

## Preliminary Change of Ownership Report Form (PCOR)

### Alternative Language

No.	FORM REFERENCE	SOURCE	PROPOSED LANGUAGE	SBE STAFF COMMENTS
1	Page 1, Notice	Ambrecht & Associates (D. Green)	<b>Comment:</b> Concerning supplemental assessments, I wonder if escape assessments should also be mentioned. I am not sure it is necessary, but am thinking of instances, such as with trusts, where prior unreported and unrecorded changes in ownership are caught with a recorded deed, e.g., a sale after an unreported death.	Not accepted
2	Part 1, Item C	Tulare County Assessor's Office (R. Hill)	<b>Comment:</b> We would sure like a brief statement added to this line that makes it clear that an additional form is required to be filed in order to claim the parent/child exclusion.	Not accepted – item already has an (*) asterisk that refers the filer to a statement regarding the need to file a claim form.
3	Part 1, Item F	Ambrecht & Associates (D. Green)	<b>Comment:</b> Other <i>sorts</i> of corrections are frequently (from my perspective) made such as to make correction of errors in a previous instrument or to clear a cloud on title. Perhaps an addition could be, " ... or make other corrections? (If YES, Please explain: _____.)"	Not accepted
4	Part 1, Item J	Ambrecht & Associates (D. Green)	<b>Comment:</b> Regarding the trust questions, only the note that "creator" is used by the layperson, "grantor" is used by the IRS, "trustor" is used variously but not specifically for California trust law any more, and "settlor" is the term used in the CA Probate Code and used for California trust law. But how many words do you use?	Thank you—no change required.

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5	Part 1, Item J	Ambrecht & Associates (D. Green)	<p><b>Comment:</b> Question 1, the addition of "from" makes sense from a transfer standpoint, but the answers to the questions then might be misleading for a change in ownership analysis:</p> <ul style="list-style-type: none"> <li>• A transfer from a trust would have the "transferor" be the trustee who signs the deed, or others might think the trust (incorrectly thinking of an entity) as the transferor, but we know for change in ownership analysis we want the trust beneficiary as the transferor.</li> <li>• Then the questions as to who has the power to revoke do not really work for a transfer from a trust. Even if someone correctly thinks of "transferor" as the settlor/beneficiary/person holding the power to revoke, the question still says, "Is the transfer from a trust that may be revoked by X and is for the benefit of X?" - but this doesn't tell you if X is also the transferee, which is the change in ownership question for a transfer from a trust. What you really want to know in a transfer from a revocable trust is whether the transferee is the person holding the power to revoke the trust, or the spouse or RDP.</li> </ul> <p>I think this is the same with questions 2, 3 and 4 as well. What if those questions remained only "to" a trust and perhaps J is changed to say "This is a transfer of property to a trust" and then a new K is inserted something like:</p> <p>K. This is a transfer of property from a trust:</p> <ol style="list-style-type: none"> <li>1. <input type="checkbox"/> which is revocable and the person who held the power to revoke and was the sole beneficiary of the trust was <input type="checkbox"/> transferee, and/or <input type="checkbox"/> transferee's spouse and/or <input type="checkbox"/> transferee's registered domestic partner.</li> <li>2. <input type="checkbox"/> which is irrevocable and the sole beneficiary of the trust was <input type="checkbox"/> transferee, and/or <input type="checkbox"/> transferee's spouse and/or <input type="checkbox"/> transferee's RDP.</li> <li>3. <input type="checkbox"/> which was revocable but which has become irrevocable due to <input type="checkbox"/> the death of a creator/grantor/trustor/settlor (name: _____ date of death: _____ ) or <input type="checkbox"/> for other reason (please explain: _____).</li> </ol> <p>I added the last in light of the recent <i>Steinhart</i> ruling by the Supreme Court if a question like this might be helpful. I am not sure whether it needs added information about whether the transferee is settlor, spouse, RDP, parent, child, grandchild as seems to be covered by what would also be checked elsewhere.</p>	Not accepted – information would require the form to expand to three pages which is too costly for the counties.
6	Part 1, Item L	Ambrecht & Associates (D. Green)	<p><b>Comment:</b> Suggest adding the following underlined words, "This is a transfer between parties in which proportional interests of the transferor(s) and transferee(s) <u>in each and every parcel</u> remain <u>exactly</u> the same after the transfer." The reason is that so many persons still do not understand that the proportionate interest exclusion of Rev. &amp; Tax. Code §62(a)(2) is not an over-all economic calculation (like it is for income tax and other purposes), but is exactly specific as to each parcel.</p>	Accepted

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7	Part 3, Section A	Stanislaus County Assessor's Office (M. Casas)	<p><b>Comment:</b> Request that:</p> <ol style="list-style-type: none"> <li>1. Additional space be added between the title of the section and the first question.</li> <li>2. A box be added around the entry line for "Total Purchase or Acquisition Price."</li> <li>3. That the sentence "Do not include closing costs or mortgage insurance" be placed in parentheses.</li> </ol>	<p>Accepted</p> <p>Accepted</p> <p>Not accepted</p>
8	Part 3, Section A	California Assessors' Association (D. Ginsborg)	<p><b>Comment:</b> Add following question:</p> <p><input type="checkbox"/> Assumption of Contractual Assessment with remaining balance of \$_____</p>	<p>Accepted</p> <p>Add descriptive phrase</p>
9	Part 4, Section B	California Assessors' Association Forms Subcommittee (R. Werner)	<p><b>Comment:</b> Move the information from 4.B to the front of the PCOR on the "street address" line. The rationale is that it would be more easily available to exemptions staff.</p>	<p>Accepted</p>
10	Part 4, Section E	Tulare County Assessor's Office (R. Hill)	<p><b>Comment:</b> For counties, such as ours, that have a large number of ag properties that transfer we would sure like to have another category of income added that has its own box to "x" rather than be lumped under "other." We would like an additional box selection added for "crop."</p>	<p>Not accepted—form already has an "other" area for items such as crops.</p>
11	Page 2, Certification	Ambrecht & Associates (D. Green)	<p><b>Comment:</b> What about space so that the transferee can name an agent, with email address and phone number, whom the Assessor is authorized to call to discuss the transfer with if needed. I routinely add this to an attachment because most of our clients would not understand the property tax nuances when we are dealing with trusts and legal entity transfers.</p>	<p>Not accepted—prohibited by Revenue and Taxation Code section 480.3(a)</p>