



Maria Pappas
Cook County Treasurer

SENIOR CITIZEN REAL ESTATE TAX DEFERRAL PROGRAM
TAX YEAR 2011 (payable in 2012)

Dear Senior Citizen:

Enclosed are the forms (IL-1017, IL-1018) you must complete in order to participate in the Senior Citizen Real Estate Tax Deferral Program.

PLEASE NOTE--

- 1) We no longer require the Affidavit of Title Status that was used in previous years.**
- 2) The Market Value of your property for the IL 1017-Worksheet B can be obtained from cookcountyassessor.com by entering in your parcel identification number (PIN).**

In order for your Application to be approved, submit the enclosed two forms together with the following supporting documentation:

- **Insurance Declaration** – the page showing amounts of coverage on your home and the period of coverage. Condominium owners must submit this information covering the entire building. This may be obtained from your Condominium Association. Submit **PHOTOCOPY**, not original.
- Your most recent Real Estate Property Tax Bill. Submit **PHOTOCOPY**, not original.

If you are a new participant, you must also provide the following:

- **Two documents verifying your birth date** – (**Doc 1** - birth certificate, Medicare card, baptismal or christening certificate, U.S. Passport; **Doc 2** - photocopy of the front and back of your driver's license or State ID). Submit **PHOTOCOPIES**, not originals.
- **Social Security Card verifying social security number** – Submit **PHOTOCOPY**, not original.
- **A document verifying your ownership of your home** (Deed, Title Policy or Torrens Certificate). If your property is in a trust, we require the "Deed in Trust" and the "Trust Agreement", and both the owner of the property and trustee (usually a bank or a Trust Company) must sign form IL-1017. The trustee alone needs to sign IL-1018. Submit **PHOTOCOPIES**, not originals.

All forms and supporting documents must be postmarked by **March 1, 2012** for you to be eligible for the Program. No extensions of time are permitted. If you have any questions, see our website, www.cookcountytreasurer.com, and go the "Services for Seniors" tab or contact general information at (312) 443-5100.

Submit documents to:

Cook County Treasurer
Senior Deferral Department
118 North Clark Street – Room 112
Chicago, IL 60602

Sincerely,

A handwritten signature in black ink that reads "Maria Pappas".

Maria Pappas
Cook County Treasurer

SENIOR CITIZENS REAL ESTATE TAX DEFERRAL PROGRAM

The **SENIOR CITIZENS REAL ESTATE TAX DEFERRAL PROGRAM** allows qualified senior citizens to defer all or part of the property taxes on their personal residence. It is, in effect, a form of "loan" which is to be repaid only upon the occasion of one of two events: (1) the taxpayer's death (except in the case of certain surviving spouses) or (2) sale or refinancing of the property. In the event of death, the heirs need not repay the deferred taxes until one full year after the taxpayer's death. The amount of deferred taxes is repayable at a rate of 6% **simple** (not compound) interest.

WHO IS ELIGIBLE? - To qualify, you must:

- A. Be **65** by **June 1** of the year in which taxes are payable.
- B. Have a household income of not more than **\$50,000** See General Information of form IL-1017 for what household income includes.
- C. **Own** the property. Ownership is limited to: (a) the senior citizen alone or (b) the senior citizen jointly with his/her spouse. Ownership by a senior citizen jointly with a child or any other person is **not** permitted. Ownership by way of a "Trust" is permitted, but special rules apply.
- D. Have owned and occupied the property or other qualifying property for at least the last three years. The property must be used exclusively for residential purposes and may not generate any income (such as rent). Eligible properties include single-family houses, condominiums or units in a multi-dwelling building owned and operated as a cooperative. If you have temporarily resided in a nursing or sheltered care home during these 3 years, you are **not** disqualified.
- E. Have **no** unpaid taxes or penalties from prior years. All prior years' taxes must be paid in full.
- F. Have adequate insurance against fire or casualty loss.
- G. Have written approval from the spouse, if filing jointly, or trustee if the property is held in a qualifying trust, to participate in the program.

HOW MUCH OF MY TAXES CAN BE DEFERRED?

You decide this, but up to 100% of your taxes can be deferred. Decide what amount you want deferred and state that percentage in the appropriate space on the application form.

WHAT IF I HAVE A MORTGAGE ON MY HOUSE?

This does not disqualify you. You do not have to get your lender's approval or consent to participate in the Senior Citizens Real Estate Tax Deferral Program. However, if you have a reverse mortgage, generally the lender requires its mortgage to be subordinate to any other liens. This program may jeopardize your reverse mortgage. Please check with your lender to make sure you can participate in this program without jeopardizing your reverse mortgage.

WHAT DO I NEED TO APPLY? The filing deadline is **MARCH 1, 2012**. No extensions of time are permitted. You are strongly encouraged to submit your paperwork as soon as you can in the event there is a problem with your application and we need to contact you for missing paperwork.

1. The County Treasurer will provide you with two forms, which you must complete and return. These include:
 - (a) **Application (IL-1017)**
 - (b) **Tax Deferral Agreement (IL-1018)**Copies of each of these are attached.

NOTE: The Affidavit of Title Status is no longer required.

2. You must also provide supporting documents. **Send copies of these documents, not the originals** which verify the following:

- (a) **Insurance** – the "Declaration Page" of your policy showing amounts of coverage and period of coverage.
- (b) **Tax Bill** - the last real estate tax bill you received.

If you are a new participant, you must also provide the following:

- (c) **Two documents verifying age**-- birth certificate, Medicare card, baptismal or christening certificate, U.S. passport and driver's license or State ID, (even if expired).
- (d) **Social Security Number** – social security card.
- (e) **Ownership** - deed, title insurance policy, Torrens Certificate. For property owned in a "Trust", see below for further instructions. If the Ownership document shows that you and your spouse are the owners and your spouse is deceased, a copy of your spouse's Death Certificate is needed.

MUST I APPLY EVERY YEAR?

YES! You are not automatically renewed into the Program. You must submit a separate Application and Agreement each year. These forms will be provided to you by the County Treasurer each January. Once you are approved for the program, you will not have to provide all of the supporting documents each year. However, you must provide proof of insurance each year you apply.

MUST I STAY IN THE PROGRAM PERMANENTLY?

No. You may go "in and out" of the Program as you wish. You are not obligated to stay in it. For example, you can apply for year 1, skip year 2 and 3 and reapply for year 4. If you "opt out" at anytime, you can "opt back in" the following year. If you "opt out" you are **not** required to repay taxes already deferred. Remember that deferred taxes are repayable only in the event of death or sale of the property.

WHAT HAPPENS IF MY SPOUSE DIES?

- You may continue in the Program on your own if you qualify. The 1-year repayment rule does not apply to surviving spouses so long as the surviving spouse is at least **55** years of age within 6 months of your spouse's death. If you are applying as a surviving spouse, we need your **spouse's Death Certificate and a document verifying your birth date**. Submit **PHOTOCOPIES**, not originals.

TRUST

Special rules apply to ownership by way of a "Trust". The supporting documents that you need to provide are **both** the Trust Agreement (between you and the bank/trustee) and the "Deed in Trust" (the deed transferring the property into the trust). The **present** ownership ("beneficial interest") must be in your name alone or you and your spouse. **Present** joint ownership between you and a child or other person not your spouse disqualifies you. The Trust Agreement may provide for who receives the property after your death so long as that person (who is not your spouse) does not have a **present** interest. These persons are called "contingent beneficiaries". They are not "present" owners/beneficiaries. They become a "present" owner/beneficiary contingent upon something happening (your death).

The following are examples of permitted and disqualifying "Trust" ownership:

Permitted (a) "100% jointly with right of survivorship in JOHN SMITH AND MARY SMITH (husband and wife). Upon the death of the latter of them, then equally to JOHN SMITH, JR. (son) and JANE SMITH (daughter)".

Permitted (b) "100% in MARY JONES. Upon her death, then equally to JOHN JONES (son) and JANE JONES (daughter)".

Disqualifying (a) "100% jointly with right of survivorship in MARY BROWN AND WILLIAM BROWN (son)".

THE TAXPAYER'S SIGNATURE ON THESE TRUST FORMS is NOT SUFFICIENT. BOTH THE OWNER OF THE PROPERTY AND TRUSTEE (usually a Bank or a Trust Company) MUST SIGN FORM IL-1017. THE TRUSTEE ALONE NEEDS TO SIGN IL-1018.

WHOM DO I CALL FOR MORE INFORMATION?

If you need forms or more information, please contact us by:

- writing Cook County Treasurer's Office, 118 N. Clark Street, Room 112, Chicago, IL 60602
- calling 312.443.5100
- visiting our website, www.cookcountytreasurer.com and go to the "Services for Seniors" tab

If you do not understand this information, contact an attorney. Employees of the Office of the Cook County Treasurer are not authorized or permitted to give legal advice in regard to this program.