



UPDATE ON THE STATUS OF THE ELDERLY ASSISTANCE CREDIT FUND

By: Charles "Hos" Hoskins, Maricopa County Treasurer – August 2016

You are receiving this update because you have qualified for the Elderly Assistance Credit. The amount of the credit is shown on the enclosed tax bill or information statement. Tax bills are sent to those that pay their taxes themselves by mail, online, at any CHASE bank branch, or at the Treasurer's office. Information statements are sent to homeowners whose taxes are paid by a mortgage company.

The Elderly Assistance Credit pays the balance of your **primary** school tax after the State Aid Credit is applied. Credit amounts are shown on the enclosed tax bill or information statement.

The fund is sufficient to pay all of the balance of your primary school tax for this year and 2017. In 2018 the fund balance will only pay about 35 percent of the remaining amount of your primary school tax. The reason is that the funding source was removed during the 2015 legislative session.

Legislation, House Bill 2055, was sponsored by Representative Mark Cardenas in the 2016 legislative session that would have reduced the taxes of property owned by qualified elderly homeowners by lowering the assessment ration from 10% to 5%. While the State Aid and Elderly Assistance credits would not apply, the lower ratio would result in an overall tax reduction. It would also have applied to qualified homeowners whose property is not in a school district.

HB2055 passed out of the House of Representatives on a vote of 40 to 18, with two absent, but died in the State Senate. The reason it died was because the chairman of the Senate Finance Committee refused to allow it to be heard. To see the history of HB2055 go to: www.azleg.gov enter 2055 in the search block in the upper right corner and select "Bill Overview". There are links that will let you see how your House Representatives voted.

Here is how to calculate the amount of 2016 taxes you would have owed if HB2055 had passed:

1. Total tax you owe for 2016 after credits are applied\$ _____
2. Enter your Elderly Assistance Credit amount\$ _____
3. Enter you State Aid Credit Amount\$ _____
4. Total lines 1, 2, and 3\$ _____
5. Half of line 4 is your tax amount if HB2055 had passed\$ _____
6. Line 1 minus line 5 is additional tax without HB2055\$ _____

IMPORTANT: To remain eligible for this credit you must reapply every three years with the County Assessor. You can check your renewal date by calling 602-506-8511.