

THE ELDERLY OR DISABLED HOMESTEAD EXCLUSION

Q: What is the Elderly or Disabled Exclusion Homestead Property Tax Relief?

A. The Elderly or Disabled Exclusion provides property tax relief for qualified North Carolinians who are age 65 and over or totally and permanently disabled. The exemption excludes up to one-half of your home's assessed value, or \$25,000 (whichever is greater) from property taxes.

Example:

Without Exclusion		With Exclusion	
Value of Home	150,000	Value of Home	150,000
		Less Exemption Adj. Value of Home x 50% = 75,000	150,000 – 75,000= 75,000
Multiplied by tax rate	X .0075	Multiplied by tax rate	X. .0075
Base Property Tax	\$1125.00	Base Property Tax	\$562.50
Solid Waste Fee	\$80.00	Solid Waste Fee	\$80.00
Total Taxes	\$1205.00	Total Taxes	\$642.50

Please note: This example is a comparative guide and is provided as a general informational tool only. The tax rate used in the example is county-wide general fund rate in effect for the tax year 2009.

Q: What are the qualifications for the Homestead Exemption?

A: You may be qualified for the Homestead Exemption if:

YOU ARE at least 65 years of age on January 1st of the tax year in which you wish to claim the exemption; AND

YOU AND YOUR SPOUSE'S income did not exceed \$27,100 for the year prior to which an application is made. You must own your permanent residence, including a manufactured home, and be a legal resident of Lee County;

OR

YOU ARE certified totally and permanently disabled by a licensed physician or governmental agency; AND

YOU AND YOUR SPOUSE'S income did not exceed \$27,100 for the year prior to which an application is made. You must own your permanent residence, including a manufactured home, and be a legal resident of Lee County;

JOINT OWNERS (other than husband and wife) who meet all other requirements may be eligible for a partial exemption not to exceed their proportionate share of the valuation of the property.

Q: What is considered part of my Homestead/Permanent Residence?

A. It includes your dwelling, the dwelling site (not to exceed 1 acre), and related improvements such as a garage, carport or storage building. The dwelling may be a single family residence, a unit in a multi-family complex, or a manufactured home.

Q: Do I have to apply in person?

A. For this exemption, the qualifying homeowner may submit an [application](#) by mail, fax, or in person at the Tax Department.

Q: How can I show that I am 100% totally and permanently disabled?

A. You must furnish a certification that you are totally and permanently disabled from either a licensed physician (**Physician Certification of Disability**) or from a government agency such as the Social Security Administration. The agency must have the proper authority to determine qualifications for disability benefits. If you or your spouse is over 65 years old, you do not need to submit a certification of disability.

Q: What is considered "INCOME" and how much can I make and still qualify for the Elderly or Disable Exclusion?

A. Income is defined as all moneys received from every source other than gifts or inheritances from family members. Income does include money received from social security, disability, retirement, interest and rental income. For the year 2010, the income limit is \$27,100. This threshold is adjusted annually for cost-of-living.

Q: How do I provide proof of income?

A. If you are required to file a Federal Income Tax return you must provide a copy of the first page of the return. For non income tax filers, other proof of income is required. (See Application for details) Proof of income must reflect income for the year immediately preceding the tax year for which an application is made. (For example, if an application is submitted for 2010, income for 2009 must be reported.)

Q: When is the deadline to file an application?

A. Applications are timely filed if received by June 1st of the year for which the exemption is applied.

Q: Do I need to reapply annually?

A. No. You do not need to reapply annually. However, you may be asked to update your income and you must notify the Tax Assessor if:

You move, sell or rent your house, OR

You make changes to the owners listed on the deed, OR

There is a change in your disability status, OR

Your income increases to greater than is allowed to qualify