

RENTER'S REFUND BENEFIT:

- The renter's refund provides a partial refund on rent paid for living quarters or for a mobile home lot.

- Refund can be up to, but not exceeding, \$400.

RENTER'S REFUND QUALIFICATIONS:

- For a husband and wife who are living together, only one may apply for the refund. Only the spouse applying for the refund needs to be 65 years old or older, or disabled.

- Renters must meet the same income requirements as homestead credit applicants. There is no asset limitation for renters.

- No refund may be made to a person who pays rent or fees for any living quarters, including nursing homes, that are exempt from property taxation and for which payment in lieu of property taxes is not made.

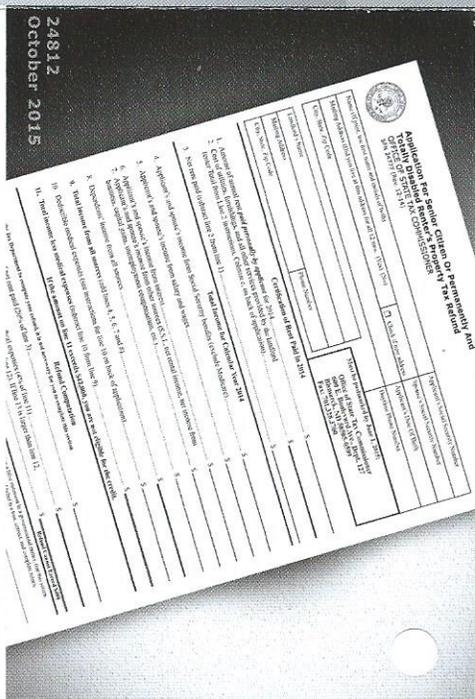
- Heat, water, lights, telephone or furniture costs may not be considered as part of your rent costs. If your landlord pays for these items, you must deduct the cost of these items from your rent when you apply for a refund. If you pay for your utilities and furniture yourself, you may not add the costs of these items to your rent when you apply for the refund.

- In order for you to receive a refund for part of the rent you pay, your annual rent payments must use a certain percentage of your income. Here is how the formula works:

When 20% of your annual rent exceeds 4% of your income, you receive a refund for the overpayment of rent. Example: A renter pays \$450 per month in rent (\$5,400 per year), and the renter's income is \$18,000.00.

20% of \$5,400 is \$1,080
4% of \$18,000 is \$720

Because \$1,080 is \$360 greater than \$720, the renter is entitled to a refund of \$360.



APPLICATION PROCESS

Homestead Credit:

Homeowners must file an application for a property tax credit with their local assessor or county director of tax equalization by February 1 (or as soon thereafter as possible) in the year in which your property is assessed and for which the credit is requested.

Renter's Refund:

Renters must file an application for a refund with the Office of State Tax Commissioner before June 1 following the year for which the refund is claimed. Applications must be sent to:



OFFICE OF STATE TAX COMMISSIONER

600 E. BOULEVARD AVE., DEPT. 127
BISMARCK, ND 58505-0599

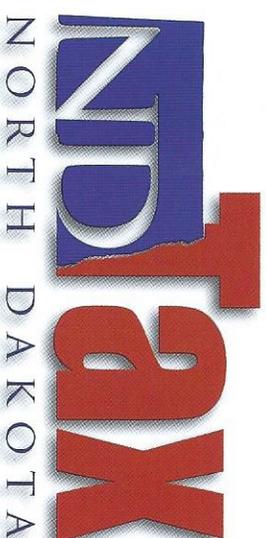
701.328.3127

877.328.7088 OPTION 6

800.366.6888

(TTY RELAY NORTH DAKOTA)

ND.GOV/TAX/HOMESTEAD



HOMESTEAD PROPERTY
TAX CREDIT
& RENTER'S REFUND
FOR SENIOR CITIZENS &
DISABLED INDIVIDUALS



OFFICE OF STATE TAX COMMISSIONER
RYAN RAUSCHENBERGER

HOMESTEAD PROPERTY TAX CREDIT

You may qualify for a credit to reduce your property taxes or a partial refund of the rent you pay.

Qualified homeowners receive a credit to reduce property taxes on their home and qualified renters receive a partial refund of their rent.

ELIGIBILITY REQUIREMENTS (APPLY TO BOTH THE HOMESTEAD CREDIT AND THE RENTER'S REFUND):

You may be eligible for North Dakota's Homestead Credit Program if:

- You are 65 years of age or older (unless you are permanently and totally disabled) in the year for which your application is made (or the year refund is claimed).

OR

- You are a permanently and totally disabled person.

DISABLED INDIVIDUAL REQUIREMENTS:

- Proof of total disability must be established with a certificate from a licensed physician, or a written determination of disability from the social security administration or any federal or state agency that has authority to certify an individual's disability.
- You may be either a homeowner or renter.
- There is no age requirement for the permanently and totally disabled applicant.
- A disabled homeowner must meet the same requirements, except for age, as a senior citizen homeowner (see the section on "Homestead Credit Qualifications").
- A disabled renter must meet the same requirements, except for age, as a senior citizen renter (see the section on "Renter's Refund Qualifications").

HOMESTEAD CREDIT BENEFIT:

- The homestead credit will reduce the homeowner's taxable value according to the following schedule:

If your income is	Taxable value is reduced by	Maximum reduction of taxable value	Maximum reduction of true & full value
\$0 - 22,000	100%	\$5,625	\$125,000
\$22,001 - 26,000	80%	\$4,500	\$100,000
\$26,001 - 30,000	60%	\$3,375	\$75,000
\$30,001 - 34,000	40%	\$2,250	\$50,000
\$34,001 - 38,000	20%	\$1,125	\$25,000
\$38,001 - 42,000	10%	\$ 563	\$ 12,511

- The property tax credit is subject to adjustment, equalization and abatement in the same manner as other real property assessments.
- If a recipient of the homeowner's property tax credit sells the homestead, the credit is portable and may be applied to the recipient's new homestead.
- In the event of the applicant's death, all benefits terminate at the end of the taxable year.

HOMESTEAD CREDIT QUALIFICATIONS:

- For a husband and wife who are living together, only one may apply for the credit. Only the spouse applying for the credit needs to be 65 years of age or older, or disabled.
- You must reside on and have an interest in the property for which the credit is claimed.
- Your income, plus the income of your spouse and any dependents, may not exceed \$42,000 for the calendar year preceding the assessment date. You must consider income from all sources, which includes but is not limited to social security benefits, pensions, salaries, Experience Works, TANF, alimony, unemployment benefits, dividends, interest, net gains from the sale of property, net rental

income and net profit from any business, including ranching and farming.

- Payments NOT considered income under this act include: gifts, inheritances, life insurance proceeds, social security lump sum death payments, workforce safety and insurance payments, insurance policy proceeds for illness, injury, or casualty losses to property, child support, federal fuel assistance, renter's refund payments, food stamps, veteran's disability payments, payments for foster care of a qualifying child or adult or for difficult care, Foster Grandparents Program, Retired Senior Volunteer Program (RSVP), Senior Companion Program and Vista Program.
- Medical expenses actually paid during the year are deductible from income if not compensated for by insurance or otherwise reimbursed.
- Your assets may not exceed \$500,000, including the market value of your homestead and the value of any assets gifted or otherwise divested within the last three years.
- No person shall qualify to receive the property tax credit if the homestead is rented while the owner is temporarily absent or the homestead is a farm structure which is exempt from taxation.

