

Senior Citizens Real Estate Tax Deferral

Please Read Carefully

Due to a change in the Illinois State Statute beginning for tax year 2019 payable in 2020.

- Maximum amount to be deferred by this program is \$5,000 each year.
- Any unpaid portion will have to be paid by the homeowner in full to avoid those taxes from going to the annual tax sale.

What is it?

- The Senior Citizens Tax Deferral program is a State of Illinois program.
- The state LOANS qualified senior citizens up to \$5,000 yearly to pay for property taxes on their personal residence.
- The loan rate is at 6% simple interest per year.
- The outstanding balance including liens and interest must be paid back by the individual or family within one year from the time of death, sale of home or possible refinance.

Eligibility

- Must be 65 years of age or older by June 1, 2020.
- Total household income must be \$55,000 or less.
- Current year's income tax papers are required to complete this application.
- Must have lived in the property or other qualifying property for at least three years (except for any periods that you may have temporarily resided in a nursing or sheltered care home).

- Must be your primary residence only; can include a condominium or a dwelling unit in a multi-dwelling building that is owned and operated as a cooperative.
- Joint ownership is limited to you and your spouse only.
- May be required to provide proof of ownership to the County Collector, such as a copy of a recorded deed.
- If the homestead is in an Illinois land trust, the trustee must sign the application and they must be the beneficiary of that trust.
- All property taxes must be current at the time of application.
- Must have valid homeowner insurance at all times (yearly proof is needed at time of application). Cancellation of policy at any time is grounds for termination from the deferral program.

Other Important Facts:

- The Combined total of taxes deferred for this year and any subsequent years (including interest) cannot exceed 80% of the equity interest in the property.
- If at any time you have a mortgage company involved, that Mortgage Company must sign off on your application.
- Tax deferral can be continued by a surviving spouse who is at least 55 years of age within six months of the taxpayer's death.

How do I apply?

- First read entire packet carefully to make sure you want to participate in this program.
- Fill out the data collection form enclosed and return to this office prior to completing application.
- Complete application (IL 1017TD) and the agreement (IL 1018TD) that will be provided to you in early January each year by this office. **This application must be completed and returned no later than February 28, 2019.** We are closed Saturday February 29, & Sunday March 1st, 2020.

For more information or the actual application, please feel free to contact our office at 847-377-2323.

Important

Notice

Changes to the Senior Citizen Real Estate Tax Deferral Program beginning with the filing of the 2012 Tax Deferral applications.

1. The income level has been increased from \$50,000, to \$55,000.
2. The maximum amount that can be deferred each tax year is now \$5,000. The taxpayer will be responsible for paying the County any amount due over the \$5,000 cap beginning with the 2012 tax year. Previous years deferrals are not affected.
3. If a taxpayer is applying for the Tax Deferral Program for the first time in 2013 (for the 2012 tax year) and thereafter, and the property is held in a trust, the trust must be an Illinois Land Trust with the deferral applicant, or applicant and spouse, being the sole beneficiaries of the trust.

SENIOR CITIZEN DEFERRAL DATA COLLECTION FORM ONLY

**THIS INFORMATION HELPS WITH THE APPLICATIONS DUE TO STATE PRIOR TO February 28, 2020.
PLEASE FILL OUT OR CALL WHEN YOU HAVE RECEIVED YOUR TOTAL HOUSEHOLD INCOME
DATE _____**

**Claimant Information. (All Information must be completed) Original Forms must be complete by February 28, 2021
The County Collector has the original forms. Contact 847-377-2323.**

Last Name _____ First Name _____ Initial _____
Address _____
City _____ State _____ Zip & 4 _____ + _____
Phone (____) _____ - _____ SSN _____ - _____ - _____ Birth Dt ____/____/____
Widowed Divorced Married Single Separated

Spouse Information.

F/Name _____ Init _____ SSN _____ - _____ - _____ Birth DT ____/____/____
Pin Number _____ - _____ - _____

Property is Individually Owned or with Spouse, the beneficiary of an Illinois Trust. (NO children in home) (Y/N)

Claimant will be 65 on June 1, 2020. (Y/N)

Total Household income \$55,000.00 or less (Y/N)

Claimant has owned and occupied this property for at least 3 years. A (non Income Producing) (Y/N)

Homeowners Insurance Company Information (complete all information) & A copy of Declaration Sheet

Co. Name _____ Phone: _____
Address _____
City _____ State _____ Zip & 4 _____ - _____
Attention/Contact _____
Policy Number _____ Expiration Date ____/____/____

Mortgage Company Information (complete all information) all Equity Loans, or Liens Against property.

You need to Contact the Mortgage Company. Have them fill out the form and return before February 28, 2020.
They may be paying the taxes and have interest in this property because this is a lien against the property.
Your Lender needs to let you know if you can apply for this program. (Only if you have a mortgage)

Mortgage co Name _____ Phone: _____
Address _____ City _____ State _____
Zip & 4 _____ - _____ Attention/Contact _____
Account Number _____ Mtg. Balance Amount \$ _____

Contact Person other than you or spouse. No one else can be living with you (complete all information)

Name _____
Address _____
City _____ State _____ Zip & 4 _____
Phone (____) _____ - _____

Please call us or fill this out when you have your 2019 total household income ready. Prior to March 1st, 2019.

VERY IMPORTANT:

Copy of 2019 Income Tax Forms required. (A copy needs to be mailed with these papers.)

- Social Security Amount \$ _____ (1099 Social Security Form #5 Red Box) or 1040 Line 20a
- Pension or Annuities \$ _____ (1040 Income Tax Forms 15a & 16a) or Statements with this Information
- Interest or Dividends \$ _____ (1040 Income Tax Forms Line 8a & 9a!)/ Statements with this Information.
- Veteran's Benefits \$ _____ (1040 Income Tax Forms!)Or Statements with this Information
- Civil Service \$ _____ (1040 Income Tax Forms!)Or Statements with this Information
- Other Income \$ _____ (1040 Income Tax Forms line 21 & 11) or Statements with this Information.
- Railroad Retirement Benefits \$ _____ (1040 Income Tax Form) or (RRB-1099) with this Information.
- Wages, Salaries, or Tips \$ _____ (W-2 Forms) 1040 line 7
- Business Income, Rental, Farm \$ _____ (1040 Income Tax Form line 12 or 17)/Statements with this Information
- Net Capital Gain (loss) \$ _____ (1040 Income Tax Form line 13)/Statements with this Information.

Notice: Please contact 800-252-8980 regarding the license plate discount.

COMMENTS:

All Original Forms, (not samples) Must be completed and returned to our office prior to February 28, 2020. Please read the first page and sample forms to understand this program before signing up. Please understand all original forms must be completed in our office before February 28, 2020. (Not on or after March 1, 2020 we are closed on Saturdays and Sundays)

VERY IMPORTANT: Please have your 2019 income tax forms done before this time. These pages needs to be completely fill out along with all correspondence required.



Lake County Treasurer

Holly Kim
18 North County Street – #102
Waukegan, IL 60085-4335
(847) 377-2323

Mortgage Notice of Senior Real Estate Deferral Program

Under the State of Illinois Tax Deferral Program, those Lake County seniors (65 yrs & older) who are unable to pay all or part of their real estate taxes and meet all state requirements, may defer \$5,000.00 of the taxes on their personal residence. (WELLS FARGO MTG, and REVERSE MTGS DO NOT ALLOW YOU TO PARTICIPATE IN THIS PROGRAM.)

Once you meet all the requirements, the State of Illinois will pay these real estate taxes. A 6% simple interest rate would be charged; a State lien would be placed on the property for each year of taxes paid. The loan will be paid back at the time of the sale of the property, refinance of the loan, or within one year from the date of the senior's death.

The state takes into consideration that the total amount of the liens cannot exceed 80% of the equity in the taxpayer's property. If the senior is accepted by the mortgage company to participate in this program, we would ask that the mortgage company adjust their escrow accordingly.

Because the State of Illinois is the first lien holder on this account, we need to have the Mortgage Company (regular mortgage, reverse mortgage & equity line) to please sign below, giving the authority to participate in this program.

Pin# _____

Name of Taxpayer _____

Address _____

Loan / Account # _____

Name of Mortgage Company _____

Mortgage Dept. Escrow Officers Signature _____

Will allow _____

Will not allow _____ Please specify _____

This form must be completed and returned to our office before February 28, 2020

To expedite this process, please fax back to 847-984-5899

Holly Kim
Lake County Collector

HK/kdm



Application for Deferral of Real Estate/
Special Assessment Taxes for Tax Year 2019

Applications must be filed with the county collector on or before March 1, 2020. Entering this program will result in a tax lien being placed on your homestead property and simple interest of 6 percent per year being charged on the deferred amounts.

Step 1: Eligibility information (You must be able to answer "Yes" to the following three questions to apply.)

- 1 Will you be 65 years of age or older on June 1, 2020?
2 Is your residence qualifying property as defined in the application instructions?
3 Have you owned and occupied the property listed below as your residence, or other qualifying property in Illinois, for the last 3 years, except for any periods you may have temporarily resided in a licensed nursing home?

Step 2: Applicant information

Is this the first year you have applied for the program? Yes No

Check the box that identifies the property ownership. (Check only one.) individually jointly land trust (See instructions.)

Write your homestead property index number (PIN). (See instructions.)

Your Social Security number Your date of birth Your daytime phone

Your last name Your first name Middle initial

Address of homestead property

City State ZIP County where homestead property is located

Step 3: Spouse's information (if applicable)

Spouse's Social Security number Spouse's date of birth

Spouse's last name Spouse's first name Middle initial

Step 4: Complete the following information

- 1 Calculate your household income for 2019. Use Worksheet A on the back of this application and enter your answer here.
2 Calculate your current equity interest in the homestead property. Use Worksheet B on the back of this application and enter your answer here.
3 Write the percentage (1% to 100%) OR the amount of taxes that you wish to defer. Note: The amount you defer each year cannot be more than \$5,000.

Step 5: Signatures

As the joint owner or trustee or contract-for-deed seller of the property, I give my approval to the applicant to enter into the deferral and recovery agreement.

The applicant has provided me with sufficient evidence that the qualifying property is insured against fire or casualty loss for at least the total amount of special assessments and property taxes that have been deferred.

Signature of joint owner or trustee or contract-for-deed seller Month Day Year Signature of collector Month Day Year

I declare under penalties of perjury that the information in this application is true, correct, and complete to the best of my knowledge and belief and that any joint owner or trustee or contract-for-deed seller has given written approval for me to enter into the deferral and recovery agreement.

Signature of applicant Month Day Year Signature of preparer, if applicable Month Day Year

Worksheet A Calculate your household income for 2019
(Include both applicant's and spouse's income.)

- | | | | | |
|--|----|-------|--|-------|
| 1 Social Security, SSI benefits. Include Medicare deductions in this total (household total). | 1 | _____ | | _____ |
| 2 Railroad Retirement benefits. Include Medicare deductions in this total (household total). | 2 | _____ | | _____ |
| 3 Civil Service benefits (household total) | 3 | _____ | | _____ |
| 4 Annuity benefits and federally taxable pension and IRA benefits (household total) | 4 | _____ | | _____ |
| 5 Veterans' benefits (household total) (federally taxable portion only) | 5 | _____ | | _____ |
| 6 Human Services and other governmental cash public assistance benefits (household total) | 6 | _____ | | _____ |
| 7 Wages, salaries, and tips from work (household total) $\frac{\text{applicant}}{\text{applicant's spouse}}$ + $\frac{\text{applicant's spouse}}{\text{applicant}}$ = | 7 | _____ | | _____ |
| 8 Interest and dividends received (household total) | 8 | _____ | | _____ |
| 9 Net rental, farm, and business income or (loss). Do not include any loss carryover. Attach U.S. 1040 for loss. | 9 | _____ | | _____ |
| 10 Net capital gain or (loss). Do not include any loss carryover. Attach U.S. 1040 U.S. 1040A for loss. | 10 | _____ | | _____ |
| 11 Other income or (loss). Do not include any loss carryover. Attach U.S. 1040 or U.S. 1040A for loss. | 11 | _____ | | _____ |
| 12 Add Lines 1 through 11. | 12 | _____ | | _____ |
| 13 Certain subtractions — You may subtract only the reported adjustments to income totaled on U.S. 1040, Line 37, or U.S. 1040A, Line 21. (Specify: _____) | 13 | _____ | | _____ |
| 14 Subtract Line 13 from Line 12, and write the result. This is your total income for 2019. If Line 14 is greater than \$55,000, STOP . You do not qualify for this program. If Line 14 is \$55,000 or less, write the result in Step 4, Line 1 on the front of this application. | 14 | _____ | | _____ |

Worksheet B Calculate your 80% equity interest

Step 1: Write the market value

- 1 Write the market value of the homestead property. (See instructions.)
- \$ _____ | _____

Step 2: Total the subtractions

- 2 Write the subtractions for the following:
- a balance owed on the current mortgage. \$ _____ | _____
 - b balance owed on any second mortgages. \$ _____ | _____
 - c balance owed on any home equity loans. \$ _____ | _____
 - d total home equity amount reserved for use under a reverse mortgage arrangement. (See Note 1.) \$ _____ | _____
 - e balance of liens or encumbrances against the property, including previous deferral amounts. \$ _____ | _____
 - f balance of any other loan or line of credit where the deferred property is being used as collateral on the loan. \$ _____ | _____
- 3 Total subtractions (Add Lines 2a through 2f.) \$ _____ | _____

Step 3: Calculate the equity that can be deferred

- 4 Determine the current equity interest in the homestead property. (Subtract Line 3 from Line 1.) \$ _____ | _____
- 5 Multiply Line 4 by 80 percent (0.80), and write the result here and in Step 4, Line 2 on the front of this application. (See Note 2.) \$ _____ | _____

Note 1: If you have a reverse mortgage arrangement, you should verify with your lender whether your agreement allows you to participate in the Tax Deferral Program.

Note 2: The collector must verify that the total deferral for the applicant (including all previous deferrals) has not exceeded the 80% equity interest using PTAX-1035, Annual Participant List.



IL-1018 Real Estate/Special Assessment Tax Deferral and Recovery Agreement for Tax Year 2019

Name of owners:

Last	First	Middle initial
Last	First	Middle initial

Write the homestead property index number (PIN). _____

Write the legal description of the homestead property. Attach additional sheets if needed.

I, the owner and applicant, agree:

- 1 that the total amount of property taxes, including special assessments, deferred under the Senior Citizens Real Estate Tax Deferral Act, 320 ILCS 30/1, *et seq.*, plus interest, for the year for which a deferral is claimed, as well as for those previous years for which the property taxes, including special assessments, are not delinquent and for which such deferral has been claimed may not exceed 80 percent of my equity interest in the property for which property taxes, including special assessments, are to be deferred and that, if the total deferred property taxes, including special assessments, plus interest, equals 80 percent of my equity interest in the property, I shall thereafter pay the annual interest due on such deferred property taxes, including special assessments, plus interest, so that total deferred property taxes, including special assessments, plus interest, will not exceed such 80 percent of my equity interest in the property.
- 2 that any property taxes, including special assessments, deferred under the Act and any interest accrued thereon at the rate of 6 percent per year, are a lien on the real estate and improvements thereon until paid. **No sale or transfer of such real property may be legally closed and recorded until the property taxes, including special assessments, which would otherwise have been due on the property, plus accrued interest, have been paid unless the collector certifies in writing that an arrangement for prompt payment of the amount due has been made with his or her office. The same shall apply if the property is to be made the subject of a contract of sale.**
- 3 that upon my death, the heirs-at-law, assignees, or legatees shall have first priority to the real property upon which property taxes, including special assessments, have been deferred by paying in full the total property taxes, including special assessments, that would otherwise have been due, plus interest. However, if such heir-at-law, assignee, or legatee is my surviving spouse, the deferred status of the property shall be continued during the life of my surviving spouse if the spouse is 55 years of age or older within six months of the date of my death and my spouse enters into a deferral and recovery agreement before the time when deferred property taxes, including special assessments, become due under Section 3 of the Act. Any additional deferred property taxes, including special assessments, plus interest, on the real property under a deferral and recovery agreement signed by my surviving spouse shall be added to the property taxes, including special assessments, and interest which would otherwise have been due, and the payment of which has been postponed during the life of my surviving spouse, in determining the 80 percent equity requirement provided by this Section.



Illinois Department of Revenue

IL-1019

Notice of Senior Citizens Real Estate/ Special Assessment Tax Deferral Program Lien

Notice is given that on the _____ day of _____, _____, owner(s) or trustee(s) of the property described below and the county collector of _____ County

entered into a Real Estate Tax Deferral and Recovery Agreement, in accordance with the provisions of the Senior Citizens Real Estate Tax Deferral Act, 320 ILCS 30/1, *et seq.* This agreement provides for deferral of all or a part of the property taxes payable in _____, and that the amount of property taxes deferred and interest accrued are a lien of the state of Illinois on the property (described below) and any improvements until paid. **No sale or transfer of the property (described below) may be legally closed and recorded until the property taxes, including special assessments which would otherwise have been due on the property, plus accrued interest, have been paid, unless the collector certifies in writing that an arrangement for prompt payment of the amount due has been made with his or her office. The same shall apply if the property (described below) is to be made the subject of a contract of sale.**

Write the homestead property index number (PIN). _____

Write the legal description of the homestead property below. Attach additional sheet if needed.

Dated this _____ day of _____, _____.

Signature of county collector