
UNFINISHED BUSINESS

Bill No: SB 293
Author: Pérez (D)
Amended: 9/2/25
Vote: 21

SENATE REVENUE AND TAXATION COMMITTEE: 5-0, 4/9/25
AYES: McNerney, Valladares, Ashby, Grayson, Umberg

SENATE APPROPRIATIONS COMMITTEE: 6-0, 5/23/25
AYES: Caballero, Seyarto, Cabaldon, Grayson, Richardson, Wahab
NO VOTE RECORDED: Dahle

SENATE FLOOR: 38-0, 5/29/25
AYES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener
NO VOTE RECORDED: Limón, Reyes

ASSEMBLY FLOOR: 76-0, 9/11/25 - See last page for vote

SUBJECT: Real property tax: transfer of base year value: generational transfers: wildfire

SOURCE: Author

DIGEST: This bill extends the current deadline for taxpayers to retroactively apply a Proposition 58, 193, or 19 intergenerational transfer from six months to three years under specified circumstances resulting from the 2025 Los Angeles Fires.

Assembly Amendments of 9/2/25 (1) for purposes of Proposition 19, deem as timely filed a homeowner's or disabled veteran's exemption claim if it is filed within one year of the mailing of the notice of supplemental or escape assessment issued as a

result of the transfer, (2) instead of applying to any property in an area or region proclaimed by the Governor to be in a state of emergency, limit its extension only to 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, (3) replace references from “previously unrecorded change in ownership” to “purchase or transfer of real property ... for which no instrument evidencing a change in ownership of the real property was recorded,” (4) delete the rebuttable presumption that the real property is the principal place of residence of the transferor and transferee for purposes of Proposition 19 transfer exclusions, (5) add a legislative finding stating that a special statute that applies solely in the County of Los Angeles is necessary, and (6) limit its provisions only to claims filed before January 1, 2031.

ANALYSIS:

Existing law:

- 1) Provides that all property is taxable unless explicitly exempted by the Constitution or federal law (California Constitution, Article XIII, Section One).
- 2) Limits the maximum amount of any *ad valorem* tax on real property at 1% of full cash value, plus any locally-authorized bonded indebtedness, and caps a property’s annual inflationary increase in taxable value to 2%. Provides that assessors reappraise property whenever it is purchased, newly constructed, or when ownership changes (California Constitution, Article XIII A, as added by Proposition 13, 1978).
- 3) Enacts change in ownership exclusions for transfers of property from one generation to the next, specifically:
 - a) Transfers of property from parents to children (Proposition 58, 1986).
 - b) Transfers of property to grandchildren, so long as the parents are deceased (Proposition 193, 1996).
- 4) Requires a transferee to claim the exclusion within 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.
- 5) Enacts the Home Protection for Seniors, Severely Disabled, Families, and Victims of Wildfire or Natural Disasters Act, which limits the above exclusions solely to the transfer of a principal residence when the property continues as the primary residence of the transferee, and requires the transferee to claim the

homeowner's exemption from property tax at the time of transfer or within one year to apply the exclusion (Proposition 19, 2020).

- 6) Provides that an eligible transferee under Proposition 19 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, similar to Propositions 58 and 193. 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 (SB 539, Hertzberg, Chapter 427, Statutes of 2021).
- 7) Permits the Legislature to authorize local agencies to provide for the assessment or reassessment of taxable property "physically damaged or destroyed" for property tax purposes (California Constitution, Article XIII, Section 15).
- 8) Requires a transferee to file with the assessor a signed change in ownership statement in the county where the real property is located whenever real property changes ownership.
- 9) Requires a decedent's representative to let assessors know within 150 days of the death of a property owner, or be subject to a penalty.
- 10) Directs assessors to enroll the correct value for the property when discovering unrecorded changes in ownership, and issue appropriate escape assessments for prior years that fall within the statute of limitations, which is eight years for unrecorded changes in ownership.
- 11) Provides that interest is also due from the date the tax would have become delinquent if the tax had been timely assessed.

This bill:

- 1) Extends 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 when all of the following circumstances apply:
 - a) The assessor conducts a disaster reassessment as a result of that 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.

- b) The assessor issued a supplemental or escape assessment on or after the date of the state of emergency, as a result of a transfer or purchase of real property in which no instrument evidencing a change in ownership of the real property was recorded.
 - c) The transferee acquires ownership of the property on or after the date of the state of emergency.
- 2) Deems as timely filed a claim for a homeowner's or disabled veteran's exemption 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.
 - 3) Applies its provisions only to claims filed before January 1, 2031.
 - 4) Makes technical and conforming changes.
 - 5) Includes a legislative finding stating that a special statute that applies solely in the County of Los Angeles is necessary.

Background

The National Weather Service held a conference call with Southern California fire and emergency management officials on January 3, 2025, warning that a “truly historic event” was due in four days, with the possibility of fires that would spread with extraordinary speed. On January 7, 2025, a series of fires exploded in Los Angeles County, for which the Governor declared a state of emergency to exist in Los Angeles and Ventura counties. According to CalFIRE, the Palisades Fire burned 23,448 acres, destroyed 6,833 structures, and killed 12. The Eaton Fire burned 14,021 acres, destroyed 9,418 structures, and killed 18. The Kenneth Fire started two days later, and the Hughes Fire started on January 22nd; neither destroyed structures or resulted in loss of life. The UCLA Anderson School of Management estimates total property and capital losses could range between \$76 billion and \$131 billion, with insured losses estimated up to \$45 billion. The causes of all four fires remain under investigation.

As the assessor conducts disaster reassessments following these fires, they will likely discover properties with unrecorded changes in ownership due to the death of the owner of record. In this case, they must enroll a new base year value, and issue escape assessments back to the owner's date of death up to eight years prior, plus interest. The assessor must then reduce the property value to reflect its disaster-affected valuation. As a result, property owners suffering from the LA

fires could face an additional hardship of a significant unpaid tax liability that is unlikely to be offset by the disaster reassessment, unless an exclusion applies.

Intergenerational transfer exclusions may apply for some taxpayers; however, taxpayers only have six months from the date the assessor issues a notice of escape assessment to file a claim that cancels the escape assessments. For many families, ownership of the property may be unclear or require resolution pursuant to the Probate Code, which typically takes at least two years. As a result, the child or grandchild can apply the exclusion prospectively once they obtain ownership of the property, but they will still be subject to taxes for prior 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. However, this longer deadline only applies to those eligible for the Constitutional exclusions; transfers to non-lineal descendants do not qualify.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

According to the Assembly Appropriations Committee:

- Annual property tax revenue loss of an unknown, but likely significant amount, in excess of \$300,000. According to the State Board of Equalization (BOE), there is no reasonable way to estimate: (a) how many properties with unrecorded changes in ownership may be eligible for the tax relief under this bill, (b), the assessed values of such properties, and (c) whether the property owner will meet the claims deadline extension. Although property tax is a local government revenue source, reductions in property tax revenues increase Proposition 98 General Fund (GF) spending by up to roughly 50% (the exact amount depends on the specific amount of the annual Proposition 98 guarantee).
- Costs of approximately \$27,000 in fiscal year (FY) 2025-26, \$154,000 in FY 2026-27, and \$113,000 in FY 2027-28, with decreasing costs thereafter, to BOE to issue guidance to impacted county assessors, update informational materials, answer public inquiries, and accommodate other administrative workload (GF).
- Costs of an unknown amount to the Los Angeles and Ventura county assessors to update claims forms and modify administrative practices. 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 two counties could claim reimbursement from the state (GF).

SUPPORT: (Verified 9/3/25)

Los Angeles County Assessor Jeffrey Prang
California Assessors' Association
Greenline Housing Foundation
Hands in the Soil
Harambee Ministries
Howard Jarvis Taxpayers Association
Lift International
NAACP – Altadena Branch
NAACP – Pasadena Branch
Pasadena Chamber of Commerce and Civic Association

OPPOSITION: (Verified 9/3/25)

None received

ARGUMENTS IN SUPPORT: According to the author, “Altadena experienced the worst of the devastation from the Eaton Fire, which destroyed nearly 10,000 structures. While the physical damage was extensive, we didn’t realize the impact on multigenerational households, particularly in Altadena’s historic Black community. Many of these homes were passed down within families, often, without proper title transfers. Without proper title documentation families risk losing generational wealth, while homeowners may be ineligible for assistance programs further delaying their recovery and rebuilding efforts. Legislation is urgently needed to protect these families and preserve the cultural and historical identity of the community. SB 293, the Generational Homeownership Protection Act, would establish pathway for impacted homeowners to bring their property transfer records up to date without penalty, reducing the immediate tax burden associated with property value reassessments to help homeowners avoid unexpected financial hardships, while ensuring continuity for families who have inherited their homes.”

ASSEMBLY FLOOR: 76-0, 9/11/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Chen, Connolly, Davies, DeMaio, Elhawary, Ellis, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lee,

Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan,
Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste
Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo,
Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis,
Ward, Wicks, Wilson, Zbur, Rivas

NO VOTE RECORDED: Castillo, Dixon, Flora, Lackey

Prepared by: Colin Grinnell / REV. & TAX. / (916) 651-4117
9/12/25 9:24:11

**** **END** ****