SB 6751 - DIGEST

Provides that a claimant may defer payment of that amount of real property taxes that exceeds six percent of the claimant's combined disposable income, but not to exceed two thousand five hundred dollars per year.

Declares that deferral of taxes under this act is subject to the following conditions: (1) The claimant must have owned, at the time of filing, the residence on which the real property taxes have been imposed. For purposes of this subsection, a residence owned by a marital community or owned by cotenants shall be deemed to be owned by each spouse or cotenant. A claimant who has only a share ownership in cooperative housing, a life estate, a lease for life, or a revocable trust does not satisfy the ownership requirement.

(2) The property taxes must have been imposed upon a residence that was occupied by the claimant as a principal place of residence.

(3) A deferral is not allowed for taxes levied in the first full calendar year in which the person owns the residence.

(4) The claimant must have and keep in force fire and casualty insurance in sufficient amount to protect the interest of the state in the claimant's equity value. If the claimant fails to keep fire and casualty insurance in force to the extent of the state's interest in the claimant's equity value, the amount deferred shall not exceed one hundred percent of the claimant's equity value in the land or lot only.

(5) The total amount of taxes deferred, including interest thereon, must not exceed eighty percent of the claimant's equity value in the residence.