



SCCAOR exists to meet the business, professional and political needs of its members and to promote and protect ownership and private property rights.

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For Immediate Release

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Rescinding Prop 90 Would Hurt Rather Than Benefit Local Economy

SAN JOSE, Calif., June 7, 2011 – The Santa Clara County Association of REALTORS® supports preserving Prop 90, a 22-year-old initiative that enables seniors to transfer their base annual property tax to their new home when they sell their original one, if the new property is of equal or lesser value. Santa Clara is one of eight counties where Prop 90 is approved, and seniors may receive this tax benefit when relocating to another county on that list.

The proposition is now under attack. Santa Clara County Assessor Larry Stone has asked the County Board of Supervisors to do away with Prop 90 transfers as a way to increase revenue, though he admits the increase would be “modest”.

The Santa Clara County Association of REALTORS® calls for reconsideration of the proposal, because the revenue it would generate does not outweigh the economic benefits these transactions bring to the county. Prop 90 counteracts the “lock-in effect” of Prop 13, which slows the housing turnover and supply across the state.

“Prop 90 attracts seniors to our county, and they contribute to the county’s economy by buying their groceries and gas here, shopping here and dining here. They are a positive economic force,” said Mike Sibilía, president of the Santa Clara County Association of REALTORS®.

“Prop 90 also makes housing more affordable for seniors, many of whom may live on fixed income. We also need to take into consideration its social benefits, which enables seniors to live closer to their families. Our community in general benefits from Prop 90,” Sibilía said.

One study found seniors are more likely to move and buy a new home once they qualify for Prop 90 benefits. In a survey conducted by the California Association of REALTORS®, members reported 52 percent of Prop 90 transactions would not have taken place if the measure was not in effect.

SCCAOR President Mike Sibilía can be reached for comments at msibilia@kwsv.net or 408.540.1711.

About the Santa Clara County Association of REALTORS®

SCCAOR, established in 1896, is California’s oldest and Northern California’s largest real estate association. We represent 7,000 REALTORS® and affiliate members. SCCAOR exists to meet the business, professional and political needs of its members and to promote, protect homeownership and private property rights.

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