



## Portability Transfer of Homestead Assessment Difference

Property owners with Homestead Exemption receive a benefit known as Amendment 10 or “Save Our Homes”. Amendment 10 limits increases in the annual assessment of a home to a maximum of 3% regardless of the increase in market value.

Since 2008, homeowners were able to transfer (or port) the savings they have accumulated (known as the Homestead Assessment Difference) to another homestead property up to \$500,000.

All property tax exemptions applications are due by March 1st and can be completed online or in person.

## Calculating the Transfer of Homestead Assessment Difference (Portability)

Generally, there are two major components in calculating portability known as upsizing and downsizing. Here is how it works:

Portability			
Upsizing			
Prior Home		New Home	
Market Value	\$250,000	Market Value	\$400,000
Save Our Homes Assessment Difference	-\$100,000	Transfer of Assessment Difference (PORT)	-\$100,000
Assessment Value	\$150,000	Assessed Value	\$300,000
Downsizing			
Prior Home		New Home	
Market Value	\$250,000	Market Value	\$150,000
Save Our Homes Assessment Difference	-\$100,000	Transfer of Assessment Difference (PORT)	-\$60,000
Assessment Value	\$150,000	Assessed Value	\$90,000

\*Note: The Save Our Homes Assessment Difference amount transferred is apportioned at 60%. Here is how it is calculated:  $150,000 / 250,000 \times 150,000 = \$90,000$  (New Assessed Value). Also, portability benefits may be reduced if the benefit is split among multiple homestead owners and the maximum amount of Save Our Homes Assessment Difference that can be transferred is limited to \$500,000.

1. To transfer your assessment difference, you must have received a Homestead Exemption on the previous homestead property and must be the owner of the new homestead property.
2. If you and your spouse or former spouse would like to designate shares of the homestead assessment differences, you must file a DR-501TS (Designation of Owners Shares form) before you file your new portability application.
3. To transfer your assessment difference, you must have established a new homestead on or before January 1st of the third year after abandoning your previous homestead. All owners of a jointly owned previous homestead must abandon that homestead in order for the assessment difference to be transferred.