

Resources

California Revises Preliminary Change in Ownership Report; New Form Must Be Used for All Recorded Deeds, Other Ownership Changes

February 6, 2014

Last year, the California Board of Equalization approved a newly revised version of Preliminary Change In Ownership Report (PCOR). This revised version of the PCOR, showing "REV 12 (05-13)" in the upper left hand corner, includes an instruction sheet. Effective January 1, 2014, the revised PCOR REV 12 (05-13) must be used for all recorded deeds and other ownership change documents in all 58 counties in California. While many title and escrow companies may provide PCORs, the form for each specific county also may be found through the links at the Board of Equalization's website.

In California, when sales or transfers of property are recorded with the county recorder, the purchaser typically prepares and files the PCOR to put the county assessor on notice of the change in ownership. The PCOR is a brief questionnaire requesting information on the property, principals involved in the transfer, type of transfer, purchase price and terms of sale, if applicable, and other such pertinent data.

If at the time of recording the owner chooses not to file a PCOR, the county recorder may charge an additional \$20 recording fee. Furthermore, the new owner is still obligated to file a Change in Ownership Statement (COS) with the county assessor within the time limits set forth in California Revenue and Taxation Code Section 480 (typically 90 days of the date of transfer for commercial transactions).

The failure to notify the county assessor of a change in ownership will result in the assessment of penalties, including penalties associated with any escape assessments. The penalty for failure to file a Change in Ownership Statement upon a written request by the assessor is \$100 or 10 percent of the new base year value resulting from the transfer, whichever is greater; such penalty may not exceed \$5,000 if the property is eligible for the homeowners' exemption or \$20,000 if the property is not eligible for the homeowners' exemption, unless the failure to file was willful. (See Revenue and Taxation Code Section 482).

For more information, please contact the author of this alert, **Jason Grinnell**, at 213-457-1761, or **Michael Rothstein**, at 312-627-2280.

Attorneys

Michael D. Rothstein

Practice Areas

Real Estate

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