

INSTRUCTIONS FOR COMPLETING THE PROPERTY TAX REDUCTION (PTR) APPLICATION

SECTION A - OWNERSHIP

Line 1 - Enter the names of all owners of the property listed on the title, deed, or contract for each property associated with this application.

Line 2-3 - List the claimant's social security number and date of birth in the claimant boxes. **A claimant is the owner of the property that qualifies by status.** (See Section B.) If you're married, list your spouse's social security number and date of birth in the spouse boxes.

Line 4 - Check the box that applies to you.

Line 5 - Include the complete physical address of the property if it isn't listed or is different than the address listed on Line 1.

Line 6 - You're a new applicant if you didn't receive a Property Tax Reduction (PTR) benefit in the preceding property tax year.

Line 7 - You're entitled to one homeowner's exemption and one property tax reduction per tax year.

Line 8 - You must occupy the property as your primary dwelling to qualify for PTR benefits.

Line 9 - If you or your spouse were in a care facility for all or part of the previous year, answer yes.

Line 10 - If you received rental income from all or part of the property, attach a copy of your rental agreement or complete a rental agreement form. (See your county assessor.) Attach the completed form to this application.

Line 11 - Calculate and list the percentage of your property used for business or commercial purposes. (Use the same percentage you reported on your federal tax return, if you filed one.) Include Schedule C or federal Form 8829 and attach a copy to this application.

Line 12 - If you sold any stocks, bonds, real estate, or other capital assets, complete federal form Schedule D and attach a copy to this application.

Line 13 - If you filed a federal tax return, include a complete copy with this application. If you're not filing a federal tax return or if you've applied for an extension for filing, include copies of all 1099s, W-2s, and all other documents showing your taxable or nontaxable income from all sources.

Line 14 - You and your spouse, if married, must be able to certify your legal presence in the United States to be eligible to receive benefits. You must provide supporting documentation.

SECTION B - STATUS

You must be the owner of the property and be in one of the categories listed below as of January 1 of the application year.

Check all that apply to you.

- 65 or older.
- A widow(er) who hasn't remarried after the death of a spouse. Attach a copy of the deceased spouse's death certificate to this application.
- A person with a disability recognized by Social Security, Railroad Retirement, Federal Civil Service, Veteran's Affairs (VA), or a Public Employee Retirement System. Attach a copy of your disability determination. If you're a disabled veteran, check the appropriate box for your disability rating level.
- A person who is functionally blind as defined in Idaho Code section 67-5402(2).
- A person who is a motherless/fatherless minor; that is, your parent is deceased, your parent had their parental rights terminated, or you've been judicially determined to be abandoned.

SECTION C – INCOME

Include all taxable and nontaxable income reported for the previous tax year. The definition of income for PTR differs from the definition of income for federal tax purposes. See Idaho Code Section 63-701(5) for the definition of income for PTR.

Section 1

Line 1 - Complete this line only if you're filing a federal income tax return. List the amount from the federal adjusted gross income line on that return. Attach a copy of that return to this application.

Section 2

Report all income not included in your federal adjusted gross income.

Line 2-3 - List the amount of Social Security income you received and attach a copy of your statement from Social Security or include the difference between the gross portion and the taxable portion of Social Security income. If you include the **net** amount of Social Security, you **can't** deduct Medicare as a medical expense. If you include the **gross** amount of Social Security, you **can** deduct Medicare as a medical expense.

Line 4 - Report capital gains received from the sale of stocks, bonds, real estate, or other capital assets. Attach a copy of federal form Schedule D to this application.

Line 5 - Include wages, worker's compensation, or unemployment.

Line 6 - Include the gross distribution of any pension, annuity, and/or IRA, or include the difference between the taxable portion and the nontaxable portion of any pension, annuity, and/or IRA.

Line 7 - Include all VA compensation and/or pension income not from a service-connected disability of 40% or more, DIC, or widow's pensions.

Line 8 - Include all interest and dividend income.

Line 9 - Include the gross amount of distributions identified as Tier 1 and Tier 2 or include the difference between the gross portion and the nontaxable portion of Railroad income. If you have Medicare (see the explanation for Line 2-3) deducted, you may deduct the premium as a medical expense.

Line 10 - Include all income not reported above. Some examples are rents, gambling winnings, support, alimony, "loss of earnings" insurance compensation, long-term care payments, and reimbursement of medical expenses deducted in a previous year. Contact your county assessor or the Idaho State Tax Commission if you need to clarify what income to report.

Line 12 - Include only the return of principal that you paid into the annuity and attach a copy of the annuity contract or form 1099-R with a distribution code of 4D or 7D.

Line 13 - List the total of non-reimbursed medical expenses and medical insurance premiums (as defined in Section 213d of the Internal Revenue Code) you paid for you or your spouse. Use the medical expenses from federal form Schedule A or complete a medical expense form. **Don't** include premiums that you paid for income replacement policies. If asked later, you must be able to provide receipts for the amounts deducted.

Line 14 - List paid or prepaid funeral expenses for you or your spouse. The maximum allowable deduction is \$5,000. Attach copies of dated receipts and/or canceled checks showing the amounts you paid for yourself and/or your spouse.

Remember to review your application for completeness and accuracy before signing it.

NOTE: Idaho Code section 63-708 allows the state to recover any incorrect payment within three (3) years. This recovery follows the collection and enforcement procedures in the Idaho Income Tax Act.