

Applications for Senior Property Tax Exemptions Mailed; New Laws Provide Greater Tax Savings

New Trier Township residents sixty-five years of age or older should receive renewal forms for senior citizen property tax exemptions the week of January 8, and will have until February 7 to complete them. These forms are the first to reflect new laws that will provide more tax breaks for senior citizens this year.

Eligibility for Senior Citizen Exemptions. There are two senior tax exemptions:

- 1) The **Senior Exemption**, available to all seniors regardless of income, reduces property taxes by about \$600. It is available for any owner-occupied residential property if the owner was born in 1952 or earlier.
- 2) The **Senior Freeze** provides seniors with additional savings if the combined income of all members of the household is less than \$65,000, and if the senior has been an owner-occupant of the property since January 1, 2016.

The recently mailed senior applications are for the 2017 property taxes, which are paid in calendar year 2018. The savings from the exemptions will appear on the second installment tax bills that will likely be mailed in late June 2018.

Homeowners who were born in 1952 turned sixty-five in 2017, and thus are likely to be eligible for the senior exemption for the first time. Taxpayers who recently turned sixty-five will probably not receive senior renewal forms in the mail. We encourage such individuals to call our office (847.446.8200) for information about the senior exemption. Information is also available on the Cook County Assessor's website.

Lower income senior citizens sixty-five years of age or older who are struggling with property taxes can defer payment of their property taxes until their homes are sold. The Senior Citizen Tax Deferral Program allows seniors to defer as much as \$5,000 of their property tax bill every year.

To qualify for the deferral program, seniors must have annual household income of less than \$55,000, have equity in the home that exceeds the sum of property taxes deferred, and have lived in the home for at least three years. Two-flats and other properties that generate rental income are not eligible for the program. Properties held in a trust are also ineligible, although there are some exceptions to this rule. **Applications must be submitted by March 1.**

The tax deferral program is essentially a loan from the state that is charged simple interest of 6% per year. To assure repayment, a lien is placed on the senior's home that will prevent it from being sold until the loan is paid. If you are eligible for the deferral, you should also be eligible for the Senior Freeze and the Senior Exemption. By applying for the other senior benefits, you will reduce your property tax liability, which may reduce the deferred tax that will eventually be repaid.

Seniors uncertain about whether to apply for a deferral can speak with the New Trier Township Assessor's office, but should also consider discussing the matter with legal/financial advisers or family members.

Residents desiring additional information about any of these matters can reach the New Trier Township Assessor's office at 847-446-8200. You can also reach **Jan Churchwell**, New Trier Township Assessor, at jchurchwell@newtriertownship.com or **Len Shifflett**, Deputy Assessor, at lshifflett@newtriertownship.com.