The Downey Patriot
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Any Time Any Where

DEATH OF A PROPERTY OWNER

By Jeff Prang
Los Angeles County Assessor

This month I'm going to share information about a delicate subject, but also a very important one—dealing with property taxes and what should be done upon the death of a property owner.

Needless to say, the death of a loved one is a traumatic event, to say nothing of putting their affairs in order – dealing with inheritance, insurance, finances, and property. The following information generally covers what needs to be done if they owned property in Los Angeles County.

Anytime a property owner dies, the County Assessor must be notified. This is done by filing the Change in Ownership – Death of Real Property Owner Form. The form must be filed in addition to any notification made to law enforcement, the Coroner, or even the Registrar-Recorder/County Clerk.

The Change in Ownership – Death of Real Property Owner Form must be filed with the Assessor within 150 days of the date of death. If the estate is in probate, the Assessor must be notified at the same time that the "inventory and appraisal" is filed. Failure to notify the Assessor may result in penalties and can complicate other parts of the transfer process.

The executor (whether a family member or legal representative) should file the Change in Ownership Statement– Death of Real Property Owner Form and mail it to the Los Angeles County Assessor, Ownership Services Section, 500 W. Temple St., Room 205, Los Angeles, CA 90012, along with a copy of the death certificate. Also, you will find the required forms and a checklist that will take you through each step at my website: **assessor.lacounty.gov/Real-Estate-Toolkit/death-of-a-property-owner**. I encourage you to avail yourself of this useful information.

Furthermore, if the property is passes from a parent to their child(ren), there may be property tax savings available, called the Parent-Child Exclusion. However, that process has changed since the voter-approved Proposition 19 went into effect last year. Generally speaking, the parent-child exclusion allows a child to inherit property from their parent(s) without the property being reassessed: meaning they keep the parent's tax base.

Prop. 19 now mandates, however, that any property not being used as the primary residence will not be eligible to transfer the existing lower tax rate. The child receiving the home has one year from the date of transfer to acquire the Homeowners' Exemption, if the home does not have it already. If the home does not have the Homeowners' Exemption, the children will not receive the tax benefit. The Parent-Child Exclusion is not automatic and must be applied for to receive the benefit.

A common point of confusion is when the property is in a trust. While trusts can have many benefits, they don't protect from reassessment. Whether or not the property is in a trust, the Parent-Child Exclusion must be filed to receive the savings. Similarly, property can be transferred from a grandparent to a grandchild, if the parent is deceased. The Grandparent to Grandchild Exclusion must also be filed. Applications for both Parent-Child Exclusions and Grandparent to Grandchild Exclusions must be made within three years following the date of death, (or other transfer) but prior to the date of sale or transfer to a third party.

Whenever you are considering filing documents that affect the ownership of your property, I encourage you to seek legal advice and assistance before filing those documents. The information provided here should not be construed as legal advice.

As I stated at the outset of this column, this is a delicate subject matter that needs to be addressed. I hope you find the information provided here useful. Again, I encourage you to visit our website, **assessor.lacounty.gov.**

Los Angeles County Assessor Jeff Prang has been in office since 2014. Upon taking office, Prang implemented sweeping reforms to ensure that the strictest ethical guidelines rooted in fairness, accuracy and integrity would be adhered to in his office, which is the largest office of its kind in the nation with 1,300 employees and provides the foundation for a property tax system that generates $17 billion annually.

News article "Death of a Property Owner" is appearing in the following weeklies:

The Downey Patriot

Downey Patriot: thedowneypatriot.com/articles/la-county-assessor-death-of-a-property-owner

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US News Express: unekjc.com/2022/02/25/death-of-a-property-owner/
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