

Exemption And/Or Deferral Programs

List of Supporting Documents Required to be Filed with Application, Renewal, or Change Status Forms

To complete your claim for property tax exemption and/or deferral you must submit documentation of your income. This form identifies the income that must be reported and the documentation that must be submitted with the application.

The Combined Disposable Income Limitation for each program is as follows:

Exemption Program - \$35,000

Deferral Program (for Senior/Disabled) - \$40,000

Deferral Program (limited income) - \$57,000

Part 1 - All Applicants

In order to qualify for the program benefits your combined disposable income must be at or below the program limit. This is income received by you, your spouse or domestic partner (whether or not he/she lives in the residence), and any co-owners living in the residence with you. When you apply for these tax relief programs, you must provide documentation to prove that your combined disposable income is less than the limit of the applicable program for which you are applying.

Note: *If the combined disposable income that you reported with your initial exemption application has changed, you are required to notify the assessor and file a Change in Status form. You will be required to file a renewal for the exemption program at least once every six years. The deferral programs require annual renewal.*

RCW 84.36.383 describes how to calculate combined disposable income. You, your spouse or domestic partner, and any co-owner living with you (co-tenant) begin with each persons Adjusted Gross Income as determined for federal income tax purposes found in the Internal Revenue Code and add to that income the following items to the extent they were not included in the Adjusted Gross Income:

- Capital gains
- Amounts Deducted for Loss
- Amounts deducted for depreciation

- Pension and annuity receipts
- Military pay and benefits (other than attendant-care and medical-aid)
- Veterans benefits (other than attendant-care, medical-aid payments, disability compensation, or dependency and indemnity compensation paid by DVA)
- Social Security
- Railroad Retirement
- Dividends
- Interest on state and municipal bonds

If you file an income tax return, please go to Part 2. If you do not file an income tax return, go to Part 3 for a listing of documents to provide.

Part 2 – Federal Income Tax Return Filers

The items identified below must be submitted with your application to the extent they are applicable to you, your spouse or domestic partner, and any co-owners living with you.

- IRS Form 1040
- IRS Form 1040A
- IRS Form 1040EZ
- All forms and schedules that are part of your tax return (including K-1's and other backup forms and schedules)

You may be asked to also provide copies of your 1099's or W-2's.

If you have income from sources for which you did not receive a W-2 or 1099 (tips, cash earned from odd jobs, rental income, groceries purchased for you in return for a room in your house, etc.), a copy of all your monthly bank statements must be submitted. If you received cash income that was not deposited into your bank account you must submit a statement describing the type of income and the dollar amount received.

Part 3 – Non Filers

For applicants who do not file an IRS return, you must provide documentation of all income that would have been reported on a federal return by you, your spouse or domestic partner, and any co-owner living with you. Standard federal documents used to report income earned and reported to the IRS include, but are not limited to, the following:

W-2's

- Wage and Tax Statement

W-2 G's

- Certain Gambling Winnings

1099's

1. 1099 B – Proceeds from Broker and Barter Exchange Transactions
2. 1099 Div – Dividends and Distributions
3. 1099 G – Unemployment compensations, state and local income tax refunds, agricultural payments
4. 1099 Int – Interest income
5. 1099 Misc – Contract income, Rent and Royalty payments, Prizes
6. 1099 R – Distributions from Pensions, Annuities, IRA's, Insurance Contracts, Profit Sharing Plans
7. 1099 S – Proceeds from Real Estate Transactions
8. RRB 1099 – Railroad Retirement Benefits
9. SSA 1099 – Social Security Benefits

Other types of payments may be found listed in the IRS Publication "Instructions for Forms 1099, 1098, 5498, and W-2G."

If you have income from sources for which you did not receive a W-2 or 1099 (tips, cash earned from odd jobs, rental income, groceries purchased for you in return for a room in your house, etc.), a copy of all your monthly bank statements must be submitted. If you received cash income that was not deposited into your bank account you must submit a statement describing the type of income received and the dollar amount received.

Part 4 – All Filers

You should also provide copies of invoices, bills, or cancelled checks for any of the following types of non-reimbursed out-of-pocket costs that were paid by and for you or your spouse or domestic partner.

- Nursing home, boarding home, or adult family home care, in-home health care
- In-home health care
- Prescription drugs

These expenses are not allowed as a deduction for a co-owner living with you.

You may also deduct insurance premiums for Medicare under Title XVIII of the Social Security Act.

Please contact your County Assessor's office for assistance in completing your application, renewal, or change in status form.