Instructions for Form IT-214

Claim for Real Property Tax Credit

1987

Real Property Tax Credit

If your household gross income was $18,000 or less, you may be entitled to a credit on your New York State income tax return for part of the real property taxes or rent you paid during 1987. If you do not have to file a return, you can file for a refund of the credit by using Form IT-214 only.

Definitions

All who share your residence, and its furnishings, facilities and accommodations are **members of your household,** whether they are related to you or not.

Household members also include tenants, sub-tenants, roomers or boarders if they are **related** to you in any of the following ways:

— A son, daughter or a descendent of either.

—A stepson or stepdaughter.

—A brother, sister, stepbrother or stepsister.

—A father, mother or an ancestor of either.

—A stepfather or stepmother.

—A niece or nephew.

—An aunt or uncle.

—A son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law.

No one can be a member of more than one household at one time.

Household gross income is the total of the following income items that you and all members of your household received:

☐ Federal adjusted gross income (even if you don't have to file a federal return).

☐ New York State additions to federal adjusted gross income. For a list of these additions, see Publication 308, *Real Property Tax Credit,* or the instructions for Form IT-201.

☐ Any part of the following items of income **not** included in either of the above:

— Pensions and annuities, including railroad retirement benefits, all payments received under the federal Social Security Act and veterans' disability pensions.

— Support money.

— Income earned abroad exempted by Section 911 of the Internal Revenue Code.

— Supplemental Security Income (SSI) payments.

— Nontaxable interest received from New York State, its agencies, instrumentalities, public corporations or political subdivisions.

— Workers' compensation.

— The gross amount of **loss-of-time** insurance. (For example, an accident or health insurance policy and disability benefits received under a "no-fault" automobile policy, etc.).

—Cash public assistance and relief, other than medical assistance for the needy. (For example, cash grants to clients, emergency aid to adults, value of food vouchers received by clients, etc.). Do not include amounts received from the Home Energy Assistance Program (HEAP).

—Nontaxable strike benefits.

Household gross income does not include food stamps, medicare, medicaid, scholarships, grants, surplus food or other relief in kind.

A **residence** is a dwelling that you own or rent, and up to one acre of land around it. It must be located in New York State. If your residence is on more than one acre of land, only the amount of real property taxes or rent paid that applies to the residence and only one acre around it may be used to figure the credit. (If you do not know how much rent or real property tax you paid for the one acre surrounding your residence, contact your local assessor.) Each residence within a multiple dwelling unit may qualify. A condominium, a cooperative or a rental unit within a single dwelling is also a residence.

A trailer or mobile home that is used only for residential purposes and is defined as real property under the Real Property Tax Law is also a residence.

Real property taxes paid are all real property taxes, special ad valorem levies and assessments levied and paid upon a residence owned or previously owned by a qualified taxpayer (or spouse, if the spouse occupied the residence for at least six months) during the taxable year. You may elect to include real property taxes that are exempted from tax under Section 467 (for persons 65 and older) of the Real Property Tax Law (veterans' tax exemption does **not** qualify). If you do not know this amount, contact your local assessor.

Real property taxes paid also include any real estate taxes allowed (or which would be allowable if the taxpayer had filed returns on a cash basis) as a deduction for tenant-stockholders in a cooperative housing corporation under Section 216 of the Internal Revenue Code.

If any part of your residence was owned by someone who was not a member of your household, include only the real property taxes paid that apply to the part you and other qualified members of your household own.

If your residence was part of a larger unit, include only the amount of real property taxes paid that can be reasonably applied to your residence.

If you owned and occupied more than one residence during the taxable year, add together the prorated part of real property taxes paid for the period you occupied each residence.

Rent constituting real property taxes paid is 25% of the adjusted rent paid on a New York residence during the taxable year after subtracting any charges for heat, gas, electricity, furnishings or board. If these charges are not separately stated, complete lines 21 through 24 of Schedule B of Form IT-214 to figure 25% of adjusted rent. Do not include any subsidized part of your rental charge in adjusted rent.

If any part of your residence was rented by someone who was not a member of your household, include in line 21 of Form IT-214 only the amount of rent you and members of your household paid.

If you moved from one rented residence to another rented residence during the taxable year, add 25% of adjusted rent paid for each residence.

Who Qualifies

Homeowners — To qualify for the real property tax credit, you have to meet all of these conditions for the taxable year 1987:

☐ Your household gross income was $18,000 or less.

☐ You occupied the same New York residence for six months or more.

☐ You or your spouse paid real property taxes on your residence.

☐ You were a New York State resident for all of 1987.

☐ You could not be claimed as a dependent on someone else's federal income tax return.

☐ Your residence was not completely exempted from real property taxes.

☐ The current market value of all your real property (house, garage, land, etc.) was $85,000 or less.

☐ Any rent you received for nonresidential use of your residence was 20% or less of the total rent you received.

Renters — To qualify for the real property tax credit, you have to meet all of these conditions for the taxable year 1987:

☐ Your household gross income was $18,000 or less.

☐ You occupied the same New York residence for six months or more.

☐ You or your spouse paid rent for your residence.

☐ You were a New York State resident for all of 1987.

☐ You could not be claimed as a dependent on someone else's federal income tax return.

☐ Your residence was not completely exempted from real property taxes.

☐ The average monthly rent you and other members of your household paid was $450 or less, not counting charges for heat, gas, electricity, furnishings or board.

If you meet all of these conditions, you are a qualified taxpayer and may be entitled to the real property tax credit. You cannot file a real property tax credit claim form for a taxpayer who has died.

Which Form to File

To claim the real property tax credit, complete Form IT-214, *Claim for Real Property Tax Credit,* and attach it to Form IT-200 or Form IT-201. (You cannot claim this credit on Fast Form IT-100.) If neither you nor your spouse has to file a New York return but you qualify to claim the credit, just file Form IT-214 to claim your credit payment.

If more than one member of your household qualifies for the credit, each must file a separate Form IT-214. However, if you are married and filing a joint tax return, you must file a joint claim on Form IT-214.

When to File

If you are filing a New York State income tax return, attach Form IT-214 to it. File your New York State income tax return as soon as you can after January 1, 1988 but not later than April 15, 1988.

If you don't have to file a New York State income tax return, file Form IT-214 as soon as you can after January 1, 1988.

Privacy Notification

The authority to request this personal information from you or your employer, including identifying numbers (Social Security numbers, etc.), is found in Sections 651, 652, 658, 697, 1306, 1332 and 1342, Articles 22, 30, 30-A and 30-B in general of the Tax Law, Article 2-E of the General City Law and Part 152 of the Personal Income Tax Regulations. The principal purpose for which the information is collected is to assist the Department of Taxation and Finance in determining New York State personal income tax liabilities under Article 22 of the Tax Law, New York City personal income tax liabilities under Article 30 of the Tax Law and Article 2-E of the General City Law, and City of Yonkers income tax surcharge on residents and earnings tax on nonresidents under Articles 30-A and 30-B of the Tax Law. The authority to maintain this information is found in Section 697(e) of the Tax Law and Section 152.8 of the Personal Income Tax Regulations.

The information will be used for tax administration purposes and as necessary under Tax Law Sections 171-a, 171-b, 171-c, 171-d, 171-e and 697 and for any other purpose authorized by law, and when the taxpayer gives written authorization to this department for another department, person, agency or entity to have access, limited or otherwise, to information contained in their return.

Failure to provide the requested information may result in civil penalties under Section 685, 1312, 1332 and 1342 of the Tax Law and/or criminal penalties under Article 37 of the Tax Law.

This information will be maintained by the Director, Accounting and Records Management Bureau, Processing Division, Department of Taxation and Finance, W. A. Harriman Campus, Building 8, Room 905, Albany, New York, 12227, telephone 1 800 CALL TAX (1 800 225-5829); from outside New York State call (518) 438-8581.

Line-by-Line Instructions — Form IT-214

Print or type the information requested in the name and address box at the top of page 1. Enter your name, address, social security number and county of residence as of December 31, 1987. Married taxpayers enter both social security numbers. On the bottom line of the name and address box, enter the address of the New York residence that qualifies you for this credit if it is different from your mailing address. If not, enter the word "same" on this line.

Line 1

If you were a resident of a nursing home or if your residence was completely exempted from property taxes in 1987, check the **Yes** box. If not, check the **No** box.

Generally, residents of nursing homes do not qualify for this credit because they share common living facilities (see definition of members of household). This situation causes all residents of a nursing home to be disqualified since they are all considered to be members of one household which usually exceeds the household gross income level of $18,000 and the average monthly rent level of $450. If you are a resident of a nursing home and you check the "Yes" box, do **not** file Form IT-214 unless you attach a statement explaining how your household does not exceed these two limitations.

Some public housing projects are completely exempt from paying real property taxes. Residents of those projects do **not** qualify for this credit. Find out if your project is completely exempt from paying real property taxes by asking the management of your project. If you live in a public housing project and check the "Yes" box on line 1, do **not** file Form IT-214.

Line 2a

Enter the number of members of your household, including yourself, who are filing a Form IT-214 for 1987. Count a joint claim filed by husband and wife as one Form IT-214. See the instructions for Line 16 if more than one member of your household is filing Form IT-214.

Line 2b

If any qualified member of your household was 65 or older on December 31, 1987, check the **Yes** box. If not, check the **No** box. Among other conditions (see *Who Qualifies*), a household member 65 or older must have paid real property taxes or rent to qualify for this credit. If you checked the "Yes" box on line 2b, indicating that you or a member of your household was 65 or older on December 31, 1987, enter the social security number of that person in the box "Qualifying social security number." Enter "same" if it is your social security number.

Line 3, 4, 5 and 6

Check the appropriate box.

If you checked a shaded box on line 3, 4, 5 or 6, stop; you do not qualify for this credit.

Line 7

Check the appropriate box. If you owned your residence for part of the year and rented your residence for part of the year, check the **Own** box.

Complete Schedule A or B and Schedule C on page 2 of Form IT-214 before continuing with line 8.

Schedule A (Homeowners)

Enter on lines 17 and 18 any county, city, town, village or school district taxes and assessments that you and all qualified members of your household paid during 1987 (do not include penalty and interest charges). Persons age 65 or older may enter on line 19 the amount exempted from taxation under Section 467 of the Real Property Tax Law (do not include the veterans' tax exemption). However, if you choose to make an entry on line 19, your credit, before limitation, will be only 25% (instead of 50%) of your eligible real property taxes. You may want to figure your credit both ways to see which results in the greater credit. Add lines 17 through 19 and enter the total on line 20. Transfer this amount to line 9 on page 1.

Schedule B (Renters)

Enter on line 21 the total rent you and all members of your household paid during 1987; do not include any subsidized part of your rental charge. Figure the amounts to be entered on lines 22, 23 and 24. Transfer the amount on line 24 to line 9, page 1.

If the monthly average of your adjusted rent (line 23) was more than $450, stop; you do not qualify for this credit.

Schedule C (Homeowners and Renters)

List the names and social security numbers of everyone, including yourself, who lived in your household in 1987. Also give the date of birth of any qualified household member who was 65 or older as of December 31, 1987. If you need more space, list additional names on a separate sheet and attach it to Form IT-214. Enter on line 25 the total number of household members.

Figure your household gross income by completing lines 26 through 33.

Enter on line 26 the total federal adjusted gross income of you and all members of your household. If you or any members of your household do not have to file a federal return, include the amount that would be included in federal adjusted gross income if a federal return had been required.

Enter on line 27 the total additions to federal adjusted gross income required by Section 612(b) of the Tax Law. For a list of these additions, see Publication 308, *Real Property Tax Credit,* or the instructions for Form IT-201. Include the total of these additions that apply to you and all members of your household, even if a New York State income tax return is not required.

Enter on lines 28 through 32 the total of each type of income you and all members of your household received during 1987 that was not included on lines 26 and 27.

If someone was a member of your household for only part of the taxable year, include on lines 26 through 32 the income they received while they were a member of your household.

Add lines 26 through 32 and enter the total on line 33. Round this amount to the nearest whole dollar and transfer it to line 10 on page 1. If this amount is more than $18,000, **stop**; you do not qualify for this credit.

Line 8

If you qualify for an exemption from taxation under Section 467 of the Real Property Tax Law and elect to enter this exemption on line 19, check the **Yes** box. If not, check the **No** box.

Line 9

Real Property Taxes Paid or 25% of Adjusted Rent Paid

If you owned your residence for all of 1987, enter your real property taxes paid (from Schedule A line 20) on line 9.

If you rented your residence for all of 1987, enter 25% of your adjusted rent paid (from Schedule B line 24) on line 9.

If you owned your residence for part of the taxable year and rented your residence for part of the taxable year, add 25% of your adjusted rent paid (from Schedule B) to the prorated part of any charges you list on Schedule A. Enter this total on line 9.

Line 10

Transfer the total from Schedule C, line 33 to this line.

Line 11 Rate

Using the table following line 11, find the rate that applies to your household gross income and enter it on line 11.

Line 12

Multiply the amount on line 10 by the rate on line 11 and enter the result on line 12.

Line 13

Subtract line 12 from line 9 and enter the difference on line 13. If the amount on line 12 is more than the amount on line 9, **stop**; no credit is allowed.

Line 14

If you entered on line 19 any amount of taxes not paid due to the exemption for persons 65 or older (Section 467 of the Real Property Tax Law), enter 25% of line 13 and enter the result on line 14. If you did **not** make an entry on line 19, enter 50% of line 13 and enter the result on line 14.

Line 15

Credit Limitation

Using the following table, find your credit limitation according to the amount of your household gross income (line 10) and the age of qualified household members (line 2b). Be careful to select your limitation from the proper column.

If the amount on line 10 is:	And you checked: YES on line 2b, enter on line 15:	And you checked: NO on line 2b, enter on line 15:
$ 0 to $1,000	$375	$75
1,001 to 2,000	358	73
2,001 to 3,000	341	71
3,001 to 4,000	324	69
4,001 to 5,000	307	67
5,001 to 6,000	290	65
6,001 to 7,000	273	63
7,001 to 8,000	256	61
8,001 to 9,000	239	59
9,001 to 10,000	222	57
10,001 to 11,000	205	55
11,001 to 12,000	188	53
12,001 to 13,000	171	51
13,001 to 14,000	154	49
14,001 to 15,000	137	47
15,001 to 16,000	120	45
16,001 to 17,000	103	43
17,001 to 18,000	86	41

Line 16

Real Property Tax Credit

The real property tax credit for your household is the amount on line 14 or line 15 — whichever is less. Enter the lesser amount on line 16.

If more than one member of your household is filing Form IT-214, divide the line 16 amount equally among all filers. You can divide the line 16 amount any way you want if you each agree to the amount of your share and attach a copy of the agreement to your Form IT-214. Enter only your share of the line 16 amount on your Form IT-214 (and on your return if you have to file one).

If you are married and filing a joint Form IT-214, you do not have to divide the credit. However, if you do not want to apply your share of a credit to a debt owed by your spouse, you must also file Form IT-280, *Nonobligated Spouse Allocation (see Collection of debts from your refund* below*).*

If you are filing a 1987 New York State income tax return, transfer your line 16 amount to Form IT-200, line 28 or Form IT-201, line 72.

Your credit will be subtracted from the amount of tax you owe. Any amount over the tax you owe will be refunded to you.

Sign Form IT-214 and attach it to the return you are filing.

If you pay someone to prepare Form IT-214, the paid preparer must also sign it and fill in the other blanks in the paid preparer's area. If someone prepares Form IT-214 for you and does not charge you, that person should not sign it.

If you are not filing a 1987 New York State income tax return, sign and date Form IT-214 and mail it to:

New York State Income Tax
W. A. Harriman Campus — REFUND '87
Albany, NY 12227-0125

Your real property tax credit payment will be mailed to you.

Collection of debts from your refund — We will keep all or part of your refund if you owe a federal, New York State, City of New York or City of Yonkers tax liability past-due spousal or child support; or if a judgment was filed against you because you have not repaid a student loan guaranteed by the New York State Higher Education Services Corporation or a Carl D. Perkins National Defense/National Direct, health professions or nursing student loan provided to students at state-operated units of the State University of New York or the City University of New York. Any amount over your debt will be refunded. If you are married and you do not want to apply your part of the refund to your spouse's debt because you are not liable for it, fill in Form IT-280, *Nonobligated Spouse Allocation*, and attach it to your return. If you do not have to file a return, attach it to Form IT-214. You cannot amend your return to disclaim your spouse's debt.

If you have any questions about whether you owe a federal, New York State, City of New York or City of Yonkers tax liability, past-due spousal or child support, whether you have repaid your HESC guaranteed or state or city university student loan, or about the amount owed, call or write to the agency shown below:

☐ **For a federal tax liability —**
(518) 472-3608
I.R.S. Special Procedures Function
Leo O'Brien Federal Building
Clinton and North Pearl Streets
Albany, NY 12207

(718) 780-6636
Internal Revenue Service
P.O. Box 911 G.P.O.
Brooklyn, NY 11202

(716) 846-5439
Internal Revenue Service
P.O. Box 266 Niagara Square Station
Buffalo, NY 14202

(212) 264-1140
Internal Revenue Service
Attn: C: FS 3rd Floor
P.O. Box 2827
New York, NY 10277

☐ **For a New York State, City of New York or City of Yonkers tax liability —**
1-800-835-3554
outside NYS (518) 482-0683
NYS Tax Compliance Division
W. A. Harriman Campus
Albany, NY 12227

☐ **For past-due spousal or child support —**
(518) 473-8029
NYS Office of Child Support Enforcement
Special Collections Unit
P.O. Box 125
One Commerce Plaza
Albany, NY 12260

☐ **For HESC guaranteed student loans —**
(518) 474-0991
NYSHESC
99 Washington Avenue
Albany, NY 12255

☐ **For State University student loans —**
(518) 443-5626
Student Loan Service Center
State University of New York
SUNY Plaza
Albany, NY 12246

☐ **For City University student loans —**
(212) 397-5620
NDSL/NSL Department
Room 1696
City University of New York
University Accounting Office
555 West 57th Street
New York, NY 10019