

Senior Citizen and Disabled Taxpayer Exemption Program **For Property Tax Reduction**

The Exemption Program is a State of Washington property tax relief program for eligible taxpayers. We are unable to estimate the reduction for you. If qualified, you will be notified of your exemption level, responsibilities as a recipient, and the amount of remaining taxes due after the exemption is applied, if any.

Basic qualifications for a senior exemption on property taxes payable in 2021. You will need to meet the following criteria:

Age/Disability:

- Born in 1959 or earlier, OR
- Disabled prior to 1/1/2021 (income limitations apply)

Ownership/Occupancy:

- Occupied the residence for at least 6 months in 2020.
- Own or co-own the property at least since 12/31/2020.

Income (earned and received in 2020):

- Annual household income cannot exceed \$58,423, including Social Security and most other income sources.

While we use the IRS tax return as a tool in helping to determine your qualifying income level for the Exemptions Program, IRS and Washington state requirements are different. Your IRS AGI (adjusted gross income) is a starting point for the income calculation, but it is not considered the same as the net total income for this program.

Due to the overwhelming response with the increase in allowable income limit for the Exemptions Program and the impacts of COVID, our response times have increased. Please know that we are working as hard as we can to meet the needs of the public. We are processing applications in the date order that they are received. Thank you for your understanding during this very unusual time. Please pay the first half of your 2021 property taxes by the deadline, to avoid any interest or penalties.

Applications can be made online at [TaxRelief.kingcounty.gov](https://www.kingcounty.gov) or by filling out a [paper application](#).

For questions please visit <https://www.kingcounty.gov/depts/assessor/TaxRelief.aspx>

We can be reached at (206) 296-3920 Monday through Friday from 8:30 am to 4:30 pm or by email at Exemptions.Assessments@kingcounty.gov

Our physical offices are currently closed at this time due to COVID. There is a secure drop box in front of our building at 500 4th Avenue, Seattle, Washington 98104 on both 4th and 5th Avenue sides of the King County Administration Building.

Instructions for completing the paper application

Complete Parts 1 through 6 in their entirety and include supporting documents to avoid delays in application processing. If you have questions, contact the King County Assessor's office, (206) 296-3920 or Exemptions.Assessments@kingcounty.gov

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

Details regarding your residence and parcel can also be obtained from your assessment postcard or by contacting our office. If you have a condominium or mobile home and do not have your parcel number, you will either need to call or email our office for the parcel number.

Part 4

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 5

How disposable income is calculated

"Disposable income" has a specific definition for the purpose of this program. Per RCW 84.36.838(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 your 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 and railroad retirement benefits.
- 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.

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 allowed adjustments to income (form 1040)

If you had adjustments to your income for any of the following:

- 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 1st in the year you first qualified for this program. Even though your assessed value may change, your taxable value will not increase above your frozen value. Unless, you have been off of the program for more than one consecutive year in a row. In addition, your combined disposable income determines the level of reduction (exemption) in your annual property taxes. The income thresholds effective for taxes levied for collection in 2020 and forward is \$58,423.

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 - Signature required

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’s office if you have a change in income or ownership (or occupancy) status.

Documentation to include

You must provide documentation to our 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:

- W-2’s – Wage & Tax Statement.
- W-2G – Certain Gambling Winnings
- 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 for last year, 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 allowable 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, state issued photo ID, passport, or 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 signed by your physician (The form is available on our website).
- A complete copy of Trust documents, if applicable.
- A copy of your Deed (if you have it readily available).
- Any other documents the King County Assessor requests.