

TAX DEFERRAL INFORMATION

Florida Statutes 197.2423: “Homestead Property Tax Deferral Act”

Any county resident who is eligible for Homestead Exemption may defer payment of that portion of his/her taxes:

- (a) which exceeds 5% of applicant’s household income; or
- (b) which exceeds 3% of applicant’s household income, if the applicant is 65 years of age or older;

or payment of taxes may be deferred in their entirety:

- (a) if applicant’s income is less than \$10,000; or
- (b) if applicant is 70 years of age or older and has income of less than \$12,000.

“Income” means the adjusted gross income of all members of a household as defined by IRS.

Example

	UNDER 65 YEARS OF AGE	BETWEEN 65-69 YEARS OF AGE	70 YEARS OF AGE OR OLDER
If your adjusted gross income is under \$10,000, then...	You may defer your taxes in their entirety, e.g.: You pay \$ 0.00 You Defer \$1,000	You may defer your taxes in their entirety, e.g.: You pay \$ 0.00 You Defer \$1,000	You may defer your taxes in their entirety, e.g.: You pay \$ 0.00 You Defer \$1,000
Example: Income: \$9,500 Taxes: \$1,000			
If your adjusted gross income is under \$12,000, then...	You may defer that part of your taxes which exceed 5% of your income, e.g.: 5% of inc: \$500 You pay \$500 Your defer \$450	You may defer that part of your taxes which exceed 3% of your income, e.g.: 3% of inc: \$330 You pay \$330 Your defer \$670	You may defer your taxes in their entirety, e.g. You pay \$0.00 You defer \$1,000
Example: Income: \$11,000 Taxes: \$ 1,000			
If your adjusted gross income is over \$12,000, then....	You may defer that part of your taxes which exceed 5% of your income, e.g.: 5% of inc: \$750 You pay \$750 Your defer \$250	You may defer that part of your taxes which exceed 3% of your income, e.g.: 3% of inc: \$450 You pay \$450 Your defer \$550	You may defer that part of your taxes which exceed 3% of your income, e.g.: 3% of inc: \$450 You pay \$450 Your defer \$550
Example: Income: \$15,000 Taxes: \$ 1,000			

All deferred taxes plus interest constitute a prior lien on the homestead per Florida Statute §197.262 are due and payable with any changes in:

- Change in property use
- Homestead exemption eligibility
- Change in ownership
- Failure to maintain the required Fire and Extended Insurance coverage

The application deadline is on or before **March 31st**

HOMESTEAD TAX DEFERRED PROGRAM DOCUMENTATION

In addition to your application, you will need the following documentation:

- Copy of your latest income tax return;
- Copy of your homeowner's insurance policy with a payable clause to Manatee County Tax Collector and a clause obligating the carrier to notify the Tax Collector of cancellation or non-renewal; and
- A statement from your mortgage company showing the principal balance outstanding (if applicable).

ADDITIONAL INFORMATION

Application must be received in our office on or before *March 31st*.

DR-570 (Application for Homestead Tax Deferral) must be signed and notarized.
<http://dor.myflorida.com/dor/forms/2006/dr570.pdf>

The amount of taxes deferred constitutes a lien against applicant's homestead property.

Interest accrues on the deferred amount until the deferred taxes are paid. The interest rate is set each year by the State.

Application must be made **each year** on or before *March 31st*.

The total amount of deferred taxes and accrued interest become due and payable if:

- a) Applicant is no longer eligible for homestead exemption;
- b) There is a change in ownership of applicant's property;
- c) The total amount of applicant's liens, deferred taxes and interest exceed 85% of the assessed value of applicant's property;
- d) Applicant fails to respond within 30 days to the annual notification requesting a list of current liens against the applicant's property.

ELIGIBILITY REQUIREMENTS

- Applicant must be eligible for homestead exemption.
- Applicant must provide proof of applicant's household income. ~ Federal Income Tax Return or Social Security Income
- Applicant must provide proof of fire and extended coverage home insurance which is in excess of all liens and the amount of deferred taxes. ***Such policy is to be furnished to the Tax Collector at the time of application and annual thereafter.***
- Applicant's homeowner's insurance policy must have a payable clause to the Manatee County Tax Collector and a clause obligating the carrier to notify the Tax Collector of cancellation or non-renewal.
- Applicant's home mortgage may not exceed 70% of the assessed valuation of applicant's homestead property, which shall be substantiated by a statement from the applicant's mortgage company.
- All liens and deferred taxes may not exceed 85% of the assessed value of the applicant's homestead.
- Applicant is required to submit an annual application for tax deferral with the Tax Collector on or before March 31st, following the year in which the taxes an non-ad valorem assessments are assessed.