



News Flash

www.ceaescrow.org – 916.325.0600

DECEMBER 30, 2004

Past President Charles P. Conner Passes Away

CEA members, colleagues and staff are saddened at the passing of former CEA President, Chuck Conner on December 12, 2004 due to complications of a recent stroke. Mr. Conner served as the CEA President in 1966 and served in numerous capacities at both the state and regional level. Mr. Conner was well known for his "Tips of the Month" and providing myriad education opportunities in the escrow industry. For those of you who would like to attend his memorial service, it will be held as follows:

Tuesday, January 4, 2005 - 1:00 p.m.
Waverley Church, 1700 Fairhaven Avenue
Santa Ana, CA 92705 - 714.532.5245

Services will be followed by refreshments and conversation in the Gallery at Waverley Church. The Waverley Church is on the grounds of the Fairhaven Memorial Park www.fairhavenmemorial.com. We are asking for those of you who plan to attend the services, to please e-mail Jennifer Blevins at CEA HQ at jennifer@camgmt.com with your RSVP. Please note, the family has requested that flowers not be sent.

CAL-FIRPTA CLARIFICATION

CEA members have reported a degree of uncertainty regarding changes to the Cal-FIRPTA law enacted by AB 1338 this past year. These changes officially take effect on January 1, 2005. In particular, there have been varying interpretations of the effect of the bill on the principal residence exemption from withholding.

CEA reported in the summer issue of *CEA News* that a change to the principal residence exemption had been *deleted* from AB 1338 due to revenue loss considerations. This would have meant that the law was unchanged on principal residences, such that the "two out of five" year requirement for the exemption was still in place. We learned recently that the Franchise Tax Board has interpreted the bill differently. The FTB has concluded that under

Revenue and Taxation Code Section 18662, as amended by AB 1338, the transaction is exempt from withholding if the seller certifies that the last use of the property was as a principal residence. The two out of five year requirement is no longer applicable.

The FTB website includes a chart explaining the changes to the law resulting from the passage of AB 1338, and the forms have or are being revised accordingly. Visit <http://www.ftb.ca.gov>.

CEA News Correction

The October, November, December issue of the *CEA News* inadvertently contained an incorrect advertisement for Mr. Bill Vance. Mr. Vance's correct advertisement follows:

<p>WILLIAM F. VANCE, CSEO</p> <p>Expert Witness Escrow Consultant Litigation Consultant</p> <hr/> <p>45 years in escrow and title industries Past President, California Escrow Association</p> <hr/> <p>10770-71 Jamacha Boulevard Spring Valley, CA 91978 Phone / Fax: (619) 660-1581 wfvance@aol.com</p>
--

Other CEA Reminders . . .

December 31, 2004 is the deadline for PD credit filing. If you are a Professional Designation holder and have credits you wish to turn in for the 2003-2005 cycle, please make sure they are postmarked by December 31, 2004 to avoid a \$40.00 late charge. *Remember if you attended conference, your credits are automatically calculated and you do not need to submit a 502 form for those credits; only the manual credits.* You can review your credits on your personal profile page on the CEA website at www.ceaescrow.org.

**50th Anniversary Conference –
Sept. 22-25, 2005 – Long Beach**