Senior Citizen and Disabled Persons Exemption from Real Property Taxes

Chapter 84.36 RCW

Complete both sides of this form and file the application packet with your County Assessor. For assistance, contact your County Assessor's office by calling the number listed in the local government section of your telephone directory.

1. Applicant Name		**County Use Only**
Spouse/Domestic Partner or Co-tenant Name		_____Assessment for _____Taxes in Tax Code Area _____ Year Year
Mailing Address		☐ Approved for Exemption on: ☐ 60% of value but not less than $60,000 ☐ 35% of value but not less than $50,000 or more than $70,000 ☐ Only excess levies and Part 2 of state school levy
City, State, Zip		
Home Phone	Cell Phone	☐ Denied (reason): _____
Email Address		☐ Approved for Refund by Assessor: _____ ☐ Approved for Refund by Treasurer: _____

2. Please check the appropriate box. Proof of age or disability is required.

- ☐ I am or will be 61 years of age or older by December 31 of the assessment year on which this exemption is based. (The assessment year is the same as the income year used to qualify and is the year before the property tax is due.)
- ☐ I am under 61 years of age and I am retired from regular gainful employment due to a disability.
- ☐ 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.

Applicant Birth date: _____ Spouse/Domestic Partner Birth date: _____ Disability Determination Date: _____

County Use Only: Age Verified ☐ Birth Certificate ☐ Driver's License ☐ Passport ☐ Other ID _____
Disability Verified ☐ SS Determination ☐ VA Determination ☐ Proof of Disability Form Completed by Physician

3. Ownership and Occupancy: Date Property Purchased: _____

I occupy the residence (check one): ☐ more than 9 months in a calendar year ☐ less than 9 months in a calendar year

☐ **Yes** ☐ **No** Have you received an exemption before now? **If Yes:** When: _____ Where: _____

☐ **Yes** ☐ **No** Did you sell your former residence? **If Yes:** When: Where:

4. Property Description **Parcel or Account Number:** _____

Physical Address: _____
Address City Zip

My residence is a ☐ Single family home ☐ One unit of a multi-unit dwelling (duplex/condominium) ☐ Housing Co-op

☐ **Mobile Home:** Year:_____ Make:_____ Model:_____ Do you own the land where The mobile home is located? ☐ **Yes** ☐ **No**

This property includes: ☐ My principal residence and up to 1 acre of land. **If more than 1 acre, check all that apply:**

- ☐ My principal residence and more than 1 acre of land - the total parcel or lot size is: _____ **Acre(s)**
- ☐ More than one residence and/or additional improvements that are not normally part of a residence (i.e. commercial buildings or other improvements not typically part of a residential parcel)

If your parcel is larger than one (1) acre and your local zoning/land use regulations require more than one (1) acre per residence in the area where you live, you may be eligible for an exemption for your entire parcel, up to five (5) acres.

5. By signing this form I confirm that I:

- **Have completed the income section on page 2 of this form and the required documentation is included.**
- **Understand it is my responsibility to notify you 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.**

You must have two people witness your signature. If you have no one to witness your signature, you may present your application in person and an employee of the Assessor's Office will witness your signature.

Signature of Assessor or Deputy Date	Signature of Applicant Date
1st Witness Signature (If not signed by Assessor or Deputy) Date	By: Guardian or POA for Applicant if applicable Date
2nd Witness Signature (If not signed by Assessor or Deputy) Date	

Combined Disposable Income Worksheet As defined in RCW 84.36.383 and WAC 458-16A-100 **IMPORTANT: PLEASE ANSWER ALL OF THE FOLLOWING QUESTIONS.**	20____ Income Year	County Use Checklist
Income:	**$$ Amount**	☐ IRS Tax Return ☐ 1040 ☐ 1040-A or EZ
A. ☐ **Yes** ☐ **No** **Did you file a federal tax return?** If yes, enter your Adjusted Gross Income (AGI) from your federal tax return and attach a complete copy of your return. If no, enter -0-.		
B. ☐ **Yes** ☐ **No** **Did you have capital gains that were not reported on your tax return?** Do not add the gain from the sale of a primary residence if you used the entire gain to purchase a replacement residence in the same year. **Do not use losses to offset gains.**		☐ Sch D ☐ Form 4797 or 6252 ☐ Other _____
C. ☐ **Yes** ☐ **No** **Did you have deductions for losses included in your tax return?** If yes, the losses must be added back to the extent they were used to offset/reduce income. (Ex: On Schedule D, you reported a ($10,000) loss but the loss was limited to ($3,000), shown on Sch1, Line 13 of your 1040. Add the ($3,000) loss used to offset/reduce your income.) (Ex: You filed two Sch C's – one with a ($10,000) loss and one with a $5,000 net income. A net loss of ($5,000) was reported on your 1040, Sch 1, Line 12. Add back the ($10,000) loss.)		☐ Sch C ☐ Sch D ☐ Sch E ☐ Sch F ☐ Other _____
D. ☐ **Yes** ☐ **No** **Did you deduct depreciation expense in your tax return?** If yes, that expense must be added back to the extent the expense was used to reduce your income. (Ex: Net loss reported: If you deducted depreciation as a business and/or rental expense that resulted in a loss, recalculate the net income/loss without the depreciation expense. If there is still a net loss enter -0- here, if there is net income enter the net income here.)		☐ Sch C ☐ Sch E ☐ Sch F ☐ Sch K-1 ☐ Other _____
E. ☐ **Yes** ☐ **No** **Did you have nontaxable dividend or interest income, OR, income from these sources that was not reported on your tax return?** If yes, add that income here. Include non-taxable interest on state and municipal bonds.		☐ Bank Statements ☐ 1099's ☐ Other _____
F. ☐ **Yes** ☐ **No** **Did you have nontaxable pension and annuity income, OR, income from these sources that was not reported on your tax return?** If yes, report the amounts here. (Ex: You received $10,000 in pensions and annuities. The taxable amount was $6,000. Report the nontaxable $4,000 here.) Do not include non-taxable IRA distributions.		☐ 1099's ☐ Other _____
G. ☐ **Yes** ☐ **No** **Did you receive military pay and benefits that were nontaxable, OR, income from these sources that was not reported on your tax return?** If yes, report that income here, including **CRSC**. Do not include attendant-care and medical-aid payments.		☐ DFAS Statement ☐ 1099's ☐ Other _____
H. ☐ **Yes** ☐ **No** **Did you receive veterans pay and benefits from the Department of Veterans Affairs that was nontaxable, OR, that was not reported on your tax return?** If yes, report that income here. Do not include attendant-care and medical-aid payments, disability compensation, or dependency and indemnity compensation paid by DVA.		☐ VA Statement ☐ 1099's ☐ Other _____
I. ☐ **Yes** ☐ **No** **Did you receive nontaxable Social Security or Railroad Retirement Benefits?** If yes, report that income here. (Ex: Your gross Social Security benefit was $10,000 and $4,000 was included in AGI as the taxable amount, report the non-taxable $6,000 here.)		☐ SS Statement ☐ RRB Statement
J. ☐ **Yes** ☐ **No** **Did you receive income from business, rental, or farming activities (IRS Schedules C, E, or F) that was not reported on your tax return?** Report that income here. You can deduct normal expenses, except depreciation expense, but **do not use losses to offset income.**		☐ Sch C ☐ Sch E ☐ Sch F ☐ Other _____
K. ☐ **Yes** ☐ **No** **Did you receive Other Income that is not included in the amounts on Lines A - J?** Give source, type, and amount. _____		☐ Other _____ ☐ Other _____
Subtotal Income:	**$0**	
Did you have any of the following Allowable Deductions?		
L. ☐ **Yes** ☐ **No** **Nursing Home, Boarding Home, or Adult Family Home costs.**		☐ Other _____
M. ☐ **Yes** ☐ **No** **In-Home Care expenses.** See instructions for qualifying expenses.		☐ Other _____
N. ☐ **Yes** ☐ **No** **Prescription Drug costs.**		☐ Printout/Receipt
O. ☐ **Yes** ☐ **No** **Medicare Insurance Premiums under Title XVIII of the Social Security Act (Parts B, C, and D).** Currently, there is no allowable deduction for supplemental, long-term care, or other types of insurance premiums.		☐ SS Statement ☐ Other_____
P. ☐ **Yes** ☐ **No** **Enter -0- here if you filed a return with IRS and entered an amount on Line A.** If you did not file a return with IRS and you had expenses normally allowed by IRS as adjustments to gross income, enter those deductions here. Allowable adjustments include alimony you paid, tuition, moving expenses, and others. See the instructions.		☐ _____ ☐ _____
Subtotal Allowable Deductions:	**$0**	
Total Combined Disposable Income:	**$0**	

County Use Only: _____

Instructions for Completing the Application

Parts 1 through 5

Provide the information requested in Parts 1 through 4. Leave the "County Use Only" areas blank. In **Part 1**, a co-tenant is someone who lives with you and has an ownership interest in your home. Your signature in **Part 5** must have two witnesses. If you do not have anyone available to witness your signature, take your completed application to the Assessor's Office and someone there will witness your signature. To avoid delays in processing your application, remember to answer all questions and include all of the required documentation. If you have questions about what to include, contact your County Assessor's Office.

PAGE 2 - How is disposable income calculated?

The Legislature gave "disposable income" a specific definition. According to RCW 84.36.383(5), "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 benefits;
- Military pay and benefits other than attendant-care and medical-aid payments;
- Veterans pay and benefits other than attendant-care, medical-aid payments, veterans' disability benefits, and dependency and indemnity compensation; and
- Dividend receipts and interest received on state and municipal bonds.
- **This income is included in "disposable income" even when it is not taxable for IRS purposes.**

What if my income changed in mid-year?

If your income was substantially reduced (or increased) for at least two months before the end of the year and you expect that change in income to continue, 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. Report this amount on Line K and do not complete Lines A through J. Provide documentation that shows your new monthly income and when the change occurred.

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

Important: Include all income sources and amounts received by you, your spouse/domestic partner, and any co-tenants during the application/assessment year (the year before the tax is due). If you report income that is very low or zero, attach documentation showing how you meet your daily expenses.

Use **Line K** to report any income not reported on your tax return and not listed on Lines A through J. 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.

Lines L - O - What is combined disposable income?

RCW 84.36.383(4) defines "combined disposable income" as your disposable income plus the disposable income of your spouse or domestic partner and any co-tenants, minus amounts paid by you or your spouse or 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; and
- Health care insurance premiums for Medicare. (At this time, other types of insurance premiums are not an allowable deduction.)

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 P.

If you had adjustments to your income for any of the following and you did not file an IRS return, report these amounts on Line P and include the IRS form or worksheet you used to calculate the amount of the adjustment.

- Certain business expenses for teachers, reservists, performing artists, and fee-basis government officials
- Self-employed health insurance or contributions to pension, profit-sharing, or annuity plans
- Health savings account deductions
- Moving expenses
- IRA deduction
- Alimony paid
- Student loan interest, tuition, and fees deduction
- Domestic products activities deduction

What are the 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 www.dor.wa.gov/incomethresholds

Income	Level of Reduction
Income Threshold 1 $0 - $30,000	Exempt from regular property taxes on $60,000 or 60% of the valuation, whichever is greater, plus exemption from 100% of excess levies.
Income Threshold 2 $30,001 - $35,000	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.
Income Threshold 3 $35,001 - $40,000	Exempt from 100% of excess levies and Part 2 of the state school levy.

CONTACT YOUR COUNTY ASSESSOR'S OFFICE FOR ASSISTANCE IN COMPLETING THIS FORM.

Documentation to Include

You must provide documentation to the Assessor for all income received by you, your spouse or domestic partner, and any co-tenants.

PROOF OF INCOME

Federal Tax Forms

If you filed a federal tax return, provide a complete copy including, but not limited to, all of the following forms or schedules that are part of your federal return.

- IRS Form 1040, 1040A, or 1040EZ
- Schedule B - Interest & Ordinary Dividends
- Schedule C - Profit & Loss from Business
  Schedule D - Capital Gains & Losses
- Schedule E - Supplemental Income & Loss
- Schedule F - Profit & Loss from Farming
- Form 1116 – Foreign Tax Credit
- Form 4797 - Sales of Business Property
- Form 6252 - Installment Sale Income
- Form 8829 - Expenses for Business Use of your Home
- Social Security Statement (Generally, SSA 1099)
- K-1's

Non-IRS Filers:

If you do not file an IRS return, you must 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 W2 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

Provide documentation for all allowable out-of-pocket expenses that were not reimbursed by insurance or a government program.

Provide a copy of an invoice, bill, or cancelled check if you or your spouse or domestic partner paid for any of the following:

- Care in a nursing home, boarding home, or adult family home
- In-home care
- Prescription drugs (Most pharmacies will provide a print-out for the year if you ask for one.)
- Medicare Prescription Drug or Medicare Advantage insurance plans

PROOF OF AGE OR DISABILITY AND PROOF OF OWNERSHIP AND OCCUPANCY

You must provide documentation to the Assessor demonstrating 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 your trust documents, if applicable.
- Any other documents the Assessor requests.

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