

Senior Citizen and People with Disabilities Exemption from Real Property Taxes

Use this form for taxes due in calendar year 2021 and after

Chapter 84.36 RCW

Complete this application in its entirety and file along with all supporting documents with your County Assessor. For assistance, contact your County Assessor's office.

County use only

Assessment year: Tax year: Tax code area:

Approved (date): Exemption level:

Denied (date/reason):

1 Applicant information

Applicant name:

Spouse/domestic partner or co-tenant name:

Physical address: City: Zip:

Mailing address (if different than physical address):

City: State: Zip:

Home phone: Cell phone: Email:

2 Age/disability

I am or will be 61 years of age or older by December 31 of the assessment year on which this exemption is based. Applicant birth date:

I am under 61 years of age and I am retired from regular gainful employment due to a disability. Disability determination date:

I am a veteran with an 80% service-connected evaluation or compensated at 100% rate due to service-connected disability.

I am the surviving spouse/domestic partner of a person who was previously receiving this exemption and I was at least 57 years of age in the year my spouse/domestic partner passed away.

3 Ownership and occupancy

Date property purchased: Date property initially occupied:

I occupy the residence (check one):

More than 6 months in a calendar year. Less than 6 months in a calendar year.

I have received an exemption before. Yes No

If yes, when: where:

I sold my former residence. Yes No

If yes, when: where:

To ask about the availability of this publication in an alternate format for the visually impaired, please call 360-705-6705. Teletype (TTY) users may use the WA Relay Service by calling 711.

4 Property description

Parcel or account number:

Type of residence:

- | | | |
|-------------------------------------------------------------------------|--------------------------------------------------------------|---------------|
| Single-family home | Single unit of a multi-unit dwelling duplex/condo | Housing co-op |
| Mobile home | Year: Make: Model: | |
| • If mobile home, has the certificate of title been eliminated? | Yes | No |
| • If mobile home, do you own the land where the mobile home is located? | Yes | No |

This property includes:

My principal residence and less than or equal to one acre of land.

My principal residence and more than one acre of land.

5 Disposable income/combined disposable income. Year:

| Disposable income | Amount |
|-------------------------------------------------------------------------------------------------------------------------|--------|
| Did you file a federal income tax return? Yes No | |
| A. Total (W-2) wage income | |
| B. Total interest and dividend income | |
| C. Total pension, annuity and IRA distribution income | |
| D. Total social security and railroad retirement benefits income | |
| E. Total business income (no reduction for losses or depreciation) | |
| F. Total capital gain income | |
| G. Total income from rentals, royalties, partnerships, S corps, trusts, farms (no reduction for losses or depreciation) | |
| H. Total military pay and benefit income | |
| I. Total veterans pay and benefit income | |
| J. Total income from any other source including from other household members | |

Subtotal disposable income:

| Deductions | Amount |
|-------------------------------------------------------------------------------------|--------|
| K. Non-reimbursed nursing home, boarding home, or adult family home expenses | |
| L. Non-reimbursed in-home care expenses | |
| M. Non-reimbursed prescription drug costs | |
| N. Medicare Parts A, B, C, and D insurance premiums | |
| O. Other adjustments to income | |

Subtotal allowable deductions:

Total combined disposable income:

6 Certification

By signing this form, I confirm that I:

- Have completed the income section of this form and all proof of income is included.
- Understand it is my responsibility to notify the county assessor if I have a change in income or circumstances and that any exemption granted through erroneous information is subject to the correct tax being assessed for the last five years, plus a 100 percent penalty.
- Declare under penalty of perjury that the information in this application packet is true and complete.
- Request a refund under the provisions of RCW 84.69.020 for taxes paid or overpaid as a result of mistake, inadvertence, or lack of knowledge regarding exemption from paying real property taxes pursuant to RCW 84.36.381 through 389.

Signature of applicant:

Date:

What to do next:

Send this form to your local county assessor.

Find your county assessors office here: dor.wa.gov/countycontacts

Instructions for completing the application

Complete Parts 1 through 6 in their entirety and include supporting documents to avoid delays in application processing. If you have questions, contact your county assessor's office.

Part 1

A co-tenant is someone who lives with you and has an ownership interest in your home.

Part 2

Check the appropriate box. See the *Documents to Include* section in these instructions to determine what to send for proof of age or disability.

Part 3

Enter the date you purchased the residence and the date you began occupying the residence even if the dates are the same. If you have qualified and received an exemption on a Washington residence previously, indicate when and where.

Part 4

Details regarding your specific residence and parcel can be obtained from your county assessor's office.

Part 5

How disposable income is calculated

"Disposable income" has a specific definition for the purpose of this program. Per RCW 84.36.383(6), "disposable income" is adjusted gross income, as defined in the federal internal revenue code, plus all of the following that were not included in, or were deducted from, adjusted gross income:

- Capital gains, other than a gain on the sale of a principal residence that is reinvested in a new principal residence.
- Amounts deducted for losses or depreciation.
- Pensions and annuities.
- Social security act and railroad retirement benefit.
- Military pay and benefits other than attendant-care and medical-aid payments.
- Veterans pay and benefits other than attendant-care, medical-aid payments, VA disability benefits, and DIC.
- Dividend receipts.
- Interest received on state and municipal bonds.

These incomes are included in "disposable income" even when it is not taxable for IRS purposes.

Mid-year income change

If your income substantially decreased for at least two months before the end of the year and you expect the change to continue indefinitely, you may be able to use your new average monthly income to estimate your annual income. Calculate your income by multiplying your new average monthly income (during the months after the change occurred) by twelve. Include documentation that shows your new monthly income and when the change occurred with your included documentation.

Example: You retired in May and your monthly income decreased from \$3,500 to \$1,000 beginning in June. Multiply \$1,000 x 12 to estimate your new annual income.

Important: Calculate disposable income for you, your spouse/domestic partner, and any co-tenant(s). If you report income that is very low or zero, attach documentation showing how you meet your daily expenses.

Use **Line J** to report any income not reported on your tax return and not listed on Lines A through I. Include foreign income not reported on your federal tax return and income contributed by other household members. Provide the source and amount of the income.

How combined disposable income is calculated

Per RCW 84.36.383(1) "combined disposable income" is your disposable income plus the disposable income of your spouse/domestic partner and any co-tenants, minus expenses for you or your spouse/domestic partner for:

- Prescription drugs.
- Treatment or care of either person in the home or in a nursing home, boarding home, or adult family home.
- Health care insurance premiums for Medicare Parts A, B, C, and D only. Amounts paid for insurance premiums other than Medicare Parts A, B, C, and D are not deductible.

Care or treatment in your home means medical treatment or care received in the home, including physical therapy. You can also deduct costs for necessities such as oxygen, special needs furniture,

attendant-care, light housekeeping tasks, meals-on-wheels, life alert, and other services that are part of a necessary or appropriate in-home service.

Special instructions for Line O

If you had adjustments to your income for any of the following, report these amounts on Line O and include the documentation you used to calculate the amount of the adjustment.

- Educator expenses.
- Self-employment deductions.
- Health savings account deductions.
- Moving expenses for members of the Armed Forces.
- IRA deduction.
- Alimony paid.
- Student loan interest.
- Tuition and fees.

Exemption program benefits

The taxable value of your home will be “frozen” as of January 1 in the year you first qualify for this program. Even though your assessed value may change, your taxable value will not increase above your frozen value. In addition, your combined disposable income determines the level of reduction (exemption) in your annual property taxes. **Note:** In 2019, the Legislature changed the income thresholds effective for taxes levied for collection in 2020 and forward. County specific thresholds can be found at dor.wa.gov/incomethresholds

Income thresholds and level of reduction

Income Threshold 1: Exempt from regular property taxes on \$60,000 or 60% of the valuation, whichever is greater, plus exemption from 100% of excess levies and Part 2 of the state school levy.

Income Threshold 2: Exempt from regular property taxes on \$50,000 or 35% of the valuation, whichever is greater, not to exceed \$70,000, plus exemption from 100% of excess levies and Part 2 of the state school levy.

Income Threshold 3: Exempt from 100% of excess levies and Part 2 of the state school levy.

Part 6

Sign and date the application. You are signing under oath acknowledging all information is true and accurate. You understand it is your responsibility to notify the county assessor if you have a change in circumstances.

Documentation to include

You must provide documentation to your county assessor’s office to support the information reported on the application.

Proof of income

If you, your spouse/domestic partner, and any co-tenants file a federal tax return, provide a complete copy of the return(s) and all supporting documents that are part of the federal tax return(s).

If you, your spouse/domestic partner, and any co-tenants do not file a federal tax return, provide documentation of all income received by you, your spouse/domestic partner, and any co-tenants.

Other documents

Include copies of standard federal forms and documents used by others to report income they paid out including, but not limited to, the following:

1. W-2’s - Wage & Tax Statement.
 - W-2-G - Certain Gambling Winnings.
2. 1099’s:
 - 1099-B - Proceeds from Broker & Barter Exchange.
 - 1099-Div - Dividends & Distributions.
 - 1099-G – Unemployment Compensation, State & Local Income Tax Refunds, Agricultural Payments.
 - 1099-Int - Interest Income.
 - 1099-Misc - Contract Income, Rent & Royalty Payments, Prizes.
 - 1099-R - Distributions from Pensions, Annuities, IRA’s, Insurance Contracts, Profit Sharing Plans.
 - 1099-S - Proceeds from Real Estate Transactions.
 - RRB-1099 - Railroad Retirement Benefits.
 - SSA-1099 - Social Security Benefits.

Other income sources

If you have income from other sources and you did not receive a W-2 or 1099 for the income you received, provide the following:

- A statement from the organization that issued the payments; and/or
- Copies of your monthly bank statements with a statement describing the type of income received (e.g. tips, cash earned from yard sales or odd jobs, rental income, groceries purchased for you in return for a room in your house, etc.).

Proof of expenses

Include copies of invoices, pharmacy statements, coverage statements, etc. for all expenses not reimbursed by insurance or a government program. Allowable expenses are for you or your spouse/ domestic partner for the following:

- Care in a nursing home, boarding home, or adult family home.
- In-home care.
- Prescription drugs.
- Medicare Prescription Drug or Medicare Advantage insurance plans.

Proof of age or disability, ownership, and occupancy

Include copies of documentation showing you meet the age or disability, ownership, and occupancy requirements such as:

- A copy of your driver's license or state issued photo id.
- A copy of your voter registration.
- A copy of your birth certificate.
- If your eligibility is based on a disability: a copy of your disability award letter from SSA or VA, or a Proof of Disability statement completed and submitted by your physician.
- A complete copy of trust documents, if applicable.
- A copy of your deed.
- Any other documents your county assessor requests.