

## Property Tax Deferral for Senior Citizens

**Important:** Participation in this program is voluntary. If you participate, a tax lien will be placed on your property. This lien must be satisfied when your property is sold. In the event of your death, your heirs must satisfy the lien before they can acquire clear title. Read the instructions on the back carefully before completing this application.

Homeowners with a reverse mortgage do not qualify to participate in this program.

|               |                 |                        |               |
|---------------|-----------------|------------------------|---------------|
| Print or type | Your name       | Social Security number | Date of birth |
|               | Spouse's name   | Social Security number | Date of birth |
|               | Mailing address |                        |               |
|               | City            | State                  | Zip code      |

|                 |  |  |                                |
|-----------------|--|--|--------------------------------|
| Income/Property | Last year's total household income<br>\$   | Parcel ID number from tax statement  | Year property was purchased    |
|                 | Estimated market value (from Notice of Real Estate Value or tax statement)<br>\$ | Is property currently classified as homestead?<br><input type="checkbox"/> Yes <input type="checkbox"/> No | Year homestead was established |
|                 | Legal description of property (or you can attach a copy of your deed)            |  |                                |

|           |  |      |               |
|-----------|--|------|---------------|
| Sign here | <i>The information on this application is correct to the best of my knowledge.</i> |      |               |
|           | Applicant's signature  | Date | Daytime phone |
|           | Spouse's signature   | Date | Daytime phone |

**You must attach the following to this application:**

1. A copy of this year's property tax statement.
2. A report detailing any mortgages, liens or judgments on the property.
  - For "Torrens" property, the report is a copy of the original certificate of title, which is available from your county recorder (sometimes referred to as a "condition of register"). The certificate must be dated within 30 days of your application.
  - For abstract property, the report is prepared by a licensed abstracter showing the last deed recorded and any unsatisfied liens or judgments (sometimes referred to as an "owners and encumbrances report"). The report must be dated within 30 days of your application.

If you don't know what kind of property you have, contact your county recorder.

**Mail your completed application with the attachments listed above to:**

Minnesota Revenue  
Mail Station 4108  
St. Paul, MN 55146-4108

# Applying for property tax deferral for senior citizens

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## About this program

This program allows people 65 or older to defer a portion of their homestead property taxes. The deferral begins with real estate taxes payable the year after you make the initial application.

### Participation in this program is voluntary.

There are some important facts you should know before you apply.

- **This is a loan from the state to you.** The deferred tax is paid by the state to your county.
- Interest will be charged on the loan. The interest rate will be adjusted annually but will never exceed 5 percent.
- A lien will attach to the property.
- The county will send you a notice each year showing the current year's deferred taxes, the total cumulative deferred taxes and accrued interest. This information becomes public data.
- The amount of property tax you pay each year will be based on your income the year before you enter the program.

## Who qualifies

To qualify, you must meet all of the following requirements:

1. You must be 65 or older and own and occupy the property as a homestead. If you're married, your spouse must be at least 62 when the first deferral is granted.
2. Your total household income cannot exceed \$60,000 in the calendar year prior to the year you apply.
3. At least one of the homeowners must have owned and occupied the property as their homestead for at least 15 years prior to the year of application.
4. There can be no state or federal tax liens or judgment liens on the property.
5. Total debts secured by mortgages and other liens against the property cannot exceed 75 percent of the property's estimated market value.

Homeowners with a reverse mortgage do not qualify to participate in this program.

## When to apply

You must apply by July 1 in order for your taxes to be deferred the following year. You may apply in the year in which you turn 65. Once enrolled in the program, you don't need to reapply.

## If your income changes or you want to stop deferral

If your income exceeds \$60,000 in a calendar year, you must notify us in writing by July 1 of the following year. You won't be able to defer additional taxes until your income drops to \$60,000 or less, at which time you'll need to send a written request to resume deferral. If you want to voluntarily stop deferral, you must also send us a written notice. Send notice to:

Minnesota Revenue  
Mail Station 4108  
St. Paul, MN 55146-4108

## Paying back the tax

Your participation in the program will end when any one of the following occurs:

- The property is sold or transferred.
- All qualifying homeowners die.
- You notify the department in writing to stop deferral.
- The property no longer qualifies as a homestead.

When any of these happen, the deferred taxes plus interest must be paid back to the state. If the property is sold or the homeowner dies, payment is due within 90 days. If you voluntarily stop deferral or the property no longer qualifies as a homestead, you'll have one year to pay back the amount.

If you pay back the tax within the above time frames, you will not be charged additional interest. The county will record a notice of termination and send a copy to you. You must pay any recording or filing fees.

If you don't pay back the tax on time, penalty, interest, lien, forfeiture and other rules for collecting property taxes will apply.

## How this program affects refunds and rebates

You can apply for property tax refunds or rebates based on the qualifying amount on your property tax statement.

You will not, however, receive property tax refunds or rebates as cash payments. You will also not receive Minnesota income tax refunds, political contribution refunds or lottery winnings of any type. Instead, these refunds will be applied to reduce your deferred property tax total.

We'll notify you whenever we use a refund to reduce the amount of deferred tax. If your refund exceeds the deferred amount, we'll send you a check for the difference.

## How we use information

Some of the information on this application is private data. We use the information to determine your eligibility. To verify information, we may share it with the county assessor, the county attorney, and federal, state or local taxing authorities. You're not required to provide the information we ask for; however, if you don't, you won't be considered for the program.

## Penalties

You'll be charged a penalty equal to 20 percent of the deferred tax if the information on your application, property certificate or abstract report is false; or if you don't notify us that your income exceeds program limits. If you intentionally give us false information on any of the above, the penalty increases to 50 percent of the deferred tax.

## Questions?

If you need help completing this application, call (651) 556-4803. TTY: Call 711 for Minnesota Relay.

We'll provide this information in other formats upon request to persons with disabilities.