

Certain homeowners may qualify for one of these three programs offering property tax relief in the state.

1. LOW-INCOME HOMESTEAD EXCLUSION

North Carolina allows low-income homestead exclusions for qualifying individuals. Qualifying owners must apply with the Assessor's Office between January 1 and June 1. If you qualify, you can receive an exclusion of the **taxable value** of your residence of either \$29,500, or 50% (whichever is greater).

As of January 1 of the year for which the exclusion is claimed:

- The applicant's name must be on the deed or title to the residence.
- The residence must be the applicant's primary residence.
- The applicant must be:
 1. A North Carolina resident.
 2. At least 65 years of age or totally and permanently disabled. Total and permanent disability is a disability that substantially hinders a person from obtaining gainful employment.
 3. If claiming disability, able to provide proof of disability in the form of a certificate from a physician licensed to practice medicine in North Carolina or from a governmental agency authorized to determine qualification for disability benefits.
 4. Of an income for the preceding calendar year of not more than the income eligibility limit*. Income determination is described below.

2. DISABLED VETERANS HOMESTEAD EXCLUSION

North Carolina excludes from property taxes the first \$45,000 of assessed value for specific real property or a manufactured home which is occupied as a permanent residence by a qualifying owner.

Applicants for this exclusion must meet the following requirements, regardless of age or income:

- Be an honorably discharged veteran who has a 100% total and permanent disability that is service-connected or the unmarried surviving spouse.
- Be certified by the U.S Department of Veterans Affairs or another federal agency of the permanent total disability that is service-connected.
- There is **no** age or income requirement.

3. PROPERTY TAX DEFERRAL FOR THE ELDERLY OR TOTALLY AND PERMANENTLY DISABLED ("CIRCUIT BREAKER")

This program is available instead of Homestead Exclusion for elderly or disabled homeowners whose income does not exceed 150% of the income eligibility limit* for the Homestead Exclusion.

As of January 1 of the year for which the deferral is claimed, the applicant must:

- Meet the requirements as stated in the Homestead Exclusion for age or disability.
- Must have owned and occupied the property as the owner's permanent legal residence for five (5) years.
- Must be a North Carolina resident.

- For married applicants residing with their spouses, include the income from both spouses, whether or not the property is in both names.
- Other Requirements:
- All owners of the property must apply and elect to defer the applicable portion of their taxes.
- A new application is required annually.

Unlike exclusion, which reduces taxes owed (by excluding part of the value on which the tax is based), deferral postpones paying (defers) a portion of taxes due in one year to some future time (such as sale of the property), based on the owner's income.

INCOME DETERMINATION - for Low Income Homestead Exclusion or Property Tax Deferral Documentation verifying income is required. For married applicants residing with their spouses, the income from both spouses must be included, whether or not the property is in both names. Income from EVERY source must be listed on the application, with the exception of gifts or inheritances received from a spouse, lineal (direct) ancestor, or lineal descendant. Examples of income include but are not limited to disability payments, IRA distributions, pensions and annuities, social security benefits, capital gains, and veteran benefits.

***Annual Income Eligibility Limit** is set every year by the NC Department of Revenue. The limit for 2017 is \$29,500 for income received from all sources during the calendar year 2016. This limit establishes the ceiling for the Low-Income Homestead Exclusion (option 1 above). It further establishes the ceiling for the Circuit Breaker deferral of taxes (option 3 above), where income cannot exceed 150% (\$44,250) of this limit. Please contact 704-336-6348 or visit us in our office if you have questions concerning how this applies to your situation.

CITY OF CHARLOTTE AUTO FEE ELDERLY REDUCTION

Charlotte residents who qualify for the Homestead Exclusion may also apply for a reduction in the Auto Fee for their vehicles: [City of Charlotte Auto Fee Elderly Reduction Application](#).

IMPORTANT!

For relief for 2016 property taxes, applications had to be filed (received or postmarked) by **June 1, 2016** as provided under North Carolina statute. You may call for further assistance.

More information:

Mail: Completed applications should be returned to
 Mecklenburg County
 Exemptions
 P. O. Box 31457
 Charlotte, NC 28231-1457

Call: Within Mecklenburg County - 311

Outside of Mecklenburg County - 704-336-7600

Visit: Real Property Division of
 Mecklenburg County Assessor's Office, Suite 203
 Bob Walton Plaza
 700 E Stonewall St
 Charlotte, NC 28202