

PHONG LA, ASSESSOR

OFFICE OF ASSESSOR



OFFICE OVERVIEW & PROPOSITION 19

December 2025

Disclaimer

This information has been prepared by the Alameda County Office of the Assessor for information purposes only and does not constitute legal advice.

It is not legal advice or a substitute for obtaining legal advice from an attorney. It is not tax advice or a substitute for obtaining tax advice from a CPA or accountant.

Any person who reviews the information should not rely upon it or act on it in any manner without first engaging professional counsel.

The information is intended to communicate general information.

About Us

ALAMEDA COUNTY ASSESSOR'S OFFICE



- The Assessor's Office is responsible for locating all taxable property in the County, establishing its taxable value, and applying any legal exemption.
- We are one of the largest assessment agencies in the state.
- We are committed to establishing accurate and fairly assessed property values.

What goes into property taxes?

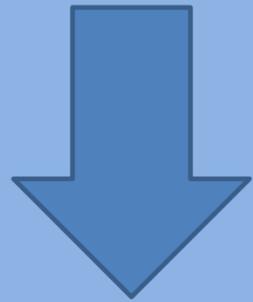
The Assessor, Auditor-Controller, and
Treasurer-Tax Collector

**ASSESSED
VALUE**

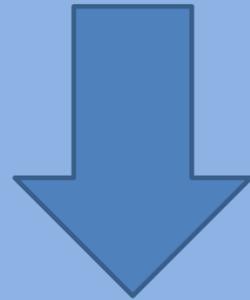
**TAX
RATE**

**SPECIAL
ASSESSMENTS/
FEES/LIENS**

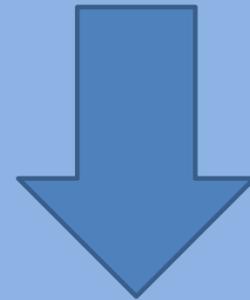
**PROPERTY
TAX DUE**



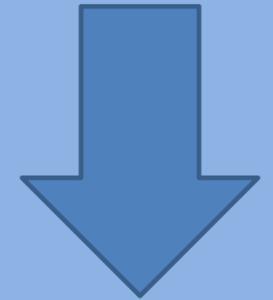
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**Phong La
Assessor**



**Melissa Wilk
Auditor-Controller**



**Special Tax
Districts**



**Henry C. Levy
Treasurer-
Tax Collector**

Property Tax Distribution

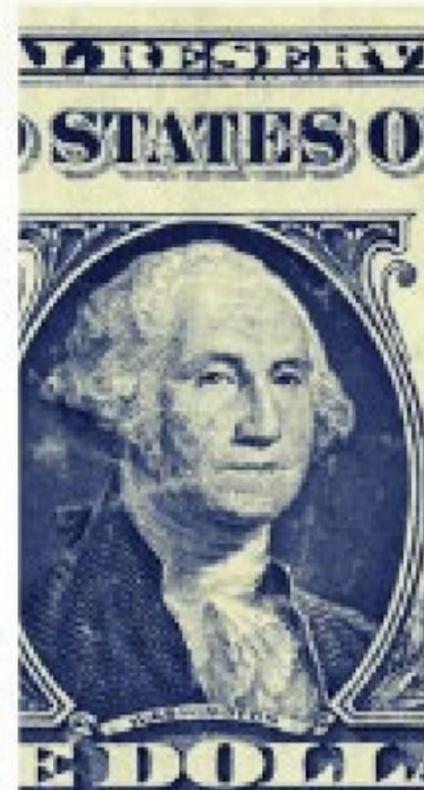
42%
SCHOOLS

18%
CITIES

15%
COUNTY

13%
SPECIAL
DISTRICTS

12%*
REDEVELOPMENT &
SUCCESSOR AGENCIES



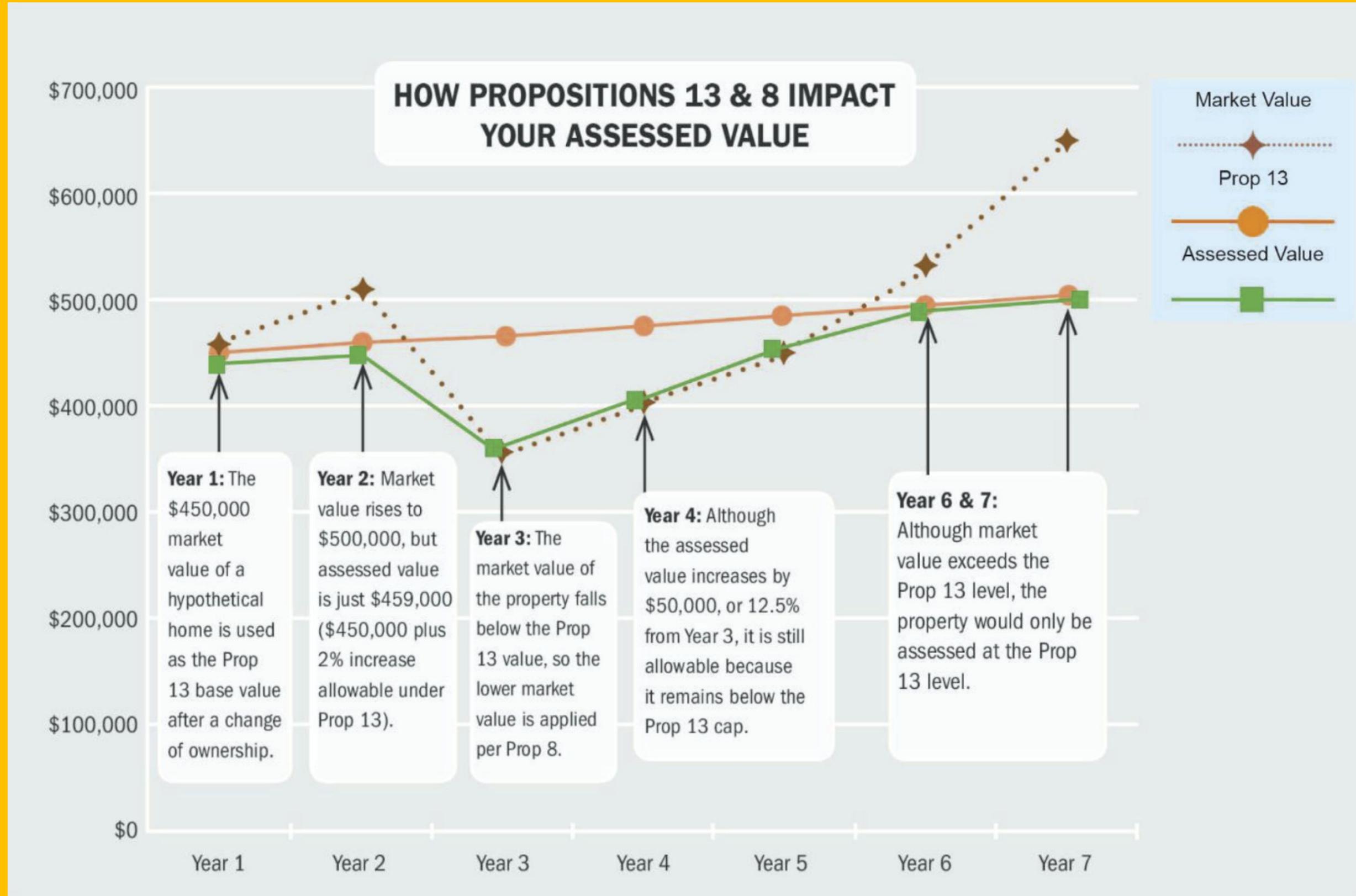
*OVER TIME, REDEVELOPMENT AGENCIES' SHARE OF PROPERTY TAXES SHOULD BE DISTRIBUTED TO OTHER ENTITIES.

Decline in Market Value

Decline in Market Value

- When a property's current market value falls below the Prop 13 value, that lower value is commonly referred to as a "decline in value" assessment, or simply the "Prop 8 value."
- Prop 8 assessments, are TEMPORARY reductions for one year. Once a Prop 8 reduced value has been enrolled, that property's value must be reviewed on every subsequent January 1.
- As the real estate market begins to recover, the temporary Prop 8 value will be increased until it is restored back to its Prop 13 factored base year value. Increases to a Prop 8 assessment are not subject to the 2% increase limitation as are Prop 13 values.

Decline in Market Value



This chart is for illustrative purposes only. The 2% indexing was not compounded in the examples.

Proposition 19

Proposition 13 gives property tax benefits for long term ownership

My parents buy a house in Pleasanton, CA for \$100,000 in 1980.

They are assessed \$100,000 and pay about \$1,250 in property taxes in 1980.

The property is now worth \$1,000,000 in 2025

But the property is assessed at about \$200,000 (\$100,000 plus 2% a year for 40 years compounded) – property taxes are about \$2,500 **per year in 2025** for my parents.

Under Prop 58, it does not matter if they live there or rent it out. I keep the low basis when transferred to me.

New owners of the same house

Properties are re-assessed when there is a “change in ownership”, assessments are increased with new construction.

New family buys my parents’ house in Pleasanton, CA for \$1,000,000 in 2025.

They are assessed \$1,000,000 and pay about \$12,500 in property taxes in 2025.

Proposition 13 restricts the increases in assessments to 2% a year and caps the property tax amount to 1% of the assessed value (with special assessments added such as school bonds, vector control, etc. that voters approve)

Prop 13: Previous law until 2/15/2021

- **Which transfers are excluded?**
 - Transfers of primary residences (no limit on value)
 - Transfers of the first \$1 million (assessed value not market value) of real property other than the primary residence (applies separately to each eligible transferor)
 - Transfers may result in a sale, gift or inheritance
- **What value of the transferred property is counted?**
 - The Proposition 13 value (factored base year value) just prior to the date of transfer)
- **Eligible children/grandchildren**
 - Child born of parents, stepchild, son or daughter in law, adopted child; any child of parents who qualify as children of grandparents

Prop 13: Previous law until 2/15/2021

- My parents bought a house in Pleasanton, CA for \$100,000 in 1980.
- They are assessed \$100,000 and pay about \$1,250 in property taxes in 1980.
- The property is now worth \$1,000,000 in 2025
- Current Assessed value of \$200,000
- Parents transfer the house to me (gift, sale, or inheritance)
- If child timely files a Claim for Reassessment Exclusion Between Parent and Child, assessed value remains at \$200K (must be filed within 3 years)
- If done properly, property taxes stay at about \$2,500 per year... and increase about \$50 per year. Otherwise, the property is re-assessed and property taxes become about \$12,500 per year.

The election in November 2020

Two ballot initiatives affecting property taxes: Proposition 15 and Proposition 19

- Proposition 15 (Re-Assessing Commercial/Industrial properties every 3 years)
 - Did Not Pass
- Proposition 19 (Changes Base Value Transfer Rules and Parent/Child Exclusion Rules)
 - Did Pass
 - 51% of California Voters in favor, 49% oppose

Proposition 19 has two main components:

1. Base Value Transfers (for people 55 years old and older, Fire Victims)
2. Parent/Child Exclusion for primary homes and investment properties

**To understand Proposition 19, we must understand
Proposition 13 which was passed by California voters in 1978**

Parent/Child Transfers

So how do Proposition 13 taxes work now when a parent dies and leaves property to a child...?

Proposition 19

The Home Protection for Seniors, Severely Disabled, Families, and Victims of Wildfire or Natural Disasters Act of 2020

- Effective February 16, 2021, Changes the Parent to Child(ren) and Grandparent to Grandchild(ren) Exclusions
- Principal residence of the parent/grandparent must remain principal resident of the child(ren)/ grandchild(ren) and capped at \$1 million plus assessed value
- Must file for homeowner's exemption within 1 year
- Transfer of other property is no longer available after February 15, 2021 (rental, commercial properties, vacation homes, etc.)

After February 15, 2021

Parent to Child/Grandchild Transfers *eliminated* for the following:

This means that your residential rentals will be *reassessed at transfer to your children (death, gift or sale)*

This means that your commercial rentals will be *reassessed at transfer to your children (death, gift or sale)*

This means your industrial rentals will be *reassessed at transfer to your children (death, gift or sale)*

This means that your family vacation home or cabin will be *reassessed at transfer to your children (death, gift or sale)*

Primary Home exception:

Parent to Child/Grandchild Transfers exclusion-

Parent to child transfer of the parent's primary home **but** child must occupy property as his/her primary home... no reassessment on the assessed value plus \$1M in market value, but reassessment over assessed value + \$1M

WHAT WE KNOW ABOUT PARENT TO CHILD EXCLUSION

Example 1:

My parents buy a house in Pleasanton, CA for \$100,000 in 1980.
The property is now worth \$1,000,000 in 2025.

But the property is assessed at about \$200,000 (\$100,000 plus 2% a year for 40 years compounded) – property taxes are about \$2,500 **per year through 2025** for my parents.

If the sum of the assessed value (base value) plus \$1M is greater than the market value, then I get to keep the current assessed value.

My parents give me the house, I get to keep the \$200,000 assessed value and the low property taxes.

WHAT WE KNOW ABOUT PARENT TO CHILD EXCLUSION

Example 2:

My parents buy a house in Pleasanton, CA for \$100,000 in 1980.
The property is now worth \$2,000,000 in 2025.

But the property is currently assessed at about \$200,000 (\$100,000 plus 2% a year for 40 years compounded) – property taxes are about \$2,500 **per year through 2025** for my parents.

My parents give me the house, my new property taxes are assessed at \$1,000,000 rather than the full market value of \$2,000,000 but it's more than the \$200,000 that my parents were paying on.

Why? Calculation on next slide.

EXAMPLE 2 (cont'd)

\$200,000 current assessed value (base value)

- \$200,000 assessed value from previous slide
- Assessed value (\$200k) plus \$1M is not reassessed. But \$200k remains plus the value over \$1.2M
- Value over \$1.2M is \$800k.
- \$800k plus original assessed value of \$200k equals new assessed value of \$1M
- New property tax amount is about \$12,500
- Higher than my parent's amount of \$2,500 but lower than market value assessment of \$25,000
- Transferee must reside in principal residence within one year of transfer.

WHAT WE KNOW ABOUT PARENT TO CHILD EXCLUSION

Example 2:	<u>Property taxes each year:</u>	
Parent's keep the house:	\$2500	
Parent's transfer the house to me before 2/15/21:	\$2500	
Parent's transfer to me the house after 2/15/21:	\$12500	
Parents used the house as a rental property and transfer after 2/15/21:	\$25000	

Items of Concern

(Speak to an Attorney about legal issues, speak with a CPA/accountant/Tax Attorney about tax issues)-

Transferring property:

Loss of control, subject to child's divorce, lawsuits and bankruptcy, loss of rental income and your child may die before you do (we don't know if child can transfer to parents anymore)

Your basis carries over to the child (capital gains tax), "Basis" is purchase price, plus improvements, minus depreciation

Sale Price – Basis = Taxable Gain

Items of Concern

Transferring property:

If your kids are going to keep one or more properties as a rental, vacation home or primary home, then your plans may be different than if your kids are going to sell your real estate after you pass away. Property tax savings versus capital gains.

Prop 19 may or may not affect you and your family depending on the situation.

SEEK ADVICE FROM AN EXPERT (Speak to an Attorney about legal issues, speak with a CPA/accountant/Tax Attorney about tax issues)-

Proposition 19 has two main components:

~~1. Parent/Child Exclusion for primary homes and investment properties~~

2. Base Value Transfers (for people 55 years old and older, Disabled Individuals, Fire Victims) --- referred to as Prop 60/90

We will discuss the base value transfer under Prop 13 next

WHAT WE KNOW ABOUT BASE YEAR TRANSFER PRINCIPAL RESIDENCE ONLY

- Base year transfer expands from some counties to all counties
- Replacement property can cost more than sale price of original
- Base year transfer can be taken 3 times
- If replacement costs more than original sold for, difference between those values is added to base year of original for transfer purposes.
- Examples on the next slides.

Downsizing (in price not square footage)

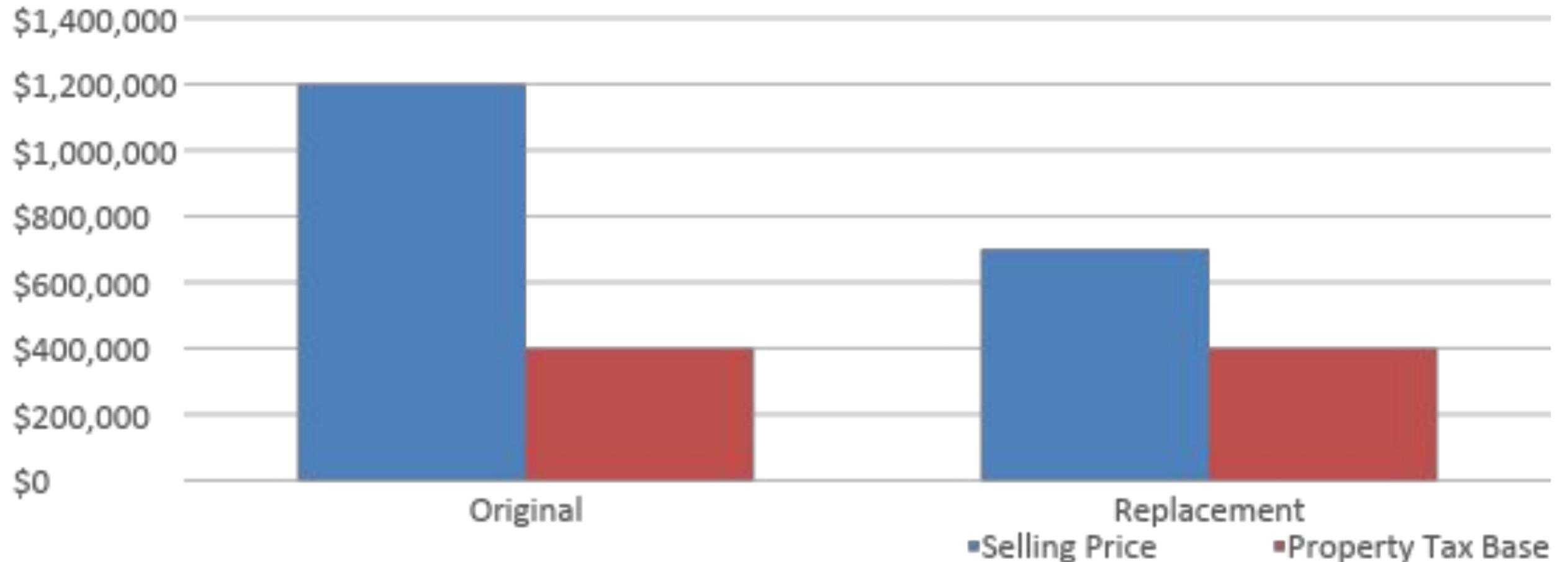
Spouses buy a home in Pleasanton in 1980 for \$200,000. The assessed value is about \$400,000. The property taxes are about \$5,000 a year.

Today the house is worth \$1.2M (market value)

Spouses sell the Pleasanton (or anywhere in CA) home and buy a home in Oakland to be closer to their daughter for \$700,000

Their new home in Oakland will maintain their \$400,000 assessment and they continue to pay just \$5,000 per year in property tax

GRAPH OF EXAMPLE



Example: original home sells for \$1,200,000. Replacement home costs \$700,000. Assessed Value of original is \$400,000. Transferred base year will be \$400,000 saving \$3,750 in property taxes a year.

Upsizing (in price not square footage)

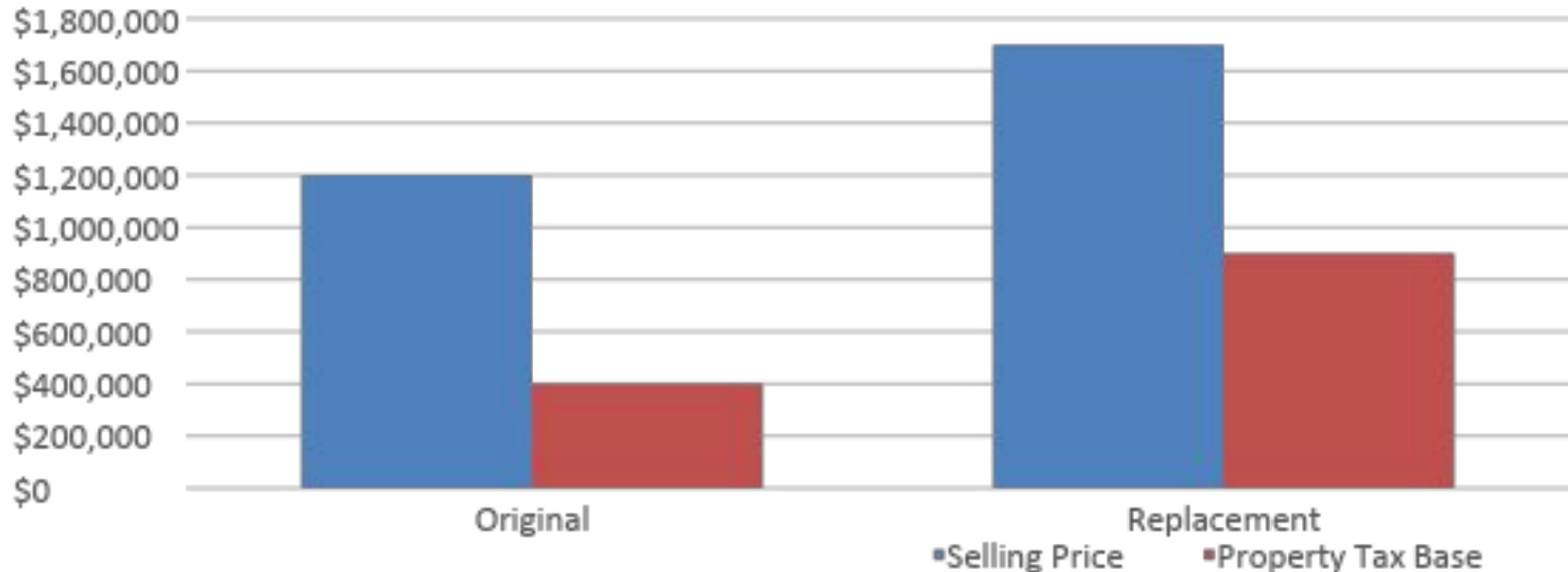
Spouses buy a home in Pleasanton in 1980 for \$200,000. The assessed value is about \$400,000. The property taxes are about \$5,000 a year.

Today the house is worth \$1.2M (market value)

After April 1, 2021, spouses sell the Pleasanton home and buy a home in San Diego to be closer to their daughter for \$1,700,000

Their new home on San Diego (or anywhere in CA) will have an assessed value of \$900,000 and they will pay about \$11,250 per year in property tax rather than \$21,250

GRAPH OF EXAMPLE



Example: original home sells for \$1,200,000. Replacement home costs \$1,700,000. (Assessed Value) Base year of original is \$400,000. Transferred base year will be \$400,000 plus \$500,000 (difference between \$1.7 and \$1.2M) or \$900,000 saving \$10,000 a year in property taxes

**Basics of Parent to Child Transfers
to Avoid Reassessment of Property
Taxes When Transferring Property
Held in Trust**

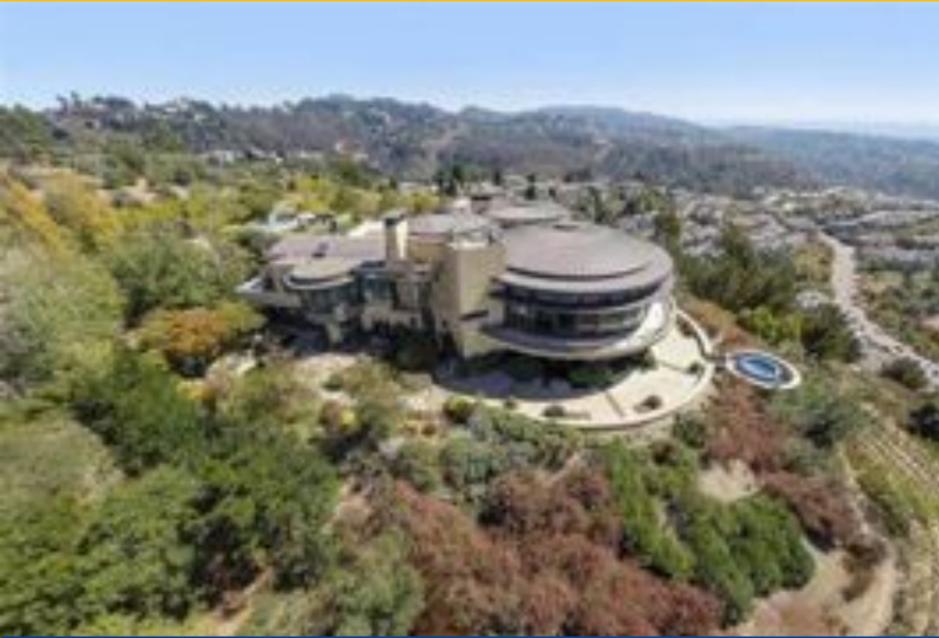
**When a Trust Holds Real Property and No (or
Limited) Other Assets
and
One of the Beneficiaries Wants
the Real Property as their
Share of the Distribution**

**The Main Requirement for a Full Exclusion for
Reassessment is that the Trust be Distributed Evenly**

Equalizing Distributions

- A trustee may equalize distribution to beneficiaries of the trust (when authorized to make a non-pro rata distribution) by encumbering the real property with a third-party loan
- Third Party
- Beneficiary receiving the real property cannot obtain the loan or give their own cash to equalize the distributions
- Loan must be to the trustee

Fun Facts in Alameda County



Highest Assessed Value Homes



Highest Value Homes



Largest Homes

Location	Assessment
Piedmont	\$22,264,560
Oakland	\$15,744,140
Fremont	\$13,653,720
Piedmont	\$12,734,400
Piedmont	\$11,645,691

Location	Footage
Pleasanton	19,541
Fremont	16,791
Pleasanton	15,177
Fremont	15,119
Piedmont	14,705

Highest Assessed Businesses

BUSINESS	ASSESSED VALUE
Tesla	\$3,465,029,225
Meta Platforms	\$1,183,384,183
Lam Research Corp.	\$945,671,389
Bayer Healthcare LLC	\$513,603,921
BOEHRINGER INGELHEIM	\$475,563,385



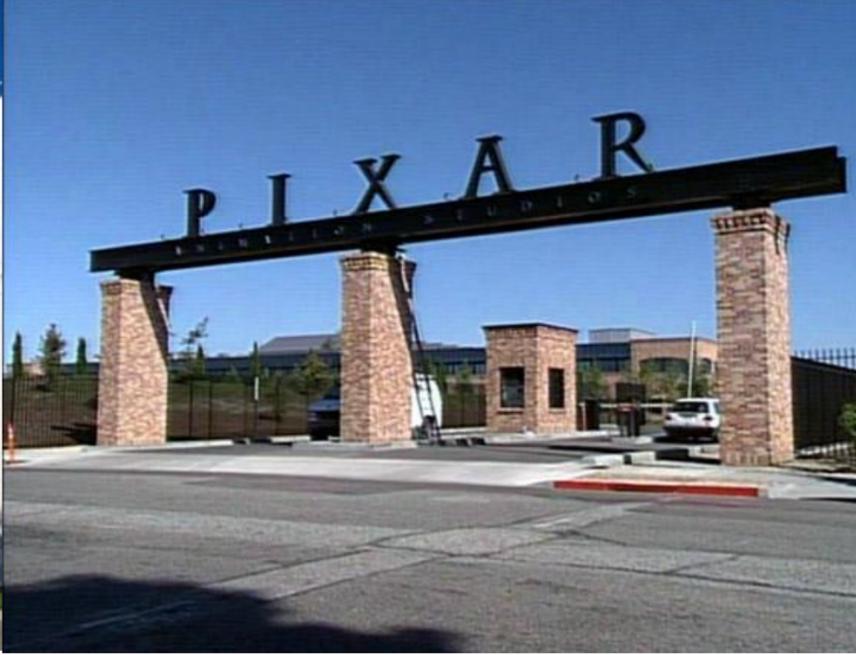
Highest Appeals

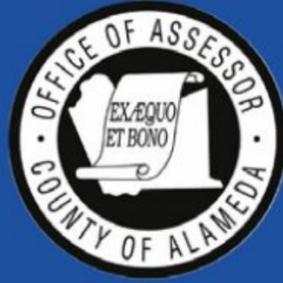
Business	Appeal Value	Applicant Value
Tesla	\$3,801,192,149	\$1,756,000,000
Uptown Station	\$446,905,670	\$310,000,000
Meta Platforms	\$443,151,141	\$398,836,027
Carmel Partners (Developer)	\$440,327,670	\$150,000,000
Bayer	\$440,052,967	\$133,268,990



Outstanding Unresolved Appeals for Previous Years

Business	Appeal Value	Applicant Value
Tesla (2017, 2018, 2022, 2023, 2024)	\$22,277,192,408	\$10,559,871,879
Bayer Healthcare (2017, 2019, 2020, 2022, 2023, 2024)	\$2,879,723,232	\$1,283,169,798
Uptown Broadway (2021 - 2024)	\$2,150,431,770	\$1,782,000,000
Lam Research Corp (2022 - 2024)	\$1,752,263,758	\$824,536,428
Pixar (2020, 2023, 2024)	\$1,219,627,056	\$433,000,000





Property Transfer Legal Clinic

Do you have questions about:

- ◆ The Assessment Process in Alameda County?
- ◆ Transferring property to family members?
- ◆ Common exclusions from reassessment?
- ◆ What happens to property after the death of a loved one?

**Talk to a volunteer attorney for a
FREE 30 minute consultation**

Clinics are held every 3rd Friday of the month

Upcoming dates:

Dec. 19, 2025

Jan. 16, 2026

Feb. 20, 2026



To book your appointment, scan the QR code or visit:
<https://appointments.aclibrary.org/appointments/Property>

Free
Property
Transfer
Legal
Clinic

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and updates*



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or

Write your
email on our
signup form



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