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FREE GUIDE

CALIFORNIA HOMEOWNERS

Prop 19 and inherited homes in California: will the property taxes go up?

Inherited homes and probate. Plain English, every fact sourced and dated.

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Questions? Talk with Fadi.
Fadi Haweileh, CA DRE #02002344 · eXp Realty of Greater Los Angeles, Inc., CA DRE #02188471
(909) 731-6884

Prop 19 and inherited homes in California: will the property taxes go up?

From Mr. Cash Offer, with Fadi Haweileh, CA DRE #02002344 · Facts checked November 23, 2026 · Online: mrcashoffers.com/guides/prop-19-inherited-home-california/

QUICK ANSWER

Usually, yes. When a California home passes to someone at death, the county normally reassesses it to market value. Prop 19 makes one big exception: if the home was the parent's main home and a child makes it their own main home within one year, the parent's lower tax value can carry over, up to a limit. If no child moves in, the home is reassessed. (A home left to a surviving spouse isn't reassessed.)

At a glance

What	The rule
Who it covers	Parent to child (including stepchildren and in-law children). Grandparent to grandchild only if the grandchild's parents who are the grandparent's children have died
Move-in	A child makes it their main home within 1 year of the death
Homeowners' exemption	File within 1 year (form BOE-266)
Claim form	BOE-19-P (or BOE-19-G for grandchildren): within 3 years, or before any transfer to a third party (including an LLC you own), whichever is earlier
Value limit	Parent's taxable value plus $1,044,586 (deaths from Feb 16, 2025 to Feb 15, 2027)

What changed with Prop 19?

Three numbers to know if a child moves in

Only if the home was the parent's main home. The move-in year has no exceptions.

1 year
From the death: a child makes it their main home and files the homeowners' exemption

3 years
From the death: to file BOE-19-P, or before any transfer to a third party (even your own LLC) if that comes first

$1,044,586
Added to the parent's taxable value to set the limit (transfers Feb 16, 2025 to Feb 15, 2027)

Prop 19 covers transfers on or after February 16, 2021. Older rules (Props 58 and 193) apply to transfers before that. Prop 19 dropped the old exclusion for "other real property," so now it covers only a family home or a family farm. A rental home doesn't qualify.

Two things must be true for a home:

- **It was the parent's main home.**
- **A child makes it their main home within one year.** BOE says "There are no exceptions to this rule."

For an inherited home, the clock starts on the date of death, not the day the estate or trust hands out the house, even in probate.

Who counts as a "child"?

A biological or adopted child, a stepchild, an in-law child (such as a son-in-law), and a foster child in limited cases. Only one child has to live there and file, even if several inherit.

A grandchild can use the exclusion only if all of their parents who are the grandparent's children have died by the date of transfer. A surviving spouse is covered by a separate rule, with no claim form.

What is the value limit?

The county keeps the parent's "factored base year value," which is the value the county taxes today (the purchase value plus yearly inflation increases), not the market price. The protection has a cap: that value plus $1 million, adjusted every other year for California home prices.

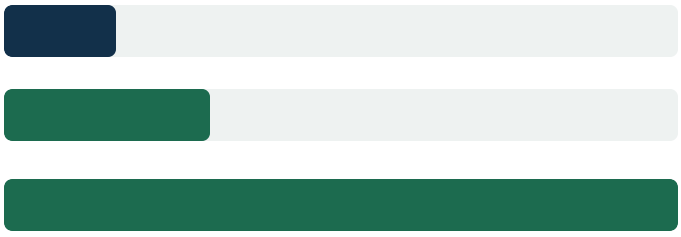
For transfers from February 16, 2025 to February 15, 2027, the amount is **$1,044,586**. It was $1,000,000 for 2021 to 2023 and $1,022,600 for 2023 to 2025. BOE says the next adjustment will happen in February 2027.

What if the home is worth more than the limit?

Only the part above the limit is taxed at today's value. BOE: "the amount above the value cap is added to the factored base year value, resulting in a new taxable value." That new value then rises each year by the inflation factor.

Yearly tax at the basic 1% rate (made-up numbers)

Example (made-up numbers): home worth $1,500,000 at a 2026 death. Basic 1% only, before the $7,000 homeowners' exemption and local charges.



Example (made-up numbers). Dad bought his home years ago. The county now taxes it at $250,000. It's worth $1,500,000 when he dies in 2026.

- Limit: $250,000 + $1,044,586 = $1,294,586
- Above the limit: $1,500,000 − $1,294,586 = $205,414
- New taxable value if his daughter moves in within a year and files on time: $250,000 + $205,414 = $455,414

At BOE's "one percent statewide tax rate," that's about $4,554 a year instead of Dad's $2,500. If nobody moves in and the home is reassessed at $1,500,000, it's about $15,000. These figures use only the 1% rate. They leave out the $7,000 homeowners' exemption and any local charges, so your real bill will be different. Your county assessor sets the actual values.

Which forms, and when?

Both claims go to the county assessor where the home is:

1. **Homeowners' exemption (BOE-266), within one year.** Or the disabled veterans' exemption. File this first: the BOE-19-P can't be filed before it. On its own, the homeowners' exemption takes $7,000 off the home's taxable value.
2. **BOE-19-P (parent to child) or BOE-19-G (grandparent to grandchild).** BOE's deadline: "Within 3 years from date of death or transfer, or before transfer to 3rd party, whichever is earlier." The law adds one more: before the child who lives there stops living there, if that comes first. A claim also counts as on time if filed within six months after the assessor mails a supplemental or escape assessment notice for the transfer.

If the assessor writes to you first. A notice that you may qualify gives you 45 days to file. A second notice gives 60 days; after that, some counties can charge a fee of up to $175.

Late? If you miss the exemption year but met the one-year move-in, the exclusion starts with the year you file, not from the date of death. If you miss the claim deadlines but still own the home, relief applies only to future years. Moving in late has no fix.

What if the child moves out or sells later?

The exclusion lasts only while a child who inherited keeps it as their main home. A move-out or rental ends it. As of the next January 1, the county taxes the home at its market value from the date the child got ownership, plus inflation since.

There's one way to keep it: another child who also inherited moves in within one year of the move-out and files the exemption. Moving back in yourself doesn't restore it. You must tell the assessor when the home stops being your main home. The assessor doesn't have to warn your siblings.

These end it too:

- **Selling to anyone outside the family.** The buyer is reassessed, as with any sale.
- **One sibling buying out the others.** The share bought from a sibling is reassessed.
- **Moving the home into an LLC,** even one you own alone. BOE treats that as a transfer to a third party.

Sold soon after the death? BOE says an heir who moved in within a year, filed the homeowners' exemption within a year of the death and filed the claim on time may still get the exclusion for the time before the sale. Ask a tax professional whether that applies to you.

What if nobody moves in?

Then the home doesn't qualify and is reassessed at market value as of the date of death. The higher tax bill is part of what keeping the house costs.

What about family farms?

Land under cultivation, used for pasture or grazing, or producing an agricultural commodity (farm products) can qualify, with no home required on it. Same claim form and deadlines, no homeowners' exemption needed, and each legal parcel qualifies on its own.

Isn't Prop 19 also about moving for people 55 and older?

Yes, a separate part. Owners 55 or older, severely disabled owners, and victims of a wildfire or a Governor-declared natural disaster can move their tax value to a replacement main home anywhere in California, bought or built within two years of selling. BOE says owners 55 or older and severely

disabled owners can do this up to three times.

What to do this week

1. **Write down the date of death.** Both one-year clocks and the three-year clock start there.
2. **Decide who, if anyone, will live there** as their main home within the year.
3. **Get the BOE-266 and BOE-19-P forms** from your county assessor.
4. **Ask the assessor for the home's current taxable value**, so you can see where the $1,044,586 limit lands.
5. **Talk with a probate attorney or tax professional** before moving the title, even into an LLC or to one sibling.

Watch out for

- **The one-year move-in has no exceptions.** Late paperwork can sometimes be fixed. A late move-in can't.
- **Moving the title before you file.** The claim is due before a transfer to a third party, and BOE counts even your own LLC as one.
- **Signing over a deed outside escrow.** If anyone asks you to, stop and talk with an attorney first.

Questions people ask

Do my brothers and sisters have to move in too?

No. One child who inherited is enough.

Can I rent it out and keep the lower tax value?

No. Once it isn't a child's main home, the exclusion is removed.

My parent died in 2021 before February 16. Which rules apply?

The older Prop 58 rules apply to transfers on or before February 15, 2021. Ask your county assessor.

We're going to sell anyway. Does any of this matter?

The buyer is reassessed either way. Prop 19 matters while the family holds the home. If nobody moves in, plan on the higher tax bill until it sells. Our guide to cash offer or listing walks through the money side.

More for heirs: the first 30 days with an inherited house and probate in California, step by step.

Where Mr. Cash Offer fits

Fadi Haweileh is a California real estate salesperson (DRE #02002344) with eXp Realty of Greater Los Angeles, Inc. (DRE #02188471). If selling turns out to be the right path, Fadi can show you a cash offer and what listing would likely net, side by side. If you sell to Mr. Cash Offer, the buyer is not your agent and can profit if the house is later resold. If you list with Fadi's team instead, he earns a commission. A cash offer is usually below full market value. Before you decide, get a second estimate from an agent who isn't buying. If keeping the home is right for your family, the steps above still apply.

Call Fadi, no pressure: **(909) 731-6884**



Questions about your situation?

Fadi Haweileh, California real estate agent, DRE #02002344, eXp Realty of Greater Los Angeles, Inc., DRE #02188471.

(909) 731-6884

Sources

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- California State Board of Equalization (BOE), Proposition 19 (https://www.boe.ca.gov/prop19/)
- BOE Letter To Assessors 2026/026, Intergenerational Transfer Exclusion FAQ (August 3, 2026) (https://www.boe.ca.gov/proptaxes/pdf/lta26026.pdf)
- BOE Letter To Assessors 2025/009, Adjustment of the $1 Million Amount (March 7, 2025) (https://www.boe.ca.gov/proptaxes/pdf/lta25009.pdf)
- BOE news release NR 25-02 (https://www.boe.ca.gov/news/2025/nr-25-02.htm)
- BOE Publication 800-1, Transfers Between Parents and Children (5-25) (https://www.boe.ca.gov/pdf/pub800-1.pdf)
- BOE Publication 800-9, Death of a Real Property Owner (12-24) (https://www.boe.ca.gov/pdf/pub800-9.pdf)
- BOE, Homeowners' Exemption (https://www.boe.ca.gov/proptaxes/homeowners_exemption.htm)
- Revenue and Taxation Code 63.2 (as amended, effective January 1, 2026) (https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=RTC&sectionNum=63.2)
- County assessor contacts (BOE) (https://www.boe.ca.gov/proptaxes/countycontacts.htm)

This guide explains general California rules. It isn't legal or tax advice. Talk with a probate attorney or tax professional about your situation.