

Tax Relief guidelines about income and net worth

Spouse and/or any other family or roommates' income must be included in total income for applicant. If there is another family member living with applicant, who is there to help take care of them or share the efforts of daily living, then up to \$10,000 of that relative's income can be exempted from inclusion in the total income.

With the completed application, we need a copy of proof of your income. This is usually a statement of your yearly Social Security benefits. We also need a copy of your latest bank statement.

Net worth must be calculated using full assessment values (not land use values) of other property owned.

If someone is living in a mobile home that they own, and it is listed in Personal Property, then the procedure for tax relief is to issue an abatement for the Personal Property bill as it is going out at the end of the year.

We use one acre or the size of the lot if it is smaller than 1 acre, plus value of the house that the applicant lives in, to determine value of exempted dwelling and homesite when evaluating their application. However, once the rate of their discount for Tax Relief is set by the Commissioner of the Revenue, that rate is given to all the acres in that particular parcel. Only one parcel of land can be discounted in Tax Relief. If contiguous parcels of land are owned by the applicant, they are considered assets and should be added into the total assets.

If you apply because of being disabled, you must be declared 100% disabled (and unable to work) through the Social Security Administration or by a written statement from two independent physicians.

For persons who have a life estate (done with a Life Interest Deed), it is considered that their part ownership of the property reduces as they get older. Tax Relief is determined by a different formula.

The limits and amount of the tax exemption possible with the tax relief program are:

\$	30,000 maximum income level
\$	125,000 maximum net worth
\$	1,000 maximum exemption given

The tax relief given is calculated according to the following schedule:

Income less than \$ 20,000	100% of tax (\$1,000 maximum)
Income \$20,000 - 22,500	80% of tax (\$1,000 maximum)
Income \$22,501 - 25,000	60% of tax (\$1,000 maximum)
Income \$25,001 - 27,500	40% of tax (\$1,000 maximum)
Income \$27,501 - 30,000	20% of tax (\$1,000 maximum)