



# Deferral Application for Senior Citizens and Disabled Persons

Complete this application and file it with the Tax and Licensing Division at least **30 days prior to the date the taxes or special assessments are due**. For your assistance in completing this form contact the Tax and Licensing Division by calling (360)716-4214.

**1. This deferral application is for [check all that apply and list all tax years to be paid]:**

Real Property Taxes due in the **year(s)**: \_\_\_\_\_

Special Assessments due in the **year**: \_\_\_\_\_ **Also complete Part 4**

Applicant: \_\_\_\_\_ Age: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Spouse of Domestic Partner: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Home Ph: \_\_\_\_\_ Cell Ph: \_\_\_\_\_ Email Address: \_\_\_\_\_

Co-tenants [someone who lives with you AND has an ownership interest in your home]:

\_\_\_\_\_

Other occupants: \_\_\_\_\_

Property Address [if different than mailing] \_\_\_\_\_

Parcel No: \_\_\_\_\_

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**2. Please check the appropriate box. Proof of age or disability is required.**

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

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

Date of disability: \_\_\_\_\_

I am the surviving spouse or domestic partner of a person who was previously receiving this deferral and I was at least 57 years of age in the year my spouse/domestic partner passed away.

Spouse or Domestic Partner Date of Death: \_\_\_\_\_

**Ownership and Residency:**

I own or am purchasing this residence. Date Purchased: \_\_\_\_\_ Date occupied: \_\_\_\_\_

**NOTE:** Share ownership is cooperative housing, life estates, leases for life, and revocable trusts do not satisfy the ownership requirement for this program. I you and/or your spouse/domestic partner are temporarily confined to a hospital or nursing home, your home is still considered to be your principal residence.

**Mortgage Information:**

**Yes**  **No** I have a mortgage, purchase contract, or deed of trust. **If yes**, report your mortgage balance in Part 8 and answer the question below.

**Yes**  **No** My mortgage company withholds a certain amount each month to pay my taxes. **If**

yes, see Part 5 on page 2. Your lender must sign this application either before a Notary Public or before the Tax Division officer. This ensures the first lien position of the mortgage lender.

<b>This box to be completed by the Tax and Licensing Division</b>	<b>True and Fair (Market) Value as of January 1 of the Application Year</b>
Date approved by Tax Division: _____	Land: \$ _____
Application Number: _____	Building: \$ _____
<b>Note:</b> If no insurance OR if Tribes is not listed as "loss Payee", use Land value for total value and then stop at "Equity Value".	<b>Total:</b> \$ _____
<b>Total Liens and Obligations:</b>	<b>Equity Calculation</b>
<b>Equity Value = Total Value minus Total Mortgages:</b>	\$ _____
<b>Deferral Limit = 80% of Equity Value:</b>	\$ _____
<b>This box to be completed by the Department of Revenue</b>	
Insurance: _____ Attached _____ On file _____ Not on file _____ State not listed as Loss Payee _____ None _____ Lien Filed _____	
Equity Balance: \$ _____ Equity OK _____ Processed by: _____ Reviewed by: _____	

**3. My residence is a**  Single Family dwelling  Multi-Unit dwelling/condominium  Mobile home

Mobile Homes: Do you own the land the mobile home is located on  Yes  No

Name of mobile home park if applicable: \_\_\_\_\_ Space No: \_\_\_\_\_

**This property includes:** (Check all that apply)

- My principal residence and up to one acre of land
- More than one acre of land
- More than one residence and/or additional improvements that are not normally part of a residence (i.e., commercial buildings or improvements)

**My total parcel or lot size:** \_\_\_\_\_ acres      If local land use regulations require more than 1 (one) acre of land per residence in the area where you live you may be able to defer the property taxes for your entire parcel, up to 5 (five) acres.

If larger than one acre: what is the minimum parcel size required for each residence by local zoning or land use regulations: \_\_\_\_\_ acres

- Check only one box:**
- I have attached the legal description for my residence and one (1) acre encompassing the residence. I understand that the value included in my equity calculation will only include the value for this portion of my property.
  - I have elected to allow you to file your lien on my entire parcel, even though the deferral of taxes or assessment may not cover the entire parcel.

**4. For special assessment deferrals, the following information must be supplied:**

	Assessment #1	Assessment #2
Jurisdiction to whom the special assessment is paid	_____	_____
Type of improvement or special assessment	_____	_____
LID, ULID or special assessment number	_____	_____
Annual due date(s)	_____	_____

Was the installment method selected for payment?

Yes  No

Yes  No

Not available

Not available

**5. To be completed by your lender if the monthly mortgage payment includes an amount to pay real property taxes. (See Mortgage Information under Part 2.)**

**Lien Type:**  Mortgage  Purchase Contract or  Deed of Trust

Name of mortgage company or holder of contract or deed: \_\_\_\_\_

Auditor's Recording No: \_\_\_\_\_

**The holder of the agreement must sign this application either before a Notary Public or before the Tax Division officer.**

\_\_\_\_\_  
Signature of Mortgage, Company Representative, Contract Holder, etc. Title

Subscribed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.  
(year)

Notary Public or Tax Division Officer in and  
for the State of Washington  
Residing at \_\_\_\_\_

\_\_\_\_\_  
Notary Public/Tax Division Officer Signature

Combined Disposable Income Worksheet As defined in RCW 84.36.383(4) and (5) and WAC 458-16A-100(6) and (12) <b>IMPORTANT: Please answer all of the following questions</b>	20__ Income Year	Checklist
<b>Income:</b> A. <input type="checkbox"/> Yes <input type="checkbox"/> No <b>Did you file a federal tax return?</b> If yes, enter your Adjusted Gross Income (AGI) from your federal tax return. Attach a complete copy of your return.	<b>\$\$ Amount</b>	<input type="checkbox"/> IRS Tax Return <input type="checkbox"/> 1040 <input type="checkbox"/> 1040-A or EZ
B. <input type="checkbox"/> Yes <input type="checkbox"/> No <b>Did you have capital gains that were not reported on your tax return?</b> Do not add the gain from the sale of a primary residence. If you used the entire gain to purchase a replacement residence within the same year. <b>Do not use losses to offset gains.</b>		<input type="checkbox"/> Sch D <input type="checkbox"/> Form 4797 or 6252 <input type="checkbox"/> Other
C. <input type="checkbox"/> Yes <input type="checkbox"/> No <b>Did you have deductions for losses included in your tax return?</b> If yes, the losses must be added back to the extent they were used to offset/reduce income. (Ex.: On Schedule D, you reports a (\$10,000) loss but the loss was limited to (\$3,000), shown on Line 13 of your 1040. Add the (\$3,000) loss used to offset/reduce your income.) (Ex.: You filed two SCH C's – one with a (\$10,000) loss and one with \$5,000 net income. A net loss of (\$5,000) was reported on your 1040, Line 12. Add back the (\$10,000) loss.)		<input type="checkbox"/> Sch C <input type="checkbox"/> Sch D <input type="checkbox"/> Sch E <input type="checkbox"/> Sch F <input type="checkbox"/> Other _____
D. <input type="checkbox"/> Yes <input type="checkbox"/> No <b>Did you deduct depreciation expense in your tax</b>		<input type="checkbox"/> Sch C

<p><b>return?</b> If yes, that expense must be added back to the extent the expense was used to reduce your income. (Ex.: Net Loss reported: If you deducted depreciation as a business and/or rental expense that resulted in a loss, recalculate the net income/loss without the depreciation expense. If there is still a net loss enter -0- here, if there is net income enter the net income here.)</p>		<input type="checkbox"/> Sch E <input type="checkbox"/> Sch F <input type="checkbox"/> Sch K-1 <input type="checkbox"/> Other _____
<p>E. <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> <b>Did you have nontaxable <u>dividend or interest income, or income from these sources that was not reported on your tax return?</u></b> If yes, add that income here. Include nontaxable interest on state and municipal bonds.</p>		<input type="checkbox"/> Bank statements <input type="checkbox"/> 1099's <input type="checkbox"/> Other _____
<p>F. <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> <b>Did you have nontaxable <u>pension and annuity benefits, or income from these sources that was not reported on your tax return?</u></b> If yes, report the amounts here. (Ex.: You received \$10,000 in pensions and annuities. The taxable amount was \$6,000. Report the nontaxable \$4,000 here.) Do not include nontaxable IRA distributions.</p>		<input type="checkbox"/> 1099's <input type="checkbox"/> Other _____
<p>G. <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> <b>Did you receive <u>military pay and benefits that were nontaxable, or, income from these sources that was not reported on your tax return?</u></b> If yes, report that income here, including <b>CRSC</b>. Do not include attendant-care and medical-aid payments.</p>		<input type="checkbox"/> DFAS Statement <input type="checkbox"/> 1099's <input type="checkbox"/> Other _____
<p>H. <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> <b>Did you receive <u>veterans pay and benefits from the Department of Veterans Affairs that was nontaxable, or, that was not reported on your tax return?</u></b> If yes, report that income here. Do not include attendant-care and medical-aid payments, disability compensation, or dependency and indemnity compensation paid by DVA.</p>		<input type="checkbox"/> VA Statement <input type="checkbox"/> 1099's <input type="checkbox"/> Other _____
<p>I. <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> <b>Did you receive nontaxable <u>Social Security or Railroad Retirement Benefits, or, income from these sources that was not reported on your tax return?</u></b> If yes, report that income here. (Ex.: Your gross Social Security benefit was \$10,000 and \$4,000 was included in AGI as the taxable amount, report the non-Taxable \$6,000 here.)</p>		<input type="checkbox"/> SS Statement <input type="checkbox"/> RRB Statement
<p>J. <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> <b>Did you receive income from <u>business, rental, or farming activities (IRS Schedules C, E, or F) that was not reported on your tax return?</u></b> Report that income here. You can deduct normal expenses, except depreciation expense, but <b>do not use losses to offset income.</b></p>		<input type="checkbox"/> Sch C <input type="checkbox"/> Sch E <input type="checkbox"/> Sch F <input type="checkbox"/> Other _____
<p>K. <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> <b>Did you receive <u>Other Income that is not included in the amounts on Lines A-J?</u> Give source, type and amount.</b> _____</p>		<input type="checkbox"/> Other _____ <input type="checkbox"/> Other _____
<p><b>Subtotal Income</b></p>	<p><b>\$</b></p>	
<p><b>Did you have any of the following Allowable Deductions?</b></p>		
<p>L. <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> <b>Nursing Home, Boarding Home, or Adult Family Home costs.</b></p>		<input type="checkbox"/> Other _____
<p>M. <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> <b>In-Home Care expenses.</b> See instructions for qualifying expenses.</p>		<input type="checkbox"/> Other _____
<p>N. <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> <b>Prescription Drug costs.</b></p>		<input type="checkbox"/> Printout/Receipt
<p>O. <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> <b>Medicare Insurance Premiums under Title XVIII of the Social Security Act (Parts B, C, and D).</b> Currently, there is no allowable deduction for supplement, long-term care, or other</p>		<input type="checkbox"/> SS Statement <input type="checkbox"/> Other _____



- Failure to keep fire and casualty insurance in sufficient amount to protect the interest of the state, unless the deferred amount does not exceed my equity value in the land or lot only.
- I swear under the penalties of perjury that the information reported on this application is true and complete. I understand that an incomplete application will delay my property tax payment.
- I understand that future deferrals are not automatic and that I must renew my application if I want to defer my property taxes or special assessments next year.
- **I have attached copies of documents supporting my income information, current mortgage and lien balances, and fire and casualty insurance.**

**Your Signature (or signature of your authorized agent)**

**Date**

**Percentage of Interest**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ %

**Signatures Spouse or Domestic Partner, Co-tenants, and all other Owners of interest on the deed**

**Date**

**Percentage of Interest**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ %

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ %

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ %

## **Instructions for completing the Income Section of the Deferral Application for Senior Citizens and Disabled Persons**

To avoid delays in processing your application, remember to answer all questions, include all of the required documentation and sign the form. Anyone who has an ownership interest in the property must sign the form. Leave the “County Use Only” areas blank.

You must include documentation showing you meet the age or disability requirement. You must also include documentation of your income; account balances for existing mortgages or other liens against your property; and a copy of your insurance policy showing the State of Washington Department of Revenue listed as “loss payee”. Without insurance documentation, we will only include land value in the equity calculation. If you have questions about what to include, contact the Tax and Licensing Department.

### **Instructions for Completing the Income Section**

#### **How is disposable income calculated?**

The legislature gave “disposable income” a specific definition. According to RCW 84.36.383(5), “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 (annuities also include income from unemployment, disability, and welfare);
- 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, veterans’ disability benefit, and dependency and indemnity compensation; and
- Dividend receipts and interest received on state and municipal bonds.
- **This income is included in “disposable income” even when it is not taxable for IRS purposes.**

**Important:** Include all income sources and amounts received by you, your spouse/domestic partner, and any co-tenants during the application/assessment year (the year before the tax is due). If you report income that is very low or zero, attach documentation showing how you meet your daily living expenses. Use **Line K** to report any income not reported on your tax return and not listed on Lines A through J.

#### **What if my income changed in mid-year?**

If your income was substantially reduced (or increased) for at least two months before the end of the year and you expect that change in income to continue indefinitely, you can 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 twelve.

**Example:** You retired in September and your monthly income was reduced from \$3,500 to \$1,000 beginning in October. Multiple \$1,000 x 12 to estimate your new annual income.

- **Report this amount on Line K** and do not complete Lines A through J. Provide documentation that shows your new monthly income and when the change occurred.

**Line K – Report all household income not already included or discussed on Lines A through J.** Include foreign income not reported on your federal tax return and income contributed by other household members not shown in Part 1.

Provide the source and amount of the income.

#### **Line L-O – What is combined disposable income?**

RCW 84.36.383(4) defines “combined disposable income” as your disposable income plus the disposable income of your spouse or domestic partner and any co-tenants, minus amounts paid by you or your spouse or 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; and
- Health care insurance premiums for Medicare (At this time, other types of insurance premiums are not an allowable deduction.)

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, meal-on-wheels, life alert, and other services that are a part of a necessary or appropriate in-home service.

**Special instructions for Line P.**

If you had adjustments to your income for any of the following and you did not file an IRS return, report these amounts on Line P and include the IRS form or worksheet you used to calculate the amount of the adjustment.

- Certain business expenses for teachers, reservists, performing artists, and fee-basis government officials.
- Self-employed health insurance or contributions to pension, profit-sharing, or annuity plans.
- Health savings account deductions.
- IRA deduction.
- Alimony paid.
- Student loan interest, tuition and fees deduction.
- Domestic products activities deduction.

**CONTACT THE TAX AND LICENSING DEPARTMENT FOR ASSISTANCE IN COMPLETING THIS FORM.**