



Instructions for Form IT-214

IT-214-I

Claim for Real Property Tax Credit for Homeowners and Renters

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 1994. If you do not have to file a return, you can file for a refund of the credit by using Form IT-214 only.

Who Qualifies

Homeowners — To qualify for the real property tax credit, you have to meet all of these conditions for the taxable year 1994:

- 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 1994;
- 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 1994:

- 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 1994;
- 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 as a homeowner or renter, 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.

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, subtenants, 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 22, *General Information on New York State's Real Property Tax Credit for Homeowners and Renters*, or the instructions for Form IT-201. For Form IT-200 filers, the New York State additions to federal adjusted gross income are shown on Form IT-200, line 8, Public employee 414(h) retirement contributions and line 9, IRC 125 amounts from the New York City flexible benefits program. See instructions for Form IT-200.
- Any part of the following items of income **not** included in either of the above:
 - the gross amount of pensions and annuities, including railroad retirement benefits, all payments received under the federal Social Security Act and veterans' disability pensions;
 - support money including foster care support payments;
 - 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. It also does not include payments made to veterans under the Federal Veterans' Dioxin and Radiation Exposure Compensation Standards Act because of exposure to herbicides containing dioxin (agent orange), or pursuant to certain agent orange product liability litigation.

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 is also a residence.

Real property taxes paid are all current, prior and prepaid 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. Adjusted rent is the rent paid after subtracting any charges for heat, gas, electricity, furnishings or board. If these charges are not separately stated, complete

household was 65 or older on December 31, 1994, 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 8

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 the back of Form IT-214 before continuing with line 9.

Schedule A (Homeowners)

Enter on lines 18 and 19 any county, city, town, village or school district taxes and assessments that you and all qualified members of your household paid during 1994 (do not include penalty and interest charges). Persons age 65 or older may enter on line 20 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 20, 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 18 through 20 and enter the total on line 21. Transfer this amount to line 10 on the front of Form IT-214.

Schedule B (Renters)

Enter on line 22 the total rent you and all members of your household paid during 1994; do not include any subsidized part of your rental charge. Figure the amounts to be entered on lines 23, 24 and 25. Transfer the amount on line 25 to line 10, on the front of Form IT-214.

If the monthly average of your adjusted rent (line 24) was more than \$450, stop; you do not qualify for this credit.

Schedule C (Homeowners and Renters)

List the name, social security number and year of birth of everyone, including yourself, who lived in your household in 1994. If you need more space, list additional names on a separate sheet and attach it to Form IT-214. Enter in the boxes on line 26 the total number of household members.

Figure your household gross income by completing lines 27 through 34.

Enter on line 27 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 28 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 22, *General Information on New York State's Real Property Tax Credit for Homeowners and*

Renters, or the Instructions for Form IT-201. For Form IT-200 filers, the New York State additions to federal adjusted gross income are shown on Form IT-200, line 8, Public employee 414(h) retirement contributions and line 9, IRC 125 amounts from the New York City flexible benefits program. See instructions for Form IT-200. 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 29 through 33 the total of each type of income you and all members of your household received during 1994 that was not included on lines 27 and 28.

If someone was a member of your household for only part of the taxable year, include on lines 27 through 33 the income he or she received while a member of your household.

Add lines 27 through 33 and enter the total on line 34. Round this amount to the nearest whole dollar and transfer it to line 11 on the front of Form IT-214. If this amount is more than \$18,000, **stop**; you do not qualify for this credit.

Line 9

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 20, check the *Yes* box. If not, check the *No* box.

Line 10

Real Property Taxes Paid or 25% of Adjusted Rent Paid

If you owned your residence for all of 1994, enter your real property taxes paid (from line 21) on line 10.

If you rented your residence for all of 1994, enter 25% of your adjusted rent paid (from line 25) on line 10.

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 the total on line 10.

Line 15

If you entered on line 20 any amount of taxes not paid due to the exemption for persons 65 or older (section 467 of the Real Property Tax Law), figure 25% of line 14 and enter the result on line 15. If you did **not** make an entry on line 20, figure 50% of line 14 and enter the result on line 15.

Line 16

Credit Limitation

Using the following table, find your credit limitation according to the amount of your household gross income (line 11) and the age of qualified household members (line 3). Be careful to select your limitation from the proper column.

If the amount on line 11 is:	And you checked:	
	Yes on line 3, enter on line 16:	No on line 3, enter on line 16:
\$ * 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

* This may include a negative amount.

Line 17

Real Property Tax Credit

The real property tax credit for your household is the amount on line 15 or line 16 - whichever is less. Enter the lesser amount on line 17.

If more than one member of your household is filing Form IT-214, divide the line 17 amount equally among all filers. You can divide the line 17 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 17 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 and Disclaiming of spouse's debt on the next page)*.

If you are filing a 1994 New York State income tax return, transfer your line 17 amount to Form IT-200, line 32 or Form IT-201, line 71.

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.

Failure of paid preparers to conform to certain requirements - A penalty of \$50 per return or claim for refund will be assessed a paid preparer for failure to comply with any of the following requirements:

- failure to sign the tax return or claim for refund;
- failure to include the identifying number of the paid preparer (if an individual paid preparer is an employee of an employer or a partner in a partnership that is a paid preparer, the return or claim for refund must also include the identifying number of the employer or partnership);

- failure to furnish a completed copy of the tax return or claim for a refund to the taxpayer not later than the time the return is presented for the taxpayer's signature;
- failure to keep completed copy of the return or claim for refund prepared for each taxpayer or to keep the name and identification number of each taxpayer for whom a return or claim for refund was prepared on a list and to make the copy or list available for inspection upon request.

The period for keeping a completed copy of the return or information on the list is three years after the due date of the return (without regard to extensions) or three years after the date the return was presented to the taxpayer for signature, whichever is later. The period for keeping a completed copy of a claim for refund is three years from the time the claim for refund was presented to the taxpayer for signature.

For each of the requirements listed above, a paid preparer may be subject to a maximum penalty of \$25,000.

If you are not filing a 1994 New York State income tax return, sign and date Form IT-214 and mail it to:
STATE PROCESSING CENTER
ONE WATERVLIET AVE EXT
ALBANY NY 12261-0001

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 (1) you owe a federal, New York State, New York City or Yonkers tax liability; or (2) we have been notified by the New York State Department of Social Services that you owe past-due support; or (3) you owe a past-due debt because you have defaulted on (or 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 Federal 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.

We will also keep all or part of your refund if you owe a past-due legally enforceable debt to a New York State agency. A state agency includes any state department, board, bureau, division, commission, committee, public authority, public benefit corporation, council, office, or other governmental entity performing a governmental or proprietary function for the state.

Any amount over your debt will be refunded.

Disclaiming of spouse's debt - 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. If you are filing Form IT-280 to disclaim your spouse's debt, **attach the completed form to your original return.** We need the information on it to process your refund as quickly as possible. Once you have filed your return, you cannot file an amended return to disclaim your spouse's defaulted student loan or past-due support liability or past-due legally enforceable debt owed to a state agency. (However, you will be notified if your refund is applied against your spouse's defaulted student loan or past-due support or past-due legally enforceable debt owed to a state agency and you did not attach Form IT-280 to your return. You will then have ten days from the date of notification to file Form IT-280. However, this will result in a delay in your refund and extra work for you.) For more information, see Form IT-280.

If you have any questions about whether you owe a past-due legally enforceable debt to a state agency, contact that particular state agency.

If you have any questions about whether you owe a federal, New York State, New York City or Yonkers tax liability, past-due 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 only —

(518) 472-3608
 IRS SPECIAL PROCEDURES FUNCTION
 LEO O'BRIEN FEDERAL BUILDING
 CLINTON AND NORTH PEARL STREETS
 ALBANY NY 12207

(718) 488-9150
 INTERNAL REVENUE SERVICE
 P O BOX 911 G P O
 BROOKLYN NY 11202

1 800 829-1040
 INTERNAL REVENUE SERVICE
 P O BOX 1040 NIAGARA SQUARE STATION
 BUFFALO NY 14202

(212) 732-0100
 INTERNAL REVENUE SERVICE
 625 FULTON STREET
 BROOKLYN NY 11201

For a New York State, New York City or Yonkers tax liability only —

1 800 835-3554
 (from the continental U.S. only)
 From areas outside New York State, call
 (518) 482-0778
 NYS TAX DEPARTMENT
 TAX COMPLIANCE DIVISION
 W A HARRIMAN CAMPUS
 ALBANY NY 12227

For past-due support only —

(518) 473-8029
 NYS DEPARTMENT OF SOCIAL SERVICES
 OFFICE OF CHILD SUPPORT ENFORCEMENT
 FISCAL OPERATIONS UNIT
 P O BOX 14 - ONE COMMERCE PLAZA
 ALBANY NY 12260

For NYS HESC guaranteed student loans only —

1 800 666-0991
 NYSHESC
 99 WASHINGTON AVENUE
 ALBANY NY 12255

For State University student loans only —

(FEDERAL PERKINS/NDSL/HPSSL/NSL ONLY)
 (518) 443-5626
 STUDENT LOAN SERVICE CENTER
 STATE UNIVERSITY OF NEW YORK
 SUNY PLAZA
 ALBANY NY 12246

For City University student loans only —

(212) 397-5620
 FEDERAL PERKINS/NDSL/NSL DEPARTMENT
 CITY UNIVERSITY OF NEW YORK
 UNIVERSITY ACCOUNTING OFFICE
 555 WEST 57TH STREET
 NEW YORK NY 10019

Privacy Notification

Our authority to require personal information, including social security numbers, is found in sections 651, 652, 658, 697, 1306, 1312, 1332 and 1342 of the Tax Law, Article 2-E of the General City Law, and related parts of our personal income tax regulations.

We will use this information primarily to process your tax return and collect your personal income tax for the state or city of New York, the income tax surcharge on residents for the city of Yonkers or the earnings tax on nonresidents for the city of New York or Yonkers, whichever may apply to you. We may also use it to help enforce other taxes under the Tax Law, for tax refund offset programs and exchange of tax information programs authorized by sections 171-a, 171-b, 171-c, 171-d, 171-e, 171-f, 171-g and 697 of the Tax Law, and for any other purposes authorized by law.

Your failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law or the Penal Law.

Our authority to maintain this information is found in section 697(e) of the Tax Law and a related section of our personal income tax regulations. This information will be maintained by the Director Data Management Services Bureau, NYS Tax Department, Building 8 Room 905, W A Harriman Campus, Albany NY 12227; telephone (from New York State only) 1 800 CALL TAX (1 800 225-5829); from outside New York State, call (518) 438-8581.