

1980 LEGISLATION

REAL PROPERTY TAX CREDIT OR DEDUCTION

Chapter 70 of the Laws of 1978 provided a real property tax credit under Article 22, section 606(e) or a real property tax deduction under section 612(m).

Chapter 888 of the Laws of 1980, enacted November 26, 1980, extended the real property tax credit through the taxable year 1981. However, this act does not extend the real property tax deduction. The deduction will only be available for taxable years beginning on or after January 1, 1978 and before January 1, 1981.

The amendments liberalized certain limits of the real property tax credit as follows:

- a. Household gross income limitation for qualified taxpayers has been increased from \$12,000 or less to \$13,500 or less.
- b. Maximum real property tax credit for qualified taxpayers age 65 or over was increased.

Household gross income			
<u>At Least</u>	<u>But not over</u>	<u>Rate</u>	<u>Limitation</u>
0	\$3,600	.04	\$250
\$3,601	5,400	.05	250
5,401	7,200	.06	250
7,201	13,500	.07	100

- c. Maximum real property tax credit for qualified taxpayers under age 65 has been increased to \$45.

Household gross income			
<u>At least</u>	<u>But not over</u>	<u>Rate</u>	<u>Limitation</u>
0	\$5,400	.05	\$ 45
\$5,401	7,200	.06	45
7,201	10,000	.06	45
10,001	13,500	.07	45

The amendments to the real property tax credit are effective for taxable years beginning on and after January 1, 1981.

This memorandum is a supplement to TSB-M-78-(5)-I(REV), dated January 24, 1979, and should be used in conjunction with the original memo.