PROPERTY TAX EXEMPTION
FOR SENIOR CITIZENS, DISABLED PERSONS & 100% DISABLED VETERANS

These exemption programs help eligible individuals on a limited income (household income of $40,000 or less) to pay property taxes. It freezes the application year’s value of the primary residence and up to five acres, depending on the zoning of the land. It exempts all excess levies as well as the state school levy part 2, and may exempt a portion of regular levies. The Assessor will continue to establish the market value of the home as required by law.

Participation in this program:

1. Freezes the value of the residence as of January 1 of the qualifying year
2. Provides a reduction in property taxes with no lien placed against the property

ELIGIBILITY REQUIREMENTS

1. **Age or Disability**
   - Senior Citizens must be 61 years of age on December 31 of the qualifying year for relief of the next year’s taxes.

   ![Disabled Person] Disabled persons have no age limit but must be unable to be gainfully employed because of the disability. A doctor’s statement listing beginning date and duration of disability OR Social Security Disability income would be considered Proof of Disability. This documentation must be presented at time of application.

   Veterans receiving 100% Service Connected Disability Compensation have no age limit but must have documentation from Department of Veterans Affairs, i.e. VA Benefits Award Letter. This Proof of Disability must be presented at time of application.

2. **Home Ownership**

   The property must be the primary home, a share ownership in a cooperative housing unit, or a mobile home, even if you do not own the land. You must occupy the home for more than six months each year. The home must be on the assessment rolls as a living unit.

   You must own or be purchasing the home for which the exemption is claimed. The owner must retain full use of the property for revocable trust agreements and be able to revoke the trust and take back ownership at any time. Irrevocable trusts qualify if they can be deemed a life estate. A copy of the trust must be presented at time of application.

   A home owned by a married couple, domestic partners, or co-tenants is considered owned by each person. Domestic partners must be registered with the Office of the Secretary of State. A co-tenant is a person who has an ownership interest in the residence and lives in the home. Only one person must meet the age or disability requirement. Property used as a vacation home is not eligible for the exemption program.
**Income**
Household income of $40,000 or less includes **ALL** your income as well as that of your spouse, domestic partner, and any co-tenants.

Household income does **not** include:
- The income of a person, other than a spouse or domestic partner, who does not have an ownership interest and lives in your home.
  
  *However, any income the person contributes to household expenses must be included as income on the application.*
- The income of a person, other than a spouse or domestic partner, who has ownership interest and lives someplace else.
  
  *The amount of the exemption will be based only on the percentage of your interest in the property.*

**COMPUTING HOUSEHOLD INCOME**

**Income** includes all sources, **WHETHER OR NOT THEY ARE TAXABLE** for federal income tax purposes.

Some of the most common sources of income include:

- Social Security benefits
- Disability pensions
- Retirement benefits
- Unemployment compensation
- Rental or Business income **Depreciation and losses may not be deducted.**
- VA income, other than disability, attendant care, medical aid, or dependency & indemnity compensation
- Wages, salaries and tips
- Capital gains
- Interest and dividend receipts
- Pension and annuity receipts, including retirement bonds, Individual Retirement Accounts (IRAs), and distributions from Keogh plans

**ALLOWABLE DEDUCTIONS:**

Your income may be reduced by the following:
- **Non-reimbursed** amounts paid for prescription drugs.
- **Costs of Medicare Health Care Insurance under Title XVIII of the Social Security Act**  
  
  *Note: no other health insurance premiums can be deducted, only Medicare – Title XVIII.*
- **Non-reimbursed** amounts paid for care in a nursing home, boarding home, or adult family home.
- **Non-reimbursed** amounts paid for in-home care, including medical treatments (such as diabetic testing supplies), physical therapy, meal delivery service, personal care, and household care. Special furniture and equipment (such as wheelchairs, hospital beds, and oxygen) are also deductible.

*Personal care* includes assistance with preparing meals, house cleaning, getting dressed, eating, taking medications and personal hygiene.

*Household care* includes assistance with chores you used to perform but no longer can, such as mowing lawns, raking leaves, and cleaning gutters. Repairs or home improvements are not included.
THREE LEVELS OF EXEMPTION

When the annual household income for the application year is $40,000 or less, your home will be exempt from all excess levies and the state school levy part 2.

Excess levies are in addition to regular levies. They require voter approval and provide money for a specific purpose, such as school bonds and maintenance and operation levies.

You are also exempt from all or part of the regular levies when you qualify for Category A or B as noted below.

Category A - $30,000 or less
When your household income is $30,000 or less, you are exempt from excess levies and the state school levy part 2 as well as regular levies on the first $60,000 or 60 percent, whichever is greater, of your home’s assessed value.

Category B - $30,001 - $35,000
When your household income is between $30,001 and $35,000, you are exempt from excess levies and the state school levy part 2 as well as regular levies on the first $50,000 or 35 percent of the assessed value, whichever is greater, up to $70,000 of the home’s assessed value.

Category C - $35,001 - $40,000
When your household income is between $35,001 and $40,000, you are exempt from all excess levies and the state school levy part 2.

CHANGES IN STATUS

Notify us whenever there is a change in status:
- Change in level of income
- Change in living circumstances
- Death of spouse, domestic partner, or applicant

RETIREMENT: If you were retired for two or more months during the application year, your household income will be computed by multiplying the average monthly income received during the months you were retired by 12.

SALE OF RESIDENCE: If you sell your property and move to a new home in Washington State, your exemption can be transferred to your new residence; but may require that you reapply.

DEATH OF SPOUSE OR DOMESTIC PARTNER: If your spouse or domestic partner died before November 1st of the application year, or if you have a significant change in income that is expected to last indefinitely, your household income is computed by multiplying the average monthly income, after the change occurred, by 12.

DEATH OF THE APPLICANT: Property taxes will be recalculated without the exemption from the date of death. The surviving spouse or domestic partner may continue to receive the exemption if he or she is at least 57 years old and meets all the other eligibility requirements.

RENEWAL: You will be notified by the Assessor when it is time to renew your exemption (typically every six years).
APPLICATION PROCESS

WHEN TO APPLY: Application may be made up to December 31st for the following year’s taxes.

For example, if you want an exemption for taxes due in 2018, you must use your 2017 household income.

WHAT TO BRING: We need to verify household income but we do not keep copies of your documents. Please bring all income & expense records for each year you may qualify:
- IRS Tax Return (1040) with attachments
- Social Security Statement (SSA 1099)
- Proof of Disability with starting date (see page 1)
- Proof of allowable deductions (see page 2)

WHERE TO APPLY: The Thurston County Assessor’s Office administers this program. Please call us at (360) 867-2200 for additional information about what you may need to bring or other questions you have. We are open Monday – Friday, 8 AM to 5 PM, except for holidays.

APPROVAL: Once approved, the exemption applies until a renewal application is required, there is a change in status, or the home sells.

DEFERRALS

If your household income is $45,000 or under, you may qualify for the Deferral Program. Please call the Thurston County Assessor’s Office at (360) 867-2200 for information.

LAWS AND RULES

This program operates under the laws and rules of Washington State:

- Revised Code of Washington (RCW) Chapter 84.36 – Exemptions (Property Tax)
- Washington Administrative Code (WAC) Chapter 458-16A Senior Citizen/Disabled Persons/100% Disabled Veterans Property Tax Exemptions

Thurston County Assessor’s Office
County Courthouse, Building 1
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Olympia, WA 98502-6045

www.co.thurston.wa.us/assessor

📞 Customer Service (360) 867-2200
📠 FAX (360) 867-2201
📞 TTY: 7-1-1 or 1-800-833-6388

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