

## ADDITIONAL TAX RELIEF OPTIONS

The Property Tax Deferral program offers certain qualified individuals a way to defer property taxes on their home and up to one acre of land. A qualified applicant may qualify separately for this program or use this program along with the Property Tax Reduction Program to provide additional property tax assistance. Deferred taxes and interest must be repaid to the state of Idaho when ownership of the property changes or the property no longer qualifies for the Homeowner's Exemption. Contact your county assessor for additional program information and application materials.

This publication does not provide full explanation of Idaho tax laws or rules. For more information, contact:

- Your county assessor
- Idaho State Tax Commission:  
334-7736 in the Boise area or  
toll-free at (800) 334-7756, ext.2
- Hearing impaired:  
TDD (800) 377-3529
- [tax.idaho.gov](http://tax.idaho.gov)

Idaho laws passed after January 1, 2021, are not reflected in this publication.

Costs associated with this publication are available from the Tax Commission in accordance with Idaho Code section 60-202.



# 2021

## IDAHO PROPERTY TAX REDUCTION PROGRAM

### (CIRCUIT BREAKER)

APPLY BETWEEN  
JANUARY 1 AND APRIL 15

## WHAT IS THE PROPERTY TAX REDUCTION PROGRAM?

The Property Tax Reduction (Circuit Breaker) program reduces property taxes\* for qualified applicants. The amount of reduction is based on income for the previous calendar year.

If you qualify, the property taxes on your home, and up to one acre of land, may be reduced by as much as \$1,320.

*\* Property tax reduction benefits will not reduce solid waste, irrigation, or other fees charged by government entities.*



## WHO QUALIFIES?

You may qualify for property tax reduction in 2021 if you:

1. Owned and lived in a home or mobile home in Idaho that was your primary residence *before* April 15, 2021 (You may qualify if you lived in a care facility or nursing home. Contact your county assessor for information.), and
2. Had income of \$31,900 or less for 2020, and
3. Met one or more of the following status requirements as of January 1, 2021:
  - Age 65 or older
  - Widow(er)
  - Blind
  - Fatherless or motherless child under 18 years of age
  - Former prisoner of war/hostage
  - Veteran with a 10% or more service-connected disability or receiving a pension from Veterans Affairs (VA) for a non-service-connected disability
  - Disabled as recognized by the Social Security Administration, Railroad Retirement Board, or Federal Civil Service. If you're not covered by the listed agencies, then disabled as recognized by a public employee retirement system.

## HOW TO APPLY

1. **Contact your county assessor for application materials.** The office is listed under County Offices in your telephone directory.
2. **Complete an application.** The assessor's office can help you.

When you file your application, you must provide proof of:

- Income
  - Medical expenses
  - The requirement(s) you meet (age 65 or older, blind, VA disability etc.)
  - Ownership, if property is owned by a trust or limited liability corporation (LLC)
3. **File the application with your assessor's office by April 15.** If you don't have all of your income information, fill out as much of the application as you can, and file it by the April 15 deadline.

You must apply for your 2021 property tax reduction between January 1, and April 15, 2021. You must apply and qualify each year to receive this benefit. Property tax reductions are *not* renewed automatically.

If your application is approved, your property tax reduction will appear on your December 2021 tax bill.

## DOCUMENTATION OF INCOME

Provide the following documents to the assessor's office to show your 2020 income and expenses.

### If You File a Tax Return:

- A copy of your federal income tax return
- Documents showing income not reported on your tax return, including nontaxable income
- Federal Schedule A or a completed medical expense form and proof of payment for non-reimbursed medical expenses
- Proof of payment or prepayment of funeral expenses

### If You Don't File a Tax Return:

- Social Security/Railroad Retirement or other 1099 forms
- W-2s
- Any other documents showing taxable or nontaxable income from all sources
- A completed medical expense form and proof of payment for non-reimbursed medical expenses
- Proof of payment or prepayment of funeral expenses

Attach copies of applicable documents to your application.

## INCOME GUIDELINES

When you complete your application, you must include income reported to you and your spouse in 2020.

### You must include:

- Wages
- Interest and dividends
- Capital gains
- Business, farm, and rental net income
- Social Security and Supplemental Social Security income
- Railroad retirement
- Unemployment/workers comp
- Pensions, annuities, and IRA's\*
- Military retirement benefits
- Department of Health and Welfare payments (including Aid for Dependent Children and housing assistance)
- Child support and alimony
- "Loss of earnings" compensation
- Disability income from all sources\*\*
- Gambling winnings

*\* Excluding the return of principal paid by the recipient of an annuity and excluding rollovers as provided in section 402 and 403 of the Internal Revenue Code.*

*\*\* Excluding compensation received from the VA by a veteran who has a 40–100% service-connected disability, dependency and indemnity compensation, or death benefits paid by Veterans Affairs arising from a service-connected death or disability.*

When you complete your application, you may deduct the following expenses you or your spouse paid in 2020:

- Medical/dental and related expenses not reimbursed by insurance or other reimbursement\*
- Medical insurance premiums\*
- Payment or prepayment of funeral expenses
- Farm, rental, and/or business losses (You must submit a copy of the appropriate federal schedule.)
- Early withdrawal penalties
- Alimony paid

*\* Qualified medical expenses are defined in section 213(d) of the Internal Revenue Code.*