

Deferral Application for Senior Citizens and People with Disabilities

Chapter 84.38 RCW

Complete this application in its entirety and file along with all supporting documents at your county assessor's office. For assistance, contact your county assessor at dor.wa.gov/countycontacts

County use only

Deferral number:

Processed by:

Approve/deny date:

Deny reason:

This deferral application is for (check all that apply):

Real property taxes due in the year(s):

Parcel or account number:

Special assessment annual due date:

Jurisdiction:

LID, ULID number:

Was the installment method selected?

Yes

No

Not Available

1 Applicant information

Applicant name:

Spouse/domestic partner or co-tenant name:

Other occupants:

Residence address:

City:

State:

Zip:

Mailing address (if different than residence address):

City:

State:

Zip:

Home phone:

Cell phone:

Email:

2 Age/disability

I am or will be 60 years of age or older by December 31 of the current tax year.

Applicant birth date:

I am under 60 years of age and I am retired from regular gainful employment due to a disability.

Disability determination date:

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

Applicant birth date:

Their date of death:

3 Ownership and occupancy

Date property purchased:

Date property initially occupied:

I occupy the residence:

More than 6 months in a calendar year.

Less than 6 months in a calendar year.

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4 Property information

Type of residence:

Single-family home Single unit of a multi-unit dwelling duplex/condo Mobile home
 If mobile home, provide a copy of the Department of Licensing Certificate of Title or Title Elimination document.

This residence includes:

Less than or equal to one acre of land.

More than one acre of land.

If more than one acre, list the zoning regulation for your parcel.

Homeowners insurance: Yes No

If yes, provide a copy of your most recent Fire and Casualty Insurance policy and/or statement. See the instructions for more information regarding homeowners insurance.

Liens and obligations (include balance as of January 1)

Reverse Mortgage	Yes	No \$
1st Mortgage	Yes	No \$
2nd Mortgage	Yes	No \$
Special assessments	Yes	No \$
Other liens, HELOC, etc.	Yes	No \$

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

Section A

By signing this form, I confirm that I:

- Understand that any deferred real property taxes and/or special assessments, with 5% annual interest, are a lien upon this property and the lien becomes due when:
 - I transfer ownership of your property to someone else.
 - I no longer permanently reside at the residence.
 - My property is condemned.
 - I no longer maintain a fire and casualty insurance policy naming the Washington State Department of Revenue as a loss payee in an amount that is sufficient to protect the interest of the state, and the deferred amount exceeds 100% of my equity in only the land value.
 - I die. Unless my surviving spouse, domestic partner, heir, or devisee is at least 57 years old, meets the qualifications for the deferral, and files an application with the county assessor within 90 days of your death.
- Understand that future deferrals are not automatic and I must renew my application to defer property taxes in a future year.
- Declare under penalty of perjury that the information in this application is true and complete.

Applicant signature:

Date:

Percent ownership:

Spouse/domestic partner signature:

Date:

Percent ownership:

Other owner signature:

Date:

Percent ownership:

Section B (may need to be completed. See instructions for more information)

Co-signature of lender if the contract between you and your lender requires the lender to collect funds to pay real property taxes. Must be signed before a notary public, the assessor, or deputy assessor where the residence is located.

County auditor recording number for lender contract:

Name of lender:

Name and title of lender representative:

Signature of lender representative:

Date:

Notary form

State of Washington

County of

I certify that I know or have satisfactory evidence that [Name of Person] is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument, on oath stated that (he/she) was authorized to execute the instrument and acknowledged it as the [Type of Authority, e.g., officer, trustee, etc.] of [Name of Party on Behalf of Whom Instrument was Executed] to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated:

Signature:

(Seal or stamp)

Title:

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 at dor.wa.gov/countycontacts.

Part 1

A co-tenant is someone who lives with you and has an ownership interest in your home. Other occupants are people who live with you who don't have 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. If you are the surviving spouse/domestic partner, heir, or devisee of a person who previously received the deferral, provide a copy of their death certificate.

Part 3

Enter the date you purchased the residence and the date you began occupying the residence even if the dates are the same. A share ownership in cooperative housing, life estates, leases for life, and revocable trusts are not qualifying forms of ownership for this deferral program.

Part 4

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

If your parcel is more than one acre, but you are only allowed to defer the taxes on one acre, a lien will be placed on your entire property unless you provide a clear legal description for only the portion eligible for the deferral.

You can defer up to 80% of your equity value in the residence. If you have a homeowner's insurance policy that you have **Washington State Department of Revenue-Property Tax Division, PO Box 47471, Olympia WA 98504** as a loss payee, your equity value is the assessed value of the residence plus land minus the debts and encumbrances secured by the property.

If you do not have homeowners insurance or your policy does not list the department as a loss payee, your equity value is the assessed value of land only minus the debts and encumbrances secured by the property.

List the balance of all liens and obligations secured by your property as of January 1 of the application year.

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 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.

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 12. 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.

Income thresholds

The income threshold to qualify for this deferral is the greater of \$45,000 or 75% of the county median household income. County specific thresholds can be found at dor.wa.gov/incomethresholds.

Part 6

Section A: Sign and date the application. You are signing under oath acknowledging all information is true and accurate. You understand the deferred amount plus interest is due under the circumstances listed. If any other person, including your spouse/domestic partner has an ownership interest in the residence, they must also sign and date the application.

Section B: The lien for deferred property taxes and/or special assessments automatically has first priority. If the contract between you and your lender requires the lender to collect funds to pay real property taxes, the lender can co-sign this application to maintain first lien priority. They must sign before a notary public, the assessor, or deputy assessor where the residence is located.

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 Refund, 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.
- 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:

- Driver's license or state issued photo id.
- Voter registration.
- A copy of your birth certificate.
- Disability award letter from SSA or VA, or a Proof of Disability statement completed and submitted by your physician.
- Trust documents, if applicable.
- Deed.
- Mobile home certificate of title or title elimination.
- Homeowner's insurance policy/statement.

Any other documents your county assessor requests.