

## HB 2417 -- Real Property Taxation

Sponsor: St. Onge

This bill allows individuals who are disabled or who are 60 years of age or older by October 15 of the year in which a claim is filed to elect to have the property tax on their homestead deferred if they have lived in their home for at least the previous five years, did not file a homestead exemption credit, had equity interest in the homestead of at least 25%, and have the homestead insured for at least the amount of the assessed valuation by filing a claim with the county assessor after January 1 and on or before October 15 of the first year in which a deferral is claimed. A lien for the amount of the deferred taxes, fees, and accrued interest will be placed against the property until the taxes are paid voluntarily, after the death of the taxpayer, upon the sale or transfer of the homestead, or after any outstanding indebtedness against the tax-deferred property is refinanced. A spouse who does not meet the age requirement, but meets the other requirements, may continue the prior deferral of the property tax after the death of the qualifying taxpayer. Once the surviving spouse reaches 60 years of age as of October 15, he or she may elect to defer the current year's taxes on the homestead. The heirs to a homestead with property tax deferrals may apply for a five-year extension to pay the tax and accrued interest if they occupy the home as their principal residence by February 15 of the year following the death.

The Senior Property Tax Deferral Revolving Account is created to pay county tax collectors the property taxes deferred and for administrative expenses and to receive repayments of deferred property taxes. Interest will accrue annually on the actual amount of taxes advanced to the county for the tax-deferred property at the rate of the average annual interest rate paid on bonds plus 2% rounded up to the nearest whole percentage. If there is insufficient money in the account to make payments to the counties, as determined by the State Auditor, the necessary amount will be transferred from general revenue and repaid as funds become available or the account may be funded by bonds.