

2021 Property Tax Reduction (Circuit Breaker) Apply between January 1 and April 15

What is the Property Tax Reduction Program?

The Property Tax Reduction (Circuit Breaker) program reduces property taxes* for qualified applicants. The amount of reduction is based on income for the previous calendar year.

If you qualify, the property taxes on your home and up to one acre of land may be reduced by as much as \$1,320.

Property Tax Reduction benefits will not reduce solid waste, irrigation, or other **fees charged by government entities.*

Who Qualifies?

You may qualify for property tax reduction in 2021 if you:

1. Owned and lived in a home or mobile home in Idaho that was your primary residence *before* April 15, 2021 (You may qualify if you lived in a care facility or nursing home. Contact your county assessor for information.), and
2. Had income of \$31,900 or less for 2020, and
3. Met one or more of the following status requirements as of **January 1, 2021**:
 - Age 65 or older
 - Widow(er)
 - Blind
 - Fatherless or motherless child under 18 years of age
 - Former prisoner of war/hostage
 - Veteran with a 10% or more service-connected disability or receiving a pension from Veterans Affairs (VA) for a non-service-connected disability
 - Disabled as recognized by the Social Security Administration, Railroad Retirement Board, or Federal Civil Service. If you're not covered by the listed agencies, then disabled as recognized by a public employee retirement system.

How to Apply

1. **Contact your county assessor for application materials.** The office is listed under County Offices in your telephone directory.
2. **Complete an application.** The assessor's office can help you.

When you file your application, you must provide proof of:

- Income
- Medical expenses
- The requirement(s) you meet (age 65 or older, blind, VA disability, etc.)
- Ownership, if the property is owned by a trust or limited liability corporation (LLC)

2. **File the application with your assessor's office by April 15.** If you don't have all of your income information, fill out as much of the application as you can, and file it by the April 15 deadline.

You must apply for your 2021 property tax reduction between January 1 and April 15, 2021. You must apply and qualify each year to receive this benefit. Property tax reductions are *not* renewed automatically.

If your application is approved, your property tax reduction will appear on your December 2021 tax bill.

Documentation of Income

Provide the following documents to the assessor's office to show your 2020 income and expenses.

If You File a Tax Return:

- A copy of your federal income tax return
- Documents showing income not reported on your tax return, including nontaxable income
- Federal Schedule A or a completed medical expense form and proof of payment for non-reimbursed medical expenses
- Proof of payment or prepayment of funeral expenses

If You Don't File a Tax Return:

- Social Security/Railroad Retirement or other 1099 forms
- W-2s
- Any other documents showing taxable or nontaxable income from all sources
- A completed medical expense form and proof of payment for non-reimbursed medical expenses
- Proof of payment or prepayment of funeral expenses

Attach copies of the applicable documents to your application.

Income Guidelines

When you complete your application, you must include income reported to you and your spouse in 2020:

You must include:

- Wages
- Interest and dividends
- Capital gains
- Business, farm, and rental net income
- Social Security and Supplemental Security income
- Railroad retirement

- Unemployment/workers comp
- Pensions, annuities, and IRAs*
- Military retirement benefits
- Department of Health and Welfare payments (including Aid for Dependent Children and housing assistance)
- Child support and alimony
- "Loss of earnings" compensation
- Disability income from all sources**
- Gambling winnings

**Excluding the return of principal paid by the recipient of an annuity and excluding rollovers as provided in section 402 and 403 of the Internal Revenue Code.*

*** Excluding compensation received from the VA by a veteran who has a 40-100% service-connected disability, dependency and indemnity compensation, or death benefits paid by Veterans Affairs arising from a service-connected death or disability.*

When you complete your application, you may deduct the following expenses you or your spouse paid in 2020:

- Medical/dental and related expenses not reimbursed by insurance or other reimbursement*
- Medical insurance premiums*
- Payment or prepayment of funeral expenses
- Farm, rental, and/or business losses (You must submit a copy of the appropriate federal schedule.)
- Early withdrawal penalties
- Alimony paid

**Qualified medical expenses are defined in section 213(d) of the Internal Revenue Code.*

Additional Tax Relief Options

The Property Tax Deferral Program offers certain qualified individuals a way to defer property taxes on their home and up to one acre of land. A qualified applicant may qualify separately for this program or use this program along with the Property Tax Reduction Program to receive additional property tax assistance. Deferred taxes and interest must be repaid to the state of Idaho when ownership of the property changes or the property no longer qualifies for the Homeowner's Exemption. Contact your county assessor for additional program information and application materials.

This publication does not provide full explanation of Idaho tax laws or rules. For more information, contact:

- Your county assessor
- Idaho State Tax Commission: 334-7736 in the Boise area or toll-free at (800) 334-7756, ext. 2
- Hearing impaired: TDD (800) 377-3529
- **tax.idaho.gov**

Idaho laws passed after January 1, 2021, are not reflected in this publication.

INSTRUCTIONS FOR COMPLETING THE PROPERTY TAX REDUCTION (PTR) APPLICATION

SECTION A - OWNERSHIP

Line 1 - Enter the name of all owners of the property listed on the title, deed, or contract for each property associated with this application.

Line 2-3 - List the claimant's social security number and date of birth in the claimant boxes. **A claimant is the owner of the property that qualifies by status.** (See section B.) If you're married, you must list your spouse's social security number and date of birth in the spouse boxes.

Line 4 - Check the box that applies to you.

Line 5 - Include the complete physical address of the property if it isn't listed or is different than the address listed on line 1.

Line 6 - If you didn't receive a Property Tax Reduction (PTR) benefit in the preceding property tax year check no.

Line 7 - If you qualify you're entitled to one property tax reduction per tax year.

Line 8 - You must occupy the property as your primary dwelling in order to qualify for PTR benefits.

Line 9 - If you or your spouse were in a care facility for all or part of the previous year, answer yes.

Line 10 - If you received rental income from all or part of the property, attach a copy of your rental agreement or complete a rental agreement form. (See your county assessor.) Attach the completed form to this application.

Line 11 - Calculate and list the percentage of your property used for business or commercial purposes. If you filed federal form 8829, this figure must agree with the percentage you reported. Attach a copy of form 8829 to this application.

Line 12 - If you sold any stocks, bonds, real estate, or other capital assets, complete federal Schedule D and attach a copy to this application.

Line 13 - If you filed a federal tax return, include a complete copy with this application. If you're not filing a federal tax return or if you've applied for an extension for filing, include copies of all 1099s, W-2s, and, all other documents showing your taxable and nontaxable income from all sources.

Line 14 - You and your spouse, if married, must be able to certify your legal presence in the United States to be eligible to receive benefits. Supporting documentation is required.

SECTION B - STATUS

You must be the owner of the property and be in one of the categories listed below as of **January 1** of the application year.

Check all of the following that apply to you.

- 65 or older
- A widow(er) who hasn't remarried after the death of a spouse. Attach a copy of the deceased spouse's death certificate to this application.
- A person with a disability recognized by Social Security, Railroad Retirement, Federal Civil Service or Veteran's Affairs (VA). Attach a copy of your disability determination. If you're a disabled veteran, check the appropriate box for your disability rating level.
- A person who is functionally blind as defined in Idaho Code section 67-5402(2).
- A person who is a motherless/fatherless minor; that is, your parent is deceased, your parent had his/her parental rights terminated, or you've been judicially determined to be abandoned.

SECTION C - INCOME

Include all taxable and nontaxable income reported for the

(Section C - Income Continued)

previous tax year. **The definition of income for PTR differs from the definition of income for federal tax purposes.** See Idaho Code Section 63-701(5) for the definition of income for PTR.

Sub Section 1

Line 1 - Complete this line only if you're filing a federal income tax return. List the amount from the federal adjusted gross income line on that return. Attach a copy of that return to this application.

Sub Section 2

Report all income that isn't already included in your federal adjusted gross income.

Line 2-3 - List the amount of Social Security income you received and attach a copy of your statement from Social Security. If you file a federal income tax return include the difference between the taxable portion and the nontaxable portion of Social Security income. If you do not file, include the gross amount of Social Security and deduct all Medicare premiums as a medical expense.

Line 4 - Report capital gains received from the sale of stocks, bonds, real estate, or other capital assets. Attach a copy of federal Schedule D to this application.

Line 5 - Include wages, worker's compensation, and unemployment.

Line 6 - Include the gross distribution of any pension, annuity, and IRA or include the difference between the taxable portion and the nontaxable portion of any pension, annuity, and IRA

Line 7 - Include all VA compensation or pension income not from a service-connected disability of 40% or more, DIC, or widow's pensions.

Line 8 - Include all interest and dividend income.

Line 9 - Include the gross amount of distributions identified as Tier 1 and Tier 2 or include the difference between the taxable portion and the nontaxable portion of Railroad income. If you have Medicare (See the explanation for lines 2-3.) deducted, you may deduct the premium as a medical expense.

Line 10 - Include all income not reported above. Some examples are: rents, gambling winnings, support, alimony, Department of Health and Welfare payments, "loss of earnings" insurance compensation, long term care payments, and reimbursement of medical expenses deducted in a previous year. Contact your county assessor or the Idaho State Tax Commission if you need to clarify what income to report.

Line 12 - Include only the return of principal that you paid into the annuity and attach a copy of the annuity contract. Form 1099-R doesn't provide enough information to show what income is return of principal.

Line 13 - List the total of non-reimbursed medical expenses and medical insurance premiums (as defined in Section 213d of the Internal Revenue Code) you paid for you or your spouse. Use the medical expenses from federal Schedule A or complete a medical expense form. **Don't** include premiums that you paid for income replacement policies or pre-tax health insurance premiums (i.e. through employment). If asked at a later date, you must be able to provide receipts for the amounts deducted.

Line 14 - List paid or prepaid funeral expenses for you or your spouse. The maximum allowable deduction is \$5,000. Attach copies of dated receipts and/or cancelled checks showing the amounts you paid for you and or your spouse.

Remember to review your application for completeness and accuracy before signing it.

NOTE: Idaho Code section 63-708 allows the state to recover any incorrect payment within three (3) years. This recovery follows the collection and enforcement procedures in the Idaho Income Tax Act.



PAYETTE LAKES RECREATIONAL WATER AND SEWER DISTRICT

201 Jacob Street • McCall, Idaho 83638 • office 208-634-4111 • fax 208-634-7613

To: Applicants applying for the State of Idaho "Circuit Breaker" Property Tax Reduction whose property is located in the Payette Lakes Recreational Water and Sewer District

Re: Reduction of Monthly Sewer Fees

If you qualify for the State's "Circuit Breaker" Program you may be eligible for a reduction in your monthly sewer fees from the Payette Lakes Recreational Water and Sewer District.

To be eligible for our sewer fee rate reduction you must do two things each year:

1. File an application for the Idaho Property Tax Reduction program at the Valley County Assessor's office before April 15 of each year.
2. File an application with the Payette Lakes Recreational Water and Sewer District prior to December 1 of each year.

Complete the application below and return it to us before December 1. We will verify your qualification for the circuit breaker program with the Valley County Assessor's Office. If you are eligible, beginning in January of the following year your sewer fee rate will be reduced by twenty percent (20%).

This application must be renewed annually.

Please contact me at the office location above if you need any further information.

Jamie Meibo
District Administrator

X _____

CIRCUIT BREAKER SEWER FEE RATE REDUCTION APPLICATION FOR 20____

Name: _____
 Address: _____
 Phone: _____
 Service Address of Property: _____

I certify that I have made a timely application through the Valley County Assessor's Office for the State of Idaho Circuit Breaker Property Tax Reduction Program.

Signature: _____

Date: _____

AFFIDAVIT REGARDING
LIMITED PARTNERSHIP, LIMITED LIABILITY COMPANY, OR CORPORATION
Section 63-602G or Section 63-701, Idaho Code

STATE OF _____)
) ss.
COUNTY OF _____)

1. I, the undersigned, _____, am a partner, member or
shareholder with no less than 5% ownership of _____.
(name) (name of entity)
2. The property described as _____, is the partner's, member's or shareholder's primary
dwelling place before any applicable statutory deadlines.
(parcel number)
3. I have attached to this affidavit copies of:

One of the following:
(Please check the one you are providing.)

- The portions of the articles of organization or operating agreement of the limited liability company indicating the applicant's membership in the limited liability company; or
- The portions of the limited partnership agreement or other records of the limited partnership indicating that the person is a partner; or
- The portions of the articles of incorporation indicating that the person is a shareholder of the corporation.

DATED _____

(partner, member, or shareholder signature)

On this ____ day of _____, in the year of _____, before me _____,
(notary name)

a notary public, personally appeared _____, personally
[individual's (s) name(s)]
known to me or identified to me to be the person(s) whose name(s) is (are) subscribed to the within instrument, and acknowledged to me that he (she) (they) executed the same.

Notary Public

Residing at: _____
My Commission Expires on _____