



## You Can Take it With You - Sometimes!

It's tax time – and I get asked frequently by friends and clients whether they will have to pay income tax when they sell their house, and whether they can take their low Prop 13 property tax assessment with them?



Yes, Prop 60/90 allows you to carry your property tax assessment forward within California – only once - if one of you are over 55, you're downsizing (new place costs

less than your old place) and you buy your new residence within two years before or after the sale of your old home. This frees up seniors from not moving because their property taxes would go up (the difference can be big in some cases). And, if you sell before you buy, the new home can cost up to 110% more than your old home (depending on timing). [Click Here](#) for more info.



### PROP 60 & 90

Transfer your Property Tax  
When Downsizing



If the house you're selling has been your primary residence for at least two of the last five years, you can also exclude up to \$500K of the gain on your joint income tax return. For that exclusion, there aren't any age limits or restrictions on what you're buying next, either. It's simple to do, and you can do this as frequently as every two years, so it also encourages younger couples to keep moving as the market improves. [Click Here](#).

If you're selling an investment property (such as a rental condo that you've reported on Schedule E – doesn't apply to second homes or flips) it's possible to defer recognition of the gain if you buy a property of "like kind" as a 1031 Exchange. It's complicated – the replacement property must have been identified within 45 days and purchased within 180 days, the proceeds must go through a 1031 Qualified Intermediary, and net cash received after mortgages is "boot" that's not tax deferred.



Of course these are simplified summaries and you should rely only on your tax professional. I have personal experience and would be happy to talk with you about your real estate tax questions and goals any time. So give me a call! I can help you price right and only enter into escrows with buyers who are more likely to close on their purchase.

And when you're buying, mortgage rates are still near record lows. I can help you make your offer stand out and get it accepted by smart sellers. [Click here](#) to read reviews from my many happy clients, with names, details, and "Five Star" ratings. [Click Here](#) to see an example of our premium property marketing methods.

Debbie 858-735-0924 cell

*P.S. I greatly appreciate your referrals, so please tell me about your friends who might need my help!*

DEBBIE CARPENTER  
CA DRE# 01461472  
1442 CAMINO DEL MAR #209  
DEL MAR, CA 92014



MEADREAHOMES.COM 858-735-0924 CELL

P.S. PLATINUM  
PROPERTIES