Guide to Property Tax Exemptions for
SENIORS, PERSONS WITH DISABILITIES, AND DISABLED VETERANS

TAX EXEMPTIONS

Did you know? State law provides a tax benefit program for senior citizens, persons with disabilities, and disabled veterans: property tax exemptions and property tax deferrals.

Under the exemption program, the value of your Washington State residence is frozen for property tax purposes, and you become exempt from all excess and special levies and possibly regular levies – resulting in a reduction in your property taxes. The exemption is available for your primary residence and up to one acre of land. A mobile home may qualify, even if the land where the mobile home is located is leased or rented.

If you meet all of the basic qualifications apply online here:
taxrelief.kingcounty.gov
BASIC QUALIFICATIONS

• Annual household income under $84,000 (in 2023-2025 income years for 2024-2026 property tax year), $58,423 (in 2020-2022 income years for 2021-2023 tax years) (excluding VA disability compensation).
• Own and occupy property as your principal residence for over six months per year.
• Are over the age of 61, disabled, or a veteran with at least an 80% total disability rating.

For more information, contact the Assessor’s Office by phone or email.
206-296-3920, exemptions.assessments@kingcounty.gov

Are you a disabled veteran with a less than 80% VA disability rating?
You still might qualify under the disability qualification with the Proof of Disability Statement from the Department of Assessments signed by your doctor or your initial award letter from the Social Security Administration.

MOVING?

What if I move?
If you purchase a new home, condo or mobile home, you may be able to transfer your exemption to the new property. You would have to reapply and qualify for the exemption at the new property. A new frozen value will be established for the new property based on the new information.

What if my children help me with my monthly expenses?
We would not consider gifts from your children as income, but you would need to report the amount to us.

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Why does my IRS return AGI indicate that I am below $84,000 for 2023-2025 income years ($58,423 for 2020-2022 income years), yet I am still denied the exemption?
One reason may be that Federal tax law is not the same as the laws governing the Washington State property tax relief program. While we use the IRS return as a starting point, we do consider other sources of income that Federal law may not consider taxable.

Two examples of differences between Federal IRS laws and Washington State laws are:

- Under Federal IRS laws, Social Security Benefits may be completely excluded from your taxable income or may be considered partially taxable or fully taxable depending on your individual circumstances.
  For the Washington State property tax exemption program, we consider all of your social security as income, so we must add back any amount that was excluded in the AGI calculation on your federal return.

- Under Federal IRS laws, capital losses are an allowable deduction from any capital gains you may have from your investments.

For the property tax exemption program, we do not allow any deductions of any capital losses. Capital gains are added to the AGI calculation without any loss deduction. Both of these items could result in your income exceeding the income limit for the property tax exemption program even though the AGI on your tax return is below $84,000 for 2023-2025 income years ($58,423 for 2020-2022 income years).

RENEWALS

Will I need to reapply if I have already been approved for the exemption?
You will be required to reapply for the exemption at least once every 6 years. We will send a renewal application when it is time for you to reapply. You will need to provide proof of identification, ownership, and income data when you return the renewal form.

What happens if I fail to respond to a renewal request?
If you fail to return your renewal form and the necessary documents, you will be removed from the program and you will begin paying the full tax amount based on your property’s current market value.

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What if I fail to send in my documents with my renewal request?
We will send you an email or letter requesting the missing information. You will have 30 days to respond. If we still do not hear back, you will receive a second notice, your exemption will be removed and you will begin paying the full tax amount based on your property’s current market value.

FROZEN VALUES

What is a frozen value?
The market value of your home is “frozen” as of January 1st of the initial year you qualify for the property tax exemption. For each year after your initial approval, you will be taxed on either the frozen value or current market value whichever is lower.

Can my original frozen value go higher?
Yes. If your home undergoes new construction or a remodel, say a new bedroom, the value for the new addition or remodel is added to your frozen value. This new total will become your new frozen taxable value.

INCOME

What if I am over the income limit for more than one year?
If your income has increased for more than one year, you will be removed from the exemption program and will begin paying the higher tax rate on your property’s current market value. If, at some point in the future, your income is again below the $84,000 limit, you can reapply to the program. If you are off the program for more than one year, a new frozen value will be determined for the year you reapply.

What if I have a change in income and it is not time for me to renew my application?
It is your obligation to let the Exemption Unit know when you have any life-altering situation affecting your exemption, such as new income source or change in ownership. Please call us at 206-296-3920 or email Exemptions.Assessments@kingcounty.gov or send us a letter.

For example:
• If you reach 70.5 years of age, you may need to start drawing on your IRA or Annuity funds. This could result in a change to your exemption level.
• If you lose a spouse or partner, this could result in a change in your exemption level.

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If you give all or a portion of your property to someone else, this could result in a change in your exemption level.

If in doubt about whether your changing circumstances could affect your exemption level, please contact our office for assistance at 206-296-3920.

What happens if I have been on the program for several years and now do not qualify?
If your income goes over the current $84,000 limit, you must be removed from the program for the one year you do not qualify. You will pay the higher taxes on your current market value for that one year. However, you may reapply the next year and may be reinstated at your original frozen value if your income returns to a level below the $84,000 in that next year. You would only pay the higher taxes for the one year that you do not qualify.

For example:
Your annual income goes over the $84,000 limit due to a one-time IRA disbursement. We will remove you from the program for that year and you will pay your regular tax bill based on your current market value. If your income returns to levels below the $84,000 limit, you can reapply for the next tax year, return to the original frozen value and start receiving the reduction in taxes again.

What do I do if I have no income or am extremely low income?
Even if you have no income, you are paying your expenses with some funding source. In many cases seniors use reverse mortgages, receive funds from their children or use savings accounts to pay their household expenses. While these sources are not considered “income” in the calculation of your disposable income, they are a source of funds and you must report the source and the amount to us.

It is acknowledged that there are inherent costs to living and maintaining a home. Items such as food, gas for the car and utilities are paid at the very least.

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What if I need assistance filing the online application or have questions about the documentation you require?
Please call our office at 206-296-3920. We have experienced exemptions staff ready and willing to assist you in completing your forms. They can also answer questions about which documents you should provide.

Once I have applied for an exemption, when will I hear from your office?
We will send an acknowledgment receipt of your application via email or letter. Depending on the current workload, you should receive another email or letter stating that you have: (1) been approved for an exemption; (2) been denied the exemption (we will provide you with the reason(s) and appeal rights); or (3) provided insufficient documentation and we still need more information.

Why do you want my IRS return?
Federal tax laws and the property tax relief laws are different. However, we use the IRS return as a starting point to calculate and verify your income and to determine your exemption level.

What if I do not file an IRS return?
We will still need verification of your income sources. We will request information such as bank deposits, 1099s, reverse mortgage information, social security statements or other year-end statements that provide information on how you pay your daily, monthly and yearly expenses.

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The Application Process and IRS Questions

King County
Department of Assessments
Assessor John Wilson
kingcounty.gov/assessor

Alternative formats available.
Please call 206-296-3920 or TTY:711

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