or region to be in a*
20 *state of emergency pursuant to Section 170 of the Revenue and*
21 *Taxation Code.*

22 (B) *The assessor issued a supplemental or escape assessment*
23 *on or after the date of the misfortune or calamity due to a*
24 *previously unrecorded change in ownership.*

25 (C) *The transferee acquires ownership of the property through*
26 *Probate administration, including, but not limited to, pursuant to*
27 *Chapter 4 (commencing with Section 13600) of Part 2 of Division*
28 *8 of the Probate Code, on or after the date of the misfortune or*
29 *calamity.*

30 ~~(2)~~

31 (3) In the case in which the real property subject to purchase or
32 transfer has not been transferred to a third party, a claim for
33 exclusion under this section that is filed subsequent to the
34 expiration of the filing periods set forth in paragraph (1) shall be
35 considered by the assessor, subject to all of the following
36 conditions:

37 (A) Any exclusion granted pursuant to that claim shall apply
38 commencing with the lien date of the assessment year in which
39 the claim is filed.

(B) Under any exclusion granted pursuant to that claim, the adjusted full cash value of the subject real property in the assessment year described in subparagraph (A) shall be the adjusted base year value of the subject real property in the assessment year in which the excluded purchase or transfer took place, factored to the assessment year described in subparagraph (A) for both of the following:

(i) Inflation as annually determined in accordance with paragraph (1) of subdivision (a) of Section 51.

(ii) Any subsequent new construction occurring with respect to the subject real property.

~~(3)~~

(4) (A) Unless otherwise expressly provided, the provisions of this subdivision shall apply to any purchase or transfer of real property that occurred on or after November 6, 1986.

(B) Paragraph (2) shall apply to purchases or transfers between parents and their children that occurred on or after November 6, 1986, and to purchases or transfers between grandparents and their grandchildren that occurred on or after March 27, 1996.

~~(4)~~

(5) For purposes of this subdivision, a transfer of real property to a parent or child of the transferor shall not be considered a transfer to a third party.

(f) The assessor may report quarterly to the State Board of Equalization all purchases or transfers, other than purchases or transfers involving a principal residence, for which a claim for exclusion is made pursuant to subdivision (d). Each report shall contain the assessor's parcel number for each parcel for which the exclusion is claimed, the amount of each exclusion claimed, the social security number of each eligible transferor, and any other information the board may require in order to monitor the one-million-dollar (\$1,000,000) limitation in paragraph (2) of subdivision (a). In recognition of the state and local interests served by the action made optional in this subdivision, the Legislature encourages the assessor to continue taking the action formerly mandated by this subdivision.

(g) This section shall apply to both voluntary transfers and transfers resulting from a court order or judicial decree. Nothing in this subdivision shall be construed as conflicting with paragraph

1 (1) of subdivision (c) or the general principle that transfers by
2 reason of death occur at the time of death.

3 (h) (1) Except as provided in paragraph (2), this section shall
4 apply to purchases and transfers of real property completed on or
5 after November 6, 1986, and shall not be effective for any change
6 in ownership, including a change in ownership arising on the date
7 of a decedent's death, that occurred prior to that date.

8 (2) This section shall apply to purchases or transfers of real
9 property between grandparents and their grandchildren occurring
10 on or after March 27, 1996, and, with respect to purchases or
11 transfers of real property between grandparents and their
12 grandchildren, shall not be effective for any change in ownership,
13 including a change in ownership arising on the date of a decedent's
14 death, that occurred prior to that date.

15 (i) A claim filed under this section is not a public document and
16 is not subject to public inspection, except that a claim shall be
17 available for inspection by the transferee and the transferor or their
18 respective spouse, the transferee's legal representative, the
19 transferor's legal representative, the trustee of the transferee's
20 trust, the trustee of the transferor's trust, and the executor or
21 administrator of the transferee's or transferor's estate.

22 (j) (1) If the assessor notifies the transferee in writing of
23 potential eligibility for exclusion from change in ownership under
24 this section, a certified claim for exclusion shall be filed with the
25 assessor within 45 days of the date of the notice of potential
26 eligibility. If a certified claim for exclusion is not filed within 45
27 days, the assessor may send a second notice of potential eligibility
28 for exclusion, notifying the transferee that a certified claim for
29 exclusion has not been received and that reassessment of the
30 property will commence unless a certified claim for exclusion is
31 filed within 60 days of the date of the second notice of potential
32 eligibility. The second notice of potential eligibility shall indicate
33 whether a certified claim for exclusion that is not filed within 60
34 days will be subject to a processing fee as provided in paragraph
35 (2).

36 (2) If a certified claim for exclusion is not filed within 60 days
37 of the date of the second notice of potential eligibility and an
38 eligible transferee subsequently files a claim and qualifies for the
39 exclusion, the assessor may, upon authorization by a county board
40 of supervisors, require an eligible transferee to pay a one-time

1 processing fee, collected at the time the claim is submitted, and
2 reimbursed by the assessor if the claim is ineligible. The fee shall
3 be subject to the provisions of Chapter 12.5 (commencing with
4 Section 54985) of Part 1 of Division 2 of Title 5 of the Government
5 Code and shall not exceed the amount of the actual and reasonable
6 costs incurred by the assessor for reassessment work done due to
7 failure to file the claim for exclusion or one hundred seventy-five
8 dollars (\$175), whichever is less.

9 (3) The failure to file a certified claim for exclusion within the
10 filing periods specified by this subdivision shall not be construed
11 to limit any exclusion from being granted pursuant to a claim filed
12 within the filing periods specified by subdivision (e).

13 *SEC. 2. Section 63.2 of the Revenue and Taxation Code is*
14 *amended to read:*

15 63.2. (a) Notwithstanding any provision of this chapter,
16 beginning on and after February 16, 2021, a change in ownership
17 shall not include, in whole or in part, any of the following
18 purchases or transfers for which a claim is filed:

19 (1) The purchase or transfer of real property that is the principal
20 residence of an eligible transferor in the case of a purchase or
21 transfer between parents and their children or between grandparents
22 and their grandchildren, if all of the parents, other than stepparents,
23 of that grandchild or those grandchildren, who qualify as the
24 children of the grandparents, are deceased as of the date of purchase
25 or transfer.

26 (A) The transfer is required to be of a principal residence of the
27 transferor, and become the principal residence of the transferee
28 within one year of the transfer.

29 (B) The transferee shall file for the homeowners' or disabled
30 veterans' exemption within a year of the transfer, and the exclusion
31 shall be removed on the date an eligible transferee, or a subsequent
32 eligible transferee who files for the homeowners' or disabled
33 veterans' exemption within one year, is no longer eligible for either
34 the homeowners' or disabled veterans' exemption.

35 (C) If applicable, as of the lien date immediately following the
36 date the eligible transferee or subsequent eligible transferee no
37 longer qualifies for the exclusion provided by this section, the base
38 year value established as of the change in ownership date to which
39 the exclusion applied, adjusted annually in accordance with
40 paragraph (1) of subdivision (a) of Section 51, shall be enrolled.

(2) The purchase or transfer is of a family farm of an eligible transferor in the case of a purchase or transfer between parents and their children or between grandparents and their grandchildren, if all of the parents, other than stepparents, of that grandchild or those grandchildren, who qualify as the children of the grandparents, are deceased as of the date of purchase or transfer.

(A) This exclusion shall apply separately to the transfer of each legal parcel that makes up a family farm.

(B) For purposes of this section, each legal parcel that makes up a family farm shall be deemed to itself be a family farm, except for a legal parcel containing a family home.

(C) A legal parcel containing a family home as described in subparagraph (B) may qualify separately for exclusion under paragraph (1).

(b) The exclusions provided for in this section shall not be allowed unless a claim for the exclusion sought, pursuant to subdivision (f), is filed with the assessor.

(c) A claim filed under this section is not a public document and is not subject to public inspection, except that a claim shall be available for inspection by the transferee and the transferor or their respective spouse, the transferee's legal representative, the transferor's legal representative, the trustee of the transferee's trust, the trustee of the transferor's trust, and the executor or administrator of the transferee's or transferor's estate.

(d) The new taxable value of the family home or family farm shall be the sum of both of the following:

(1) The taxable value of the family home or family farm as determined in accordance with Section 110.1, with the adjustments permitted by subdivision (b) of Section 2 of Article XIII A of the California Constitution and subdivision (f) of Section 110.1, determined as of the date immediately prior to the date the principal residence or family farm is purchased or transferred to the transferee.

(2) The applicable of the following amounts:

(A) If the fair market value, as defined in subdivision (a) of Section 110, of the family home or family farm upon purchase by, or transfer to, the transferee is less than the sum of the taxable value described in paragraph (1) plus one million dollars (\$1,000,000), then zero dollars (\$0).

(B) If the fair market value, as defined in subdivision (a) of Section 110, of the family home or family farm upon purchase by, or transfer to, the transferee is equal to or more than the sum of the taxable value described in paragraph (1) plus one million dollars (\$1,000,000), an amount equal to the fair market value of the family home upon purchase by, or transfer to, the transferee, minus the sum of the taxable value described in paragraph (1) and one million dollars (\$1,000,000).

(e) As used in this section, the following terms have the following meanings:

(1) “Children” means any of the following:

(A) Any child born of the parent or parents, except a child, as defined in subparagraph (D), who has been adopted by another person or persons.

(B) Any stepchild of the parent or parents and the spouse of that stepchild while the relationship of stepparent and stepchild exists. For purposes of this paragraph, the relationship of stepparent and stepchild shall be deemed to exist until the marriage on which the relationship is based is terminated by divorce, or, if the relationship is terminated by death, until the remarriage of the surviving stepparent.

(C) Any son-in-law or daughter-in-law of the parent or parents. For the purposes of this paragraph, the relationship of parent and son-in-law or daughter-in-law shall be deemed to exist until the marriage on which the relationship is based is terminated by divorce, or, if the relationship is terminated by death, until the remarriage of the surviving son-in-law or daughter-in-law.

(D) Any child adopted by the parent or parents pursuant to statute, other than an individual adopted after reaching 18 years of age.

(E) Any foster child of a state-licensed foster parent, if that child was not, because of a legal barrier, adopted by the foster parent or foster parents before the child aged out of the foster care system. For purposes of this paragraph, the relationship between a foster child and foster parent shall be deemed to exist until terminated by death. However, for purposes of a transfer that occurs on the date of death, the relationship shall be deemed to exist on the date of death.

(2) “Eligible transferee” means a parent, child, grandparent, or grandchild of an eligible transferor.

1 (3) “Eligible transferor” means a grandparent, parent, grandchild,
2 or child of an eligible transferee.

3 (4) “Family farm” means any real property under cultivation or
4 which is being used for pasture or grazing, or that is used to
5 produce any agricultural commodity, as that term is defined in
6 Section 51201 of the Government Code as that section read on
7 January 1, 2020.

8 (5) “Family home” or “principal place of residence” means a
9 dwelling that is eligible for a homeowners’ exemption or a disabled
10 veterans’ exemption as a result of the transferor’s ownership and
11 occupation of the dwelling. “Family home” or “principal residence”
12 includes only that portion of the land underlying the residence that
13 consists of an area of reasonable size that is used as a site for the
14 residence.

15 (6) “Full cash value” means full cash value, as defined in Section
16 2 of Article XIII A of the California Constitution and Section 110.1,
17 with any adjustments authorized by those sections, and the full
18 value of any new construction in progress, determined as of the
19 date immediately prior to the date of a purchase by or transfer to
20 an eligible transferee of real property subject to this section.

21 (7) “Grandchild” or “grandchildren” means any child or children
22 of the child or children of the grandparent or grandparents.

23 (8) “Real property” means real property as defined in Section
24 104. Real property does not include any interest in a legal entity.
25 For purposes of this section, real property includes any of the
26 following:

27 (A) An interest in a unit or lot within a cooperative housing
28 corporation, as defined in subdivision (i) of Section 61.

29 (B) A pro rata ownership interest in a mobilehome park, as
30 defined in subdivision (b) of Section 62.1.

31 (C) A pro rata ownership in a floating home marina, as defined
32 in subdivision (c) of Section 62.5.

33 (9) “Transfer” includes, and is not limited to, any transfer of
34 the present beneficial ownership of property from an eligible
35 transferor to an eligible transferee through the medium of an inter
36 vivos or testamentary trust.

37 (f) (1) The State Board of Equalization shall prescribe, after
38 consultation with the California Assessors’ Association, a form
39 for claiming eligibility. Except as provided in paragraph-(2), (3),
40 any claim under this section shall be filed as follows:

1 (A) Within three years after the date of the purchase or transfer
2 of real property for which the claim is filed, or prior to the transfer
3 of the real property to a third party, or an eligible transferee no
4 longer occupies the residence, whichever is earlier.

5 (B) Notwithstanding subparagraph (A), a claim shall be deemed
6 to be timely filed if it is filed within six months after the date of
7 mailing of a notice of supplemental or escape assessment, issued
8 as a result of the purchase or transfer of real property for which
9 the claim is filed.

10 (2) *Notwithstanding subparagraph (B) of paragraph (1), a claim*
11 *shall be deemed to be timely filed within three years after the date*
12 *of mailing of a notice of supplemental or escape assessment, issued*
13 *as a result of transfer of real property for which the claim is filed,*
14 *when all of the following apply:*

15 (A) *The assessor reassesses the property due to a misfortune*
16 *or calamity, in an area or region subsequently proclaimed by the*
17 *Governor to be in a state of emergency, if that property was*
18 *damaged or destroyed by the major misfortune or calamity that*
19 *caused the Governor to proclaim the area or region to be in a*
20 *state of emergency pursuant to Section 170 of the Revenue and*
21 *Taxation Code.*

22 (B) *The assessor issued a supplemental or escape assessment*
23 *due to a previously unrecorded change in ownership on or after*
24 *the date of the misfortune or calamity.*

25 (C) *The transferee acquires ownership of the property, including*
26 *but not limited to, pursuant to Chapter 4 (commencing with Section*
27 *13600) of Part 2 of Division 8 of the Probate Code, on or after*
28 *the date of the misfortune or calamity.*

29 (D) *When subparagraphs (A), (B), and (C) apply, there shall*
30 *be a rebuttable presumption that the real property is the principal*
31 *place of residence of the transferor and transferee for purposes*
32 *of paragraph (1) of subdivision (a).*

33 ~~(2)~~

34 (3) In the case in which the real property subject to purchase or
35 transfer has not been transferred to a third party, a claim for
36 exclusion under this section that is filed subsequent to the
37 expiration of the filing periods set forth in paragraph (1) shall be
38 considered by the assessor, subject to both of the following
39 conditions:

1 (A) Any exclusion granted pursuant to that claim shall apply,
2 commencing with the lien date of the assessment year in which
3 the claim is filed.

4 (B) Under any exclusion granted pursuant to that claim, the
5 adjusted full cash value of the subject real property in the
6 assessment year described in subparagraph (A) shall be the adjusted
7 base year value of the subject real property in the assessment year
8 in which the excluded purchase or transfer took place, factored to
9 the assessment year described in subparagraph (A) for both of the
10 following:

11 (i) Inflation as annually determined in accordance with
12 paragraph (1) of subdivision (a) of Section 51.

13 (ii) Any subsequent new construction occurring with respect to
14 the subject real property.

15 (g) (1) If the assessor notifies the transferee in writing of
16 potential eligibility for exclusion from change in ownership under
17 this section, a certified claim for exclusion shall be filed with the
18 assessor within 45 days of the date of the notice of potential
19 eligibility. If a certified claim for exclusion is not filed within 45
20 days, the assessor may send a second notice of potential eligibility
21 for exclusion, notifying the transferee that a certified claim for
22 exclusion has not been received and that reassessment of the
23 property will commence unless a certified claim for exclusion is
24 filed within 60 days of the date of the second notice of potential
25 eligibility. The second notice of potential eligibility shall indicate
26 whether a certified claim for exclusion that is not filed within 60
27 days will be subject to a processing fee as provided in paragraph
28 (2).

29 (2) If a certified claim for exclusion is not filed within 60 days
30 of the date of the second notice of potential eligibility and an
31 eligible transferee subsequently files a claim and qualifies for the
32 exclusion, the assessor may, upon authorization by a county board
33 of supervisors, require an eligible transferee to pay a one-time
34 processing fee, collected at the time the claim is submitted, and
35 reimbursed by the assessor if the claim is ineligible. The fee shall
36 be subject to the provisions of Chapter 12.5 (commencing with
37 Section 54985) of Part 1 of Division 2 of Title 5 of the Government
38 Code and shall not exceed the amount of the actual and reasonable
39 costs incurred by the assessor for reassessment work done due to

1 failure to file the claim for exclusion or one hundred seventy-five
2 dollars (\$175), whichever is less.

3 (h) (1) After consultation with the California Assessors'
4 Association, the board shall, by emergency regulation, adopt
5 regulations and produce claim forms and instructions necessary
6 to implement this section and Section 2.1 of Article XIII A of the
7 California Constitution.

8 (2) Any emergency regulation prescribed, adopted, or enforced
9 pursuant to this section shall be adopted in accordance with Chapter
10 3.5 (commencing with Section 11340) of Part 1 of Division 3 of
11 Title 2 of the Government Code, and, for purposes of that chapter,
12 including Section 11349.6 of the Government Code, the adoption
13 of the regulation is an emergency and shall be considered by the
14 Office of Administrative Law as necessary for the immediate
15 preservation of the public peace, health and safety, and general
16 welfare.

17 *SEC. 3. If the Commission on State Mandates determines that*
18 *this act contains costs mandated by the state, reimbursement to*
19 *local agencies and school districts for those costs shall be made*
20 *pursuant to Part 7 (commencing with Section 17500) of Division*
21 *4 of Title 2 of the Government Code.*

22 ~~SECTION 1. It is the intent of the Legislature to enact~~
23 ~~subsequent legislation that would expand current provisions of~~
24 ~~property tax law that provide relief to taxpayers affected by a~~
25 ~~disaster in order to support families affected by fires in the County~~
26 ~~of Los Angeles.~~