

SENIOR CITIZENS SEEKING TAX RELIEF CAN DEFER UP TO \$7,500 IN PROPERTY TAXES

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Senior citizens sixty-five years of age or older who are struggling with property taxes can defer payment of their taxes until their homes or condominiums are sold. According to Oak Park Township Assessor Ali ElSaffar, the Senior Citizen Tax Deferral Program allows seniors to defer as much as \$7,500 of their property tax bill every year. In prior years, the maximum amount that could be deferred was \$5,000.

To qualify for the deferral program, seniors must have annual household income of less than \$65,000, have equity in their homes that exceeds the sum of property taxes deferred, and have lived in their homes for at least three years. Two-flats and other properties that generate rental income are not eligible for the program. Properties held in a trust are also ineligible, although there are some exceptions to this rule. Applications must be submitted by March 1, 2024.

The tax deferral program is essentially a loan from the state that is charged simple interest. The annual interest rate used to be 6% per year, but the rate has been reduced to 3% for new deferrals taken out this year.

To assure repayment of the deferral loan when the property is sold, a lien is placed on the senior's home. "Having a lien placed on a home is often considered a bad thing. But a home mortgage is also a lien on the home, and no one views mortgages in a negative light. Liens, whether for mortgages or property taxes, are merely designed to ensure that the lent money is repaid," ElSaffar said.

There are some circumstances, however, where senior citizens might not want a lien on their homes. Seniors uncertain about whether to apply can speak with the Township Assessor's office, but should also consider discussing the matter with legal advisers, financial advisers or family members.

ElSaffar advises those interested in the deferral program to apply for other tax benefits available to senior citizens. "If you are eligible for the deferral, you should also be eligible for the Senior Freeze and the Senior Exemption. By applying for the other senior benefits, you will reduce your property tax liability, which may reduce the deferred tax that will eventually be repaid."

Seniors with additional questions about the deferral can call the Oak Park Township Assessor's office at (708) 383-8005.

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