

## Circumstances

### For Removal of Limitation

The limitation is valid on the property as long as the property is not improved, transferred, or sold.

- If title is transferred, changed, or conveyed to another person, the senior valuation limitation will expire. The assessor is then required to value the property at its fair market value.
- Improvements to the property, such as a room addition, will be assessed at the fair cash value and will be added to the value of the property established under the limitation. The new total value is capped as long as freeze limitation requirements are met.

Physical additions or changes which constitute normal repairs or minor remodeling, minor efficiency improvements, or retrofit improvements, such as wheelchair ramps, are not considered physical improvements affecting the senior valuation limitation.

If gross household income from all sources, excluding veterans' disability compensation and gifts, exceeds the applicable median income amount set by H.U.D., the limitation shall expire. The value of the property is then subject to the 3 percent cap increase for that year.

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# SENIOR PROPERTY VALUATION LIMITATION



# OKLAHOMA TAX COMMISSION

## SENIOR PROPERTY VALUATION FREEZE



### Section 8C of Article 10

Section 8C of Article 10 directs that the fair cash value of Homestead Property shall be limited by the County Assessor if the following conditions exist:

- The homestead property owner is age 65 or older.
- The gross household income from all sources, excluding veterans' disability compensation and gifts, does not exceed the median income amount determined by the U.S. Department of Housing and Urban Development (H.U.D) for your county.
- Property must be a valid homestead property with proper evidence of a homestead or an eligible exemption application.
- As with any homestead, the general statutes for homestead qualification apply.
- The statutes specify that only one homestead and, by extension, only one limitation is permitted.
- The limitation applies only to the homestead property used as a domicile and may not be applied to non-homestead property.

(Reference 68 O.S. §§ 2888, 2893 and applicable Attorney General Opinions.)

### THE APPLICATION PROCESS

The property owner must apply at the county assessor's office by completing Form OTC 994, Application for Property Valuation Limitation and Additional Homestead Exemption. The form must be completed in its entirety regarding:

- *Income*  
Gross household income from all sources, excluding veterans' disability compensation and gifts, for all persons residing in the home.
- *Age*  
The year after the property owner turns 65 is the first year of eligibility.
- *Ownership*  
Proof of ownership shall be required.

#### *Other information*

As may be required by the assessor to support the application.

The application must be made between January 1 and March 15. If approved, the limitation will take effect for the taxable year in which the application is made.

If the application is denied, the property owner has the right to appeal to the County Board of Equalization.

### SPECIAL NOTICE

The senior limitation locks in valuation, but the tax amount owed on the homestead could increase under these specific situations.

1. Additional millage or levy is added.
2. Judgment against county.
3. Voters modify assessment percentages.

The Senior Valuation Limitation may be granted in addition to participation in the Property Tax Refund and the Additional Homestead Exemption programs.

If previously qualified for the limitation on the fair cash value of homestead property, no annual application is required. [68 O.S. § 2890.1(B)]

However, if the qualifying senior ceases to own and occupy the homestead or gross household income excluding veterans' disability compensation and gifts, exceeds the amount determined by H.U.D., in any year, the person shall notify the county assessor and the limitation shall not be allowed for the applicable year.

For more information about the Senior Property Valuation Limitation, please contact:

Your local County Assessor's Office