

years. Moreover, many victims did not receive their settlement payments until last year, with thousands still waiting on payments. This puts many victims at risk of facing a sudden and significant tax increase as the five-year anniversary of the fire approaches.

This bill is sponsored by the Town of Paradise and supported by the County of Butte, Howard Jarvis Taxpayers Association, and California Association of Realtors.

- 2) **Base Year Value Transfers.** Existing law provides several exceptions to the required reassessment of real property from its base year value to its current market value when a change in ownership occurs. For example, the base year value of a property substantially damaged or destroyed by a Governor-proclaimed disaster may be transferred to a comparable replacement property in the same county or to a reconstructed property on the same site within five years. All property types (residential, commercial, agricultural, or industrial) are eligible for such base year value transfers. Since Proposition 13 capped the annual growth of a property's assessed value and set the tax rate at 1% of assessed value, this exception allows the taxpayer to maintain lower property tax bills.

This bill grants a property owner three more years to transfer the base year value of qualified property substantially damaged or destroyed by the Camp Fire during a specified time period in November 2018 to a comparable property within Butte County that is acquired or newly constructed as a replacement property. This bill does not provide a similar extension to base year value transfers for a property owner electing to reconstruct improvements on the damaged or destroyed qualified property site.

- 3) **Related Legislation.** AB 1500 (Irwin) extends, by an additional three years, the time period during which the property tax base year value of a property substantially damaged or destroyed by the 2018 Camp Fire or 2018 Woolsey Fire may be applied to a replacement property reconstructed on the site of the damaged or destroyed property. AB 1500 is pending hearing in this committee.
- 4) **Prior Legislation.** SB 303 (Borgeas), Chapter 540, Statutes of 2021, extended by two years the time period during which the base year value of a property substantially damaged or destroyed by a Governor-proclaimed disaster may be transferred to a comparable replacement property, if the last day for the transfer or the damage to the property occurred between March 4, 2020, and the "COVID-19 emergency termination date" or March 4, 2022, whichever occurred sooner.

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