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FORM HS – 122
DECLARATION OF VERMONT HOMESTEAD and
PROPERTY TAX ADJUSTMENT CLAIM

2009 CHANGES

FILING DUE DATES

Vermont Homestead Declaration and Property Tax Adjustment Claim

April 15, 2009 - Timely Filing

September 1, 2009 - Late Filing but can still declare a homestead and make a property tax adjustment claim. Late penalties apply.

MAXIMUM HOUSEHOLD INCOME ELIGIBLE FOR PROPERTY TAX ADJUSTMENT

The amount remains the same for 2009. Household incomes of \$97,000 or more generally will not be eligible for any property tax adjustment.

MAXIMUM PROPERTY TAX ADJUSTMENT PAYMENT

The amount remains the same for 2009. The maximum property tax adjustment payment is \$8,000.

FILING OPTIONS

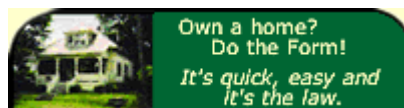
There are three ways to file Form HS-122:



Fed/State E-File



Mail the paper form.



Department's free, on-line program

www.state.vt.us/tax

WHEN TO FILE

File Form HS-122 as soon as possible, but no later than April 15th. If the 15th falls on a holiday or weekend, the due date becomes the next business day. Filings after the due date are subject to late filing penalties.

2009 DUE DATE IS APRIL 15th

Form HS-122 can be filed independently of the income tax return. Section A, Declaration of Vermont Homestead, and Section B, Property Tax Adjustment Claim, can also be filed at separate times.

TIMELY FILING

A declaration 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 must be done on or before the due date to be timely. When filing electronically or bringing the return to the Department in person, the Department must receive the return on or before the due date to be timely.

LATE FILING

Any Homestead Declaration or Property Tax Adjustment Claim filed after the April 15th due date is late. Homeowners have the opportunity to file up to September 1, 2009 and still declare a homestead and make a property tax adjustment. Late filing penalties apply. *See Late Filings After September.*

NOTE: The law requires a Homestead Declaration to be filed even if filed after September 1st.

LATE FILINGS BETWEEN APRIL 16th and SEPTEMBER 1st

A Homestead Declaration filed between April 15th and September 1st is late but eligible property can still be classified as a homestead on the town's grand list and taxed at the homestead school property tax rate. Late filing penalty applies.

Property tax adjustment claim filed between April 15th and September 1st is late but eligible homeowners can still receive an adjustment. Late filing penalty applies.

LATE FILING PENALTIES

Homestead Declaration – One percent of the correct school property tax is assessed and collected by the town on declarations filed after April 15, 2009.

Property Tax Adjustment Claims - A \$15 late filing penalty is deducted from the property tax adjustment amount on property tax adjustment claims filed between April 16 and September 1, 2009. The \$15 is a fee paid to the town to cover administrative costs of changing the grand list values and reissuing property tax bills.

APPEAL OF LATE FILING PENALTY

The town assesses and collects the late filing penalty on late filed Homestead Declarations. Any appeal is to the town. A homeowner may request the town to waive the penalty for hardship as outlined in 32 VSA §5410:

(1) "Hardship" under this section means an owner's inability to pay as certified by the commissioner of taxes in his or her discretion; or means an owner's filing an incorrect, or failing to file a correct, homestead declaration due to one or more of the following:

- (1) Full-time active military duty of the homeowner outside the state; or
- (2) Serious illness or disability of the homeowner; or
- (3) Serious illness, disability or death of an immediate family member of the homeowner; or
- (4) Fire, flood, or other disaster.

If the 1st falls on a holiday or weekend, the date becomes the next business day.

2009 DATE IS SEPTEMBER 1st

LATE FILINGS AFTER SEPTEMBER 1st

A Homestead Declaration filed after September 1st will not change the property's classification on the town's grand list to homestead and the late filing penalty applies. Homestead properties without a valid declaration by this date are taxed at the higher of the school property tax rates. Homeowners are required by law to file a declaration even if it is late.

A property tax adjustment claim cannot be honored if it is filed after September 1st.

SUMMARY OF FILING, PAYMENT DATES, and PROPERTY TAX BILLS TO THE HOMEOWNER

Homestead Declaration only filed by April 15th

- Property listed as homestead on town grand list
- Property taxed at homestead school property tax rate
- Property taxes at the homestead school property tax rate

Homestead Declaration and Property Tax Adjustment claim filed by April 15th

- Property listed as homestead on town grand list
- Property taxed at homestead school property tax rate
- Town receives property tax adjustment in July
- Homeowner receives notification of adjustment amount in July
- Property is taxed at homestead school property tax rate
- Town issues homeowner property tax bill for balance due (property taxes less property tax adjustment credit)

Homestead Declaration only filed between April 15th and September 1st

- Property listed as homestead on town grand list
- Property taxed at homestead school property tax rate
- If property tax bills issued, town reissues property tax bill to reflect homestead school property tax rate
- Town bills and collects the penalty

Homestead Declaration and Property Tax Adjustment Claim filed between April 15th and September 1st

- Property listed as homestead on town grand list

- If property tax bill issued, town reissues property tax bill to reflect homestead school property tax rate
- Town receives tax adjustment in September
- Homeowner receives notification of adjustment amount in September
- \$15 late filing penalty deducted from the property tax adjustment
- Town bills and collects late filing penalty of 1% of correct school property tax
- Town reissues property tax bill to reflect property tax adjustment credit sent to the town in September

Homestead Declaration only filed after September 1st

- Property remains as nonresidential on town grand list
- Property taxed at the nonresidential or homestead school property tax rate, whichever is higher
- Declaration late filing penalty at 1% of school property tax billed and collected by town

Homestead Declaration and Property Tax Adjustment Claim filed after September 1st

- Property remains as nonresidential on town grand list
- Property taxed at the nonresidential or homestead school property tax rate, whichever is higher
- Homeowner ineligible to claim property tax adjustment
- Declaration late filing penalty at 1% of school property tax billed and collected by town

AMENDING HS-122 INFORMATION

The only amendment allowed is to correct household income. The amendment must be done within three years from the April or September due date, whichever date you filed the original HI-144.

2006 VT	Household Income	Form HI-144	----
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To amend household income, use Form HI-144 for the applicable year.

Mark the top of the form “AMENDED” and complete as if doing an original filing. Send the amended HI-144 separately from any other returns being filed with the Department.

EXAMPLES:

1: Otis Owner files a 2009 property tax adjustment claim on April 15, 2009. He receives a corrected K-1 that decreases his household income. He can amend his 2008 household income for up to three years from April 15, 2009.

2: Harry Homeowner files a 2009 property tax adjustment claim on September 1, 2009. He receives a corrected K-1 that decreases his household income. He can amend his 2008 household income for up to three years from September 1, 2009.

If amended household income results in additional property tax adjustment, the Department sends the amount to the town. The town refunds any overpayment to the homeowner within 60 days of the town's receipt of the funds.

If amended household income results in less property tax adjustment, the Department bills the homeowner directly. If the amendment occurs after September 1 due date, the bill will be for excess payment, interest from September 1 and a flat 10% penalty. The original property tax adjustment credit stays on the property tax bill.

MISSING INFORMATION OR INCOMPLETE FILING



Homestead Declarations or Property Tax Adjustment Claims with incomplete or missing information, or where the Department asks for additional information, are not considered filed. The homeowner will be given an opportunity to provide the information. The information must be provided by the September 1st due date or 30-days from the Department's request date, whichever is later. In some instances, the declaration or claim may be denied. The homeowner will receive notification of the denial and the opportunity to appeal.

EXAMPLES

1: On March 15, Harry Homeowner files a property tax adjustment claim without the required Form HI-144, Household Income. Harry receives notification he needs to provide the HI-144 to complete his claim. He sends in the HI-144 on August 30. His claim is processed but the \$15 late filing penalty applies.

2: On September 1st, Hortense Homeowner files a property tax adjustment claim without the required Form HI-144, Household Income. Hortense receives notification the HI-144 is missing and gives her until September 30th to provide the HI-144 and complete her claim. She provides the HI-144 on October 16th which is more than 30 days from the Department's request date. Her claim is denied.

HS-122 is not considered filed if it is unsigned, eligibility questions are unanswered or it is missing information.

DEFINITIONS FOR FORM HS-122

Allocable Mobile Home Lot Rent means rent for a lot in a for-profit mobile home park as calculated on Form LC-142, Landlord's Certificate.

Allowable Property Tax means the property tax on the portion of the housesite you own and occupy as your principal home and that has been declared as a homestead by the due date.

Claimant is the person who owns the housesite, is eligible for the program, and submits the property tax adjustment claim. There can be only one claimant per household, but there may be joint claimants.

Cooperative means a housing corporation organized under 11V.S.A. Chapter 14.

Descendant is a person of the next generation and related to the claimant. This includes a child (including adopted or step children), grandchild, great-grandchild, etc. as well as niece, nephew, grandniece, grandnephew.

Domiciled means,:

For purposes of declaring a Vermont homestead:

that Vermont is your home state, and you own and occupy the property as principal residence on April 1st . For factors determining domicile, see Regulation 1.5811.

For purposes of a Property tax adjustment Claim:

that Vermont is the homeowner's home state, and the homeowner owns and occupies the property as his or her principal residence on April 1st and the homeowner must also have been domiciled in Vermont all of the previous year. For factors determining domicile, see Regulation 1.5811.

Education Property Tax Allocated from Land Trust, Co-Op or Nonprofit Mobile Home Park means the education property tax on the portion of land owned by one of these entities that is part of your housesite.

Homestead means your principal dwelling and improvements, land and all contiguous land parcels with the same ownership that is occupied on April 1 by a Vermont resident and used as the owner's principal dwelling. The Homestead includes the dwelling, improvements and all land.

Housesite is a dwelling, improvements, and up to two acres of land on a declared homestead. The housesite is part of the homestead.

Joint Claimants means claimants who jointly own and occupy the homestead as their principal residence.

Land Trust means a nonprofit corporation or community land trust exempt under Section 501(c)(3) of the Internal Revenue Code. The corporation's purpose must be the creation or retention of affordable housing for lower income Vermonters and its bylaws must require that such housing be maintained as affordable for lower income Vermonters on a perpetual basis.

Legal Separation means a court order that discusses the financial obligations and disposition of assets of the parties. A court that may grant an absolute decree of divorce or civil union dissolution must issue the order. A preliminary order in a divorce case or civil action dissolution may also be accepted as evidence of legal separation.

Municipal Property Tax Allocated from Land Trust, Co-Op or Nonprofit Mobile Home Park means the municipal property tax on the portion of land owned by one of these entities that is used as part of the housesite.

Nonprofit Mobile Home Park a corporation exempt under Section 501(c)(3) of the Internal Revenue Code, or its wholly owned subsidiary which has as its purpose the preservation of housing for low income families; or a housing cooperative organized under 11 V.S.A. Chapter 14.

Nonresidential Property means all property not properly declared as a homestead, and property used for commercial, rental, business, or vacation purposes such as a camp or second home.

Owner is the owner of record shown on the deed.

Ownership Interest represents the percentage of the property owned by a claimant as established by the deed. The ownership interest establishes the proportion of the property tax adjustment to which the claimant is eligible.

Parcel is all contiguous land in the same ownership together with all improvements on the land. The town identifies a parcel by the owner. Generally all contiguous land gets combined into one parcel.

Property Tax Adjustment is a payment made to the town by the State on behalf of the claimant that is credited to the Claimant's current year property tax bill.

"School Parcel Account Number (SPAN)" is a unique 11-digit identification number assigned by the town to each parcel of property in the town.

Spouse means the husband, wife, or civil union partner of the claimant.

PROPERTY TAX ADJUSTMENT CALCULATION FOR HOUSEHOLD INCOMES

Household Income up to \$47,000 The homeowner may be eligible for adjustment of the education property tax based on the percentage of household income established for the town school spending OR the education property tax on \$15,000, whichever is more. These homeowners may also be eligible for additional adjustment on municipal property tax.

Household Income between \$47,001 and \$89,999 The homeowner may be eligible for adjustment of the education property tax based on the percentage of household income established for the town school spending.

Household Income \$90,000 or more The homeowner may be eligible for adjustment of the education property tax based on the percentage of household income established for the town school spending. Property taxes eligible for adjustment at this household income level cannot exceed the town's education property tax for a \$200,000 housesite value. Generally, homeowners with household income of \$97,000 or more do not receive an adjustment.

HS-122 SECTION A – VERMONT HOMESTEAD DECLARATION



PURPOSE OF THE HOMESTEAD DECLARATION

The declaration identifies the property as a homestead and the property is classified on the grand list as a homestead. All other properties are classified as nonresidential. Separate school property tax rates apply to each classification.

A property's classification depends on its use on April 1 of each year. Homestead is a property used by a Vermont resident as his or her principal dwelling. Nonresidential properties are commercial or rental properties, second homes, vacation homes or camps, or a property not declared as a homestead by the due date.

Homeowners are required by law to file a declaration annually with the Vermont Department of Taxes. Towns classify property on the grand list based on homeowners' filings.

FILING THE HOMESTEAD DECLARATION

Who Files

A declaration must be filed by all property owners if they:

- Own and occupy a Vermont property as their principal residence on April 1, and
- Anticipate being a Vermont resident.

The owner does not need to be a Vermont resident in the prior calendar year. No income thresholds apply to the declaration.

LINE-BY-LINE INSTRUCTIONS FOR HS-122, SECTION A

Line A1 - School District Code

Use the three-digit School District Code for the town or school district where school property tax is paid. The town generally prints the school district code on the property tax bill. The school district code can also be found at <http://tax.vermont.gov> or in the Vermont income tax booklet.

NOTE: The school district code and legal residence may be different from the town used in the mailing address.

Line A2 - City/Town of Legal Residence

If there is a city and town of the same name, include the appropriate designation. For example:
St. Albans City St. Albans Town Barre City Barre Town
Rutland City Rutland Town

Location of Homestead

Enter the physical location of the property. This helps both the Department and the town to identify the property if the School Property Account Number is not correct. For example: 133 State Street, 985 Up Hill Road, Route 100B North

PLEASE Do NOT enter such things as the city or town name, “same” “see above” or a post office box in this area.

Line A3 - School Property Account Number (SPAN)

The SPAN is unique 11-digit identification number assigned by the town. Generally the town prints the SPAN on the property tax bill in the housesite information section. If the homeowner purchased the property after April 1, use the SPAN on the previous owner’s property tax bill or contact the town for the SPAN.

It is very important to use the correct SPAN. The Property tax adjustment is credited to the property tax bill for the SPAN shown on Form HS-122.

Lines A4 and A5 - COMBINED HOMESTEAD and NONRESIDENTIAL USES

A property used for both Homestead and Nonresidential purposes may be subject to school property tax at both rates.

Business use of the dwelling: The owner may use up to 25% of the dwelling for business use. If the owner uses more than 25%, complete Line A4 of HS-122. Generally, the business use percentage is the same as reported on the Federal income tax return.



Any rental use must be reported, regardless of the percentage of use of the dwelling. Generally, the business use percentage is the same as reported on the Federal income tax return.

Enter the percentage on Line A5 of HS-122.

EXAMPLES FOR BUSINESS USE:

1. Marshall owns a house and 5 acres of land with a home office. The office occupies 25% of the dwelling’s square footage. Because the business use is not more than 25%, enter 00.00% for business use. The entire dwelling is taxed at the homestead school property rate.

2. Kim owns a house and 5 acres of land with an office in the dwelling that is 30% of the dwelling's square footage. Because the business use exceeds 25%, enter 30.00% for business use. This portion of the dwelling will be classified as nonresidential. The property tax bill will show a portion of the dwelling taxed at the nonresidential rate and the rest of the parcel taxed at the homestead rate.

EXAMPLES FOR RENTAL USE:

1. Jerry owns a dwelling with 2 acres. Fifteen percent of the dwelling's square footage is an apartment. Any rental use must be declared. This portion will be classified as nonresidential and taxed at that rate. The rest of the parcel is taxed at the homestead rate. The property tax bill will show a portion of the dwelling taxed at the nonresidential rate and the rest of the parcel taxed at the homestead rate.

Line A6 - Business or Rental Use of Improvements or Other Buildings on the Homestead Parcel

Check "Yes" at Line A6 of Form HS-122 if any of the improvements or other buildings (not the dwelling) are used for business or rental purposes. The town determines the value of the improvement or building, and the value to be assigned for nonresidential use. The property tax bill will show both homestead and nonresidential rates.

Check "No" at Line A6 of Form HS-122 if there is no business use or rental of the improvements or other buildings.

EXAMPLES:

1: Paul has a dwelling, outbuildings, and twenty-five acres. He uses some of the outbuildings for an auto body shop. Paul needs to check "Yes" at Line A6. The town listers will set the allocation of the outbuildings used for business. The property tax bill will apply the homestead rate to the dwelling and twenty-five acres, and the nonresidential rate to the outbuildings.

2: Farmer Plant owns a parcel consisting of his dwelling, farm outbuildings, and 300 acres of land. The farm outbuildings are used for the business of farming and Farmer Plant needs to check "Yes" at Line A6. The dwelling and the 300 acres of land receive the homestead rate. The farm outbuildings have a business use and are taxed at the nonresidential rate. NOTE: If the farm outbuildings are enrolled in the Use Value Appraisal program, the farm buildings are exempt from property tax. Do not check Line A6.

Filing for Special Situations (Lines A7 to A10 on Section A of Form HS-122)

Line A7 - Revocable Trust 32 V.S.A. 6062(e)(1)

Generally, a dwelling owned by a trust is not the homestead of the beneficiary unless the following requirements are met:

1. The property is owned by a revocable trust; and
2. Claimant is the sole beneficiary of the trust (sole beneficiary includes husband

- and wife); and
3. Claimant or claimant's spouse/CU partner was the grantor of property to the trust; and
 4. The property is used as the claimant's principal residence.

Checking this line explains why the property owner is different from the person making the declaration.

The surviving spouse of property owned by a revocable trust that becomes irrevocable solely by reason of the sole beneficiary/grantor's death may continue to file a homestead declaration if the surviving spouse continues to use the property as his or her principal residence.

EXAMPLE:

Mr. and Mrs. Smith place the property used as their principal residence in a revocable trust. They are the sole beneficiaries of the revocable trust and continue to occupy the property as their principal residence. The Smiths file one declaration and check Line A7 of Section A.

Mr. and Mrs. Smith's revocable trust contains a clause that the trust becomes irrevocable upon the death of either Mr. or Mrs. Smith. Mr. Smith dies. Mrs. Smith continues to live in the property and it is her principal residence. An irrevocable trust now owns the property. Mrs. Smith still meets requirements 2 through 4. Since the trust became irrevocable solely because of the death of the beneficiary/grantor, Mrs. Smith may still declare the property as a homestead by checking Line A7.

Line A8 - Life estate -

The holder of a life estate who occupies the property as his or her principal residence files the declaration. The life estate must be granted through a legal document. The legal document does not have to be attached to the HS-122 form but must be available for review upon Department request. Checking Line A8 explains why the property owner of record is different from the person making the declaration.

EXAMPLE:

Mrs. Murphy sold her property to Donald Trumpet but she retained a life estate. A deed with the clause providing for Mrs. Murphy's life estate is filed with the town to record the sales transaction. She occupies the property as her principal residence. Mrs. Murphy is responsible for filing the declaration and checks Line A8.

Mr. Jones deeded his property to his daughter as sole owner. His daughter told him that he can continue to live at the property for as long as he wants. A deed with the daughter as the sole owner is filed with the town to record

the sales transaction. The deed contains no language giving Mr. Jones the right to live in the home. His daughter does not live in the property. Neither Mr. Jones nor his daughter can declare the property as a homestead.

Line A9 - Homestead crossing town boundaries –

Line A9 is your reminder that if the homestead property lies in two different towns and the land is contiguous, a separate declaration must be filed for each town.

Line A10 - Residing in a dwelling owned by a related farmer -

If a dwelling is owned by a farmer or farm corporation, the dwelling is on the farm property, and it is occupied by a parent, child, sibling or grandchild of the farmer as his or her principal residence, the dwelling is a homestead. The person(s) occupying the property as his or her principal residence files his or her own declaration and uses the SPAN on the property tax bill. For corporate ownership, together the related parties (parent, child, sibling or grandchild) must own more than 50% of the corporate stock to be eligible to claim a homestead. The person(s) occupying the property as his or her principal residence files his or her own declaration.



EXAMPLES:

1: Farmer Brown owns a parcel with three dwellings, farm buildings and 200 acres. Buddy, Farmer Brown's son, lives in one of the dwellings with his family. The other dwelling is occupied by Harold the hired man and his family. Farmer Brown files a declaration on his dwelling with the SPAN for the parcel. Buddy, Farmer Brown's son, occupies the dwelling as his principal residence. Buddy files a declaration on his dwelling using the same SPAN for the parcel and checks Line A10. Harold is not related to Farmer Brown and cannot file a declaration. Farmer Brown will need to show the use of this dwelling as nonresidential.

2: Happy Cow Corporation (HCC) owns a parcel containing two dwellings, farm buildings and 150 acres. Farmer Jones lives in one of the dwellings and owns 40% of the corporate stock. Joleen, the farmer's daughter, lives in the other dwelling and owns 25% of the corporate stock. Farmer Jones files a declaration on his dwelling with the SPAN for the parcel. Joleen files a declaration on her dwelling using the same SPAN for the parcel and checks Line A10.

3: Farmer Green owns and operates a farm with his son, Clem. The land used for the farm operation is in two noncontiguous parcels, each with a dwelling. Farmer Green occupies one as his principal residence and Clem occupies the other as his principal residence. Farmer Green files a declaration for his home with the SPAN for that parcel. Clem files a declaration for his home with the SPAN for that parcel and checks Line A10.

OTHER HOMESTEAD DECLARATION SITUATIONS

Contiguous Land In The Same Town

Some towns list contiguous parcels with the same owner as separate parcels with separate SPAN. Owners will need to file a separate declaration for each parcel.

EXAMPLE:

Kelly purchased 10 acres of land in 1982 and built a home on this land. In 1998, she purchased 20 acres adjoining to the 10 acres purchased in 1982. The town lists the 10 acres and 20 acres as separate parcels. Kelly needs to file two declarations the same town with the SPAN for each parcel.

Deceased Homeowner

Effective for declarations April 1, 2005 and after , the deceased homeowner's estate may file a declaration for the property if it was the decedent's home on the date of death **and** the property is not rented out by the estate through the next April 1. This declaration allows the property to be taxed at the homestead school property rate for the year the homeowner died.

EXAMPLES:

- 1: Lisa owns and occupies the property as her principal residence. She dies in March 2009 without filing a declaration. The estate may file a 2009 declaration by the due date to have the property taxed at the homestead school property rate for 2009 as long as the estate does not rent out or use the property commercially in 2009. If the property is not owned and occupied as a principal dwelling by April 1, 2010, the nonresidential school property tax rate will apply.
- 2: Homer owns and occupies the property as his principal residence. He died May 2009 without filing a declaration. The estate may file a late 2009 declaration by the September due date and the property will be taxed at the homestead school property rate for 2009. The property cannot be rented out or used commercially in 2009. If the property is not owned and occupied as a principal dwelling by April 1, 2010, the nonresidential rate will apply. Because the declaration was filed after April 15, there is a late filing penalty.
- 3: After Marge's operation in November 2008, she moved to a rehabilitation facility to recuperate. Prior to this move, she owned and occupied the property as her principal residence. She died February 2009 while at the facility. The estate cannot file a 2009 declaration as the property was not used as her principal home at the time of death.
- 4: Bart owns and occupies the property as his principal residence . He died May 2009 and had not filed a 2009 declaration. The family decides to rent the property until the estate is settled rather than have it vacant. The estate cannot file a 2009 declaration as the property has been converted to rental property which is a nonresidential use.
- 5: Maggie and Millhouse, her husband, own and occupy the property as their principal residence. Millhouse died March 2009. Maggie can file a 2009 declaration as long as she continues to own and occupy the property as her principal residence on April 1, 2009.

6: Moe owns a property with his brother, Barney. Moe occupies the property as his principal residence. Moe died March 2009. Barney moves into the property and occupies it as his principal residence by April 1, 2009. He can file a 2009 declaration.

Dwelling on land owned by a land trust

Land trusts own the land parcel upon which the claimant's residence is situated.

Two parcels / two SPANS: Some land trusts are shown as the owner of record at the town. In this instance, the land trust files a listing of their SPANs with the Vermont Department of Taxes to identify the land to be taxed at the homestead school property tax rate. The homeowner is responsible for filing the homestead declaration on the SPAN assigned to residence on the land trust land. If the homeowner makes a property tax adjustment claim, enter the housesite information on the house property bill in Section B, Line B5 and, if applicable, Line B6. The homeowner needs to get a written certification of the property taxes from the land trust. Enter those in Section B, Line B11 and, if applicable, Line B12.

One parcel / one SPAN: Land trusts may alternatively place a covenant or lien on the land and combine the land and residence into one parcel recorded with the town. The homeowner is responsible for filing the homestead declaration on the SPAN assigned to the combined residence and land trust land parcel. If the homeowner makes a property tax adjustment claim, enter the housesite property taxes in Section B, Line B5 and, if applicable, Line B6.

Dwelling in housing cooperative or nonprofit mobile home park

Individuals owning a principal residence in a housing cooperative or a mobile home in a nonprofit mobile home park are responsible for filing a homestead declaration with the SPAN assigned to their unit. The housing cooperative or nonprofit mobile home park files their SPAN separately with the Vermont Department of Taxes. If the homeowner makes a property tax adjustment claim, he or she enters the housesite information on his or her property tax bill in Section B, Line B5 and, if applicable, Line B6. The homeowner needs to get a written certification of the property taxes on the land from the housing cooperative or nonprofit mobile home park. Enter those property taxes in Section B, Line B11 and, if applicable, Line B12.

PROPERTY SALES and HOMESTEAD DECLARATION

Whether a property is taxed at the homestead or nonresidential school property rate depends on the use of the property on April 1 or if the property was declared as a homestead by the due date. Buyers of property need to be aware of the seller's use of the property on April 1 of the previous year and current year, and whether the seller filed, or should have filed, a declaration.



Sales Before April 1 The use of the property by the new owner determines whether the homestead school property tax rate applies and if a declaration should be filed.

EXAMPLES:

1. Jack and Gracie buy a property on March 1. The seller filed a declaration on this property in January and has already moved into his new home in January. Jack and Gracie are able to move in on March 15. Jack and Gracie both own and occupy the home by April. They must file their own declaration. The previous owner must withdraw the declaration on this property filed in January. To withdraw, use Form HS-122W.
2. Ralph and Alice buy a property on April 3 from Mrs. Sellers. Mrs. Sellers now lives in Florida. She used the property as her principal dwelling the previous April 1 but could not file a declaration for this year. Neither the buyer nor the seller owned and occupied the property on April 1 as their principal home, and a declaration cannot be filed.
3. On February 14, Dylan and Joan buy and move into a newly constructed home from Classic Folk Houses that they use as their principal dwelling. On April 1 last year, Classic Folk Houses owned just the building lot. Dylan and Joan own and occupy the property as their principal residence on April 1 and must file the declaration by the due date. The SPAN will be the one used for the lot owned by Classic Houses.

Sales After April 1 The use of the property by the previous owner determines whether the homestead school property tax rate applies and if the seller should have filed a declaration.

EXAMPLES:

1. Fred and Wilma buy a home on April 4 to use as their principal dwelling. The previous owner rented out the property. Neither the buyer nor the seller owned and occupied the property as their principal home on April 1, and neither the previous owner nor Fred and Wilma can file a declaration.
2. Barney and Betty buy a property on April 2 to use as rental property. The previous owner used the property as her principal dwelling. The property use on April 1 was a homestead. If previous owner files a homestead declaration by the due date, this property will be taxed at the homestead school tax rate for the current year.
3. On April 3, George and Judy buy a newly constructed home to use as their principal dwelling from Tinker Log Buildings. The previous year on April 1, Tinker Logs owned just a lot. The owner on April 1 was Tinker Log Buildings and the property was not used as a homestead. George and Judy cannot file a declaration because they did not own and occupy the property as their principal residence on April 1.

HS-122 SECTION B – PROPERTY TAX ADJUSTMENT



Purpose of the Property Tax Adjustment Claim

The property tax adjustment helps relieve the property tax burden of Vermont resident homeowners. The homeowner pays a percentage of his or her household income for the education property tax on the house. The State pays the balance directly to the town. The town

credits the adjustment towards the homeowner's property tax bill and issues a property tax bill for the balance due.

NOTE: The homeowner must complete *both* Section A and Section B of Form HS-122 and sign in Section C to be eligible for property tax adjustment.

Payment of Property Tax Adjustment

The State pays the adjustment directly to the town on the following schedule:

- | | |
|-------------------------------|----------------------------------|
| Claims filed by April 15th | Sent to town around July 1 |
| Claims filed by September 1st | Sent to town around September 15 |

Homeowners receive notification of the amount sent to the town approximately one week before the adjustment is sent to the town.



2009 Calculation of Property Tax Adjustment by Household Income

The property tax adjustment calculation uses the prior calendar year household income and the prior year property taxes.

<u>Household Incomes</u>	<u>Calculation</u>
• \$47,000 or less.	% of household income OR education property tax on \$15,000 value, whichever is more <i>plus</i> may be eligible for adjustment on municipal property tax
• over \$47,000 but less than \$90,000.% of household income
• \$90,000 up to \$97,000.	% of household income but property taxes limited to housesite education taxes on \$200,000 value

Homeowners with household income up to \$89,999 receive additional \$10 an acre assistance on up to 5 acres beyond the 2 acres with the housesite.

FILING SECTION B – PROPERTY TAX ADJUSTMENT CLAIM

A 2009 Property Tax Adjustment Claim cannot be made if Section A is not completed for a 2009 Homestead Declaration & filed and Section B is not completed & filed..

Who Files

A homeowner may file a Property tax adjustment claim if he or she

- Was a Vermont resident for all twelve months of 2008, and

- Owns and occupies the Vermont property as his or her principal residence on April 1, 2009, and
- Is not claimed as a dependent by another taxpayer for tax year 2008; and
- Does not anticipate selling the Vermont housesite on or before April 1, 2009, and
- Has \$97,000 or less household income in 2008.

LINE-BY-LINE INSTRUCTIONS FOR HS-122, SECTION B

Lines B1 to B3 - Eligibility Questions

ALL the eligibility questions must be answered before the application can be considered filed and processed.

<i>Payable To:</i>		Vermont Town	This is the only bill you will receive. Please forward to new owner if property is sold
<i>Mail To:</i>		PO Box 123 VTTown, VT 05000	
TAX			
PARCEL ID	BILL DATE	TAX YR	
000000000.	00/00/2008	2008	
Description: 20.20 ACRES / DWL Location: 123 MAIN STREET			
OWNER	SMITH JOHN A 123 MAIN STREET VTTOWN VT		
HOUSESITE TAX INFORMATION			
SPAN # 111-222-12345		SCL CODE: 000	
TOTAL PARCEL ACRES	B7	20.20	
HOUSESITE VALUE	B4	113,530	
HOUSESITE MUNICIPAL TAX	B6	999.00	
HOUSESITE EDUCATION TAX	B5	1,078.00	

Housesite Information

Line B4 - Housesite Value

Use the amount on the property tax bill. The town has already adjusted this value for any business or rental use. If the property has more than 2 acres or has commercial or rental use, the housesite value will be lower than the total assessed value on the bill. The town generally prints this information in the housesite section of the property tax bill.

See also – New Purchases, New Construction, and Land Trust for housesite value information.

Line B5 - Housesite Education Property Tax

Use the amount on the property tax bill.

See instructions for Line B11 for property on land trust, a housing cooperative, and units in a nonprofit mobile home park. See also Property Tax Adjustment Calculation For Household Incomes for information on line entry for household incomes of \$90,000 or more.

Line B6 - Housesite Municipal Property Tax

Use the amount on the property tax bill.

See instructions for Line B12 for property on land trust, a housing cooperative, and units in a nonprofit mobile home park.

Line B7 - Total Parcel Acres

Use the amount on the property tax bill. Claimants with household income of \$90,000 or less may be eligible for an additional \$10 per acre, up to 5 acres, on land other than the 2 acres of the housesite.

EXAMPLE

Sheila owns her home and 8 acres of land. The housesite is the dwelling and 2 acres of land. Sheila can receive \$10 per acre for 5 of the remaining 6 acres.

Line B8 – Ownership

This line shows the ownership percentage of the members of the household. The deed determines ownership percentage – not who pays the property taxes. See also – Duplex Ownership, Ownership by Claimant Legally Separated or Divorced, Life Estate, Trust Ownership, Claimants Over Age 62, Ownership with Spouse or Sibling Not Living in Property

EXAMPLES of ownership:

- 1: Clark and Lois, husband and wife, are the only owners. Both live in the housesite as their principal residence. They are joint claimants and enter 100.00% on Line B8.
- 2: Fred and Barney, a civil union couple, are the only owners of the property. Both live in the housesite as their principal residence. They are joint claimants and enter 100.00% on Line B8.
- 3: Eva and Zsa Zsa, sisters, own the property. All owners live in the property as their principal residence. One sister can be the claimant or they can file as joint claimants. They enter 100.00% on Line B8.
- 4: Jeff's parents co-own the property with Jeff that he uses as his principal residence. His parents do not live in the property and Jeff pays all the expenses for the property including property taxes. Because Jeff's parents co-own the property, Jeff can claim his ownership interest at 50% on Line B8, unless the deed specifies a different ownership percentage.

Line B9 - Household Income

Enter the household income calculated from Form HI-144. See Household Income for more information on income to be included or excluded from household income. See also Property Tax Adjustment Calculation for Household Incomes.



Line B10 – Allocable Mobile Home Lot Rent (in profit mobile home parks)

The mobile home park owner calculates the allocable lot rent on Form LC-142, Landlord’s Certificate. This applies only to for profit mobile home parks.

If you have an entry for Line B10, do NOT use Lines B11 and B12. You cannot have entries on all three lines.

Line B11 – Education Tax Allocated from Land Trust, Co-Op or Nonprofit Mobile Home Park

Line B12 – Municipal Tax Allocated from Land Trust, Co-Op or Nonprofit Mobile Home Park

Land Trust -

The land trust owns the land upon which the claimant’s principal residence sits.

- **Two Parcels Two Property Tax Bills –**
The land trust retains deeded ownership.
The town bills the land trust directly for the property taxes. The land trust in turn collects the property tax from the claimant. The land trust provides a statement showing the assessed value of the land up to 2 acres. The claimant enters the allocated property tax on Lines B11 and, if applicable, B12.
- **One Parcel One Property Tax Bill**
The land trust deeds the land, with covenants or a lien, to the claimant. The town issues one tax bill to the claimant, and the dwelling and land have the same SPAN. Claimant enters the housesite education and municipal property tax values from the property tax bill on Lines B5 and B6 as the taxes are not allocated.

Housing Cooperative -

The Cooperative provides the claimant with his or her pro rata share of the education and municipal property taxes on common land, not to exceed the 2 acres housesite limit. The claimant enters this amount on Lines B11 and, if applicable, B12.

Nonprofit Mobile Home Park -

The nonprofit mobile home park provides the claimant with the education and municipal property taxes on the lot upon which the mobile home sits and common property. The common property must be contiguous with at least one mobile home lot in the park, and allocable common land cannot exceed the 2 acres housesite limit. The claimant enters this amount on Lines B11 and, and if applicable, B12.

If you have an entry for Lines B11 and B12, do NOT use Line B10. You cannot have entries on all three lines.

OWNERSHIP ISSUES for Line B8

Jointly Owned Property 32 VSA §66062(c)

If both owners live in the property as their principal residence, the owners file one declaration as joint owners or only one owner can file the declaration.

If not all owners use the property as their principal residence, the owner using the property as his or her principal dwelling files the declaration. As the declaration serves only to identify use of the property, no ownership interest percentage is required on the declaration.

EXAMPLES:

- 1: Jack and Jill own the property as husband and wife. They both occupy the property as their principal residence. They file one declaration as joint owners or only one spouse can file the declaration.

- 2: Mary owns the property with her sister. They both occupy the property as their principal residence. They file one declaration as joint owners or only one of the owners files a declaration.

- 3: James owns the property with three other owners. James is the only one who occupies the property as his principal residence. Only James files the declaration.

- 4: Harry and Bess who live in Massachusetts own a Vermont house. Their son Dwight lives in the house as his principal residence. Harry and Bess cannot file a declaration as it is not their principal residence. Dwight cannot file a declaration because he is not an owner of the property.

For Duplex Owners (Effective for claims filed January 1, 2006 and after) 32 VSA §6062(c)(4)

If all owners of the duplex live in the property as their principal residence, each owner claims their ownership percentage without reduction for the other owner's interest.

EXAMPLES:

- 1: Ralph and Alice and Norton and Trixie own a duplex. Each couple lives in their half of the duplex as their principal residence. The town issues one property tax bill. Since all owners of the duplex reside in the property as their principal residence, each owners receives their portion without reduction for the other owner. In this case, each couple receives half of the housesite value associated with the dwelling, up to a maximum of two acres, and enters 100% ownership interest on Line B8.

- 2: Ralph and Norton get into a disagreement. Norton and Trixie move out. Norton rents out his portion of the duplex. Not all owners live in the duplex so Ralph receives his portion of the duplex but he must reduce his portion to reflect Norton's ownership interest. Ralph enters 50% ownership interest on Line B8.

For Legally Separated Persons and Divorced or Civil Union Dissolution Owners 32 VSA §§6062(c)(2) & (3)

The claimant must be in possession of and reside in the housesite and have a responsibility for the property taxes to make a property tax adjustment claim. The responsibility for the housesite set forth in a preliminary order in a divorce case or civil action dissolution, the final divorce decree or civil union dissolution or a modifying order determines the ownership percentage.

NOTE: Until the couple is legally separated, divorced or has a civil union dissolution, the income of both persons must be included in the household income for the property tax adjustment claim.

EXAMPLES:

1: George and Annie divorce. In the final decree, the court gives Annie possession of the house and responsibility to pay the property taxes. Annie enters 100% ownership interest on Line B8 and her household income includes her income and other members of the household.

2: Richard and Donald receive a civil union dissolution order from the court. The order gives Richard possession of the house but both parties are jointly responsible for the property taxes. Richard enters 50% ownership interest on Line B8 and his household income includes his income and other members of the household.

3: Luke and Liz receive a preliminary divorce order from the court. The order gives Liz possession of the house but Luke is responsible for the property taxes. Liz cannot make a property tax adjustment claim as she is not responsible for the property taxes. Luke cannot make a property tax adjustment claim as the house is not his principal residence.

4: Bluto and Olive separate. They do not seek a separation order from the court. Olive stays in the house and takes on all the house expenses including property taxes. Bluto moves out. As an owner of the property, Olive can file a property tax adjustment claim, she must enter 50% ownership interest on Line B8 as the other owner of the property does not live in the household. Because they do not have a legal separation, Olive must include Bluto's income in the household income for the claim.

For Life Estate

A person with a life estate interest designated in the deed that is recorded at the town office is eligible to make a property tax adjustment claim as this person holds a legal present interest in the property.

EXAMPLES:

1: Alma sells her property to Joe and retains a life estate to the property. The deed recorded at the town lists Alma as the holder of the life estate. She has, in essence, retained "present ownership" rights through the life estate and Joe has the future ownership rights. She occupies the house as her principal residence. She is responsible for filing the homestead declaration and checks Line A8 on Section A of HS-122. If Alma makes a property tax adjustment claim, she enters 100% ownership interest on Section B, Line B8.

2: Beatrice sells her property to Joe. She and Joe make a verbal agreement that she can live in the house rent-free until she moves or for the rest of her life as long as she pays the property taxes. The deed lists Joe as the sole owner of the property. Beatrice cannot make a homestead declaration or make a property tax adjustment claim as she does not have any legal ownership interest in the property.

3: Harry transfers his property consisting of Harry's dwelling and 100 acres to his son John but retains a life estate. His son, John, builds a house on the land that is his principal residence. Harry is responsible for making a homestead declaration and can make a property tax adjustment claim. Harry checks Line A8 on Section A of HS-122. If Harry makes a property tax adjustment claim, he enters 100% ownership interest on Section B, Line B8. Unless the deed specifies that the life estate applies only to Harry's dwelling, John has future ownership rights to the property but not a present ownership interest. John cannot make a property tax adjustment claim unless his dwelling is listed separately by the town under his ownership. Then, John can only claim the property taxes on the actual dwelling but not the land.

For Property Owned by a Trust 32 VSA §6062(e)(1)

Property owned by trust is eligible for the education property tax payment if:

- The trust is revocable, and
- The homeowner is the sole beneficiary of the trust, and
- The homeowner or homeowner's spouse were the grantors of the property to the trust.

The beneficiaries' retain interest and control of the property in a revocable trust and can convert the property back to their personal ownership. The term "sole beneficiary" includes both spouses. The trust may become irrevocable but only by reason of the grantor's death.

EXAMPLES:

1: Jeff and Wanda own their house and 100 acres of land. They decide to put their property into a trust for their children. They convey ownership of their property to the trust with Jeff, Wanda and the children as beneficiaries. Jeff and Wanda cannot make a property tax adjustment claim. The trust, not Jeff and Wanda, owns the property. A dwelling owned by a trust cannot be the homestead of the beneficiary.

2: Martha and George own their house and 15 acres of land. They convey their property into a revocable trust of which they are the sole beneficiaries. They may make a property tax adjustment claim and enter 100% ownership on Line B8.

3: Martha and George's revocable trust becomes irrevocable upon either of the beneficiaries' death. George dies. The trust becomes irrevocable with Barbara as the sole beneficiary. Barbara may continue to apply to make a Property Tax Adjustment claim and enter 100% ownership interest on Line B8.

A trust, revocable or irrevocable, may be eligible to make property tax adjustment claim if the trust is:

- For the benefit of a parent, grandparent, child, grandchild or sibling that is mentally disabled or severely physically disabled; and
- Provides the beneficiary with his or her principal residence.

The beneficiary may make a property tax adjustment claim and enter 100% ownership interest on Line B8.

NOTE: The income of the property owner, or grantor to the trust, must be included in the household income for the calculation of the education property tax payment. 32 VSA §6062(3)(2)

EXAMPLES:

1: June needs to move Benny, her brother who is mentally disabled, closer to her as June's parents can no longer care for him. June buys a cottage nearby for Benny. June decides to put the cottage into an irrevocable trust and her brother is the beneficiary. Benny may be the claimant for an education property tax payment at 100% ownership. However, June's income must be included with Benny's income to calculate the payment.

For Property Owners Age 62 or Older 32 VSA §6062(c)(1)

Co-Owned with a Descendant



A property owner age 62 or older may add the names of descendants as owners and still be able to claim 100% ownership on a property tax adjustment claim even if the descendant does not live in the home. Descendant includes the owner's child (including adopted or step children), grandchild, great-grandchild, etc. as well as niece, nephew, grandniece, grandnephew. Descendant does not include the owner's parents, siblings, in-laws, or unrelated parties.

EXAMPLES:

1: Ella is 62 and wants to add her son as an owner of her principal residence to make sure the son receives the home after Ella dies. He does not live in the home with her. Ella enters 100% ownership interest on Line B8 of the Property Tax Adjustment claim.

2: Fitz is 59. He wants to leave his property used as his principal residence to his daughter so he adds her name as an owner. She does not live in the home with him. Fitz's ownership interest on Line B8 of the property tax adjustment Claim is 50%. While the other owner is his descendant, Fritz is not age 62 or older.

3: Winton is 63 and owns and occupies the property as his principal residence. He wants to leave the property to Marsala, his sister, and adds her name as an owner. Marsala does not live in the home with him. Winton's ownership interest on Line B8 of the property tax adjustment claim is 50%. Even though Winton is 63, Marsala is not a descendant.

4: Billie is 59 and owns and occupies the property as her principal residence. She wants to leave the property to Josey, her daughter, who lives with Billie. Billie's ownership interest on Line B8 of the property tax adjustment claim is 100%. While Billie is under age 62, all owners live in the home.

5: Branson is age 65 and owns the home with his brother, Winton. Both own and occupy the home as their principal residence. Branson wants to leave his share of the property to his daughter and adds her name as an owner. She does not live in the home. The ownership interest on Line B8 of the property tax adjustment claim for Branson and Winton is 100%. Both owners live in the home and the added name is a descendant.

Co-Owned with a Spouse or Sibling Not Living in the Property 32 VSA §6062(c)(1)

A claimant age 62 or older that owns the property with a sibling or spouse who moved from the home indefinitely to a residential care or nursing home can make a property tax adjustment claim using 100% ownership interest on Section B Line B8.

NOTE: The sibling or spouse in the residential care or nursing home cannot make a renter rebate claim if a property tax adjustment claim is made.

EXAMPLES:

1: Maude and Rose, sisters, own the property. Until December of last year, both sisters occupied the property as their principal dwelling but Maude is now in a nursing home. Rose, who is age 62, continues to occupy the property as her principal dwelling. Rose can use 100% ownership interest on Section B Line B8 of the property tax adjustment claim as long as Maude does not make a renter rebate claim.

2: Maude, Rose and Sophia, sisters, equally own the property. Maude and Rose lived in the property as their principal dwelling until Maude went into a nursing home. Sophia does not live in the property but Rose, age 62, continues to live in the property as her principal dwelling. If Maude does not make a renter rebate claim, Rose may claim 66% ownership. This is Rose and Maude's ownership interest. Sophia who does not live in the property owns the other 34%.

DECEASED HOMEOWNER 32 VSA §6063

An estate cannot file a property tax adjustment claim on behalf of a deceased claimant. The right to property tax adjustment does not survive the claimant. If a claimant dies prior to April 1 after filing a timely claim for property tax adjustment, the estate must notify the Department to withdraw the claim or the estate is liable to repay if an adjustment is issued. If a claimant dies on or after April 1 after filing a timely claim for property tax adjustment, the commissioner may pay the adjustment to the town on behalf of another member of the household with an ownership interest. A surviving spouse or civil union partner who owns and occupies the property as his or her principal home and otherwise meets the eligibility requirements can become the claimant.

EXAMPLES:

1: Oscar Owner files a property tax adjustment claim on February 2nd but dies on March 17th. To be eligible for property tax adjustment, Oscar must own and occupy the home on April 1st. The estate must withdraw the claim or repay the adjustment if it is issued.

2: Olivia Owner owned and occupied her property as her home up to her death in June. The executor finds that she did not file a property tax adjustment claim and files one for her in July. While Olivia qualified for adjustment as she owned and occupied her home on April 1st, Olivia did not file a claim. The right to claim property tax adjustment does not extend to her estate.

3. Clarence Claimant files a property tax adjustment claim on April 15th with his wife, Clarisa Claimant, who is a co-owner of the home and lives in the home. Clarence dies on May 27th and no estate is required to be opened at the probate court. Clarisa becomes the claimant and the adjustment will be issued to the town as a credit against the property taxes on the homestead.

4. Omra Owner files a property tax adjustment claim on September 1st but dies on December 15th. An estate is established. Omra filed a late claim but within the time allowed to still receive an adjustment. The adjustment will be issued to the town as a credit against the property taxes on Omra's homestead.

For newly purchased property or new construction

• **Purchase after April 1, 2008:**

If the property was declared as a homestead that year, use the values from the property tax bill issued to the previous owner.

You can declare the property as your homestead for 2009 if you own and occupy the property as your principal residence on April 1, 2009, even if the property was not declared as a homestead by the previous owner in 2008. Request the town clerk to provide housesite value and property taxes for the property as if it was declared a homestead last year.

• **Purchase before April 1, 2009:**

If you bought the property to use as your principal residence, you are responsible for filing a homestead declaration for the current year. If the seller filed a declaration, he or she must withdraw the declaration using Form HS-122W.

• **Purchase after April 1, 2009:**

For property purchased after April 1, 2009, the buyer cannot claim property tax adjustment. If the seller claimed property tax adjustment, the adjustment will still be credited to this property SPAN. Any property tax adjustment amount credited to the property tax bill of the property shall be allocated to the seller at closing unless the parties agree otherwise. 32 V.S.A. §6063(b) In other words, the seller and buyer will need to determine the appropriate property taxes due from each party at the time of closing.

- **New Construction:**

If the property you declare as a homestead in 2009 was newly constructed in 2008, use the property taxes on up to 2 acres of land and any improvements on the land of April 1, 2008.



EXAMPLE:

A newly constructed home was completed, owned and occupied as a principal residence October 2008 on land purchased in June 2007. Since the home did not exist on April 1, 2008, the 2009 property tax adjustment claim will use the assessed value of up to 2 acres of land and any improvements made on those 2 acres as of April 1, 2008.

HS-122 SECTION C – SIGNATURES and DISCLOSURE AUTHORIZATION

Signature Have the homeowner sign the return in the space provided. Unsigned homestead declarations or property tax adjustments are not considered a filed return. Returns filed by an individual homeowner must be signed. At least one of the homeowners must sign the return when filed jointly.

Date Write the date the form was signed.

Disclosure Authorization If your client wishes to give the Department authorization to discuss the Declaration or Property Tax Adjustment Claim with you, ask them to check this box.

Preparer Signature For paid preparers - you must also sign the return, 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.

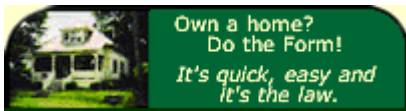
FILING



Electronic Filing - Complete the applicable sections of Form 8879-VT and obtain the client's signature(s). The HS-122 can be filed with the Fed/State E-File program if there is no entry for Line 14. Keep Form 8879-VT and supporting documentation in your records.

NOTE: Vermont follows IRS Notice 2004-54 for alternative methods for preparer's signature.

Department Online Web Filing



Department's free, on-line program at
www.tax.vermont.gov



Snail Mail

Mail paper filings to
Vermont Department of Taxes
PO Box 1881
Montpelier, VT 05601-1881