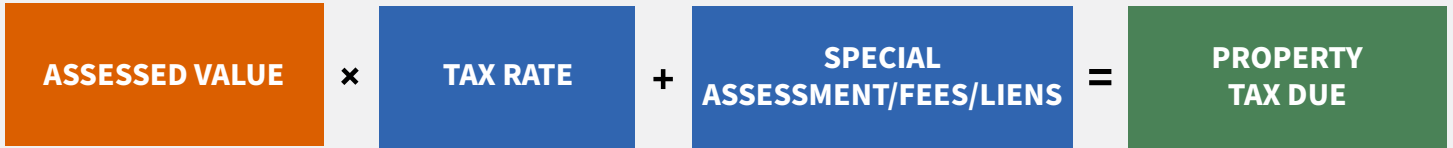




REAL PROPERTY ASSESSMENTS VALUING YOUR PROPERTY

JEFF PRANG, ASSESSOR

DO YOU KNOW ALL TAXABLE PROPERTY IN LOS ANGELES COUNTY HAS AN “ASSESSED VALUE”? THE ASSESSED VALUE IS THE DOLLAR VALUE ASSIGNED TO A PROPERTY BY THE ASSESSOR FOR THE PURPOSE OF COMPUTING PROPERTY TAXES.



Where do my property taxes go?



Property taxes generate revenue used to support critical local public services like police, fire, health & social services, neighborhood parks, and libraries. A portion of property taxes are also used to support local school districts.

Assessed Value vs Market Value

The current assessed value of your property may not reflect its current market value. When you buy your property, the initial assessment - known as the base year value - is set at market value. Increases to the base year value are limited by Prop. 13.

Under Prop. 13, your assessed value will only change for the following reasons:

1. An annual increase of no more than 2%, under Prop. 13
2. New construction/change in ownership
3. Prop. 8 Decline-in-Value (DIV)
4. Restoration of Prop. 13 (when a DIV reduction is no longer warranted)
5. Reassessment due to fire damage or other Misfortune and Calamity

How to reduce your property tax?

APPLY FOR EXEMPTIONS:

Homeowners’ Exemption (HOX): If you own a home and occupy it as your principal residence, you may qualify for a \$7,000 reduction to your assessed value, which equates to approximately \$70 of annual savings.

To learn more, please visit our [HOX](#) web page.

CONTEST YOUR ASSESSED VALUE:

Informal Review: Requests for a temporary 1-year decline-in-value assessment reduction can be submitted to the Assessor’s Office between July 2 and November 30.

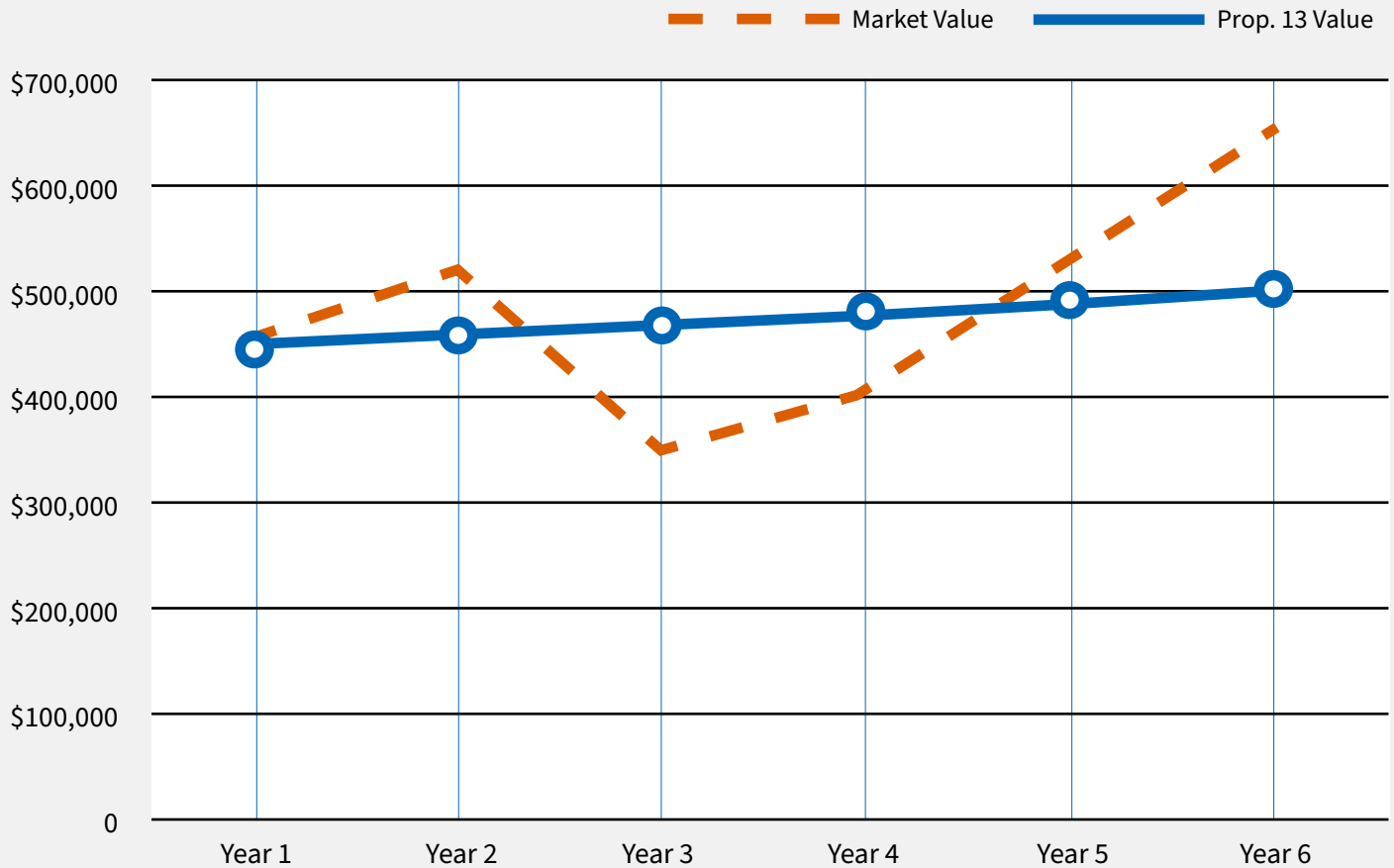
Assessment Appeal: You may formally appeal your annual assessed value by filing an application with the Assessment Appeals Board between July 2 and November 30. To appeal a supplemental assessment, you may file within 60 days of the mailing date of your supplemental tax bill.

Please visit their website at: bos.lacounty.gov/Services/Assessment-Appeals

EXCLUSIONS (PROP. 19) FROM REASSESSMENT:

- Parent-Child or Child-Parent Transfer Exclusion
- Grandparent-Grandchild Transfer Exclusion
- Replacement Residence Exclusion for Senior Citizens or Disabled Persons

HOW PROP. 13 & PROP. 8 COULD IMPACT YOUR HYPOTHETICAL ASSESSED VALUE



YEAR 1

The \$450,000 market value of a hypothetical home is used as the Prop. 13 base value after a change of ownership.

YEAR 2

Market value rises to \$500,000, but assessed value is just \$459,000 (\$450,000 plus 2% increase allowable under Prop 13).

YEAR 3

The market value of the property falls below the Prop. 13 value, so the lower market value is applied per Prop. 8.

YEAR 4

Although the assessed value increases by \$50,000, or 12.5% from Year 3, it is still allowable because it remains below the Prop. 13 cap.

YEAR 5 & 6

Although market value exceeds the Prop. 13 level, the property would only be assessed at the Prop. 13 level.

Disclaimer: Information on this document should not be construed as legal advice, but is designed merely to inform the public on tax relief opportunities processed by the Office of the Los Angeles County Assessor. If you have any questions regarding your particular property tax position, it is recommended that you consult with an attorney or a property tax professional.