



ASSESSOR QUICK GUIDE

DEATH OF A PROPERTY OWNER

Office of Tom J. Bordonaro, Jr., County Assessor

The San Luis Obispo County Assessor's Office has created this guide to assist you as you navigate the process of setting affairs in order after a death. This guide highlights a few of the things that should be done if the deceased owned property in San Luis Obispo County.

Notify the Assessor

Anytime a property owner dies the County Assessor must be notified in order to maintain accurate records.

Notification is done by filing a Change in Ownership – Death of Real Property Owner form, which must be filed within 150 days of the date of death, or if the estate is probated, before or when the inventory and appraisal is filed with the Clerk. The Change in Ownership – Death of Real Property Owner form can be found on the Assessor's website.

Once signed, the form must be mailed to:
San Luis Obispo County Assessor's Office
1055 Monterey Street, Suite D360
San Luis Obispo, CA 93408

Please note: Recording an Affidavit for the death, even if accompanied by a Preliminary Change in Ownership Report form, does not count as notifying the Assessor.

Inheriting Property

Property tax savings may be available for children inheriting property from their parents.

The Parent-Child and Grandparent-Grandchild Transfer Exclusion (Prop. 19) allows property to transfer its Prop. 13 base year value to a person's children or grandchildren if these conditions are met:

1. The property must be the principal residence of the parent(s) or grandparent(s).
2. The property must become the principal residence of the child(ren) or grandchild(ren) within 1 year of the transfer.
3. For the full benefit to apply, a Parent-Child Transfer Exclusion (or Grandparent-Grandchild Transfer Exclusion) claim form, must be filed 1) within 3 years of the transfer, or before the property is transferred to a third party, or 2) within 6 months of the mailing date of the notice of escape or supplemental assessment issued as a result of the transfer, whichever is earlier. In addition, the applicant(s) must file a Homeowners' Exemption (HOX) claim within 1 year of the transfer.

Frequently Asked Questions

1. CAN THE PROPERTY BE REASSESSED UPON THE DEATH OF THE OWNER?

Yes. According to state law, a transfer on death is considered a change in ownership and the real property or the manufactured home that is subject to local property taxation can be reassessed as of the date of death for property tax purposes, unless an exclusion applies.

2. CAN THE PROPERTY BE REASSESSED IF THE DECEDENT HELD THE PROPERTY IN A TRUST?

Yes. A property owner that holds their property in a trust may be a trustor and/or present beneficiary. Property held in trust may undergo a change in ownership and be reassessed when the trustor and/or present beneficiary of the trust passes away, unless an exclusion applies. The change in ownership and, if applicable, the date of reassessment, is the date of death of the property-owning trustor and/or present beneficiary, not the date of distribution or transfer to a successor beneficiary.

3. DO I STILL HAVE TO FILE A CHANGE IN OWNERSHIP STATEMENT IF THE PROPERTY WAS HELD IN THE DECEDENT'S TRUST?

Yes. Whenever there is any change in ownership of real property or of a manufactured home subject to local property taxation, the transferee shall file a signed Change in Ownership Statement with the County Assessor in the county where the real property or manufactured home is located. For transfers that occur upon the death of the property owner, a Change in Ownership Statement must be filed with the Assessor's Office within 150 days of the date of death. However, if the property is subject to probate proceedings, the Change in Ownership Statement shall be filed before or when the inventory and appraisal are filed with the clerk.

4. WHAT HAPPENS IF A CHANGE IN OWNERSHIP STATEMENT IS NOT FILED WITHIN THE TIME FRAME PRESCRIBED BY LAW?

Failure to file a Change in Ownership within the time prescribed by law may result in a penalty. Additionally, when the change in ownership is discovered the Assessor will determine if reassessment of the real property or of the manufactured home is required under State law. If required, an appraisal is made to determine the market value of the property as of the date of death of the property owner. The resulting market value of the property will be enrolled as of the date of death of the property owner; the assessed value will be corrected for each year thereafter, pursuant to Prop. 13, and adjusted tax bills will be issued. If the property has been sold to a third party, adjusted bills will be issued unsecured to the heirs of the estate, or the trustee of the trust, whichever is appropriate.

5. HOW DOES THE ASSESSOR UPDATE THE MAILING ADDRESS WHEN A PROPERTY OWNER PASSES AWAY?

The mailing address will remain the same until the Assessor is notified via a completed Change in Ownership – Death of Real Property form, a new deed, upon receipt of documentation naming the decedent's administrator, executor, or trustee, or by a completed Change of Address Request form. To avoid problems, update the mailing address as soon as possible.

6. ARE PARENT/CHILD TRANSFERS AUTOMATICALLY EXCLUDED FROM REASSESSMENT?

No. To receive an exclusion, the Claim for Reassessment Exclusion for Transfer Between Parent and Child form must be filed with our office. To obtain a retroactive exclusion, a claim must be filed (1) within 3 years of the transfer or before the property is transferred to a third party, whichever occurs first, or (2) within six months of the mailing date of the notice of escape or supplemental assessment issued as the result of the transfer. The eligible child/grandchild must be eligible and file for the Homeowners' or Disabled Veterans' Exemption within one year of the transfer event. If either or both of the filing requirements are not met, a prospective exclusion, commencing the year a claim is filed, may be still available if the property has not been transferred to a third party.

Disclaimer: Information on this document should not be construed as legal advice. It is designed merely to inform the public on tax relief opportunities processed by the San Luis Obispo County Assessor. If you have questions regarding your particular property tax position, you should consult with an attorney or a property tax professional.