REASSESSMENT EXCLUSION FOR TRANSFER OF CORPORATION STOCK FROM PARENT TO CHILD

California law excludes from change in ownership any parent to child transfer of stock in a qualified corporation that owns qualified property, if the transfer is due to the death of a parent. Please see the General Information section for details.



COUNTY OF ALAMEDA PHONG LA, ASSESSOR

1221 Oak St., Rm 145 Oakland, Ca. 94612-4288 (510) 272-3787 Fax (510) 272-3803 www.acgov.org/assessor

| CORPORATE IDENTIFICATION NUMBER (issued by CA Secretary of State) | | | | DATE C | DATE OF INCORPORATION | |
|---|--|--|---|---------------------------------|---|--|
| IAILING ADDRESS (street or PO Box, city, st | ate, and zip code) | | | | | |
| CONTACT PERSON | TELEPHONE | NUMBER | EMAIL ADDR | ESS | | |
| lease answer all of the following questions: | | | | | | |
| 1. Was the corporation created on or afte | r March 1, 1975 th | rough November 6, 1986' | ? YE | S 🗌 NO | | |
| 2. Did the change in control or ownership | of this corporation | result from a parent's de | ath? | s 🗌 NO | | |
| 3. Did the parent's date of death occur on or after October 9, 2019? | | | | ES NO | | |
| 4. Were the only stockholders of the corp | oration parent(s) a | nd their child(ren)? | YE | S NO | | |
| 5. Did the corporation own a parcel of lan the parent(s) prior to their death and has corporation? | | | | | | |
| If you answered "no" to any of the question to all questions above, please complete the which the principal residence is located. | s above, no furthe e remainder of this | r action is required, as yo form, and then sign and s | u do not qualif submit the forr | y for this exc n to the coun | lusion. If you answered "yes" ty assessor of the county in | |
| NAME OF DECEASED PARENT (attach a copy of the death certificate) | | | | DATE OF DEATH | | |
| NAME OF CHILD LIVING IN THE PRINCIPA | L RESIDENCE OW | NED BY THE CORPORAT | ION | | | |
| PARCEL NUMBER OF PRINCIPAL RESIDENCE OWNED BY THE CORPORATION | | | | DATE OF PURCHASE | | |
| SITUS ADDRESS OF PRINCIPAL RESIDEN | NCE OWNED BY TH | HE CORPORATION | | | | |
| | | | | | | |
| Please attach a copy of (1) all of the corp all the stockholders of the corporation s stockholder interests. Failure to provide re | ince incorporation. | You may also submit co | pies of tax re | urn schedule | | |
| all the stockholders of the corporation s | nce incorporation. quested documen | You may also submit co | pies of tax re | urn schedule | | |
| all the stockholders of the corporation s | ince incorporation. equested documen C | You may also submit co tation may result in the de CERTIFICATION | pies of tax re nial of your cl | aim. | es filed with the IRS that repo | |
| all the stockholders of the corporation s stockholder interests. Failure to provide re l certify (or declare) that the foregoing an | ince incorporation. equested documen C | You may also submit co tation may result in the de CERTIFICATION | pies of tax re nial of your cla mpanying stat | ements or do | es filed with the IRS that repo | |

in writing by the board of directors to sign such statements on its behalf.



BOE-62-R (P2) REV. 01 (05-20)

GENERAL INFORMATION

Whenever there is a **change in control** pursuant to section 64(c) of the Revenue and Taxation Code (R&TC) or a **change in ownership** pursuant to R&TC section 64(d) of a legal entity, and the legal entity owned an interest in California real property as of that date, the person or legal entity acquiring **ownership control** or the legal entity that has undergone a **change in ownership** must file BOE-100-B, *Statement of Change in Control and Ownership of Legal Entities* (statement), with the Board of Equalization (BOE) within 90 days of the change in control or ownership (R&TC sections 480.1 and 480.2).

Change in Control or Change in Ownership of Legal Entities

Change in Control—R&TC section 64(c)—A change in control occurs when any person or legal entity obtains more than 50 percent of the ownership interest in a legal entity; control may be obtained directly or indirectly. If a legal entity has undergone a change in control, all interests in real property located in California and held by the *acquired* legal entity (and legal entity(ies) under its ownership control holding California real property) as of the date of the change in control is subject to reassessment.

For purposes of determining whether a legal entity has undergone a change in control, the acquisition of ownership interest is considered. In the case of corporations, an ownership interest is represented by voting stock.

Change in Ownership—R&TC section 64(d)—A change in ownership occurs when cumulatively more than 50 percent of the original co-owners' interests in the legal entity are transferred; original co-owner status is created when a transfer of property is excluded from reassessment under R&TC section 62(a)(2) in a prior transaction. If a legal entity has undergone a change in ownership, then only the interest in real property that was previously excluded from reassessment under R&TC section 62(a)(2) is subject to reassessment as of the date of the change in ownership. If, however, a legal entity has also undergone a change in control under R&TC section 64(c) and there has been a transfer of cumulatively more than 50 percent of the original co-owners' interests, then all interests in real property located in California and owned by the legal entity (and legal entity(ies) under its ownership control) as of the date of the change in control is subject to reassessment.

Principal Residence Exclusion for Transfer of Corporation Stock from Parent to Child

Effective October 9, 2019, R&TC section 62(r) excludes from reassessment any parent to child transfer of stock in a qualified corporation that owns qualified property, provided the transfer is due to the death of a parent.

A "qualified corporation" is a corporation that meets all of the following conditions:

- Was created between March 1, 1975 and November 6, 1986, inclusive.
- The corporation owns qualified property, as defined below.
- The only stockholders in the corporation have been the parent(s) and their child(ren).

The qualified corporation must have been owned by any combination of parents and children since its incorporation. This exclusion will not apply to a corporation that has had any other persons or family members as stockholders or to a corporation that was solely owned by parents until their death.

"Qualified property" means a parcel of land that meets both of the following conditions:

- Contains the principal place of residence of the parents prior to their death and that has been the continuous place of residence of a child of those parents since the creation of the qualified corporation.
- Has an adjusted base year value that, as of the date immediately prior to the date of death of the last surviving parent, does not exceed one million dollars (\$1,000,000).

The qualified corporation must have owned the principal residence since its incorporation. This exclusion does not apply to a principal residence purchased by a corporation after its incorporation.

This exclusion applies to a transfer of stock in a qualified corporation due to the death of a parent that occurs on or after October 9, 2019 and results in a change in control or change in ownership of a qualified corporation that owns the principal residence of the parent(s) and their child(ren). This exclusion does not apply to any other real property owned by the qualified corporation or to any other type of legal entity.

