

**Homestead Tax Credit
Budget 70
House Bill No. 1006**

| | FTE Positions | General Fund | Other Funds | Total |
|---|----------------------|---------------------|--------------------|--------------|
| 2001-03 legislative appropriation | 0.00 | \$4,540,813 | | \$4,540,813 |
| 1999-2001 legislative appropriation | 0.00 | 4,540,813 | | 4,540,813 |
| 2001-03 appropriation increase (decrease) to 1999-2001 appropriation | 0.00 | \$0 | \$0 | \$0 |

Item Description

Homestead tax credit program - For eligible homeowners, the program provides for a graduated reduction in the taxable value and resulting taxes of a person's homestead.

For eligible renters, the program provides a direct payment of up to \$240 to renters of the amount by which 20 percent of the total rent (representing the property tax portion) exceeds 4 percent of the applicant's annual income.

Status/Result

The schedules below present the number of eligible homeowners and renters and the payments made in recent years:

| Number Eligible for Program | | | |
|------------------------------------|-------------------|----------------|--------------|
| Year | Homeowners | Renters | Total |
| 1997 | 5,680 | 1,499 | 7,179 |
| 1998 | 5,278 | 1,482 | 6,760 |
| 1999 | 4,943 | 1,454 | 6,397 |
| 2000 | 4,457 | 1,508 | 5,965 |

| Payments Made Under Program | | | |
|------------------------------------|-------------------|----------------|--------------|
| Year | Homeowners | Renters | Total |
| 1997 | \$2,072,141 | \$166,841 | \$2,238,982 |
| 1998 | \$1,974,283 | \$165,060 | \$2,139,343 |
| 1999 | \$1,852,124 | \$173,370 | \$2,025,494 |
| 2000 | \$1,817,552 | \$190,211 | \$2,007,763 |