

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

CHANGES REQUIREMENTS FOR CERTAIN PROPERTY OWNERS TO TRANSFER THEIR PROPERTY TAX BASE TO REPLACEMENT PROPERTY. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE. Removes the following current

requirements for homeowners to transfer their property tax base to a replacement residence: that the homeowner be over 55 or severely disabled, replacement property be of equal or lesser value, and the transfer occur only once. Removes similar replacement-value requirement on transfers for contaminated or disaster-destroyed property. Requires adjustments to the replacement property's tax base, based on the new property's value. Retains requirement that new residence or property be in a specific county. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Annual property tax losses for cities, counties, and special districts of around a couple hundred million dollars in the near term, growing over time to as much as a couple billion dollars per year (in today's dollars). Annual property tax losses for schools of around a couple hundred million dollars in the near term, growing over time to as much as a couple billion dollars per year (in today's dollars). Increase in state costs for schools of an equivalent amount in most years.**

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