

## **Senior Citizen and People with Disabilities Exemption Program** **For reduction to property taxes due in 2022**

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 **2022**. **You will need to meet the following criteria:**

### **Age/Disability:**

**Born in 1960 or earlier, OR**

Disabled prior to 1/1/2022 (income limitations apply)

### **Ownership/Occupancy:**

Occupied the residence for at least 6 months in 2021.

And own or co-own the property at least since 12/31/2021.

### **Income (earned and received in 2021):**

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.

Applications can be made online at **[TaxRelief.kingcounty.gov](https://www.kingcounty.gov/depts/assessor/TaxRelief.aspx)** or by filling out a **paper application**. Please return the **2022** application to our office by the end of this year.

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

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

**NOTE: For security reasons, please DO NOT email your personal information or documents.**

Our physical office is currently closed at this time due to COVID. **There is a secure drop box in front of our building at: 201 S. Jackson St. Room 708 Seattle, WA 98104 (located on Jackson St.).** Please be sure to redact your SSN and any account numbers if you decide to drop off your application packet.

## 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](mailto:Exemptions.Assessments@kingcounty.gov)

**For security reasons, DO NOT email your personal information/documents.**

### 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 86.36.838(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.
- Dividends received.
- 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 and your spouse/domestic partner.

#### **What are deductible expenses:**

Expenses paid by you or your spouse/domestic partner (not reimbursed or covered by insurance) for the following:

- 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 and Medicare Supplemental (Medigap) policies.

- Durable medical and mobility enhancing equipment and prosthetic devices.
- Medically prescribed oxygen.
- Long-term care insurance.
- Cost-sharing amounts (amounts applied toward your health plan's out-of-pocket maximum).
- Nebulizers.
- Medicines of mineral, animal and botanical origin prescribed, administered, dispensed or used in the treatment of an individual by a Washington licensed naturopath.
- Ostomic items.
- Insulin for human use.
- Kidney dialysis devices.
- Disposable devices used to deliver drugs for human use.

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:** Please refer to your 1040, include Schedule 1 – Part II.

### **Exemption program benefits**

The taxable value of your home will be “frozen” as of January 1<sup>st</sup> 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 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.

### **Documents to include:**

You must provide documentation to our office to support the information reported on the application. This includes paid invoices/statements for the allowed deductions.

- If you are divorced or legally separated, please include a copy of your divorce decree or legal separation.
- If your spouse or domestic partner has passed away, please provide a “copy” of their death certificate.

### **Proof of income:**

If you, your spouse/domestic partner, and any co-tenants are required to 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 – 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 the 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 must be for you or your spouse/domestic partner. Please refer to the last page of the application for a list of items that are allowed expenses.

### **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). The effective date must be for last year or prior.
- A complete copy of Trust documents, if your property is in the name of a Trust.
- A copy of your Deed (if you have it readily available). This will be helpful for us if you purchased your property prior to 1991.
- Any other documents the King County Assessor requests.

**Note:** Once we begin reviewing your application and notice we are missing any information:

- We will email you a letter requesting the missing information (to the email address that you used to apply online). You will be asked to upload the requested info OR you can mail a copy of the redacted documents to our office along with a copy of the additional info letter.
- **Or** we will mail you a letter (if you applied using a paper application). You will need to mail a copy of the redacted documents to our office along with a copy of the additional info letter we mailed.
- **DO NOT email your documents.** For security reasons, you should not email your personal information.