
Finance Committee

HB 2480

Brief Description: Ensuring federal income tax documents used to verify eligibility for the senior citizen tax exemption are not retained.

Sponsors: Representatives Carrell, Kirby, Darneille, Talcott, Roach, Cairnes, Holmquist, Campbell, Anderson, Mielke, Nixon, Benson, Sullivan, DeBolt, Barlean, Schoesler, Esser, Morell, Bush, Sump, Cox, Orcutt, Conway, Edwards, Mulliken, Alexander and Woods.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">· Prohibits the county assessor from keeping copies of federal income tax returns used for verification of income in the Senior Citizens Property Tax Relief Program.

Hearing Date: 1/30/02

Staff: Rick Peterson (786-7150).

Background:

Some senior citizens and persons retired due to disability are entitled to property tax relief on their principal residences. To qualify, a person must be 61 in the year of application or retired from employment because of a physical disability, own his or her principal residence, and have a disposable income of less than \$30,000 a year. Persons meeting these criteria are entitled to partial property tax exemptions and a valuation freeze.

Disposable income is defined as the sum of federally defined adjusted gross income and the following, if not already included: capital gains; deductions for loss; depreciation; pensions and annuities; military pay and benefits; veterans' benefits except attendant-care and medical-aid payments; Social Security and federal railroad retirement benefits; dividends; and interest income. Payments for the care of either spouse received in the home or in a nursing home and payments for prescription drugs are deducted in determining disposable income.

Claims for the exemption are signed either before two witnesses, the county assessor, or the assessor's deputy. Claims are to be accompanied by documented verification of income as prescribed by the Department of Revenue rule. The rule does not list specific types of documents but states that the assessor may require verification of all information prior to

approving the claim.

Summary of Bill:

The assessor is not allowed to keep copies of federal income tax returns that are used to verify eligibility for the Senior Citizens Property Tax Relief Program.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.