

## TAX RELIEF LEGISLATION FOR 2010

1. Elderly and Disabled Exclusion:
  - a. Income level \$27,100 or below
  - b. Must be 65 years of age or totally and permanently disabled
  - c. Reduction of \$25,000 or 50% of value of the home and 1 acre of land whichever is greater
  
2. Disabled Veterans Exclusion:
  - a. Honorably Discharged Veterans and
  - b. 100% disabled due to a service related injury
  - c. Reduction of \$45,000 off the value of the home and 1 acre of land
  
3. Circuit Breaker (DEFERRED TAXES)
  - a. Must be 65 years of age or totally and permanently disabled
  - b. Must have owned and occupied property as the owner's permanent legal residence for five years.
  - c. Must be a North Carolina resident
  - d. Income cannot exceed \$40,650
  - e. Income below \$27,100 – taxes limited to 4% of income (requires annual application & income verification)
  - f. Income between \$27,100 and \$40,650 – taxes limited to 5% of income (requires annual application & income verification)
  - g. Deferred taxes are a lien on the property
  - h. Interest accrues on deferred taxes from the date they were originally due
  - i. Disqualifying event triggering rollback in taxes include:
    1. death of the owner
    2. transfer of the property
    3. owner ceases to use the property as a permanent residence
  - j. Rollback taxes are for the last 3 years preceding the current year of deferred taxes plus accrued interest
  - k. For multiple owners – all owners must apply and qualify (estate by entirety does not count as multiple owners)