



ALEX PADILLA
California Secretary of State

AP20:040

FOR IMMEDIATE RELEASE

April 23, 2020

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New Measure Eligible for California's November 2020 Ballot
Changes Requirements for Transferring Property Tax Base to Replacement Property. Expands Business Property Reassessment. Initiative Constitutional Amendment.

SACRAMENTO, CA – Secretary of State Alex Padilla announced that an initiative became eligible for the for the November 3, 2020 General Election ballot yesterday.

In order to become eligible for the ballot, the initiative needed 997,139 valid petition signatures, which is equal to eight percent of the total votes cast for governor in the November 2018 General Election.

A measure can become eligible via random sampling of petition signatures if the sampling projects that the number of valid signatures is greater than 110 percent of the required number. The initiative needed at least 1,096,853 projected valid signatures to become eligible by random sampling, and it exceeded that threshold yesterday.

On June 25, 2020, the Secretary of State will certify the initiative as qualified for the November 3, 2020 General Election ballot, unless it is withdrawn by the proponents prior to certification pursuant to Elections Code section 9604(b).

The Attorney General's official title and summary of the measure is as follows:

CHANGES REQUIREMENTS FOR TRANSFERRING PROPERTY TAX BASE TO REPLACEMENT PROPERTY. EXPANDS BUSINESS PROPERTY REASSESSMENT. INITIATIVE CONSTITUTIONAL AMENDMENT. Removes the following requirements to transfer property tax base to replacement residence for homeowners over 55 or severely disabled: that replacement property be of equal or lesser value; that replacement property be in eligible county; and that transfer occur only once. Allows three such transfers. Removes location and replacement-value requirements for transfers of contaminated or disaster-destroyed property. Adjusts replacement property's tax base, based on market value. Limits tax benefits for certain transfers between family members. Expands circumstances requiring business property reassessment. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: **Local governments could gain tens of millions of dollars of property tax revenue per year, likely growing over time to a few hundred million dollars per year. Schools could receive similar property tax revenue gains. Other local and state**

revenues each could increase by tens of millions of dollars per year. County property tax administration costs likely would increase by tens of millions of dollars per year.
(19-0003.)

The proponent of the measure, Alexander Creel, can be reached c/o Kurt Oneto of Nielsen, Merksamer, Parrinello, Gross & Leoni, LLP at (916) 446-6752. The address for Nielsen et al., LLP is 1415 L Street, Suite 1200, Sacramento, CA 95814.

For more information about how an initiative qualifies for the ballot in California, visit <https://www.sos.ca.gov/elections/ballot-measures/how-qualify-initiative/>

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