



California's Proposition 19:

How Your Property Taxes Will Be Impacted

Most of us are familiar with Proposition 13, which was initiated in 1976 to limit the amount our property taxes could increase year to year. Many of us are also familiar with Proposition 58, which allows us to transfer property from parent to child or child to parent without any reassessment of property taxes, subject to a few limitations. More specifically, Proposition 58 allows us to transfer:

1. Our Primary Residence to our children with no reassessment of property taxes regardless of the assessed value; and
2. Any additional properties that collectively have an assessed value of \$1,000,000 or less with no reassessment of property taxes.

Proposition 19 was passed on Election Day, and the result is that property passing to children will be reassessed unless the inheriting child plans to reside in the property as their principal residence upon the parent's death. More specifically, Proposition 19 provides as follows:

- **Only the primary residence may be transferred** to a child without reassessment, but the assessed value of the home may not exceed \$1,000,000.
- The **child must establish the property as their primary residence** in order to avoid reassessment
- **All other properties will be reassessed** (commercial properties, rental properties, vacation properties, etc.) after the parent's death

Proposition 19 passed on November 3, 2020. However, the law does not go into effect until February 16, 2021. As a result, we have a narrow window of time to take advantage of some limited planning opportunities between now and then. The planning opportunity we are referring to involves taking advantage of the current law, which allows the transfer of the primary residence (at any assessed value), **as well as** second properties such as commercial properties, rental properties, and vacation properties (up to a \$1 million combined assessed value) to your children, completely free of reassessment.

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SOUTHERN PECAN CARAMEL SAUCE



INSTRUCTIONS:

1. Preheat oven to 300 degrees. Place pecans on a baking sheet and toast for 10-12 minutes until browned and fragrant. Transfer pecans to a cutting board and chop.
2. In a medium saucepan, add sugar, corn syrup and 3 tablespoons bourbon. No need to stir. Have the whipping cream measured and next to the stove at the ready. Place saucepan over medium to medium high heat (depending on how hot your stove runs). Bring mixture to a rolling boil and watching the sugar mixture deepen in color. It will go from a light corn-syrup color, to light brown to amber. The change between light brown and amber is quick. Be ready for it. When it achieves a deep brown (not burnt) color, pour the cream into the center of the pan. It will steam and bubble vigorously -- that's ok. When it calms, remove it from the stove. Stir in the salt and chopped pecans. Let it cool for about 10 minutes. Stir in the remaining teaspoon of bourbon. Transfer to a glass storage container. You can store sauce in the refrigerator for up to two weeks.

INGREDIENTS:

- 1/3 cup pecans
- 1 cup sugar
- 1 tablespoon light corn syrup
- 3 tablespoons + 1 teaspoon bourbon divided
- 3/4 cup heavy cream
- 1 teaspoon fine sea salt or kosher salt

For Full Recipe:

<https://www.garlicandzest.com/southern-pecan-caramel-sauce/>

TIN CAN CANDLE HOLDER

For full instructions:

<https://theorganisedhousewife.com.au/craft/13-creative-uses-for-tin-cans/>



Things you need:

- Cloth cut to fit the tin can
- Clean washed out well, can from vegetables or any food product
- Hot glue gun and glue sticks
- Candle or wax and wick, or make up brushes or pencils or what ever you plan to use the can for organizing or storing

Instructions:

- Clean out can with soap and water and dry thoroughly
- Cut cloth to fit the can and glue to can making sure to get good attachment to all the way around.
- Insert candle or put whatever objects into the can you plan to use it to store or organize.



REASONS TO CELEBRATE

With all that's going on around us, we are so grateful to be able to celebrate the 40th anniversary of the Law Office of James F. Roberts & Associates. It is such a milestone for our firm to have been able to help countless families over the last four decades. We appreciate all of our clients, their children, and their friends and family who have entrusted us with their estate planning matters and we look forward to being able to serve you for decades more.

And while on the note of celebrating, we would like to extend a big CONGRATULATIONS to James F. Roberts and his wife, Gayle Roberts, on their 40th wedding anniversary! We wish the two of them a lifetime of happiness, health and marital bliss!



CALIFORNIA'S PROPOSITION 19: HOW YOUR PROPERTY TAXES WILL BE IMPACTED (CONTINUED FROM PAGE 1)

The advantage of this strategy is that you would be able to transfer these properties to your children now, and they would be able to preserve your Proposition 13 tax rate without having to claim any of the properties as their primary residence. Of course, this involves a great deal of consideration in that you must be comfortable transferring ownership of your real property to your children during your lifetime.

To discuss Proposition 13 preservation strategies with one of our experienced estate planning attorneys, act quickly and call our office at (714) 282-7488 for a consultation. We have a limited window of time to employ Proposition 13 preservation strategies, as **the new law goes into effect on February 16, 2021**, and any transfers to children thereafter will be subject to reassessment unless they fall into the narrow categories described above.

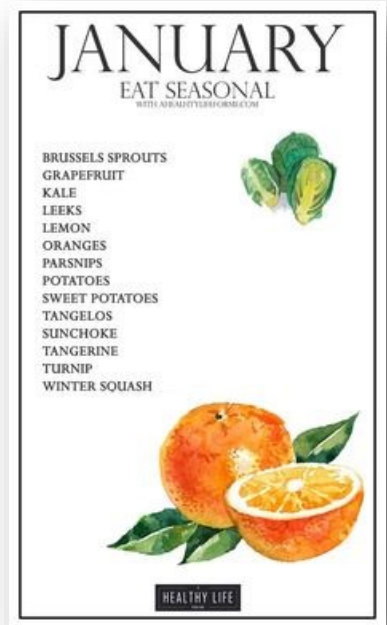
Free Estate Planning Seminars



We regularly conduct a free estate planning seminar designed to teach about the benefits of creating an estate plan. The seminars are held on-site at our Anaheim office inside of our "classroom" and led by our very own James F. Roberts. We offer light snacks and refreshments to the attendees and the group is often small and intimate, which allows for questions to be asked comfortably and for a very relaxed environment.

Please encourage your loved ones to attend the seminar so that they may learn more about the estate planning process and benefits. We look forward to seeing you and your family, friends, colleagues and neighbors! Please share this event!

Please contact our office at 714-282-7488 for information about the next seminar!



We hope that you have had the very best experience with our firm! And we hope that you would consider referring a friend that we may be able to help the same way we helped you! Getting a referral from a customer gives us a lot of pride! It shows us that we did a good job and our clients appreciate us!

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