

Instructions for Form HS-122

Complete Section A to declare a homestead.

Section B must also be completed to claim a property tax adjustment.

Homestead Declaration AND Property Tax Adjustment Claim

WITHDRAWING A HOMESTEAD DECLARATION OR PROPERTY TAX ADJUSTMENT CLAIM: If you file Form HS-122 before April 1, 2009 and then sell your home before April 1, 2009, you must file HS-122W to withdraw this form. If the Homeowner files HS-122 but dies before April 1, 2009, see page 46.

BUYING A HOME: If you buy a home on or before April 1, 2009, you are responsible for filing the homestead declaration. If you buy a home after April 1, 2009, the seller is responsible for filing a homestead declaration if the seller used the property as a principle home. The property tax adjustment amount is allocated to the seller upon closing unless the parties agree otherwise.

DUE DATE File Form HS-122 as early as possible. Due date is APRIL 15, 2009. Form HS-122 may be filed separately from your income tax return. **No extension of time to file is available and an extension of time to file an income tax return does not apply to the Form HS-122.** See *Late Filed Forms* for additional filing opportunity.

TIMELY FILING A return mailed through the U.S. Post Office is considered timely if received at the Department within 3 business days of the due date. Electronic filing or bringing the return to the Department in person requires that the return be received by the Department on or before the due date to be timely.

LATE FILED FORMS Filings after April 15 but on or before September 1 are late but you can still declare a homestead and claim property tax adjustment. Homeowners filing after September 1 are taxed at the higher school tax rate and are ineligible to claim property tax adjustment. Late filing penalties apply to all forms filed after April 15. See page 45 for description of late filing penalties.

Form HS-122 Section A, VT Homestead Declaration, must be filed even if past the September 1 due date when the property was your principal home April 1, 2009.

AMENDING FORM HS-122 See page 46.

SEE PAGES 46-48 OF THE BOOKLET FOR information on *Homestead, Nonresidential Property, Selling the Property, and Special Situations and Ownership.*

LINE-BY-LINE INSTRUCTIONS

SECTION A 2009 VT HOMESTEAD DECLARATION

ALL RESIDENT VT HOMEOWNERS MUST FILE SECTION A.

The Declaration identifies property as the homestead of a VT resident and the property is taxed at the homestead school property tax rate. A different school property tax rate applies to nonresidential properties.

Who Must File: You must file a declaration if you: 1) Expect to be a VT resident on April 1, 2009; and 2) Own and occupy the VT property as your principal home on April 1, 2009. Only one eligible owner needs to file the Homestead Declaration.

Individuals holding a life estate or living in the home they transferred to a revocable trust also file the declaration. If homeowner is deceased, see page 46. The declaration must be filed even if you are not required to file an income tax return, you do not claim a property tax adjustment, or you miss the September 1 due date.

Homeowner Information: Enter your Social Security number, name, and address and, if applicable, the Social Security number and name for your spouse or civil union partner. Enter your date of birth. *Example:* Enter March 27, 1946 as 03 27 1946

Location: Enter the physical location of the homestead (street or road name). *Examples:* 123 Maple Street 276 Route 12A

Please do not enter post office box, "same", "see above", or town name here.

Line A1 VT School District Code: Enter the 3-digit school district code where you lived on April 1, 2009. Most towns print this code on the property tax bill. A school district code chart is available on our web site at <http://tax.vermont.gov> or see page 13. If you are not sure of your school district code, check with your town clerk. ➔ Be sure to use the school district code and town where your housesite is located. This may be different from the town used as your mailing address.

Line A2 Legal Residence: Enter the town or city name of legal residence. If you live where there is both a city and town with the same name, please specify city or town. *Examples:* Rutland City or Rutland Town Barre City or Barre Town

Line A3 SPAN (School Property Account Number): This is a unique identification number assigned by the town. Enter the 11-digit number printed on your property tax bill located in the Housesite information. Be sure to verify your SPAN as your property tax adjustment is credited to the property tax bill for the SPAN entered on this form.

➔ Use whole numbers and round to the nearest percentage for Lines A4 and A5.

Line A4 Business Use of Home: Enter percentage used for business. Enter 00.00%

if there is no business use or the business use is 25% or less. See page 47 for further information.

Line A5 Rental Use of Home: Enter percentage rented out. Any rental use is required; there is NO exempt threshold like business use. See page 47 for further information.

Line A6 Business or Rental Use of Improvements and Other Buildings on the Property: Check the applicable "Yes" or "No" box. Check the "Yes" box if any improvements or other buildings are rented out or used for business.

Lines A7-A10 Special Situations: Check the box if one of these situations applies to you. Homes on farm property are defined in 32 V.S.A. §5401(7). See page 48 for information on trusts and life estates.

SECTION B PROPERTY TAX ADJUSTMENT

➔ Section B must be completed to claim a property tax adjustment.

Supporting Documents Required: Schedule HI-144, Household Income. If applicable, include Landlord Certificate for Line B10 entry, OR the statement from your land trust, cooperative, or nonprofit mobile home park for property tax allocated to your lot or portion of property for Lines B11 and B12 entries.

Lines B1 - B3 Eligibility Questions

➔ **ALL questions must be answered to process return.**

Check the appropriate "Yes" or "No" box for B1, B2, and B3 to determine your eligibility.

Line B4 Housesite Value as of April 1, 2008 from the 2008/2009 property tax bill. See page 48 for information on a home purchased in 2008 or new construction.

➔ For household income of \$90,000 or more, the adjustment will be calculated using the property tax on a \$200,000 housesite value.

Line B5 Housesite Education Property Tax Enter the housesite education property tax shown on your 2008/2009 property tax bill.

Line B6 Housesite Municipal Property Tax Enter the housesite municipal property tax shown on your 2008/2009 property tax bill.

Line B7 Total Parcel Acres Enter the total number of acres shown on your 2008/2009 property tax bill. If you have more than 2 acres and are eligible for an adjustment, you receive \$10 per acre, up to 5 acres, on land over the housesite 2 acres. Payment is made on whole acres only. **NOTE:** Household incomes of \$90,000 or more are not eligible for this acreage payment.

Line B8 Ownership Interest If you and the members of your household are the only owners, enter 100.00% on this line. If someone other than a member of the household is an owner, see *Ownership Situations* on page 47.

Line B9 Household Income Enter the amount from Schedule HI-144, Line t. See page 48 for information on extended income tax returns and household income.

If applicable, complete Line B10 OR Lines B11 and B12, but not all three.

Line B10 Mobile Home Lot Rent If your mobile home is located in a for-profit park, use the amount from Line 16 or Line 22 from the Landlord Certificate, LC-142.

Lines B11 & B12 Allocated Property Tax from Land Trust, Cooperative, or Nonprofit Mobile Home Park Obtain a statement from your land trust, cooperative, or nonprofit mobile home park showing the education and municipal property tax allocable to your housesite. Enter the amounts on these lines and include the statement with this form.

Maximum 2009 property tax adjustment is \$8,000. A worksheet on page 43 is available to calculate your property tax adjustment.

The property tax adjustment is a credit towards your 2009/2010 property tax bill. The town issues you a property tax bill for the balance due.

SECTION C SIGNATURE REQUIRED

Date Write the date on which the form was signed.

Disclosure Authorization To give the Department authorization to discuss your 2009 VT Homestead Declaration and Property Tax Adjustment with your tax preparer, check this box and include the preparer's name.

Preparer If you are a paid preparer, you must also sign the claim, enter your Social Security number or PTIN and, if employed by a business, the EIN of the business. If someone other than the filer(s) prepared the return without charging a fee, then that preparer's signature is optional.